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Floor Debate
May 25, 2011

[LB152 LB200 LB200A LB256 LB387 LB397 LB400 LB427 LB667 LB667A LB700
LB701 LB702 LB704 LR141 LR204 LR259 LR352 LR353 LR354 LR355]

PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the eighty-sixth day the One Hundred Second Legislature, First Session. Our chaplain for today is Senator Christensen. Would you all please rise.

SENATOR CHRISTENSEN: (Prayer offered.)

PRESIDENT SHEEHY: Thank you, Senator Christensen. I now call to order the eighty-sixth day of the One Hundred Second Legislature, First Session. Senators, please record your presence. Please 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, reports, or announcements?

CLERK: Your Committee on Agriculture, chaired by Senator Carlson, reports LB427 to General File with committee amendments attached. I have an explanation of vote from Senator Price, Mr. President (Re LB152, LB667, and LB667A). And that's all that I have. (Legislative Journal page 1787.) [LB427 LB152 LB667 LB667A]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We will now move to Final Reading. Members should return to their seats in preparation for Final Reading. Mr. Clerk, we will now proceed to LB700. [LB700]

ASSISTANT CLERK: (Read LB700 on Final Reading.) [LB700]

PRESIDENT SHEEHY: All provisions of law relative to procedure having been complied with, the question is, shall LB700 pass with the emergency clause attached? All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB700]

ASSISTANT CLERK: (Record vote read, Legislative Journal page 1788.) The vote is 47 ayes, 0 nays, 2 excused and not voting, Mr. President. [LB700]

PRESIDENT SHEEHY: LB700 passes with the emergency clause attached. We will

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now proceed to LB701. [LB700 LB701]

ASSISTANT CLERK: (Read LB701 on Final Reading.) [LB701]

PRESIDENT SHEEHY: All provisions of law relative to procedure having been complied with, the question is, shall LB701 pass with the emergency clause attached? All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB701]

ASSISTANT CLERK: (Record vote read, Legislative Journal page 1789.) The vote is 47 ayes, 0 nays, 2 excused and not voting. [LB701]

PRESIDENT SHEEHY: LB701 passes with the emergency clause attached. We will now proceed to LB702. [LB701 LB702]

ASSISTANT CLERK: (Read LB702 on Final Reading.) [LB702]

PRESIDENT SHEEHY: All provisions of law relative to procedure having been complied with, the question is, shall LB702 pass with the emergency clause attached? All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB702]

ASSISTANT CLERK: (Record vote read, Legislative Journal pages 1789-1790.) The vote is 47 ayes, 0 nays, 2 excused and not voting, Mr. President. [LB702]

PRESIDENT SHEEHY: LB702 passes with the emergency clause attached. We will now proceed to LB397. Mr. Clerk, the first vote is to dispense with the at-large reading. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB702 LB397]

ASSISTANT CLERK: 45 ayes, 0 nays to dispense with the at-large reading. [LB397]

PRESIDENT SHEEHY: The at-large reading is dispensed with. Please read the title. [LB397]

ASSISTANT CLERK: (Read title of LB397.) [LB397]

PRESIDENT SHEEHY: All provisions of law relative to procedure having been complied with, the question is, shall LB397 pass? All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB397]

ASSISTANT CLERK: (Record vote read, Legislative Journal pages 1790-1791.) The vote is 48 ayes, 0 nays, 1 excused and not voting. [LB397]

PRESIDENT SHEEHY: LB397 passes. We will now proceed to LB400. Mr. Clerk, the first vote is to dispense with the at-large reading. All those in favor vote yea; opposed,

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nay. Record, Mr. Clerk. [LB397 LB400]

ASSISTANT CLERK: 41 ayes, 0 nays to dispense with the at-large reading. [LB400]

PRESIDENT SHEEHY: The at-large reading is dispensed with. Please read the title. [LB400]

ASSISTANT CLERK: (Read title of LB400.) [LB400]

PRESIDENT SHEEHY: All provisions of law relative to procedure having been complied with, the question is, shall LB400 pass? All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LB400]

ASSISTANT CLERK: (Record vote read, Legislative Journal page 1791.) The vote is 47 ayes, 1 nay, 1 excused and not voting, Mr. President. [LB400]

PRESIDENT SHEEHY: LB400 passes. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR259 and LB700, LB701, LB702, LB397, and LB400. [LB400 LR259 LB700 LB701 LB702 LB397]

SENATOR LANGEMEIER PRESIDING

SENATOR LANGEMEIER: Mr. Clerk, continuing on today's agenda, LB256, motion to override the Governor's veto. [LB256]

CLERK: Mr. President, Senator Karpisek would move that LB256 become law notwithstanding the objections of the Governor. [LB256]

SENATOR LANGEMEIER: Thank you. Senator Karpisek, you're recognized to open on your motion. [LB256]

SENATOR KARPISEK: Thank you, Mr. President and members of the body. I'd like to welcome you to the third annual Russ Karpisek versus the Governor veto override. (Laughter) I know the session is winding down and everyone is antsy to get out of here and so am I, but I'm going to ask for your patience one last time to hear me out this session. The Governor wrote in his veto letter that, "in the absence of any specific plans to replace the track in Lancaster County after the 2012 season, I presume the intent of LB256 is to allow the track in Lancaster County to maintain a simulcast license in order to conduct pari-mutuel wagering without having any physical racetrack enclosure." The Governor's presumption is incorrect. I do not fault the Governor. His presumption is relying on an AG's Opinion that also presumes that assumption. I said when this bill was debated on Select File that, "in the interest of establishing the legislative intent of this bill and amendment...I will say it again, this bill and amendment should not be interpreted to

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somehow allow for simulcast to be conducted at a facility that is not a licensed racetrack enclosure. I do not know that I can be any clearer." I still don't know that I can be any clearer. The Attorney General has created a straw man argument that can easily be knocked down. There is no constitutional requirement that a licensed racetrack enclosure has to host a live horse race. The constitution only requires that there be a licensed racetrack enclosure to have simulcast. The only requirement for having a live horse race is in statute, and it is the statute that I am trying to change with LB256. Let me repeat that. The only requirement for having a live horse race is in statute, not constitution, and this is the statute that I am trying to change with LB256. The Attorney General is correct that it would be unconstitutional to have simulcast, but not a licensed racetrack enclosure. I have always agreed with that. I have said that too. If we would go through the whole debate on this and not cherry-pick what we want to take out of it, we could take that out. But what the Attorney General seems to forget is that I have always maintained that this bill does nothing to try to get around the constitutional requirement of a licensed racetrack enclosure, and any such interpretation would be contrary to the intent of this bill and the legislative record that I have been very careful to establish. A new facility in Lancaster County would have to have a licensed racetrack enclosure. The racetrack enclosure would then have to be licensed by the State Racing Commission, which consists of members appointed by the Governor and confirmed by the Legislature. Now I can't predict that the State Racing Commission would license such a racetrack enclosure but neither can anyone else. So rather than trying to speculate wildly about what will happen, let's wait and see if such a racetrack enclosure is built in Lancaster County and gets licensed by the State Racing Commission, which the Governor and this Legislature has put in place. The intent of this bill is to allow a licensed racetrack enclosure located in Lancaster County to operate simulcast without incurring the additional expense of hosting live horse racing for 15 years. But it would still have to have a racetrack. Nothing changes that. I would expect that the licensed racetrack enclosure would not initially be the Cadillac of facilities, but would meet the minimum requirements of a licensed racetrack enclosure as determined again by the State Racing Commission. Having simulcast for 15 years without live horse racing would allow the facility time to demonstrate revenues and secure the necessary financing. Keep in mind that the horse racing industry wants to run live horse races in Lancaster County as soon as possible. It is the second biggest revenue that they have. I hope that I have adequately addressed the inaccurate assumptions found in the Attorney General's Opinion. Now I want to focus on why this bill is also important to me and why I hope it's important to you. For me the issue is not about gambling. For me this bill is about economic development. More horse racing means more jobs in Nebraska. Why is it that we only seem to care about certain jobs in certain industries? Horse racing goes to the heart of our state's agricultural roots, and horses need to be bred, fed, trained, and cared for. Real people do these jobs, real Nebraskans do these jobs. That's why I brought this bill to help a struggling industry that needs a presence in the Lancaster County market. To not pass this bill not only kills the critical Lancaster County market, but could be the domino that fatally cripples the horse racing industry

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across Nebraska. I wouldn't feel so passionate about this issue if the Legislature hadn't played a role in taking away their current racetrack at the fairground. What I'm asking for isn't even a permanent change. I'm simply asking that we give the horse racing industry time, which is 15 years to get back on their feet. Please join me in supporting the Nebraskans who work in the horse racing industry, and vote for this gubernatorial override. Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Senator Karpisek. You have heard the opening on the motion to override the Governor's veto. The floor is now open for discussion. Those wishing to speak, we have Senator Nordquist, Lautenbaugh, Gloor, Wallman, McCoy, and Mello. Senator Nordquist, you're recognized. [LB256]

SENATOR NORDQUIST: Thank you, Mr. President and members. I rise in strong support of the motion to override the Governor's veto on this. This is absolutely critical legislation for an industry in our state that employs more than 3,000 Nebraskans in an industry that needs...you know, their ultimate goal is to run live races. That's how that industry will survive and thrive. We just need to help untie the hand that we tied behind their back when this body, several years ago, decided to move the State Fair. Again it was an action of this body that essentially took away one of their tools as an industry, and this bill will allow them for a short period of time to try to get that tool back by establishing a licensed racetrack enclosure under the direction, or under the authority of the Nebraska Racing Commission. I don't think we are certainly going beyond anything that is reasonable here. We're just trying to help, again an industry 15 years. This is not a slippery slope. The legislation is pretty clear about what a racetrack licensee we're talking about in the county which contains the city of the primary class and again it's only until January 1, 2027, that they can contract away all of their live race days. Certainly, this industry needs the second biggest market in the state and this is not a giveaway to the industry. This is not a subsidy for the industry, but rather this is just a way for us to rectify the situation that we put this industry in by moving the State Fair and moving and taking away the racetrack here in Lancaster County. Certainly, on the constitutional issues this morning as I was getting ready, I remember when my good friend Senator Lautenbaugh said earlier this week. If you don't like something, you call it unconstitutional, and that's kind of where we are with this. So I appreciate that, Mr. President, and certainly I think we have to remember the jobs and the livelihoods of Nebraskans we're impacting if we don't move forward with LB256. Thank you. [LB256]

SENATOR LANGEMEIER: Thank you, Senator Nordquist. Senator Lautenbaugh, you're recognized. [LB256]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. And I, as always, rise with my friends Senators Karpisek and Nordquist in support of this motion. And I think I've been fairly consistent on trying to save this industry and trying to do what we can to help horse racing survive in Nebraska simply for the people that work

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in this business, if you will. I had a bill that I prioritized last year or the year before for historic horse racing and that failed. And it was argued that was expanded gambling even though it was betting on electronic horse racing as opposed to live horse racing. We're not hearing that this bill, somehow, is expanded gambling, which I cannot for the life of me understand. And the argument was made to me that anything that increases revenue is expanded gambling. I said, well, then an advertising campaign for the racetrack would be expanded gambling because it's meant to increase revenue. A free visor day at the racetrack would be expanded gambling because it's meant to increase revenue. We seem to go a little crazy sometimes on the issue of gambling and last time this bill was up and we were talking about what was and wasn't a licensed enclosure and what would be good enough, I said, maybe we should put the racetracks on riverboats and have them go out in the water once a day so they're actually viable riverboats and that would somehow make us feel better about having horse racing in our state. Now that doesn't make any sense but that doesn't make it unlike a lot of the comments that we hear anytime this issue comes up. The long and the short of it is, we seem to do things to constantly make life worse for horse racing in Nebraska and then we point out that it's struggling. And again, we were part of taking away the track in Lincoln and this is what it takes to get the track back. And the 15 years was not a number that was picked out of the air. The 15 years was a revenue stream after consulting with lenders and whatnot as to how to finance the new structure, as I understand it. It's not an arbitrary number. It's an important part of getting that track replaced in Lincoln. And I think we have an obligation to do that because we helped take it away. And again this industry employs thousands of people in the state of Nebraska, thousands. And I have people in my own district still, for another few days, who race horses and they travel to do it. And there's just not much for them here anymore and I don't know how much longer they will be here. And that's going to be a sad day when this is entirely gone. And I feel badly that we're helping make that happen with so many of the things we do. Horse racing is a part of Nebraska and I want it to stay a part of Nebraska. And I'm not going to turn up my nose at these jobs, be they, you know, the guy who cuts the hay or the guy who cleans the stables or the jockey or whatever. That shows how much I know about the industry right there, but in any event, they're worth saving, they're worth saving. And this is such a modest, modest accommodation, such a minor thing. We joked about how it should have been on consent calendar. How could this possibly be problematic? And there are the constitutional concerns, fine. If we have to sort that out, we will. But this is a way to save this...well, to create another track in Lincoln, if it's upheld. And, folks, you know, it's all well and good to say, you know, no, not this plan, come up with another plan. Well, where's your plan? How are we going to save these jobs otherwise? So I urge you to vote to override this veto and help us save this important industry in Nebraska. Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Senator Lautenbaugh. Senator Gloor, you're recognized. [LB256]

