

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

Floor Debate
February 16, 2012

[LB209 LB239 LB269 LB370 LB398 LB461 LB470 LB498 LB536 LB576 LB646 LB677
LB686 LB711 LB714 LB720 LB725 LB727 LB735 LB751 LB770 LB771 LB773 LB793
LB799 LB800 LB804 LB820 LB821 LB828 LB836 LB842 LB849 LB852 LB853 LB854
LB858 LB864 LB867 LB868 LB872 LB873 LB879 LB882 LB886 LB887 LB890 LB904
LB905 LB907 LB911 LB933 LB942 LB943 LB950 LB959 LB961 LB962 LB963 LB965
LB971 LB983 LB993 LB996 LB1018 LB1020 LB1043 LB1049 LB1050 LB1053 LB1057
LB1058 LB1061 LB1063 LB1064 LB1071 LB1079 LB1080 LB1090 LB1097 LB1102
LB1114 LB1118 LB1128 LB1151 LR365 LR373CA LR401]

SENATOR COASH PRESIDING

SENATOR COASH: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-ninth day of the One Hundred Second Legislature, Second Session. Our chaplain for today is Senator Carlson. Please rise.

SENATOR CARLSON: (Prayer offered.)

SENATOR COASH: Thank you, Senator Carlson. I call to order the twenty-ninth day of the One Hundred Second Legislature, Second Session. Senators, please record your presence. Mr. Clerk, please record.

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

SENATOR COASH: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections, Mr. President.

SENATOR COASH: Thank you. Are there any messages, reports, or announcements?

CLERK: I do have some, Mr. President. I might indicate there's a Banking Committee Executive Session now in Room 2022; Banking Committee immediately in 2022. Your Committee on Enrollment and Review reports LB887, LB943, and LB1043 to Select File, some having Enrollment and Review amendments. Urban Affairs Committee, chaired by Senator McGill, reports LB864 to General File with amendments. Transportation and Telecommunications, chaired by Senator Fischer, reports LB751 to General File with amendments. I have a hearing notice from the Health and Human Services Committee signed by Senator Campbell, as Chair. I have a confirmation hearing report from the Nebraska Retirement Systems Committee. I have a new resolution: Senator Smith would offer LR401; that will be laid over at this time. Priority bill designations: Senator Seiler, LB996; Senator Lautenbaugh, LB720; Senator Loudon, LB1053; Senator Wightman, LB1102; Senator Conrad, LB1079; the Revenue Committee, LB727 and LB1097; Senator Cook, LB1063; the Health and Human Services Committee, LB821 and LB961; Senator Campbell, LB820; and Senator

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

Floor Debate
February 16, 2012

Cornett, LB1050. Those are priority bill designations. I have two gubernatorial appointments, Mr. President, that will be referred to Reference for a referral to a standing committee for a possible confirmation hearing. Energy Office submits an annual report; that will be on file in the Clerk's Office and available for member review. And finally, Mr. President, the report of registered lobbyists for this week to be inserted in the Journal. That's all that I have. (Legislative Journal pages 557-561.) [LB887 LB943 LB1043 LB864 LB751 LR401 LB996 LB720 LB1053 LB1102 LB1079 LB727 LB1097 LB1063 LB821 LB961 LB820 LB1050]

SENATOR COASH: Thank you, Mr. Clerk. We'll now proceed to the first item on the agenda. Mr. Clerk.

CLERK: Mr. President, LB1118 is on Select File. Senator Larson, I do have Enrollment and Review amendments. Senator Cornett, would you be so kind as to offer a motion for E&R amendments, Senator? (ER175, Legislative Journal page 493.) [LB1118]

SENATOR COASH: Senator Cornett for a motion. [LB1118]

SENATOR CORNETT: I make a motion for the E&R amendments. [LB1118]

SENATOR COASH: Thank you, Senator Cornett. The question is the adoption of the E&R amendments to LB1118. All those in favor say aye. All those opposed say nay. The amendments are adopted. [LB1118]

CLERK: Senator Cornett would move to amend, Mr. President, with AM2052. (Legislative Journal page 552.) [LB1118]