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SENATOR GLOOR: Good afternoon, Mr. President and good afternoon, members. I rise in support of the motion to override and to continue the daisy chain of friendship. I would have to start by quoting my friend, Senator Conrad who usually says, to be clear, members, and to be clear, my district includes Fonner Park, one of the largest tracks, if not the largest track in the state and one that will benefit by this legislation, as will all tracks, and that's what this comes down to. I have not been a supporter of expanded gaming. I've even not been an across-the-board supporter of expanded gaming when it comes to its benefits to tracks. And yet, I, as others have pointed out, see thoroughbred racing in an entirely different light. I don't go to the tracks often, two or three times a year. I can't read a racing program. I don't know who the jockeys and the trainers and the owners are that are seeing success in this particular state. All these are things that I think are important to people who go there. But I do see it as a form of entertainment, and when I have gone recently I do so with a whiff of nostalgia as I look around and see people there with business groups that are there to celebrate their business. I see friends who buy tables and find it as a relaxing afternoon. I see people from out of town who see it as an entertaining way to spend a Saturday afternoon, and I see a lot of families. I see a lot of popcorn, nachos, and sodas being eaten and drunk. I see children running around on the apron leading up to the finish line watching the thoroughbreds thunder by and I don't see it through my eyes in the same light as slots, or keno, or pickle cards, or bingo, or people who are hunkered over a computer in their basement playing on-line poker, things that are legal, things that are not quite legal perhaps. I see thoroughbred racing in a whole different light. This is legal. It's probably one of the first forms of gaming that we authorized in this body and currently exists and has stood the test of time. I see it as an extension of agribusiness, and animal husbandry, and veterinary science. I see it as part of Nebraska and I see it as a Nebraska industry. And I would hope that it continues. I know this is a long-shot. We are jockeying for position. Even our lexicon folds in things that relate to thoroughbred racing. We don't recognize it but I would point that out as a way of showing you how imbedded in, I believe, our society, thoroughbred racing is. And I don't see it as anything other than something to be helped. This isn't a request for a handout. It's a request for a hand to get through a difficult time and to breach and bridge a period of time necessary to get a track built in Lincoln. And I would ask for your support of a motion to override. Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Senator Gloor. Senator Wallman, you're recognized. [LB256]

SENATOR WALLMAN: Thank you, Mr. President and members of the Legislature. I stand in strong opinion to override. Thank you, Senator Karpisek for bringing this back on the floor. Horse racing is a sport of kings, folks. Been to Europe, still is doing well in Europe. What do we try to do here? We try to kill it off. The biggest...the angriest people got at me in cafes was when I voted to move the State Fair. Why? Because of the track.

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They figured we was going to have a deal so we would pay to move the track. We make deals. Do we follow through on deals? Not always. We should. We should be honorable. The horse racing people are honorable. I have some of the best horses in the state in my district and I know their owners. They're good, law-abiding people and have good families. And do they get rich off of these horses? No, but it is a sport of kings, folks. And you want to kill it off? Why? I want to know why. Expanded gambling? I think Senator Gloor brought up a very good point on the other forms, keno, you know, pickle cards, you name it. And they even advertise so you buy more. So I'm confused, Senator Karpisek, I'm confused why this got overrode. And if you would like to have any of my time, you're so welcome. [LB256]

SENATOR LANGEMEIER: Senator Karpisek, 3 minutes. [LB256]

SENATOR KARPISEK: Thank you, Mr. President and thank you, Senator Wallman. I don't intend for this to drag out a long time today. So this is not a filibuster today on a veto override, but I do think we need to get some things in on the record. And there is a lot of misinformation that is always thrown around on these things and she would be sad if I didn't say that the person behind the glass is the main one doing these things. But everyone believes all those things. I don't know...I can't get up here and tell you people lies all the time and get away with it. No one will trust me, but for some reason it works. So as the world turns, I guess, but I don't think it's right. This bill does go toward people in the racing industry to try to keep the racing industry going. That's what I'm trying to do here. I have brought other bills to try to help them financially, to try to put slots in, to try to do...I can't even remember everything we've tried and it's always been no, no, no, we can't do that, slippery slope. Camels nose under the tent. All those things. This bill...the main sticking point in this is having simulcast without one day of live racing. It's already simulcast without live racing 364 days a year. Is that extra day the day that everybody is going to come in and blow all their money? I don't think so. I think that's the sticking point on this. I think that's where Senator McCoy and I had gotten before that, that was the sticking point. Again, I think we leave it... [LB256]

SENATOR LANGEMEIER: One minute. [LB256]

SENATOR KARPISEK: ...I think we leave it to the Racing Commission. The Governor appointed those people. We okayed them. I've heard a few people say, oh, well, the Racing Commission will just turn a blind eye and just let it be whatever. Well, then, we must not trust the people that we put in that position, and I don't believe that that's true. These are not the industry people. They're not the breeders. These are people that have been selected by the Governor and approved by us. So I completely respect what they would do. Maybe they would not, maybe they would say, no, you have to run one live race. Well, if that's your rules, if that's the way you want it, then we will try to accommodate that. Thank you, Mr. President. [LB256]

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SENATOR LANGEMEIER: Thank you, Senator Karpisek and Senator Wallman. Senator McCoy, you're recognized. [LB256]

SENATOR McCOY: Thank you. [LB256]

SENATOR LANGEMEIER: Oh, excuse me, we're going to stop that. Items for the record. [LB256]

CLERK: I am so sorry, Senator. The Government Committee...Government, Military and Veterans Affairs will meet under the south balcony at 2:30. Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Mr. Clerk. Senator McCoy, you're recognized. [LB256]

SENATOR McCOY: Thank you, Mr. President and members. I stand this afternoon in opposition to the motion to override. As many you know, Senator Karpisek and I have spent quite a number of hours this session trying to resolve this issue, if there could be a resolution. And I appreciate his efforts on this. I don't think there's anyone in this body, hopefully nobody across the state, that doesn't appreciate Senator Karpisek's concern for the jobs in the horse racing industry and for the industry itself. And I certainly appreciate that and I know quite a number of my constituents do as well. But to me, that's really only part of the issue because the decision was made, some of you were here, I certainly was not, a number of years ago when the State Fair was moved. And a conscious decision was made clearly, not only to move the State Fair but to close the Lincoln racetrack. I believe, and I believe it was a prudent and wise decision that that decision was made to pave the way for many, many, many new jobs, hopefully, through Innovation Park. I hope my kids, four of them under the age of eight, will have a chance to raise their children here in Nebraska. I hope, maybe some day, my kids can work in Innovation Park. I think there will be a ton of new jobs there, hopefully, in years to come. That's the core of that issue. But what really concerns me and what really is the sticking point for me on this bill is what this may cost the state down the road to defend. I'm not an attorney but I'd like to draw your attention in 2007 when the Legislature paid in a claims bill, \$302,204.16 in a claims bill in defense of Initiative 300. You know, to me this is really about we can sustain this veto, or we can spend money later. And I don't think that's wise, not in the budgetary situation we're in. We all know what we've had to cut, the pain that's been caused by the budget cuts that we've put in place this year. You know, in 1996 we probably all remember when Amendment 1 was on the ballot to give the Legislature the ability to make the decision as to pari-mutuel betting. You know, that measure failed with 62.1 percent of voters across the state of Nebraska voting against it, 37.9 percent voting for it. The people of Nebraska have spoken on this issue time and time again, and the Supreme Court also used the results of that election in 2002 as part of their decision that it's not up to us on this one. It's not up to us in the Legislature. I

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feel for the industry. I wish there was something we could do, legally and constitutionally to help with this. But here we are. And it's not worth, in my mind, the legal costs of what it could cost the taxpayers of Nebraska to defend this in court, to override this afternoon. [LB256]

SENATOR LANGEMEIER: One minute. [LB256]

SENATOR McCOY: Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Senator McCoy. Senator Mello, you're recognized. [LB256]

SENATOR MELLO: Thank you, Mr. President and members of the Legislature. I stand in support of overriding the Governor's veto on LB256 for multiple reasons that some of what Senator Karpisek, Nordquist, and Lautenbaugh had all eloquently displayed and discussed. But I find it...I always find it odd, and I always find it with a bit of sarcasm and humor of the inconsistencies that some in this body and some in government have towards gaming and revenues. Senator McCoy just stated, we can't afford to do this. We can't afford to move forward on LB256 because it will cost us money. But the reality is, what happens to the money that the state currently receives through the horse racing industry? Senator McCoy did not mention that. Senator McCoy didn't mention the \$300,000-plus every year in the pari-mutuel tax the state receives. That could go away when the horse racing industry dies. Why? Because we need that money. You can't talk about the state can't do something because there's no money and then on the other hand, take the money under the table from the industry to help make your budget move forward. Colleagues, that is the hypocrisy of these arguments. Saying that we can't do something but also, but I'm going to take the money anyway. We see that happen time and time again. Senator Nordquist said something that in all jest and kidding aside, Senator Lautenbaugh did say earlier this week when we were discussing, I think, at length the unconstitutional nature of some of the redistricting proposals in front of us, Senator Lautenbaugh said, when you don't like something, you say it's unconstitutional. That's essentially what the Governor said, essentially that's what the Attorney General's Office said. They don't like this so it's unconstitutional. Well, colleagues, I don't like LB704 and I think it's unconstitutional. Senator McCoy, on the other hand, has not talked about the potential lawsuits that will be filed when we pass LB704, could cost us hundreds of thousands of dollars when constituents in Bellevue file a lawsuit against the state regards to the undue nature in moving them in another congressional district. Why? Because it doesn't fit his argument. Colleagues, we can have disagreements, I understand, on gaming. But the reality is, LB256 does not expand gaming or gambling in the state. There's no new slot machines. There's no new casinos. This is an issue to try to rectify what was done a few years ago when the Legislature moved the university's Innovation Campus to the fairgrounds. That's simply what this is trying to do. It's providing a financing mechanism of 15 years to continue what currently is under

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state statute, the simulcasting, and allow Lincoln to be able to build a new horse track. I find it disingenuous when people stand on this floor and rail against an issue, but don't have the common courtesy to acknowledge that sometimes issues aren't all so black and white. If it was, then we would have gotten rid of gaming, we would have gotten rid of Powerball, we would have gotten rid of keno a long time ago, colleagues. But that's not the case. If life was so black and white, we would have been done with this Legislature 25 days ago, but it's not. We operate in days in shades of gray. LB256 is exactly that. It's not expanded gaming. It's not expanding horse racing. It's providing the Racing Commission, which Senator Karpisek raised very, very valiantly, it provides the Racing Commission the ability to determine whether or not there should be simulcasting be allowed in Lincoln. It provides the Governor's appointed body to determine whether or not they have met the criteria laid out in state statute and the constitution of whether or not they are able to continue simulcast. That's what LB256 does. [LB256 LB704]

SENATOR LANGEMEIER: One minute. [LB256]

SENATOR MELLO: I just find it...I always find it humorous, though, when we discuss issues like this, the amount of money that our state receives from gaming that we don't want to talk about it, we want to get rid of it, and some of us go out of our way to emphasize the natures of it, the bad natures of it, but we're not talking about charitable gaming. We're not talking about charitable pickle cards or anything else. What we're talking about is horse racing, and continuing an industry that right now is not asking for a handout, not asking for a subsidy. They're asking for us to provide them an extension of financing instead of 1 year to 15 years so they can build a racetrack. [LB256]

SENATOR LANGEMEIER: Time. [LB256]

SENATOR MELLO: Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Senator Mello. Senator Karpisek, you're recognized. [LB256]

SENATOR KARPISEK: Thank you, Mr. President and members of the body. I want to go over a couple of things that Senator McCoy brought up. And I do want to thank him for working on this with me this year. I realized that it's not something that he likes, but gained a lot of respect to sit down and try to work something out as we do the Nebraska way. I think that this year...maybe it would be best if Senator McCoy would yield to a question and make sure we get this right. [LB256]

SENATOR LANGEMEIER: Senator McCoy, would you yield? [LB256]

SENATOR McCOY: Yes. [LB256]

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SENATOR KARPISEK: Thank you, Senator McCoy and I don't know, I'm not going to try to stump you because if you don't know these things, I don't know, but I think in our budget this year on one of the claims that we had \$136,000 bill that we had to pay to Planned Parenthood for an incorrect AG's Opinion from last year. Do you know anything about that? [LB256]

SENATOR McCOY: I guess I disagree with your premise as far as an incorrect AG's Opinion. It was a claim to Planned Parenthood, as I recall, in defense of or paying the legal fees of Planned Parenthood on LB594 from last year as I recall, Senator Karpisek. [LB256]

SENATOR KARPISEK: But wasn't the AG's Opinion that that was a constitutional bill? [LB256]

SENATOR McCOY: I don't recall the details of that other than I believe that the Attorney General's Office, as I recall anyway, determined that there were certainly some issues with the legislation, of which some members raised in the body and perhaps correctly. [LB256]

SENATOR KARPISEK: Okay. And again, I'm not trying to be tricky here because I don't know a lot about it either. But then the I-300 case, now I'm pretty sure on that one that the Attorney General did say that that was constitutional and then why the state had to pay that claim. [LB256]

SENATOR McCOY: Is that a question, Senator Karpisek? [LB256]

SENATOR KARPISEK: That is. Am I correct in assuming that? [LB256]

SENATOR McCOY: Not to my understanding, no. Obviously, it was the law, therefore, the Attorney General defended it until the court overturned it. [LB256]

SENATOR KARPISEK: Okay. All right. Very good. And again I'm not trying to be tricky or a wise guy on this one but I do think that the Attorney General only has to pay the attorney fees if the Attorney General is wrong in...when the case is decided. Am I right in that or not? Neither one of us are attorneys so we should get an attorney in on this. [LB256]

SENATOR McCOY: Yeah, perhaps, an attorney might be, but I might remind you that I-300 went back to 1982 when the voters of Nebraska put that into place. [LB256]

SENATOR KARPISEK: That's correct but I think that there was something that came out that said that we could defend it and we would win. But again, I'll find out more. I appreciate...it's just easier to get on the mike rather than have you shake your head at

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me, probably. There are Attorney General's Opinions that aren't always right and maybe...I'm not blaming the Attorney General, maybe the court in their...the way that they find something isn't exactly what we would think it would be. But it is an opinion. He is the top attorney in the state. I respect that, but it is an opinion. I also don't want to have to take...go to court and pay over this. However, to do so over one day a year to me seems crazy. Why would you...why? You know, there are a lot of things probably that have happened that are unconstitutional but if nobody files suit, then it stands. Over one day of racing, the simulcast could go... [LB256]

SENATOR LANGEMEIER: One minute. [LB256]

SENATOR KARPSEK: ...I don't see that it's worth all of that time and trouble. Now, obviously, I'm not on that side of the fence and that's probably why I feel that way. Again, 364 days a year we have simulcasting at Lincoln racecourse without...or we would, without live racing. This would just allow the one day. It would still have to be a licensed racetrack enclosure. Again, that's where we're at. That is the big hang-up here. I think some of the opinions have been based on me trying to make it that this would not have to be a licensed racetrack enclosure. That is absolutely not correct. It would have to be in a licensed racetrack enclosure. Thank you, Mr. President. [LB256]

SENATOR LANGEMEIER: Thank you, Senator Karpisek. Senator Harms, you're recognized, followed by Senator Ken Haar. [LB256]

SENATOR HARMS: Thank you, Mr. President and colleagues. I rise in support of the Governor's veto and I urge you to do the same. Colleagues, this is a dead industry and we've had this conversation on the floor more than once. It's an industry that cannot make it. It's not making it anywhere across America. If you look at the data and the research, in order to even get it on the scale, they had to throw a dog-horse racing...dog racing to even bring it up. It is not going to survive. And if you think one day of racing is going to pump money into an industry like this and it's going to save this industry, it's going to allow them to build a track in 15 years, I'm here to tell you, in 15 years you'll have this very same argument that you have today. It's a dead industry. It's not going to survive. And why do we want to continue to have this argument? I don't support it and I will never support it. And I'm sorry that it causes problems with people in the business and industry, but it's like anything else, colleagues. If you've got a business that's not working, you find another job. You have to retool and reengineer yourself. I am opposed to it. I would urge you to vote green and support the Governor because I think this is the wrong thing to do. You know, we had this argument when we went through General and Select. We chose not to, quite frankly, to filibuster it because quite honestly, I didn't think this bill would go this far. And if I would have known this now, I would have gone ahead and gone through the filibustering and gone for a cloture, because I don't think the bill is a good bill. I don't think it's appropriate for Nebraska. Not only that, when you look at all the other issues that come up with this, if you look at what it does to families,

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if you look at what it does to destroy people. I'm sorry, I just don't buy into this sort of thing and I'll continue to push against it now and in the future. It's a dying business, it's a dying industry. Are we doing this for any other business that has trouble? No, we're not. And I would urge you, colleagues, to please vote in favor of the Governor's veto. Thank you, Mr. President. [LB256]

SENATOR FISCHER PRESIDING

SENATOR FISCHER: Thank you, Senator Harms. Senator Ken Haar, you're recognized. [LB256]

SENATOR HAAR: Madam President and members of the body. I was going to ask Senator Lautenbaugh if cigar smoking was allowed at the track, but he's not here. Despite that, I do rise in favor of this, of Senator Karpisek's override of the Governor's veto. I think it's an industry that can have a future but needs some help right now. Thank you. [LB256]

SENATOR FISCHER: Thank you, Senator Haar. Senator Schumacher, you're recognized. [LB256]

SENATOR SCHUMACHER: Thank you, Madam Chairman, members of the body. I think on General, or was it Select File on this bill, we had a discussion about the probable unconstitutionality of this particular measure. And we probably passed up some chances to make it ironclad against the claim of lack of constitutionality. We did not do that. We advanced the bill much as we advanced several other bills this year with highly questionable provisions in them. Nevertheless, there probably is a one out of ten chance that a court would side with the horsemen, with the tracks, to say that if they apply this law in the proper way, that it is constitutional. We are faced again with being saddled with the 1875 antiquated provision in our constitution regarding how this body is limited in its authority regarding gaming issues. And so it seems to me this is a very simple case, probably can be tried on stipulated facts because there's not a whole lot of facts other than just simply what can be stipulated to, and the Attorney General can present a short brief, and the horsemen can spend whatever money they have or want to have for a short brief, and we will have a court decision with regard it. Now why is it right to give the horsemen and the racing industry that opportunity? It's right to give anybody a last breath. And indeed it probably is a last breath and probably it is a dying industry, but let them fight for it. It won't cost us much money on stipulated facts. It was a risk that we knowingly undertook when we advanced this bill despite some warnings from the floor. The Attorney General will have his opportunity to argue it to a judge whose job it is to determine constitutionality, not to a Governor who necessarily is a political figure. And it is the judges and the judiciaries responsibility to make that call. Let's give these people who are down at least a chance to get back up even though, probably, in all sincerity, they will not be able to do so. But folks, very, very rarely do we

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look at another man or another industry or another woman and say, we're not going to give you a chance to survive. This is not asking much of this industry. They're not asking for a handout at this point. They're just asking for an opportunity to try to keep an act together, to keep their lifestyle together, and if necessary, die with dignity. Thank you. [LB256]

SENATOR FISCHER: Thank you, Senator Schumacher. Senator Christensen, you are recognized. [LB256]

SENATOR CHRISTENSEN: Thank you, Madam President. I stand in opposition to the veto override. You know, I agree the decision to move the fairgrounds has affected the horse racing industry, but the horse racing industry has been on a decline for years. There have been tracks closing or reducing days, and then we seen simulcasting that was supposed to be the savior to the horse racing. It seems like the profitability is in the simulcasting, not in horse racing, and it hasn't saved the industry or we wouldn't have tracks looking at reducing their days. The Legislature stepped up a year ago and offered the horse racing industry a sales tax kickback to help replace State Fair Park. And, evidently, this hasn't been enough. And the reason is, the industry hasn't been making the money. And we can attempt to continue to try to bail it out but it still is not going to occur. So, you know, they're going to have to figure this system on their own industry. So the way the free market enterprise works, that's where it works the best. And if they will step up and figure out a way themselves, that's the way it's going to work. You know, the incentives, we've already give them a big sales tax break at the beginning...not sales tax, but income tax, so there's a number of things the industry has already and they still haven't made it work. So, you know, I'm going to stand again in opposition. I ask you to vote against the override and I'd like to yield my time to Senator Harms. [LB256]

SENATOR FISCHER: Thank you, Senator Christensen. Senator Harms, would you yield? [LB256]

SENATOR HARMS: Yes, I would. Thank you. Thank you, Senator Christensen. I just want to correct one thing, colleagues. I got so excited about this bill, I don't want you to vote green, I want you to vote red. (Laughter) Red is the color. You vote no, folks. Don't vote the other way, and I still haven't changed my views at all. Just make sure that you vote red, colleagues. Thank you very much. Thank you, Madam President. [LB256]

SENATOR FISCHER: Thank you, Senator Harms and Senator Christensen. Senator Wallman, you are recognized. [LB256]

SENATOR WALLMAN: Thank you, Madam President. Again, members of the body, vote green. Senator Harms, vote green. (Laughter) Horses love to eat green grass. They buy...you buy feed for them. If you have a race horse, you got to buy feed. You got

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to buy feed from somebody, they make money on that. And so they have children involved with the racetracks. They have...and if you've ever ridden a horse full-bore, it's poetry in motion. It's...nothing can match that. It's just something. Senator Louden, Senator Fischer would probably know. It's poetry in motion. It's excitement and the fans are excited. And when you go to the races, it's not like pushing a button or pulling a lever. You look at your racing forms. You look at your racing sheets. You try to get educated and you put your own private formula in place. And yes, you can make money at the horse races, but you can lose money like any other thing. I can lose money on the grain farming, cattle feeding, anything. If you're in agriculture, you're a gambler. And so, I can't understand the opposition to this. When we moved the State Fair out of Lincoln to Grand Island, I voted to move the State Fair. And did I get heat from that vote from my horse racing friends? Yes. And they probably had a right to be. They thought they were going to be able to move the track in Lincoln in a different site. Did that happen? Nope. And if Senator Karpisek would yield to a question. [LB256]

SENATOR FISCHER: Senator Karpisek, would you yield? [LB256]

SENATOR KARPISEK: Yes, I will. [LB256]

SENATOR WALLMAN: Thank you, Senator. What would a new racetrack cost, approximately? [LB256]

SENATOR KARPISEK: Well, when we talked about getting a mile track and making it the Rolls Royce, I heard a figure of something like \$50 million. [LB256]

SENATOR WALLMAN: But a basic bare bones would probably be something like \$20 million? [LB256]

SENATOR KARPISEK: Ten, twenty, probably fifteen, twenty, something like that, million dollars. [LB256]

SENATOR WALLMAN: And I think we voted in here on some other issue, about \$25 million. And that's a...you know, it baffles me why we're struggling with this issue here. And I'd yield the rest of my time to Senator Karpisek. [LB256]

SENATOR FISCHER: Senator Karpisek, you have 2 minutes 15 seconds. [LB256]

SENATOR KARPISEK: Thank you, Madam President and thank you, Senator Wallman. And that softball I will let go by for strike one. (Laughter) If Senator Christensen is around, I'd like to ask him a question, but I'll go on until then. He did talk about the big sales tax, or some sort of tax that we don't collect, is a pari-mutuel tax. And yes, it's about \$100,000 a year. I don't think that's huge for the whole state. We want to start talking about subsidies, I don't think that he wants to go down that road when he's

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brought the bills he's brought this year. What is the ethanol subsidy? We don't...I haven't heard that. We do a lot of subsidies. We do a lot of subsidies for a lot of things. I don't think that a lot of us want to talk subsidies when we look at our districts. We may have colleges, we may have all sorts of things that get subsidies or state money. Now, you can say that a college... [LB256]

SENATOR FISCHER: One minute. [LB256]

SENATOR KARPISEK: ...is better than a racetrack, and I won't argue with you. However, they create jobs. They're for a reason and just because you like it, and don't like the other thing, doesn't mean that the other people can't do it. This is just a way of saying, I don't like what you're doing. What I'm doing is right, what you're doing is wrong. So I do want to ask Senator Christensen at sometime what sales tax kickback last year he's talking about and if he's not around I'll catch him off the mike because I'd like to learn more about that because I don't remember. Thank you, Madam Chair. [LB256]

SENATOR FISCHER: Thank you, Senator Karpisek and Senator Wallman. Those wishing to speak include Senator Hadley, Nelson, Nordquist, Bloomfield, Harms, and others. Senator Hadley, you are recognized. [LB256]

SENATOR HADLEY: Madam Chairman, thank you. Appreciate it, members of the body. I've been listening closely and I guess I have a couple avenues of thought here. The first one deals with gambling, and, you know, I'm sorry, I find it's pretty hypocritical. I just got a recent e-mail from the Revenue Department. There was \$63.1 million gambled from the 1st of January to the 31st of March in Nebraska on legal gambling. Legal gambling, pickle cards, keno. Keno was the big one. Bingo, lottery. The state took in \$1.31 million. We fund things like scholarships, environmental trusts, and we say, that's okay. Then we look at horse racing and we somehow say, that isn't okay. Seems to me like we and the people of the state of Nebraska are talking out of both sides of our mouth. If we put charitable in front of it, gambling is okay. If we put horse racing in front of it, it isn't. Senator Christensen talking about bailing out the horse race industry. I think the only reason they're coming to us is this body took the State Fair away and took their track away. How is that asking...bailing them out? I thought to myself, what would have happened if we had had a manufacturing industry out on the state fairgrounds and somebody came and said, we're going to tear it down, and there's 200 jobs that will be lost. I would guarantee you that we would have been bending over backwards to find them another place to do their manufacturing in Lincoln. On the other side of the issue, I thought about the Attorney General's Opinion, and I actually spent some time last night and this morning trying to figure out as a legislator how I should handle an Attorney General's Opinion. I Googled a lot of things, and I guess I came to the standpoint that it is one person's opinion, and secondly, I shouldn't...I should respect that opinion, and if it basically says that the bill is egregiously unconstitutional, I should vote against the bill.