SENATOR COASH: Senator Cornett, you are recognized to open on AM2052. [LB1118]

SENATOR CORNETT: Thank you, Mr. President and members of the body. As you will recall, LB1118 is the bill that amends the Nebraska Advantage Act to create a new subtier for large data center projects. In order to qualify for tax incentives, a large data center would have to invest \$300 million and create 30 new jobs associated with the data center. LB1118 advanced last week on a 41 to 0 vote. The amendment that you have in front of you, AM2052, is an essential technical amendment that clarifies how sequential projects work under the Nebraska Advantage Act. It's somewhat complicated so bear with me as I explain. Right now, Section 77-5723(7) sets out that a company can apply for sequential or concurrent projects. Specifically, the state states, "A taxpayer and the Tax Commissioner may enter into agreements for more than one project and may include more than one project in a single agreement. The projects may be either sequential or concurrent." Because we have created a new category of project under the Nebraska Advantage Act, the tier 2 large data center project, AM2052 explains how the statute will work when there is a sequential project involving a tier 5

Floor Debate
February 16, 2012

data center, specifically one that is followed by a tier 5 project. AM2052 sets out how the department will determine the investment and employment for the second project, what year will be considered the base year for the second project, and when the project must attain for the purpose of receiving tax credits. The reason AM2052 is necessary is that subsection (7) of Section 77-5723 allows sequential projects but there is no language giving the department guidance on how to implement such sequential projects. Let me explain what would happen without AM2052 as the law exists today. A company could file for sequential projects in one application under subsection (7); however, the earlier subsection (4) says that the business would have to meet all the requirements of both applications within six years. That means the company would have to meet the requirements of the tier 2 large data center project and the tier 5 project all at the same time frame. For just the tier 2 data center project, that doesn't make sense, so the bill is amended to make it clear how the law would apply to tier 2 large data center projects and specifically how it would apply when there is a tier 5 that follows it. The amendment requires that the level of investment and employment for the first project would have to be met within the six years. The level of investment for the second project would have to be met within four years after the first project is completed. That's actually two years faster than the company would have to attain if there were two separate projects entered into separately rather than sequentially. The first project is considered completed at the end of the project entitlement period relating to direct sales tax refunds. That would be six years after the first attainment. The bill makes it clear that this is effective only for tier 2 large data center projects, and the bill clarifies what the base year is for the second project. The base year is usually the year immediately preceding the year of application. However, since the actual date of application is the date specifically for the first project, using the definition for base year for the second project doesn't make sense. So the base year for the second project in the sequential tier 2 data center project is defined as the last year of the tier 2 large data center project. That makes sure that there's a starting point for the purpose of maintaining employment for the second project. There are a couple other points that need to be made. For any sequential project the company must pay two application fees. If for any reason the company defaults on the first project and loses the tax incentives or has them clawed back, the second project is also void. And if the company completes the first project but defaults on the second project, there would only be clawback on the second project. The first project is considered to be complete when the second project begins. I realize this is a very technical amendment but this language was required by the Department of Revenue to make sure there was on record on how to implement sequential projects when one of the projects is a tier 2 large data center. I am happy to try and answer any questions you might have and urge you adopt this amendment. Thank you. [LB1118]

SENATOR COASH: Thank you, Senator Cornett. Before we move on to discussion, the cookies that you find on your desks are in honor of Senator Harms's birthday, which is tomorrow. Happy birthday, Senator Harms. (Doctor of the day introduced.) Members,

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

Floor Debate
February 16, 2012

you've heard the opening to AM2052. Member wishing to speak, Senator Burke Harr. [LB1118]

SENATOR HARR: Thank you. I appreciate it. Would Senator Cornett yield to some questions, please? [LB1118]

SENATOR COASH: Senator Cornett, will you yield? [LB1118]

SENATOR CORNETT: Yes. [LB1118]

SENATOR HARR: Thank you. Thank you, Senator Cornett. I guess my question is fairly simple initially, is why are we doing this amendment? [LB1118]

SENATOR CORNETT: I'm sorry? [LB1118]

SENATOR HARR: Why are we doing this amendment? [LB1118]