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But I don't see that in the opinion. There's some kind of wiggly terms in there. I thought to myself, one of the largest things we've talked about since I've been here is LB701. Right? I think that caused a great deal of problems, didn't it? Trying to get money back to the people of the Republican River, the taxes. Guess what kind of an informal opinion we got on LB701? You want to guess? Constitutional. The Supreme Court said it wasn't. We're still dealing, I think, with some of the fallout from LB701. So I guess, I just want to be clear that not every opinion we get turns out to be the same opinion the person sitting in the robes gives us. And if we're going to start making laws by asking the Attorney General on every law, let's put that in our rules that we'll ask the Attorney General on every bill to tell us whether it's legal or not, constitutional or not. But I think everyone should ask themselves, separate the issues, what you think about gambling. If you don't like gambling, obviously you didn't vote for this bill in the first place. [LB256]

SENATOR FISCHER: One minute. [LB256]

SENATOR HADLEY: But the second part of it, you have to make the decision yourself as to whether reading the Attorney General's Opinion, you think that opinion reaches the level that basically you feel that it is...I hate to use the term, but a done deal that this is an unconstitutional law. If you can't say that, then you shouldn't be using that as the excuse not to override. Thank you, Madam President. [LB256]

SENATOR FISCHER: Thank you, Senator Hadley. Senator Nelson, you are recognized. [LB256]

SENATOR NELSON: Thank you, Madam President and members of the body. I'm going to have to choose my words carefully here because as a lawyer, I don't want to talk down to a CPA who has been discussing whether or not we ought to follow the Attorney General's Opinion. And I respect what Senator Hadley has to say. All I can say is that I don't take the approach with the Attorney General that they are given a point of view to follow, and they go through the cases and find something that will uphold that particular point of view. I think our Attorney General's Office and the deputies there are much more honorable than that. You all have the Attorney General's Opinion before you, and I find it very valid and consistent and based on the clear-cut cases that they cite when the court has addressed this question before. What's the question? Well, in this case, and many times, it's the matter of a licensed racetrack enclosure. Senator Schumacher mentioned he thinks the odds were maybe one to ten that the horse racing industry might prevail in this. I'd say the odds are more like 25 to 1, instead of 10 to 1, because you can all read it for yourself. And yes, it says it's questionable and it would appear...that's what you generally find in an Attorney General's Opinion because they can't say 100 percent on the basis of the cases what our Supreme Court is going to do. There are a lot of nuances. There are a lot of different facts. But it boils down to this, we've got a constitutional requirement that we can't really get around until we decide as the people to put it on the ballot and change the constitution. And one of the major

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cases here is the Douglas Racing Corporation. I won't go the whole title, 1994, the court says our constitution requires that pari-mutuel wagering on horse races must occur within a licensed racetrack enclosure. And then it goes on to say what the amendment requires. And they say, we believe a court may well conclude that such a result cannot be countenanced under Article III, Section 24, as it's questionable whether a racetrack location or facility that conducts no live racing...and I repeat, that conducts no live racing can constitute a legitimate licensed racetrack enclosure. And they go on to say it's not clear either whether under amendment a licensee in a county with a city the primary class will even be required to actually have a racetrack capable of holding live race meets since it's allowed to contract to have all live race meetings held at another licensed racetrack. And it tells where our power here is limited. The Legislature cannot abrogate or contradict an express constitutional provision and any legislative definition we come up with must be reasonable. Okay. To the extent that the amendment is intended to define a licensed racetrack enclosure to include a location without an actual racetrack in a county with a city a primary class, we believe it would be unconstitutional contrary to the article in the constitution. I fully agree with that. I think it's a good opinion. I rise in opposition to this motion. I think we're going to involve a lot of legal expense. And let me tell you that the Attorney General operates off the appropriation that we have to run through in the Appropriations Committee. And if we have to spend... [LB256]

SENATOR FISCHER: One minute. [LB256]

SENATOR NELSON: ...\$1.5 million to defend the lawsuits that Kansas has brought as additional, and if we have to come up with money to defend this, I think it's money that's misspent. I think the Attorney General and his staff can spend their time on a lot more needed endeavors than having to be involved in arguing before the Supreme Court on this. They might be able to do it in a shorter period of time, but it's still going to take money out of our budget that could be well-spent elsewhere. Thank you, Madam President. [LB256]

SENATOR FISCHER: Thank you, Senator Nelson. Speaker Flood, you are recognized for an announcement. [LB256]

SPEAKER FLOOD: Thank you, Madam President. Good afternoon, members. This announcement concerns tomorrow and how we're going to schedule tomorrow's workday. We are going to go into session tomorrow at 11:00 a.m. We will pass some bills on Final Reading, or resolve them one way or the other, and send those to the Governor. We are going to then recess from noon to 1:30. We'll be back in session to receive those bills back, attempt any overrides, if necessary. We'll hear from the Governor and begin our sequence of events to an adjournment sine die. That's where we're at. Again, tomorrow, we'll be here at 11:00. We'll break for lunch. We'll come back at 1:30 and my understanding is we're probably on the path to end for the year tomorrow afternoon after 1:30. Thank you, Madam President.

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SENATOR FISCHER: Thank you, Mr. Speaker. Senator Nordquist, you are recognized. [LB256]

SENATOR NORDQUIST: Thank you, Madam President and members. You know, we can refer to the horse racing industry as a dead industry, but the fact of the matter is it's an industry that still employs 3,000 Nebraskans, or 3,000 Nebraskans make their livelihood because of this industry. I don't know that that gives those people any comfort to call it a dead industry at this point in time, and we need to do what we can to make sure that that industry doesn't lose it's second biggest market. And the idea that we don't do things for other industries is just not true. Certainly, I pulled up the report on Nebraska Advantage which shows in the next two fiscal years we're looking at an estimated revenue loss of over \$20 million to create roughly 3,000 to 5,000 jobs in each of those years. So we're spending a tremendous amount of money to create and attract an equivalent amount of jobs. Here we're not talking about that. Here were...we're not talking about a subsidy or a handout or a giveaway or revenue loss to the state. As a matter of fact, by keeping this industry alive and well, it will be increased revenue through the pari-mutuel tax. And also we need to talk about the benefits that this industry gives, as it is a nonprofit industry, it gives organization to communities around the state. Certainly, it has a positive impact that way as well. We can't turn our back on the jobs in this economic climate. Certainly, that's something Nebraska doesn't do. This is more than just an issue of gambling. This is an issue of jobs. This is an issue of keeping Nebraskans employed and keeping our economy moving. And what we're talking about here, folks, is really fine. We're talking about one track having to race one day or not. That's the sticking point here. And I don't know what fundamentally changes for that track, which has to be regulated by the Racing Commission and determined to be a licensed racetrack enclosure, what is so magical about them having that one race on that one day? What fundamentally changes in that equation? How is that expanded gambling? That race would be run somewhere else. We're not adding any more days here, we're not adding any more types of gambling. It's very, very fine the point we're talking about here. Thank you, Madam President. [LB256]

SENATOR FISCHER: Thank you, Senator Nordquist. (Visitors introduced.) Senator Bloomfield, you are recognized. [LB256]

SENATOR BLOOMFIELD: Thank you, Madam President. We've heard over and over again that horse racing is the sport of kings. We've heard it addressed that way for years. Well, fortunately, I believe, the citizenry of Nebraska is not made up of kings and queens. And it would appear that this whole thing has become kind of a royal pain. (Laughter) But, I think, I am going to vote to support the Governor's veto here. This industry is not healthy. Maybe it can survive, perhaps it can't. But I don't believe we should invest ourselves in a 15-year life support process. (Laughter) Thank you. [LB256]

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SENATOR FISCHER: Thank you, Senator Bloomfield. Senator Karpisek, you are recognized. [LB256]

SENATOR KARPISEK: Thank you, Madam President. Would Senator Nelson yield, please? [LB256]

SENATOR FISCHER: Senator Nelson, would you yield? [LB256]

SENATOR NELSON: I'd be happy to. [LB256]

SENATOR KARPISEK: Great. Hopefully, this will be the last time I pick on you this year, Senator. [LB256]

SENATOR NELSON: (Laugh) I gathered that, that this is what it was going to amount to. [LB256]

SENATOR KARPISEK: Maybe, (laugh) maybe. I heard you say that we have a constitutional issue here. Is that correct, what you said? [LB256]

SENATOR NELSON: Yes, that's my opinion. [LB256]

SENATOR KARPISEK: Okay. And what is your opinion? What is the constitutional issue? [LB256]

SENATOR NELSON: Thank you, Senator. The constitutional is that we're stuck with what Article III, Section 24 says in the constitution, that racing will be within a licensed racetrack enclosure. And we can't get around that, as far as I'm concerned. [LB256]

SENATOR KARPISEK: I have said over and over that it would be in a licensed racetrack enclosure. So what...why can't we have a licensed racetrack enclosure? This is not going to be at Joe's Bar, this will be the... [LB256]

SENATOR NELSON: Well, no, I understand. But... [LB256]

SENATOR KARPISEK: ...the State Racing Commission licensing a track. [LB256]

SENATOR NELSON: Are you saying that when there's no track in existence there may be a field that they intend to build on in the next 15 years? That that's... [LB256]

SENATOR KARPISEK: No, not at all. [LB256]

SENATOR NELSON: All right. [LB256]

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SENATOR KARPISEK: It would have to be a licensed racetrack enclosure by the State Racing Commission. This is not a field of dreams, it will be a licensed racetrack. [LB256]

SENATOR NELSON: Well, but just because they declare that's what it is, that doesn't make it so under our constitution and under the usual definitions that we have to apply in the practice of law. [LB256]

SENATOR KARPISEK: So if the Racing Commission that we have...Governor has selected and we have approved, then what they say doesn't go, we don't trust them or I don't understand? [LB256]

SENATOR NELSON: Well, it's not a matter of trust. It's just a matter of legal understanding and, I think, there is some, I can't remember, some Lewis Carroll tales that say something to the effect, just because you say it's so, that isn't necessarily what it actually is. [LB256]

SENATOR KARPISEK: Well, then who would be the one to say if it is or it isn't? [LB256]

SENATOR NELSON: Our Attorney General and the... [LB256]

SENATOR KARPISEK: The Attorney General would be the one to say if the track is a licensed track? [LB256]

SENATOR NELSON: No, I didn't mean what...I misspoke, our Supreme Court, state of Nebraska but, I think, the Attorney General would have to argue that we're violating the constitution. [LB256]

SENATOR KARPISEK: The Supreme Court would decide if a track is licensed or was able to be licensed? [LB256]

SENATOR NELSON: I think they're the final arbiter that says how terms in the constitution are defined and whether the Legislature is within its authority to specify in our law, you know, as in violation of what the constitution says. [LB256]

SENATOR KARPISEK: But, Senator, that is my whole point here, is I don't think that we're talking about constitution. I think we're talking about changing a statute to say...the statute is what says that it has to be run one day a year. The constitution isn't the part. Now, I understand your argument to say that it can't be a licensed track if it doesn't run a day. [LB256]

SENATOR NELSON: But it boils down the list, the Legislature cannot by statute abrogate or contradict an expressed constitutional provision. And that's what we would

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be doing here with this amendment. [LB256]

SENATOR KARPISEK: I don't understand how, Senator. I'm not an attorney. I'm sorry, I'm not trying to... [LB256]

SENATOR NELSON: Well, I understand, I understand. [LB256]

SENATOR KARPISEK: ...but it's not in the constitution that it has to be run a day. That is in state statute. The constitution just says it has to be a licensed racetrack enclosure... [LB256]

SENATOR NELSON: Well,... [LB256]

SENATOR KARPISEK: ...licensed by the State Racing Commission. [LB256]

SENATOR NELSON: But the inference would have to be that... [LB256]

SENATOR FISCHER: One minute. [LB256]

SENATOR NELSON: ...there is live racing there at least...if there's no live racing, it's not a licensed racetrack enclosure, even if the State Racing Commission tries to maintain that it is. So that's my point. [LB256]

SENATOR KARPISEK: And that's your opinion, correct? [LB256]

SENATOR NELSON: Yeah, okay. [LB256]

SENATOR KARPISEK: Okay, thank you, Senator Nelson. [LB256]

SENATOR NELSON: Thank you, Senator. [LB256]

SENATOR KARPISEK: And again, that's where we're at on this, Senators, is can it be a licensed racetrack enclosure without having live racing? That is what the opinion says, that's in my opinion. We're not trying to skirt the enclosure rule at all. We're just trying to say let's not make us run the one day of live racing to incur the cost when we could transfer that to somewhere that is already running, like Grand Island, possibly. Thank you, Madam President. [LB256]

SENATOR FISCHER: Thank you, Senator Karpisek and Senator Nelson. Those still wishing to speak are Senators McCoy, Pankonin, Council, Lautenbaugh, Hansen, Schumacher, and Harms. Senator McCoy, you are recognized. [LB256]