SENATOR CORNETT: Because the Department of Revenue needs guidelines on how to implement the sequential projects... [LB1118]

SENATOR HARR: Okay. [LB1118]

SENATOR CORNETT: ...under the tier 2 large data center. [LB1118]

SENATOR HARR: Okay. And I guess my question, why...does this have a fiscal note? [LB1118]

SENATOR CORNETT: This amendment does not have a fiscal note. [LB1118]

SENATOR HARR: Okay. And why is it being introduced now at Select File when it went through a hearing and General File? Was this brought on the request of somebody or how did this come about? [LB1118]

SENATOR CORNETT: This came...we were working on the amendment when it was on General File. Because it is so technical in nature, it was not ready for General File. We've been working with the Department of Revenue on this amendment between General File and Select File to make sure it was right. [LB1118]

SENATOR HARR: Okay. And you say we've been working on it. Who's we? [LB1118]

SENATOR CORNETT: My office and... [LB1118]

SENATOR HARR: Okay. [LB1118]

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

Floor Debate
February 16, 2012

SENATOR CORNETT: ...the Department of Revenue. [LB1118]

SENATOR HARR: Okay. Okay. Thank you. I'll be honest, I haven't had...it is very technical and I haven't had a chance to review this amendment probably as well as I'd like to. I think it probably is a good deal. I just...we are spending a lot of money, we are making a lot of changes to our statute for what I have been led to understand is one company, and I do have problems somewhat with that, and that's not what I'm here to talk about. But I just want to make sure that this amendment isn't being addressed to further pigeonhole for one company and one company only. I'll look over this amendment and I may have more comments. Thank you. [LB1118]

SENATOR COASH: Thank you, Senator Harr. Seeing no other members wishing to speak, Senator Cornett, you're recognized to close on AM2052. [LB1118]

SENATOR CORNETT: Thank you very much, Mr. President, members of the body. Again, this is a very technical amendment that we have worked on with the Department of Revenue to clarify when attainment is achieved and when base year starts for sequential projects on a large data center project under the tier 2. I would urge the body to support the amendment and the underlying bill. Thank you. [LB1118]

SENATOR COASH: Thank you, Senator Cornett. The question is, shall the amendment to LB1118 be adopted? All those in favor vote aye; those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LB1118]

CLERK: 29 ayes, 0 nays, Mr. President, on adoption of Senator Cornett's amendment. [LB1118]

SENATOR COASH: The amendment is adopted. [LB1118]

CLERK: Mr. President, Senator Cornett would move to amend with AM1986. (Legislative Journal page 562.) [LB1118]

SENATOR COASH: Senator Cornett, you're recognized to open on AM1986. [LB1118]

SENATOR CORNETT: Thank you, Mr. President and members of the body. AM1986, when we were originally looking at the bill, we were debating on what the appropriate threshold would be for attainment of investments. We drafted it at \$300 million, hoping to attract large data center companies to the state, but since that time we...it has been brought to our attention that we were shutting the door on other very large projects because the \$300 million is high, even for this industry. I believe we have a real opportunity to make Nebraska even more competitive and to attract more jobs by lowering that threshold to \$200 million. By no means is this going to be easily obtainable

Floor Debate
February 16, 2012

for companies, but it drops the carrot to a reasonable height to encourage companies to invest more and create more jobs with the existing job threshold in tier 2 if they want to do business in Nebraska. What we don't want to do is be back here in a year trying to make the change for a new project because the threshold was just too high for attainment. I believe we should do this now to make us more competitive with other states that are targeting the data centers and put Nebraska in the best possible position to become the center of this emerging industry. AM1986 makes a change to the investment threshold in LB1118 to bring Nebraska in line with what other states around the country do to ensure that we are not pricing ourselves out of business. This does not mean that a company that was looking at us has scaled back the project. This is to attract other companies besides the ones that are currently looking at us. There is no project at this time. Moving the amount from \$200 million to \$300 million (sic) doesn't change anything except it allows more companies to look at Nebraska and give Nebraska a better chance at attracting them. Since LB1118 was introduced, several companies have contacted the state, looking at us for data center projects. As we indicated last week, Nebraska has several millions invested in data center sites. This change just makes us more competitive with our surrounding states as their thresholds are all \$200 million. I would urge the body to support this amendment and would be happy to answer any questions. [LB1118]

SENATOR COASH: Thank you, Senator Cornett. You've heard the opening to AM1986. Senator Heidemann, you are recognized. [LB1118]

SENATOR HEIDEMANN: Thank you, Mr. President and fellow members of the body. I just became aware of this just a little bit ago. I was very much for LB1118, I will say that. I wasn't told about this part of it until, like I said, just a few minutes ago. This is going to change the numbers, there's no doubt about that. I wonder why we have to do this for this project at this time, and maybe I can ask that to Senator Cornett, if she would yield. [LB1118]

SENATOR COASH: Senator Cornett, will you yield? [LB1118]

SENATOR CORNETT: I'd be happy to. [LB1118]

SENATOR HEIDEMANN: Is it important that we do this part of it right now? [LB1118]

SENATOR CORNETT: It is my understanding, from the business community and the Department of Economic Development, that a number of companies have contacted us in regards to LB1118 but they fall under that \$300 million threshold. This does not affect the companies that were already looking at Nebraska at the \$300 million threshold. [LB1118]

SENATOR HEIDEMANN: And really, I'm trying to choose my words carefully here,

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

Floor Debate
February 16, 2012

LB1118 was kind of geared toward one entity maybe a little bit, so I don't see the need to do this right now. I don't want to go too far, but I would be a lot more comfortable if we knew the numbers, if this would have come up earlier, instead of Select File before we move it to Final Reading without knowing the numbers. [LB1118]

SENATOR CORNETT: And I agree with your comfort-level issue. I have been working with the Department of Revenue on what this would do to the fiscal note. They have figured it for one...that what they are figuring on the numbers that we've been receiving from them is from one company that is specifically interested at above the \$200 million threshold. Again, it would be front-loaded so they believe that we'd be positive on the front end but it would increase the fiscal note, as LB1118 does in the out years because you pay back those credits as they're attained. It does not apply to any existing projects in the state and that was my concern originally, that it is only new projects moving forward, because if it applied to projects existing in the state it would increase the fiscal note at the front end. [LB1118]

SENATOR HEIDEMANN: Okay. We can maybe have some conversations later on. Thank you, Mr. President. [LB1118]

SENATOR COASH: Thank you, Senator Heidemann and Senator Cornett. Senator Burke Harr, you're recognized. [LB1118]

SENATOR HARR: Thank you. Would Senator Cornett be willing to yield to some questions? [LB1118]

SENATOR COASH: Senator Cornett, will you yield? [LB1118]

SENATOR CORNETT: I'd be happy to. [LB1118]

SENATOR HARR: Thank you. I'm going to go a step further than Senator Heidemann did. You've been working with the Department of Revenue. Do you have any idea what this fiscal note would be? [LB1118]

SENATOR CORNETT: They are figuring it for one company and it would be, because it is front-loaded, as LB1118 is, it would be a positive note for the first three years and I do not have an exact number on that yet. [LB1118]

SENATOR HARR: And by positive note, you mean what? [LB1118]

SENATOR CORNETT: I mean if you look at LB1118, the company has to make investment up-front. [LB1118]

SENATOR HARR: Okay. Is there...but is there a cost to the taxpayers? [LB1118]

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

Floor Debate
February 16, 2012

SENATOR CORNETT: Up-front there is no cost to the taxpayers. What they do when the company starts collecting credits is they pay them out when they have been collected, after they've reached attainment. [LB1118]

SENATOR HARR: Okay, there would eventually be a cost to the taxpayers. [LB1118]

SENATOR CORNETT: There will be a fiscal note associated when they start achieving credits, the same as the underlying bill in LB1118, yes. [LB1118]

SENATOR HARR: Okay. And would this amendment make the fiscal note...would AM1986, would that fiscal note itself, not counting what's already is on LB1118, be greater or smaller than the fiscal note, meaning I think it's 2.5 a year on LB1118. [LB1118]