SENATOR McCOY: Thank you, Madam President and members. I wanted to take the

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opportunity to read what the language was of Amendment 1 that was on the ballot in 1996. A vote for this proposal will allow the Legislature to authorize offtrack pari-mutuel betting horse races by such means and at such locations as it might determine, thus removing the present requirement that all betting on horse races be conducted by licensees within licensed racetrack enclosures in the state. Went on further to say, a vote against this proposal will retain the present requirement that all pari-mutuel betting on horse races be conducted by licensees within licensed racetrack enclosures. And as I said earlier, there were 236,600 votes, 37.9 percent, for this amendment; against it 388,462 votes, 62.1 percent of the voters of Nebraska in 1996 when this was on the ballot, on the general election November ballot in 1996. You know, one of my colleagues, Senator Mello, said earlier, issues aren't always black and white. We operate in shades of gray. Well, I would contend, members, we can't afford to operate inside shades of gray on this issue. I said earlier, the Legislature made a decision, a conscience decision that a majority of the members voted on to move the State Fair and to close the Lincoln racetrack. That was done before my time, in the hopes that it would launch the state of Nebraska and our economy and economic develop into the twenty-first century. I think that was a good decision. But it was a conscience decision to close the Lincoln track. And while, I believe, a majority of us probably wish there was something that we could do for the Lincoln track that was constitutional, that was legal, to protect those 3,000 jobs that have been talked about as best as possible, I'm not sure there is anything we can do. And that's why I'm voting to sustain the veto. Senator Karpisek said it, I've said it, we tried, we worked together. This probably, honestly, is just a difference of opinion on what we can do. You know, and to, Senator Nordquist, who has said, what's so magical about one day of racing and talked about the value of these jobs, he and I were both in a piece in the Journal Star last weekend. And we talked about Innovation Campus, Innovation Park, what it will mean for the economy in this new century. He and I are both members of a generation that will be part of this economy in our state for decades and decades to come. I wish there was something we could do to help this industry. I'm not against this industry. Many of you know I grew up on a cattle ranch. My dad's favorite saddle horse was a retired thoroughbred racing horse. But that's not what is at question here. What is at question here is, what makes sense for the state of Nebraska? What can we do within the legal ramifications that we have to operate under? And what's worth defending in court? And this isn't, in my view. And I'd ask you not to support this motion to override. Thank you, Madam President. [LB256]

SENATOR FISCHER: Thank you, Senator McCoy. (Visitors introduced.) Senator Pankonin, you are recognized. [LB256]

SENATOR PANKONIN: Thank you so much, Madam President and members. Just quickly, I know we've had quite a bit of discussion on this. I think it's about ready to wind down. Wanted to just talk very briefly about this. You know, we've heard about being hypocrites, we've heard about the legal back and forth. I think it really comes down to a

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lot of people, it does to me. Senator Avery, my colleague, sits behind me, here in the row behind me, has talked about these issues before about negative economic activity. And I know a lot of people enjoy the entertainment value of gambling. I'm not one of them. My friend, Senator Karpisek, has probably told me before he has more fun than I do in life. He might be right. But I have seen that this negative economic activity can have effects on families. I've known that, I've seen that. And so I just...I think a lot of people just have a gut feeling about this, whether they like this activity or not. I don't. Senator Karpisek and I have had these discussions over the years. I think I've been consistent. We've had respect for each other and our opinions. But I do want to ask Senator Wallman a question, if he would yield. [LB256]

SENATOR FISCHER: Senator Wallman, would you yield? [LB256]

SENATOR WALLMAN: Yes, I would. [LB256]

SENATOR PANKONIN: Senator Wallman, the first question is, you're always telling me how much you like that red farm equipment that my family sells and you use. Is that true? [LB256]

SENATOR WALLMAN: Yes, it is. [LB256]

SENATOR PANKONIN: Well, earlier today you got talking about green grass, vote green, green, green, green. I thought you were going to get so worked up you were going to talk about green tractors almost. (Laughter) [LB256]

SENATOR WALLMAN: No, I didn't. [LB256]

SENATOR PANKONIN: Well, I'm glad to see that. And you know, if you voted red, red Huskers, vote red, your red equipment, you'll be just fine. Thank you. (Laughter) [LB256]

SENATOR FISCHER: Thank you, Senator Pankonin and Senator Wallman. Senator Council, you are recognized. [LB256]

SENATOR COUNCIL: Thank you, Madam President. I will be brief. And, I guess, it should be noted that here I stand today in basic agreement with Senator Lautenbaugh. So please mark that down in your calendars with a big star. On the constitutional question, again, we just need to read the constitution. And it says, in Article III, nothing in this section shall be construed to prohibit the enactment of laws providing for the licensing and regulation of wagering on the results of horse races, wherever run, either within or outside the state by the pari-mutuel method when such racing is conducted by licensees within a licensed racetrack enclosure. And Senator McCoy read from the ballot question. And I don't profess to recall it exactly. But, I think, the question posed to

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the residents and the voters of the state of Nebraska was, do you want to put the authority in the hands of the Legislature to determine the rules and regulations governing pari-mutuel betting? And the response to that question was yes. And here we are, and the question becomes, licensed racetrack enclosure. And if the statute defines what a licensed racetrack enclosure is, according to my understanding of legislation, the enactment, the amendment, the repeal, is that this Legislature has been granted the authority to define a licensed racetrack enclosure. But more importantly, I stand on the subject of expanded gambling only because I hear it quite a bit and it just raises a lot of questions in my mind. And again, I turn you to Article III of the constitution which grants the Legislature the authority to authorize and regulate a state lottery pursuant to this section. And then if you go to subpart (b), it says, no lottery game shall be conducted as part of the lottery unless the type of game has been approved by a majority of the members of the Legislature. Well, my recollection was when the voters of the state of Nebraska approved the state lottery they approved Powerball. And my recollection was Powerball drawings were twice a week, Wednesday's and Saturday. You can go to any convenience store in Nebraska and you now can play a game of chance through the Nebraska Lottery every single day of the week. There are more games under the Nebraska Lottery now than existed immediately following the passage of the constitutional amendment. Going on recollection, we've got Powerball, we've got MegaBall, we've got Pick 3, we've got Pick 5, we've got pick my day, pick your day. So when we talk about expanded gambling and the consequences of expanded gambling, I submit if we really have that level of concern, we'll do something about the Nebraska Lottery because in terms of, for example, low-income individuals' access to gambling, not that many individuals have access to a licensed enclosed horse track. But most of us have access to a convenience store or a filling station. And we have allowed for the expansion of that type of gambling, I think, beyond what any of us may have expected when that constitutional... [LB256]

SENATOR FISCHER: One minute. [LB256]

SENATOR COUNCIL: ...amendment was passed. So when we start talking about, you know, what we're trying to protect Nebraskans from and against and what we're trying to do constitutionally, let's put it all in context here. And people have spoken to charitable gambling. We don't put any limits on charitable gambling. So if we're really sincere about limiting gambling, let's look at gambling in its entirety, addressing all of the lottery games, all of the charitable gaming and then be true to what we say our stated purpose and objective is. Thank you. [LB256]

SENATOR FISCHER: Thank you, Senator Council. Senator Hansen, you're recognized. [LB256]

SENATOR HANSEN: Thank you, Madam President, members of the Legislature. I got a little booklet here from the live horse races here in Lincoln. They started May 13, runs

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through July 17, 32 days of live horse racing. They tell how many days of the week they're going to do it. And they have all these giveaways, they have free T-shirts, cowboy buffalo contest, Facebook Friday's, free cookies, all kinds of gimmicks. And, I mean, they're not gimmicks, they're sales things to get people in there to bet on the horses. It's pretty simple. To me this bill is simply do we want live horse racing in Lincoln or not? Are we going to give them 15 years to build a stadium or not? There's a park in Omaha, I know, that races horses, they have live horse racing once or twice a year. This bill, this override is all about a one-day horse race, more than likely, in Grand Island. Senator Nordquist stood up here and said, we have all these people that are going to lose their jobs if we don't have this override. Well, I don't know what those people are going to do in 2013 when they close the park, because we're only talking about one race day a year attributed to Grand Island from the city of Lincoln. If you folks want to see a horse race, you come out to my district in September, Wellfleet, Nebraska, they have Wellfleet Days there. They have live horse racing one day, but it's one day a year and it's a special day. And if you want to see real horse racing, that's where you got to go. They race down Main Street. Main Street is a gravel road in Wellfleet. They have six, eight horses abreast and they all run at the same time. You've got flaring nostrils, you got waving hair, you've got 200-pound jockeys with their hat scooted back, you got breast straps popping, whips a snapping, mud flying, that's a horse race. And you're standing about five feet from it. Keep the kids back, here they come. That's a horse race. What we're talking about here is have that horse race in Grand Island, and here in Lincoln you'd have a room a fourth the size of this Chamber, people looking at TV monitors betting on horse races. That's not horse racing. Thank you, Madam President. Vote red, thank you. [LB256]

SENATOR FISCHER: Thank you, Senator Hansen. Senator Schumacher, you are recognized. [LB256]

SENATOR SCHUMACHER: Thank you, Madam Chairman or Chairperson. You know, one out of...when you're the general, 1 out of 25 chance, let's take those odds. Grandpa is laying there. The doctor says, he's got a 1 out of 25 chance. Do you say pull the plug? Weatherman says there's a 1 out of 25 chance that a tornado is going to take your house today. Are you going to sit in your house? One out of 25 chance, let the old boys take a shot at it. If that's their chance of defending this before a court in a simple lawsuit by a judge who's hired by us to make simple decisions on constitutionality, let them have their shot. Now there's been some misinterpretation here. The language that's at question is a racetrack located in a county which contains a city of the primary class may contract with another licensee under sections of the Nebraska Racing Act to conduct all live race meetings on its behalf. That does not say, on premises that have not had a live race within a year. You can read into that, that. And the Attorney General says, to the extent that you read that into it, there may be a problem. But on its face, there is no problem, unless...how it's applied. And so that's an issue for how the Racing Commission applies this law, how far the racing industry pushes it, and what a judge

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thinks about it. On its face, though, there is no patently unconstitutional language there. It is how it may be contemplated to be applied. And if they apply it wrong, they hit the trip and they're done. But let grandpa have his 1 out of 25 chance of being right. And let a judge, who's hired to make those decisions, make those decisions and tell us whether it is being applied constitutionally or not constitutionally. Those folks who want to save their 3,000 jobs are not being unreasonable in asking us for this 1 out of 25 chance to live. Thank you, Madam Chairman. [LB256]

SENATOR FISCHER: Thank you, Senator Schumacher. Senator Harms, you are recognized. [LB256]

SENATOR HARMS: Thank you, Madam President. Madam President, I'd like to call the question, please. [LB256]

SENATOR FISCHER: The question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk. [LB256]

CLERK: 28 ayes, 4 nays to cease debate, Madam President. [LB256]

SENATOR FISCHER: Debate does cease. Senator Karpisek, you are recognized to close. [LB256]

SENATOR KARPISEK: Thank you, Madam President. And thank you, members of the body, for one more time listening to this. I do want to try to straighten the record up a little bit. In the Attorney General's Opinion, the last one, it quotes me as saying on the mike, if the Lancaster County facility has a racetrack enclosure, it is not clear what purpose that it would serve by the 15-year exemption from the requirement to conduct live racing. If I misquoted anything, I apologize. I think that we're playing let's pick out what we want to use here. What I said or meant to say, and I said it many times over, is that we would need 15 years to get this thing where we want it to be. To get an actual one-mile racetrack, to get the stands to the capacity that we want it, to be the Cadillac, Rolls-Royce, whatever you want it to be, the new Ak-Sar-Ben. I'll go back to my opening today when I talked about what I had said in opening. I'll quote myself again. In the interest of establishing the legislative intent of this bill and amendment, I will say it again, this bill and amendment should not be interpreted to somehow allow for simulcast to be conducted at a facility that is not a licensed racetrack enclosure. Folks, we agree or disagree on gambling, we agree or disagree on horse racing, we can agree or disagree on a lot of things. But I'll tell you, I think, that this is pulling one part out of one floor debate and using that. And if that's what we based the opinion on, so be it. My fault, I misspoke, I guess. I think I have been perfectly, perfectly clear this bill would allow simulcasting in Lancaster County to go on without having the one day live horse racing, period, end of story. The one day could be transferred to somewhere else. The

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simulcasting would still happen here in Lincoln at a licensed racetrack facility that the State Racing Commission says is a racetrack...enclosed racetrack facility. That's what it boils down to. I cannot tell you how much I appreciate Senator McCoy on this, trying to boil it down to the bottom and saying what it is, he really has. He and I disagree on where this is going, but he has really put it out there. He hasn't tried to make all these other sorts of outside the bounds ideas to say this is why. The opinion is that it would not be able to be a licensed racetrack enclosure without one day racing. My opinion is that is not in the constitution. State statute says that it has to be one day. The State Racing Commission will determine what is and what is not an enclosed racetrack facility. I really do want to do this for the people that are involved in the racing industry. Yes, jobs will go away. And the problem is the jobs that go away may be the whole industry. Is it 3,000 people? Probably not 3,000 FTEs, but it's a lot of people, people who ride the horses, people who groom them, people that train them, the list goes on and on, the people who they buy their supplies from, that they buy their feed from. Again, this boils down to whether it's...it comes down to gambling, I guess, it isn't for me, although I do support gambling. It comes down to those people, the economic essence that they have on the state, their impact on the state. We try so hard to bring industry in. But, by God, we don't really want to worry about saving what we have. Please help me override this veto to send the racing industry a hand up. This is not a handout. It involves no money. There is no A bill. This does not have to be a constitutional issue. [LB256]

SPEAKER FLOOD PRESIDING

SPEAKER FLOOD: Thirty seconds. [LB256]

SENATOR KARPISEK: There doesn't have to be a lawsuit filed over it. This can just try to help them out. Mr. President, I would like to ask for a call of the house. And I would like to ask for a roll call vote in reverse order, please. Thank you. [LB256]

SPEAKER FLOOD: Thank you, Senator Karpisek. There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record. [LB256]

CLERK: 43 ayes, 0 nays, Mr. President, to place the house under call. [LB256]

SPEAKER FLOOD: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. Senators Coash, Ashford, and Loudon, please record your presence or return to the floor. The house is under call. Senator Loudon, please return to the Chamber and record your presence. The house is under call. Senator Karpisek, all senators are otherwise accounted for. The question is, shall LB256 become law notwithstanding the objection

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of the Governor? Mr. Clerk, please read the roll in reverse order. [LB256]

CLERK: (Roll call vote taken, Legislative Journal pages 1792-1793.) 21 ayes, 23 nays, Mr. President, on the motion. [LB256]

SPEAKER FLOOD: The motion is not successful. I raise the call. Items for the record, Mr. Clerk. [LB256]

CLERK: I do, Mr. President, thank you. Bills read on Final Reading earlier today were presented to the Governor at 2:12, Mr. President, (re LB700, LB701, LB702, LB397, and LB400). Senator Wallman offers LR352; Senator Bloomfield, LR353 and LR354; Senator Smith, LR355. Those will all be laid over. That's all that I have, Mr. President. (Legislative Journal pages 1793-1795.) [LB700 LB701 LB702 LB397 LB400 LR352 LR353 LR354 LR355]

SPEAKER FLOOD: Thank you, Mr. Clerk. Members, we now turn to the motion to override gubernatorial veto on LB200. Mr. Clerk. [LB200]

CLERK: Mr. President, Senator Council would move that LB200 become law notwithstanding the objections of the Governor. [LB200]

SPEAKER FLOOD: Senator Council, you are recognized to open on your motion. [LB200]

SENATOR COUNCIL: Thank you very much, Mr. President. Members, I stand before you this afternoon occupying the unenviable position of having introduced two bills this session which represent 50 percent of the Governor's vetoes. (Laughter) I feel much favored. While that fact alone would be disconcerting to most, it is particularly disconcerting to me because both bills, one of which was my personal priority bill, and the one before us today, LB200, which was an Agriculture Committee priority bill, addressed demonstrable health needs of Nebraskans, particularly the health needs of poor children and families in Nebraska. How many times during the debate of other bills this session have you heard that providing for the needs of the most vulnerable Nebraskans is one of this Legislature's top priorities. LB200 addresses one of this state's top priorities and that is access to healthy foods. As you know, LB200 provides \$150,000 a year to be utilized to stimulate financing for food desert intervention programs. The intent of LB200 is to increase Nebraskans access to healthy, affordable food so as to improve diets and improve health, to support expanded opportunities in low-income and rural communities, and to provide expanded markets for Nebraska-grown farm products. In his veto message, the Governor states that he supports making healthy food more available, however, he believes the financing provided in LB200 is duplicative, citing various perceived alternative funding sources. First, allow me to address the erroneous impression that may be left by the Governor's

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statements with regard to these other funding sources. It could appear to the uninformed observer that the Legislature passed LB200 without knowing of the existence of other sources of funding for food desert intervention programs or that the Legislature acted with knowledge of these programs, but failed to recognize that these alternative funding sources would be duplicative of the funding under LB200. Nothing is further from the truth. LB200 evolved out of an interim study on food deserts authorized by this body with the passage of LR453 last year. The report provided to the Agriculture Committee at the conclusion of that study not only confirmed the prevalence of food deserts across the state of Nebraska, but also identified existing public and private programs established for the purpose of providing financing for food desert intervention programs. The Governor correctly notes that the USDA reports that there are 19 federal programs designed to support the development of sustainable projects and strategies to increase access to healthy affordable foods and eliminate food deserts. It is to be noted that during the development of LB200, however, Agriculture Committee staff and I reviewed each of these programs and found that, first of all, the list included any food-related program. It is my understanding that many of you have been visited today by a member of the Governor's Policy Research staff and may have been provided with a list showing these 19 programs. If you look at the list, you will see that of the 19 it includes the SNAP program, the WIC program, and the Emergency Food Assistance Program. While these programs certainly address access to food, they do so by providing persons with the financial means to obtain food through direct benefits to individuals. That is not the purpose of LB200. I was also advised today by that same member of the Governor's staff that the Department of Health and Human Services was notified within the last 48 hours that it has been awarded a grant in the amount of \$75,000 under the Farmers Market Nutrition Program, which is another one of the programs listed among those 19. Let me inform you of the fact that this is the first time since that program was established, in 1992, that the state of Nebraska has ever received a grant. And the grant allows DHHS to provide an additional benefit to WIC recipients only, in an amount not to be less than \$10 and no more than \$30 per WIC participant, per year, \$30 max per year, to be used in the form of coupons that can be redeemed at approved farmers markets and roadside stands. Again, these funds allow people the means to obtain, but don't provide for accessibility and availability. And again, these programs are specifically limited to low-income women and their children, not to men, not to the elderly, and not to those who are not eligible for WIC benefits. Again, those don't address the issue of access or the availability of farmers markets. In Douglas County, for example, a WIC participant could use these programs, this total of \$30 for the year, at the farmers market at Ak-Sar-Ben Village, the Old Market or the farmers market in Florence, provided that they can get to those locations on the one day a week that those farmers markets operate. On the other hand, LB200 strives to increase the number of these farmers markets and to increase their days of operation. Turning to the remaining programs listed, many of them either do not address LB200's specific focus area or are not available for use in all areas of the state of Nebraska. By way of example, the list includes the Business and Industry Loan Guarantee Program.

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That program is aimed at helping new and existing businesses of any type, based solely in rural areas, be able to gain access to capital. The list also includes the Federal State Marketing Improvement Program, which is a program, I'm sure, those colleagues who are in farming, which is principally designed to foster new and expanded domestic and principally foreign markets. They are not focused on developing local markets. With respect to the remaining programs on the list, it is access to just such programs of financing that LB200 was designed to leverage. LB200 specifically provides, and I quote, the fund may be used to carry out the purpose of the act and, to the extent practicable, to leverage other funding including but not limited to new markets tax credits, federal and foundation grant programs. Indeed, the new markets tax credits mentioned in LB200 is the very same new market tax credits that is 1 of the 19 programs set forth on the list that you may have been provided. And allow me to remind you that every time I spoke to the issue of LB200 on this floor I mentioned the opportunity to leverage these funds to access these very same new market tax credits and other federal grant programs. In fact, during the debate on the motion to reconsider LB200, I advised this body that the federal government had recently, and it was a couple of days before,... [LB200]

SPEAKER FLOOD: One minute. [LB200]

SENATOR COUNCIL: ...announced that for the first time ever, for the first time ever, it was making \$10 million, not the \$16 million that is stated in the Governor's veto message, available under the Community and Economic Development Program specifically for healthy food financing initiatives. Colleagues, these are national competitive grants. So food desert counties in Nebraska must compete against all of the food desert counties across the country, including the 813 food desert counties in the Great Plains region alone, identified by the USDA. While it does not appear that this new federal program will require a match, the program outlined specifically indicates that preference will be given to grant applicants that have access to other nonfederal funds to carry out the project or program. I submit to you that the fact that a Nebraska applicant for these funds has received funds under LB200 will improve their competitiveness and thus their access to those funds. [LB200]

SPEAKER FLOOD: Time, Senator. [LB200]

SENATOR COUNCIL: Thank you. [LB200]

SPEAKER FLOOD: Thank you, Senator Council. Senator Carlson, you are recognized. [LB200]

SENATOR CARLSON: Thank you, Mr. President, members of the Legislature. I rise in support of the motion to override. As the Governor pointed out in his veto message, there's been a series of initiatives at the federal level to address food accessibility and

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LB200 is designed to interact with such initiatives. These federal initiatives have been stimulated by the 2008 farm bill, which directed the USDA to study the existence of food deserts. The farm bill defines such areas as an area with limited access to affordable and nutritious food, particularly such area composed of predominantly lower-income neighborhoods and communities. Nineteen programs are offered by USDA, the Department of Health and Human Services, and the U.S. Treasury to support projects and strategies to increase health food access in underserved area. Many of these are USDA programs whereby existing USDA economic development and nutrition programs are oriented to assist local organizations. A key initiative is the New Markets Tax Credit Program of the Department of Treasury. The program enables taxpayers to receive federal income tax credits for making qualified equity investments in community development entities. And a community development entity, CDE, is a duly organized entity treated as a domestic corporation or partnership for federal income tax purposes that (a) has the primary mission of serving or providing investment capital for low-income communities; (b) maintains accountability for residents of the community by representation on a governing board or advisory board to the CDE, and has been certified by the Community Development Financial Institutions Fund as a CDE. CDEs are an intermediary vehicle for the provision of loans, investments or financial counseling in low-income neighborhoods. There are currently 20 of these in Nebraska, with 5 Community Development Financial Institutions as well. LB200 is an attempt to work with one or more of these 25 CDEs to stimulate activity, to help position entities to take advantage of such federal initiatives. In fact, the bill is drafted in full awareness of these programs, as indicated in Section 5 of the bill. And in that section, it states the fund may be used to carry out the purposes of the act, and, to the extent practicable, to leverage other funding including new market tax credits, federal and foundation grant programs, and so forth, incentives available in designated enterprise zones, and funding from private sector financial institutions pursuant to the Community Investment Act. I believe that the state investment made available under LB200 is one that essentially provides for a pilot program. I know that nutritional well-being is a significant concern for Senator Council and her constituents. And, I think, LB200 provides an additional tool to leverage other assistance to provide healthy food sources in underserved communities. And I would ask for your support in the override of the Governor's veto. Thank you.
[LB200]

SPEAKER FLOOD: Thank you, Senator Carlson. Senator Dubas, you are recognized.
[LB200]

SENATOR DUBAS: Thank you very much, Mr. Speaker, colleagues. Two years ago, I did an interim study that dealt with farm to school and getting local foods, fresh foods into our school system. Brought together a lot of dieticians, school personnel, Department of Education, a variety of people who deal with school lunch programs and looking at, what do we need to do to make this happen? Had great meetings, a lot of good information. And we kind of put together short-term, intermediate and long-range

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goals. One of the biggest stumbling blocks to getting these types of foods into our schools was an infrastructure, a distribution mechanism, access to these types. The food is out there. The producers are out there, but how do we connect those people with the school system so that we can get that food there? I didn't come forward with any legislation because at that time didn't feel that there was legislation that was necessarily needed to help that happen. But the group continued to work. There are some pilot programs in place, you know, baby steps are being taken. And, I think, we're going to see some really good things come out of this. And we are moving in the right direction. Senator Council's bill, what I did with my interim study, these are very important catalysts to make this type of infrastructure happen, to make this type of food available to our citizens all across the state. It's a very important discussion that we're having right now. I'm very familiar with the farmers market programs, the coupons that senior citizens have available to come down and buy fresh fruits and vegetables at the farmers market. But again, it's an access issue. If you don't have a farmers market in your area, you're not going to be able to access those fruits and vegetables an those types of foods. So how do we get those types of foods into the areas that so desperately need them? And that's exactly what Senator Council's bill is trying...she is addressing an access issue. We've got producers. We've got programs in place that give people the financial resources that they need to help them buy these products. But it's making that connection, it's helping them have access to that food that is one of those major components that is missing from this equation. And we have to start moving that direction and building that infrastructure, putting that distribution in place, putting that availability in place. The last time we talked about this bill I referenced, you know, a small grocery store in a community very close to where I live, in Wolbach. And that's what they're trying to do. They wanted to preserve their local grocery store. So they came together as a group and, you know, they're just getting it off the ground now. And I'm wishing them much, much success. But again, we just can't underestimate the importance of this part of the equation to make the other programs work. You can give them the financial resources. You can give them the education, you can do all of those things. But unless we finish out the story and provide that access, we're not going to achieve the results that we're looking for. So I am very much behind what Senator Council is doing here. It's just...it's very critical to providing a very valuable service to, you know, we're spending a lot of time talking about those people with low incomes. This serves people across the entire spectrum of incomes. I mean, you know, who doesn't want fresh fruits and vegetables for their families? We all do, whether we're the poorest of the poor or the richest of the rich. And so again, it's that access issue. And we're all about convenience and we're all about, you know, the easiest way for us to get something, that's what we're going to do. [LB200]

SPEAKER FLOOD: One minute. [LB200]

SENATOR DUBAS: And so that's...if we can improve accessibility for everybody, everybody comes out a winner. So it's my intention to vote to override this veto. And I

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encourage my colleagues to do the same. Thank you. [LB200]

SPEAKER FLOOD: Thank you, Senator Dubas. Senator Council, you are recognized. [LB200]

SENATOR COUNCIL: Thank you, Mr. President. And thank you again, Senator Dubas. During the time that we were on the Ag Committee together, we worked collectively to address these farm-to-school issues, as well as these access issues. And I appreciate your continued efforts in both of those areas. But as I was concluding my opening, I highlighted how, of the 19 programs referenced in the Governor's veto message, very few of them have any direct impact on access to healthy food. The Governor also mentioned an announcement by the Nebraska Cooperative Development Center of the availability of grants to develop new retail food cooperatives in rural areas. This is a true statement, I don't take issue with that. However, what is not stated in the Governor's veto message is the fact that that grant program that was announced, which is a program administered by a not-for-profit organization based in Minnesota, and it is a nationally competitive grant program. What doesn't appear in the Governor's veto message is the fact that that grant program requires a dollar-for-dollar match of nonfederal funds. So for any Nebraskan to access the money that is available through the grant announced by the Nebraska Cooperative Development Center, they have to come to the table with nonfederal funds on a one-to-one match basis. LB200 was designed to qualify Nebraskans for such matching grant programs, thereby enabling Nebraskans across the state to access these funds. Although again, that particular program is limited by its design to locations outside places of 50,000 or more people. So that grant program that was announced by the Nebraska Cooperative Development Center only applies to small communities. And I'm saying we need to have that, but we also need to have that same opportunity in our urban areas where the data compiled by the USDA and our own Center for Rural Affairs shows that we have the existence of food deserts. Finally, in response to the Governor's veto message, the existence of federal or other funds, other nonstate funds is not, nor should it ever be the standard by which this Legislature determines the need to appropriate funds to provide programs and services to Nebraskans. If that were the standard, ladies and gentlemen, the Governor would have been obligated to veto a bill that was introduced on his behalf. As you will recall, LB387 appropriates \$7 million of state General Funds to establish five programs to provide grants and financial assistance to companies receiving federal SBA grants, provide financial assistance to companies or individuals creating prototypes, establish a financial assistance program to identify commercial products and processes, provide financial assistance to companies using Nebraska public college and university... [LB200 LB387]