SENATOR CORNETT: It's larger up-front, so we'd have more positive note in the first couple of years. But because there's another project added in, you will have, when those credits are changed, more payout. So there will be a larger note, both positive and negatively. [LB1118]

SENATOR HARR: Okay. All right. Thank you. I guess I have a bit of an issue with, again, as Senator Heidemann said, coming up on Select File, AM1986, in which we don't even know how much this is going to cost us, ladies and gentlemen. We have a fiduciary duty to our constituents to make sure that we spend their money--it's not our money and it's not any company's money but their money--wisely and we don't even know how much it's going to cost. I have maybe no problem with it but I don't know, and we're being asked to blindly go forward without having a cost. LB1118 I have some reservations with to begin with. I'm never quite sure why we pick winners and losers in government with the private sector. But now we're going blindly forward, again, not knowing how much this is...or even having an idea how much this is going to cost. I don't think...well, I can't vote for AM1986, to be honest with you, because we have that fiduciary duty to our taxpayers. If we want to advance this, come back, vote it out or delay so we know how much this is going to cost, that's fine, but to go forward not knowing how much this costs I believe is irresponsible. Thank you. [LB1118]

SENATOR COASH: Thank you, Senator Harr. Senator Cornett, you're recognized. [LB1118]

SENATOR CORNETT: Let me clarify something. LB1118 has a positive fiscal note up-front. As a company attains credits, we pay them the credits out. But overall, at the end of 14 years, there will be a \$20 million positive fiscal note for LB1118 in its original form. And that out year would be even larger with the amendment. We'd get front-loaded on money. We pay out credits based on attainment, and then we have an

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

Floor Debate
February 16, 2012

overall positive fiscal note at 14 years. With that, I urge the body to support the amendment and the underlying bill. [LB1118]

SENATOR COASH: Thank you, Senator Cornett. Senator Burke Harr, you're recognized. [LB1118]

SENATOR HARR: Thank you. And I'm just going to quote something that Senator Hadley said to me when I was trying a turnback bill, and he said, quote: I guess, Senator Harr, I'm going to be honest and say I have trouble that we're giving up state funds for the city of Omaha. I guess I just...give me a rationale that we're going to have less in General Fund that might fund Medicaid recipients, might fund TEEOSA, because we want to help Omaha with tourism. Well, ladies and gentlemen, that's what we're doing here. Give me a reason. Give me a rationale. Why do we want to help one industry, one company? It's a company we're helping, not an industry. Give me a rationale that we need to have less General Fund money. I haven't heard it. I don't know if you've heard it. We don't even know how much this is. We don't know what this is going to cost the taxpayers. There's a problem with that. That's irresponsible. Now we can have a debate on AM1986 when we have all the facts. I have no problem with that. But we don't have all the facts. We know LB1118 is going...well, it's been reported in the paper it's going to Kearney. That's fine. I have no problem with that. I appreciate that. I think it's a good deal. But now we're doing something more and we're changing already, we're having mission creep already and we haven't even passed the bill. We're helping more and more...giving away more and more taxpayer dollars. If we want to do something with HHS, if we want to do something with TEEOSA, we got to have the dollars, and we don't. If we give it up to one business and we don't even know how much it's going to cost us, think about that. You're just abdicating your power then. Why even vote on anything, just give it all up. Now again, AM1986 may be a great bill, but it's being thrown at us at the last second and we don't have all the information. I would ask...and as I said, I can't vote for this. I would ask that it be pulled and we could have a debate on that some other time. But to be thrown at us at the last second without all the information, we can't have a debate because we don't know what we're debating. This is not an urban-rural issue. This is a fiduciary issue. I don't want this to be laid into an urban-rural issue. This is about how do we spend our money and how do we make decisions here. We have to have debate. We have to have facts. This completely bypassed the whole committee hearing. I have a...well, I'll leave it at that. And maybe I can have a conversation off the mike with Senator Cornett and maybe I'll be convinced this is fine, but I'm a little disappointed in the way this was brought up. So thank you very much. [LB1118]

SENATOR COASH: Thank you, Senator Harr. Senator Heidemann, you are recognized. [LB1118]

SENATOR HEIDEMANN: Thank you, Mr. President and fellow members of the body.