SPEAKER FLOOD: One minute. [LB200]

SENATOR COUNCIL: ...researchers, and facilities for applied research projects. The

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ten...the \$16 million that's erroneously stated in the Governor's veto message is, in fact, \$16 million available under the Community and Economic Development Grant Program, but it's for exactly the same kind of programs that LB387 was enacted to spur the development of, the exact same type of programs, those which create jobs, and particularly jobs in distressed areas. I know my time is running out, but I'm going to continue the next time on the mike to show you the parallel between LB200 and LB387. And if you vote to override LB200 for the reason stated in the Governor's veto message, then we also should have failed to enact LB387. [LB200 LB387]

SPEAKER FLOOD: Time, Senator. [LB200]

SENATOR COUNCIL: Thank you. [LB200]

SPEAKER FLOOD: Thank you, Senator Council. Senator Ken Haar, you are recognized. [LB200]

SENATOR HAAR: Mr. President, members of the body, my wife comes from a small town in Nebraska, Polk, Nebraska. And at one time, I believe, there were 1,000 people in that town and two or three grocery stores and so on and so forth. And as time has gone on, there have been a number of reasons for the decline in the population of that city, that little town. But one big one, especially for older people, is when there's no place to get groceries, no place to get fresh fruit and that sort of thing. So we've talked an awful lot in this session about how we can help the more sparsely populated parts of Nebraska regain population, regain economic strength. And I can just think of no better way than to provide for food, for decent food in these communities so that they don't have to drive all the way to York or wherever it is that they have to drive to get their groceries. So I certainly rise in support of LB200. I think it makes a lot of sense in the context of all these things we've talked about, about reversing population trends and getting people to move back to small communities. Thank you very much. [LB200]

SPEAKER FLOOD: Thank you, Senator Ken Haar. Senator Council, you are recognized. And this is your last time. [LB200]

SENATOR COUNCIL: I thank you very much, Mr. President. And I thank you, Senator Haar, for your comments. Again, just responding to the reasons given in the Governor's veto message on LB200 and that being it provides for...it duplicates assistance available through federal and other sources to support the development of sustainable healthy food programs. So do other programs that this body has appropriated funds for. We have never had that be the standard for determining whether we appropriate funds. In fact, what this body looks at is how the funds appropriated will be maximized potentially with federal funds or private funds. And that's exactly what happened with LB387. And I need to make it clear, I supported LB387. I believe that LB387 can achieve its intended objective. But in order for LB387 to achieve its stated objective,

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applicants for funds under LB387 must access federal funds. So that in and of itself is an acknowledgement of the fact that there are federal funds currently available for all of the purposes set forth in LB387. But the intent of LB387, like LB200, is to maximize state funds and leverage them with these federal funds. Again, just by comparison, by no means am I seeking to denigrate LB387 because I believe in it. But what I'm trying to show you is the inconsistency and the contradiction in the Governor's reason for vetoing LB200. Just by way of example, Section 5 of LB387 provides for planning grants. But these grants are available only to the small businesses that currently qualify under the federal Small Business Administration, Small Business Innovation Research Grant Program. So there are already grant funds available for this purpose, these planning purposes. The intent of LB387 is to leverage that. And it goes on to say, planning grants may be made under this section to match up to 65 percent of the federal grant. And every single one of the programs in LB387 are designed for that purpose, to maximize federal...to maximize state dollars to the greatest extent possible to provide as much funding as possible to carry out the purposes of the act. In fact, LB387, just as LB200, is premised upon accessing other funds, particularly federal funds. So if we all agree, and the Governor states in his veto message that he agrees, that access to healthy foods is important and we should be doing something to enable all Nebraskans to access healthy foods, then I submit to you that you should vote to override the Governor's veto of LB200 because it does exactly that. It takes a small investment, \$150,000, and in terms of the funding... [LB200 LB387]

SPEAKER FLOOD: One minute. [LB200]

SENATOR COUNCIL: ...I'm reminded when one of my colleagues, in discussing his opposition to the bill initially, questioned, what could \$150,000 do on an annual basis? And I told him exactly what I'm telling you now, that the intent here is to be able to leverage this small investment to access existing federal dollars that we knew existed, we knew they existed when LB200 was introduced. And at no time have I attempted to hide that fact behind my back. I've told this body every single time that there are federal funds out there, but this increases our opportunity to access those funds, makes Nebraska applicants for those funds far more competitive. The \$10 million that was just announced I can almost assure you that Nebraskans... [LB200]

SPEAKER FLOOD: Time, Senator. [LB200]

SENATOR COUNCIL: Thank you. [LB200]

SPEAKER FLOOD: Thank you, Senator Council. Senator Ken Haar, you are recognized. [LB200]

SENATOR HAAR: Mr. President, members of the body, I'd like to give my time to Senator Council, if she'd like to continue. [LB200]

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SPEAKER FLOOD: Senator Council, 4 minutes 50 seconds. [LB200]

SENATOR COUNCIL: Thank you. And those of you who have dealt in the not-for-profit arena or have had any involvement in the grant process, when you're talking about competitive grants and limited funds available to be granted, that what those grant reviewers look at is the potential for leveraging, maximizing what they give you. So if you come in with an application for \$20,000, because your program is a \$40,000 program, and they think your program is valuable, and they look at your application and it says, and I've already gotten \$20,000, \$10,000 from the Nebraska Healthy Food Financing Initiative Act and \$10,000 from the Food Co-op Initiative, because it happens to be a project in the rural part of the state, you're pretty much positioned competitively to access that \$20,000 in federal funds. But if you go in there without the ability to show that you do have access to other funds, to demonstrate your ability to sustain your program, you're not going to get those funds. LB200 simply provides a mechanism to enable all Nebraskans, rural or urban, to access funding to provide for farmers markets, if that's necessary, to provide for food distribution and delivery services, if that's what's necessary, all of which is designed to improve the health of Nebraskans. I want to take this opportunity to thank the Nebraska Dietitians Association, who have been supporters of this initiative from the outset, the Nebraska Chapter of the American Heart Association, because they appreciate and understand that if we increase Nebraskans access to healthy foods, we reduce incidence of cardiovascular disease, thereby reducing the costs to the state of Nebraska to provide healthcare to address those issues. I received information in my office this morning from the American Heart Association on obesity in children and how improving their access to healthy foods can reverse that trend, a very disturbing trend, with the increasing number of children who are obese. LB200 is a small step but a mighty step that this state can take towards addressing that issue and again positioning Nebraskans who want to address this issue in their respective communities, placing them at an advantage over the thousands of other communities across this nation where there are food deserts. Again, USDA identified 813 counties in the Great Plains region alone that are food deserts. And all of those counties with all of the other counties across the nation are going to be competing for the \$10 million of federal dollars that were just announced. Please help me help Nebraskans access that money for the benefit of Nebraskans and vote to override the Governor's veto. Thank you. [LB200]

SPEAKER FLOOD: Thank you, Senator Council. There are no other lights on. Senator Council, you're recognized to close on LB200. [LB200]

SENATOR COUNCIL: Thank you. I will be brief. Again, I want to thank the Agriculture Committee for working with me, while I was a member and after I left that committee, to try to put together a piece of legislation that effectively and efficiently addressed an issue that was identified and demonstrated, through research conducted not only by the

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USDA but our very own Center for Rural Affairs. I want to thank the committee because they unanimously voted to advance this bill to General File. They unanimously voted to designate it an Agriculture Committee priority, because they shared the belief that is reflected in this bill that if we provide some financing, some funding to programs that...viable programs, and this program is going to be administered through the Rural Development Commission who has an understanding of all the currently existing programs. And it can assist these applicants access those funds. I was reminded of the fact that LB387, in order to accomplish the creation of these five new programs, required us to repeal the Ag Opportunities and Value-Added Ag Program. And when I read the Governor's veto message, I thought, ladies and gentlemen, we have had a Ag Opportunities and Value-Added Ag Program in the state of Nebraska that has received General Fund appropriations for decades, for years. That is a federal program. There are federal funds available in addition to funds made available by this legislative body through our biennial appropriations process. So it's not an issue of duplication, ladies and gentlemen. It's really an issue of whether or not we want to fulfill our obligation to meet this state's priority to address the health needs of all of its residents by ensuring that all of our residents have access to healthy and affordable foods. And with that, I would urge your vote to override the Governor's veto. Mr. President, I would ask for a call of the house and a roll call vote in regular order. [LB200 LB387]

SPEAKER FLOOD: Thank you, Senator Council. Members, you've heard the closing to Senator Council's motion. There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, please, Mr. Clerk. [LB200]

CLERK: 38 ayes, 0 nays, Mr. President, to place the house under call. [LB200]

SPEAKER FLOOD: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senators Coash, Fulton, Council, Lathrop, Utter, please check in or return to the Chamber. The house is under call. Senator Fulton, please return to the Chamber and record your presence. The house is under call. Senator Council, all members are present or otherwise accounted for. Senator Wightman is returning and, although excused, will be present for the vote. We will wait for his return. Members, the question is, and this does require 30 votes, shall LB200 become law notwithstanding the objections of the Governor? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please read the roll and please call it in regular order. [LB200]

CLERK: (Roll call vote taken, Legislative Journal page 1796.) 20 ayes, 19 nays, Mr. President, on the motion to override. [LB200]

SPEAKER FLOOD: The motion is not successful. Mr. Clerk, I raise the call, we now

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proceed to legislative resolutions. Before we go there, any items for the record? [LB200]

CLERK: I do, Mr. President. Thank you. Mr. President, communications from the Clerk to the Secretary of State regarding the transmittal of LB256, LB200, and LB200A. I also have a...and I also have a confirmation report, excuse me, from the General Affairs Committee, signed by or offered by the General Affairs Committee. And that's all that I have, Mr. President. (Legislative Journal pages 1796-1797.) [LB256 LB200 LB200A]

PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We will now move to items under legislative resolutions, LR141. [LR141]

CLERK: Mr. President, LR141 was a resolution originally introduced by Senator Price. It asks the Legislature to designate the Remember the flag (sic) as the state of Nebraska's emblem of service and sacrifice by the men and women of the United States Armed Forces. The resolution, upon its introduction, was referred to the Government, Military and Veterans Affairs Committee. The committee has reported it back to the Legislature for further consideration. At this time I have no amendments pending, Mr. President. [LR141]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Price, you're recognized to open on LR141. [LR141]

SENATOR PRICE: Thank you very much, Lieutenant Governor, members of the body. As we saw a mass exodus from the room, I hope, that everybody will be coming back shortly. LR141 designates the Honor and Remember Flag, and you have been given a photocopy of that and the symbology and what it means, we had that passed out here just a moment ago. This flag is going to be used as the state of Nebraska's emblem of service and sacrifice by the brave men and women of the United States Armed Forces who gave their lives in the line of duty. LR141 also urges Congress to pass HR 546, which designates the Honor and Remember Flag, the official symbol of our country's concern and commitment to honoring and remembering all members of the armed forces who lost their lives in the line of duty. HR 546 provides the days of the year and the memorials and other locations on or at which the flag shall be displayed. Currently, six states: Virginia, North Carolina, Delaware, Oklahoma, and Utah, have passed similar legislation. And there are about a dozen other states who are considering adopting resolutions or laws designating the Honor and Remember Flag as the emblem of service by our armed forces. Now I'd like to read that we received many letters, when we were in committee, on this. And I'm going to read a brief excerpt. That the first Honor and Remember Flag was unveiled publicly on May 26, 2008. As you've heard, HR 546 has been introduced in Congress to make it an officially recognized flag in the United States. Now, right now, there are about 100 other cosponsors on the bill in the House of

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Representatives. And I give you as a point of reference that the POW/MIA flag that so many of us are familiar with seeing out in front of our facilities, that took 18 years to get through the legislative process. It is my hope and the hopes of many others that it won't take as long for this flag. As you look at that flag and you see it's a very symbolic flag, and I've seen one of these in person, and what you'll see a family will have on the flag, and the bottom, they'll have some lettering embroidered in there for their loved one, honoring the time of their services, probably also the time of death and what conflict. This flag will be used and can be used for family members of all wars. So it isn't designated simply for the Global War on Terror or Afghanistan or Korea or World War II, it will be for all of them. So, I believe, that's great because it has a universal application. And I wasn't going to take too much time. I'll just be very brief with a look at the breakdown so we have it as a matter of record here. The red field represents the blood spilled by the brave men and women in America's military throughout history who willingly gave their lives so that we all would remain free, that the blue star represents active service in the military conflict. And this symbol originated with World War I, but on this flag it will signify service through all generations. The white border surrounding the gold star recognizes the purity of sacrifice, there is no greater price an American can pay than to give his or her life in service to our country. The gold star signifies the ultimate sacrifice of a warrior in active service who will not return home. And the gold reflects the value of life that was given. The folded flag signifies the final tribute to an individual's life that a family sacrificed and gave to the nation. And the flame is the eternal reminder of the spirit that has departed this life, yet burns in the memory of all who knew and loved that fallen hero. I'd also inform all of you that there are several veterans organizations, many of you are familiar with them, in your communities, from the Gold Star wives, to the VFW, to American Legion, and all those organizations are behind this effort. This legislative resolution is only part one. Next year there will have to be some statutory language that I will bring forward to enable this to be flown at buildings in Nebraska. And we just didn't have the time to get that in this year. So with that, I would ask your support for this resolution and stand here ready to answer your questions. Thank you. [LR141]

PRESIDENT SHEEHY: Thank you, Senator Price. You have heard the opening of LR141. Members requesting to speak are Senator Gloor, followed by Senator Loudon, and Senator Janssen. Senator Gloor. [LR141]

SENATOR GLOOR: Thank you, Mr. President. I wonder if Senator Price would yield to a question or two. [LR141]

PRESIDENT SHEEHY: Senator Price, would you yield? [LR141]

SENATOR PRICE: Absolutely. [LR141]

SENATOR GLOOR: Thank you, Senator Price. I feel comfortable standing as a veteran,

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asking a few questions, just because I've heard a few comments. Wonder if there are any obligations that come with this resolution? Are we obligated to fly this flag? Must it be flown over the Capitol? And, I think, you may have come close to answering that question with some of your final comments about legislation that may be introduced next year by you. Would you mind answering that question, please? [LR141]

SENATOR PRICE: Thank you very much, Senator Gloor, for that opportunity to answer. As I understand it, absolutely there is no obligation. The HR will cover some of the guidelines, much like the POW/MIA flag, I believe, that there are mandatory days of flying it. With this program this is a program that it's the symbol that's important, that we recognize. That way, as we've heard with other legislation, we don't end up with a hodgepodge of symbology out there. This would be done across the United States for the symbology. But the families can either, if they want to secure it or local businesses and/or organizations will buy the flag for the member, so it won't become an obligation financially for the state. The only thing that would happen with the legislation, I'll bring the companion legislation, is to give it the authority to be flown at state buildings. [LR141]

SENATOR GLOOR: Thank you, Senator Price. Thank you, Mr. President. [LR141]

PRESIDENT SHEEHY: Thank you, Senator Gloor. Senator Louden. [LR141]

SENATOR LOUDEN: Thank you, Lieutenant Governor. Would Senator Price yield for questions? [LR141]

PRESIDENT SHEEHY: Senator Price, would you yield to Senator Louden? [LR141]

SENATOR PRICE: Absolutely. [LR141]

SENATOR LOUDEN: Yes. Well, thank you, Senator Price, for the work on this. As I've done quite a little bit of work in this line myself, all the way from a veteran cemetery to Gold Star license plates, and we had done some work before on a flag of this sort. And what I'm wondering, by this resolution then, would we have to start having this flag flown at certain times? I suppose you're familiar that the postal department now has to fly that, and I don't really recall right now what that flag is called, but on certain days the postal department has to fly a flag with the veterans remembrance of some sort like that. Now would this be where this is going, that we would have to have this flag and it would be designated to fly on certain days or it would have to fly with the state flag or something like that? [LR141]

SENATOR PRICE: No, Senator Louden, no. My understanding is that this would be an optional flag that's available. What basically has happened is when a member dies and there is a ceremony, they're given a traditional folded flag at the end of the ceremony.

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That's the American flag, and that usually gets cased or stuffed in the house. But when you look at one American flag to another American flag, you don't get an opportunity to really tell the difference why it's there. And this is a flag that the family could have and they could fly it in their front yard, if they wanted to, they could have it in their house. And everybody would know clearly that they've had a fallen family member. But directly to your question, there is no design at this time to have mandatory dates of flying, it would just be an optional date for flying in front of the buildings. [LR141]

SENATOR LOUDEN: Okay. I think now, if I remember, my memory serves me now, I think, it's the MIA flag that the postal department has to fly on certain days through the year. And that's what I was wondering, if this is going to...this won't be anything that goes down that road. This will be just a matter of a resolution that we recognize this flag as a flag that can be flown at an optional time, is that what you're saying? [LR141]

SENATOR PRICE: That is correct. [LR141]

SENATOR LOUDEN: Okay. Thank you, Senator Price. Thank you, Mr. President. [LR141]

PRESIDENT SHEEHY: Thank you, Senator Louden. Senator Janssen. [LR141]

SENATOR JANSSEN: Thank you, Mr. President, members. And Senator Gloor actually asked the question that I wanted to ask. And I was glad to hear that this is optional rather than mandatory. Although, I think, we should want to do that. So I would be remiss to at least not mention as a fellow veteran, with Senator Gloor, that we will be waving good-bye to some troops in Grand Island this Friday, my brother-in-law being one of them. And so give them a little shout out here this morning or this afternoon, I'm sorry. And also plug the city...talking about flags, the city of Fremont, as a source of pride, for many, many years has put and aligned their Military Avenue with flags of fallen soldiers or soldiers that have passed since their service. And that is something to see. And I just see this as a continuation of that. So thank you to Senator Price for bringing this. And if you require any help in the future with this, you know, you can look to a veteran for support. [LR141]

PRESIDENT SHEEHY: Thank you, Senator Janssen. Seeing no additional requests to speak, Senator Price, you're recognized to close on LR141. [LR141]

SENATOR PRICE: Thank you, Lieutenant Governor. And again, thank you for those who stood up and spoke and asked the questions. Thank you for those who signed onto the resolution. And I thank all of you for your support. And would urge that you vote yes on this resolution. Thank you. [LR141]

PRESIDENT SHEEHY: Thank you, Senator Price. You have heard the closing. The

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question before the body is on the adoption of LR141. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LR141]

CLERK: 39 ayes, 0 nays, Mr. President, on the adoption of LR141. [LR141]

PRESIDENT SHEEHY: LR141 is adopted. We will now proceed to LR204. [LR141 LR204]

CLERK: Mr. President, LR204, resolution introduced by Senator Council, asks the Legislature to honor the friendship between Nebraska and the Republic of Turkey. Senator Council introduced her resolution on May 5, Mr. President. I have no amendments pending at this time. [LR204]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Council, you are recognized to open on LR204. [LR204]

SENATOR COUNCIL: Thank you, Mr. President. And I will be brief. LR204 was introduced in acknowledgement of the efforts being made by representatives of the Republic of Turkey to cultivate relationships not only across the nation but specifically in Nebraska. And in that regard, they have, through a not-for-profit, known as the Niagara Foundation, established a chapter of the Niagara Foundation in the city of Omaha. And the purpose of the Niagara Foundation is to improve intercultural and interfaith relationships, specifically between the various faith communities represented in Turkey and in the United States. And I know several of my colleagues here in the Legislature have received overtures from representatives of Turkey. They have sought out members of the Legislature to sit down and gain understanding and to develop relationships. There has been work conducted by our university research staff to assist with agricultural issues in Turkey to help them improve their agricultural productivity. So essentially, LR204 is just intended to recognize and acknowledge the ever-growing relationship between Turkey and residents of the state of Nebraska. And I would urge your advancement and vote in support of LR204. Thank you. [LR204]

PRESIDENT SHEEHY: Thank you, Senator Council. You've heard the opening to LR204. Member requesting to speak, Senator Larson. [LR204]

SENATOR LARSON: Thank you, Mr. President and members of the body. Would Senator Council yield to a question? [LR204]

PRESIDENT SHEEHY: Senator Council, would you yield to Senator Larson? [LR204]

SENATOR COUNCIL: Yes, I will. [LR204]

SENATOR LARSON: Senator Council, I appreciate what you're doing here. And I just

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have some concerns with when we honor our friendship between this state and another country, especially a country that has its own problems throughout the world when you consider it, you know, not only domestically with the religious freedom and tolerance but a country that invaded Greece and stole or invaded Cyprus and stole Old Taffeta (phonetic) Island and the EEU won't let it in. Are there concerns there or why as a state do we have to...should we be building these relationships, especially when they have their own international problems that might not look overly great for us to build that relationship? I guess, my question is, why or should those be factors that we take into considering this? [LR204]

SENATOR COUNCIL: Well, I'm motivated, Senator Larson, by a need to move forward. And there are opportunities for us to develop a relationship. The Turkish representatives, the Turkish nationals that live in this state, that are educated in this state, who are employed in this state have expressed a desire to be very much a part of this state and to develop a relationship with this state. And certainly if that is going to be the standard, I mean, we have enacted and adopted resolutions in the past recognizing relationships with various countries around the world, many of whom had their share of problems, this year or last year, Northern Ireland, this year or last year Poland. I mean, there have been various countries where this body has recognized the need to move forward and to develop the kind of relationships with those countries that are beneficial to the residents of Nebraska as well as the residents of those countries. [LR204]

SENATOR LARSON: Thank you, Senator Council. I think, I guess, I just kind of wanted to understand where you were coming from on that. And I do know that, obviously, Turkey has had a lot of problems recently in attempting to get into the EEU and other things. And, I guess, I'll probably just sit this one out because I'm not sure that we as a body should necessarily recognize that at this time. I wasn't here when...if we honored other countries. I know Senator McCoy had the bill to take away the or allow us to invest in Northern Ireland this year, which I supported. But, I guess, that's all I had to say. Thank you. [LR204]

PRESIDENT SHEEHY: Thank you, Senator Larson. Senator Gloor. [LR204]

SENATOR GLOOR: Thank you, Mr. President. I've spoken more today on two resolutions than, I think, I have in the past month. I appreciate the opportunity. I rise in support of this resolution. I understand Senator Larson's concern about what may be happening in that part of the world right now. But many of us don't have to think back too far to the Cold War and a point in time when Turkey was very much an important ally of this country, extremely important with military bases scattered throughout that country in support of defense of this country. I have friends who are physicians and engineers and citizens of this country now. They bring friends over here quite regularly. And, I think, what we're talking about here is extending a hand of friendship to people who have been friends of ours. To overanalyze this, especially with, as I said, the

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turmoil going on, probably does disservice to what otherwise is a relatively simple resolution. And I would urge my fellow senators to vote in favor of LR204. Thank you and appreciate Senator Council bringing this forward. Thank you, Mr. President. [LR204]

PRESIDENT SHEEHY: Thank you, Senator Gloor. Senator Nelson. [LR204]

SENATOR NELSON: Thank you, Mr. President, members of the body. I'd like to address a question to Senator Council, if she would yield. [LR204]

PRESIDENT SHEEHY: Senator Council, would you yield to Senator Nelson? [LR204]

SENATOR COUNCIL: Yes. [LR204]

SENATOR NELSON: Thank you, Senator Council. I rise neither in support or against this. I just have a question. Is Turkey a firm ally of the United States at this time? [LR204]

SENATOR COUNCIL: Yes, it is. [LR204]

SENATOR NELSON: Okay. And I know it has been in the past, but it's pretty hard to keep up with things in the Middle East at the present time. [LR204]

SENATOR COUNCIL: Correct. [LR204]

SENATOR NELSON: Can you...how...you talk about immigration into Nebraska and Omaha from Turkey. Can you site some numbers, how many people we have coming in from Turkey or have? [LR204]

SENATOR COUNCIL: You know, I don't have those exact numbers, Senator Nelson. But I was surprised to see the number last year. The Niagara Foundation, which is this Turkish-based not-for-profit, had a recognition, hosted a recognition dinner in Omaha last year where they recognized Father Schlegel and Mayor Suttle. And I was surprised at the number, there was over 100 people in attendance there, most of whom were Turkish students or businesspeople. [LR204]

SENATOR NELSON: Is the Niagara Foundation a national organization or Nebraska? [LR204]

SENATOR COUNCIL: It's a national organization with a chapter in Nebraska. [LR204]

SENATOR NELSON: Has Creighton University been active with bringing in Turkish students or if Father Schlegel was involved in that? [LR204]

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SENATOR COUNCIL: My understanding that the reason Father Schlegel was recognized was because of Creighton's involvement in the intercultural and interfaith activities of the Niagara Foundation. [LR204]

SENATOR NELSON: All right, thank you, that answers some of my questions. And I appreciate the resolution, Senator Council. [LR204]

PRESIDENT SHEEHY: Thank you, Senator Nelson. Seeing no additional requests to speak, Senator Council, you're recognized to close on LR204. Senator Council waives. The question before the body is on the adoption of LR204. All those in favor vote yea; opposed, nay. Record, Mr. Clerk. [LR204]

CLERK: 37 ayes, 0 nays, Mr. President, to adopt LR204. [LR204]

PRESIDENT SHEEHY: LR204 is adopted. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR141 and LR204. Mr. Clerk, do you have items for the record? [LR204 LR141]

CLERK: I have no items, Mr. President, other than a priority motion. Senator Price would move to adjourn the Legislature until Thursday morning, May 26, at 11:00 a.m.

PRESIDENT SHEEHY: You have heard the motion to adjourn until Thursday, May 26, at 11:00 a.m. All those in favor say aye. Opposed, nay. We are adjourned.