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

Floor Debate
February 16, 2012

Just had some conversations with some people in various places. At the present time, I will say I want to inform the body that I am going to oppose the amendment, AM1986. I do support LB1118. What I would like to tell everybody, that I think we need to move LB1118 to Final Reading, find out what the numbers are, and then if we agree that we should put this amendment back on, pull it back from Final Reading, add the amendment back. Once we get the numbers, once we know more what's going on, once we get more comfortable with it, pull it back from Final Reading and then add it at that time if it's the body's wish. But at this time I think we should move LB1118 to Final Reading without the amendment. If anybody has any questions, they can ask me. But that's where I'm at right now. Thank you. [LB1118]

SENATOR COASH: Thank you, Senator Heidemann. Senator Nelson, you're recognized. [LB1118]

SENATOR NELSON: Thank you, Mr. President and members of the body. I had a conversation earlier off the mike with Senator Cornett and had no problems with the amendment that we recently passed, but I didn't know about AM1986 and I have to agree with Senator Heidemann. In the fiscal note that we have here, it says they assume that the \$300 million investment qualifying threshold prohibits any business currently operating data centers in Nebraska from qualifying. Well, if we pass this amendment at this time, without knowing how many people are interested or who might qualify or what the change will be in the fiscal, I think that would be a mistake. So I, too, would urge that we not adopt AM1986 at this time, go ahead and move LB1118 ahead, and then come back to it before final passage. Thank you, Mr. President. [LB1118]

SENATOR COASH: Thank you, Senator Nelson. Seeing no other lights, Senator Cornett, you're recognized to close on AM1986. [LB1118]

SENATOR CORNETT: Thank you, Mr. President. I'm not sure if I could win this on Select File but I'm not going to try. Because I think it's an important enough amendment, Senator Heidemann and I have agreed to work on it between now and Final Reading. He also just wants some reassurance in regards to this. But I do want to rise to some of the comments that Senator Harr made. This is a bill for the entire state. It has a positive fiscal note up-front and it has a positive fiscal note over the long run. To try and compare this to a turnback of state dollars for tourism for the city of Omaha reaches the level of ludicrous. This is a positive note for the entire state, not a negative note. It is not state dollars being turned back to a city for tourism. With that, I withdraw the amendment and will be bringing it back on Final Reading. Thank you. [LB1118]

SENATOR COASH: The amendment is withdrawn. [LB1118]

CLERK: I have nothing further on the bill at this time, Mr. President. [LB1118]

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

Floor Debate
February 16, 2012

SENATOR COASH: Members, the question is the advancement of LB1118 to E&R for engrossing. Motion is to advance LB1118 to E&R for engrossing. All those in favor say aye. All those opposed say nay. It is advanced. Mr. Clerk, items for the record? [LB1118]

CLERK: Thank you, Mr. President. I do have some items. Your Committee on Enrollment and Review reports they've examined and engrossed LB370, LB498, LB576, LB677, LB714, LB770, LB771, LB836, LB852, LB853, and LB873, those all reported correctly engrossed. Urban Affairs Committee, chaired by Senator McGill, reports LB868 to General File with committee amendments attached. And priority bill designations: the Government Committee, LB971 and LB858; Natural Resources Committee, LB950, one of its two committee priority bills; Senator Bloomfield, LB907; and Senator Schilz, LB239; and Senator Mello, LB983. I also have a Reference report, Mr. President, referring gubernatorial appointees to a standing committee for a confirmation hearing. That's all that I have. (Legislative Journal pages 562-563.) [LB370 LB498 LB576 LB677 LB714 LB770 LB771 LB836 LB852 LB853 LB873 LB868 LB971 LB858 LB950 LB907 LB239 LB983]

SENATOR COASH: Thank you, Mr. Clerk. We will now move to the next item on the agenda, LR365. [LR365]

CLERK: Mr. President, LR365 was a resolution introduced by Senator Lathrop and others. It proposes a continuation of the Developmental Disabilities Special Investigative Committee. Upon its introduction, it was referred to the Executive Board for purposes of conducting a public hearing. The Executive Board has advanced the resolution to the Legislature for further discussion and consideration. I have no amendments at this time, Mr. President. [LR365]

SENATOR COASH: Thank you, Mr. Clerk. Senator Lathrop, you are recognized to open on LR365. [LR365]

SENATOR LATHROP: Thank you, Mr. President and colleagues. Good morning. LR365 is a resolution to continue what has become known as the BSDC committee. In 2008, this Legislature passed LR283 and set up for the biennium the BSDC committee, whose work I think you're familiar with. Last year we continued it for an additional year with the expectation that the ICF/MRs, or the cottages down in the Beatrice State Developmental Center, would be fully recertified and we wouldn't need to continue working any further and we would just turn the issue over to the Health Committee. We also expected that over the course of last year we would conform to the federal Department of Justice consent decree, and that's not happened. So I'm here today to ask you to extend the jurisdiction of the BSDC committee an additional year with this resolution so that we can continue our oversight at Beatrice State Developmental Center, where we are waiting for the last of the ICF/MRs to be recertified so that we can

Floor Debate
February 16, 2012

continue to monitor the state's performance in the consent decree with the Department of Justice and so that we can deal with related issues, such as the waiting list, the provision of services to the dually diagnosed. I also want to give you a little bit of background. This is generally a subject matter that would come under the jurisdiction of the Health Committee. Because of the very, very difficult circumstances that led to the decertification of the Beatrice State Developmental Center, this special committee was formed. We have in the last year included the Health Committee in our hearings or at least afforded them the opportunity to attend, and many of them have and I appreciate that. In other words, we are making a transition of this subject matter back to the Health Committee but I think it should continue for two reasons. One is that we haven't recertified all of the ICF/MRs at BSDC. We've not come into compliance with the consent decree. The other is that the Health Committee right now is also a special investigative committee in dealing with the child welfare issues. They have much on their plate, their plate is full, and I can tell you that when this was before the Exec Board that Senator Campbell sent, as Chair of the Health Committee, sent a letter to the Exec Board indicating that she would appreciate it if this committee continued so that we could continue to watch the developmental disability issues while their attention is so appropriately focused on the child welfare issues. So I'd be happy to answer any questions, talk to you about the progress that we've made with providing services to the developmentally disabled, and kind of what we might be looking at in the year ahead, but I'll reserve those just in the event you ask questions. And if we don't have any questions, I'll encourage your support of LR365. Thank you. [LR365]

SENATOR COASH: Thank you, Senator Lathrop. You've heard the opening to LR365. Senator Campbell, you are recognized. [LR365]

SENATOR CAMPBELL: Thank you, Mr. President, and good morning, colleagues. I just wanted to add my support to the continuance of this. Senator Lathrop referred to the letter that I sent to the Executive Board, but I want to underscore the importance of the committee continuing at least for the next year. And it is true that, yes, we are finishing up our work on child welfare, but the expertise that the special committee has picked up in following the BSDC issue, would be extremely important that you continue that and use that expertise. Senator Lathrop and I have talked about this issue off and on, and so I feel very comfortable with the resolution going forward. Thank you, Mr. President. [LR365]

SENATOR COASH: Thank you, Senator Campbell. Senator Wightman, you are recognized. [LR365]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. I just wanted to stand, as Chair of the Executive Committee, and say that this did pass with a unanimous vote, 2 were absent. I want to take this opportunity to thank Senator Lathrop for all that he's done in the past however many years it's been, about three. We did

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

Floor Debate
February 16, 2012

have some discussion in committee about how long this should last, and generally speaking, I think we could say that we're looking at this as being the last year, and hopeful that any remaining problems might be resolved during this next year. But I strongly support LR365 and would request your favorable vote. Thank you. [LR365]

SENATOR COASH: Thank you, Senator Wightman. Seeing no other members wishing to speak, Senator Lathrop, you're recognized to close. Senator Lathrop waives closing. The question is, shall LR365 be adopted? All those in favor vote aye; all those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LR365]

CLERK: 40 ayes, 0 nays, Mr. President, on the adoption of LR365. [LR365]

SENATOR COASH: LR365 is adopted. Next item, Mr. Clerk. [LR365]

CLERK: Mr. President, General File: LB686, a bill by Senator Schilz. (Read title.) Introduced on January 19 last year. Senator Schilz presented his bill yesterday, Mr. President. Committee amendments were offered at that time. In addition, when the issue was left, Senator Louden had pending an amendment to the committee amendments. (FA34, Legislative Journal page 548.) [LB686]

SENATOR COASH: Thank you, Mr. Clerk. Senator Schilz, would you give us a brief update on LB686? [LB686]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. Good morning again. Thank you for the debate yesterday. I think a lot of good comments came from that. Basically what LB686 would do is that it would give those folks who hold a Ph.D. or a master's degree in reproductive physiology the ability to be able to do bovine transplant...embryo transplant, and two different sectors. If you have a Ph.D., you don't need any supervision from the vets; if you have a master's, then you would have to have indirect supervision from a veterinarian. And both the Ph.D. and the master's holder would have to be able to prove that they have insurance to be able to cover any lapses that they might have. And so with that, that's basically where we're at. That's a short description. Thank you, Mr. President. [LB686]

SENATOR COASH: Thank you, Senator Schilz. Senator Campbell, would you please give us a brief update on AM1774? Senator Campbell, would you please give a quick update on AM1774? (Legislative Journal page 394.) [LB686]

SENATOR CAMPBELL: I apologize, Mr. President. Thank you. The quick answer to this is that the committee amendment does allow someone with a Ph.D. to conduct the embryo transplant forward. Perhaps the most significant part of the committee amendment is that someone who holds a master's degree and has an emphasis in reproductive physiology from an accredited college can perform the procedure under

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

Floor Debate
February 16, 2012

the indirect supervision of a veterinarian. Mr. President, that is essentially the committee's amendment. [LB686]

SENATOR COASH: Thank you, Senator Campbell. Senator Louden, would you please give us an update on FA34? (Legislative Journal page 548.) [LB686]

SENATOR LOUDEN: Thank you, Mr. President and members. I introduced FA34 to AM1774 to clarify the wording on page 2 of the amendment, lines 12 through 18. In Section 38-3321, it states who may practice veterinary medicine in Nebraska. And as you look through the statutes, there's about 12 or 14 different paragraphs there that has some exemptions on who can and who cannot. And it so happens, in paragraph (7), it says, "An owner of livestock or a bona fide farm or ranch employee from performing any act of vaccination, surgery, pregnancy testing...or the administration of drugs in the treatment of domestic animals under his or her custody or ownership nor the exchange of services between persons or bona fide employees...in the performance of these acts." And what FA34 does, it just inserts language in the listings of the procedures an owner may perform on their livestock, which FA34 describes as "a retrievable transplantation of embryos on bovine, including recovering, freezing, and transferring embryos on bovine." That's what my FA34 does: It clarifies what you can do to your own cattle, puts it in statute there where it's already in statute that has some description. Thank you, Mr. President. [LB686]

SENATOR COASH: Thank you, Senator Louden. Members, you've heard the opening to LB686, the committee amendment, and the floor amendment. Those members wishing to speak: Senator Wallman, you are recognized. [LB686]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. Would Senator Louden yield to a question? [LB686]

SENATOR COASH: Senator Louden, will you yield? [LB686]

SENATOR LOUDEN: Yes, I would. [LB686]

SENATOR WALLMAN: Thank you, Senator. As it is right now, can you do all these procedures on your own ranch without any certification or anything? [LB686]

SENATOR LOUDEN: You mean embryo transplants right now? [LB686]

SENATOR WALLMAN: Yes. [LB686]

SENATOR LOUDEN: I suppose you can. I don't know as there's anything in statute that says you can't. [LB686]

Floor Debate
February 16, 2012

SENATOR WALLMAN: Well, thank you. I guess I'm not against farmers or ranchers doing it, on themselves, myself either. But why do we need this, to expand their scope of practice or something? It concerns me we're doing this. You know, we struggle with this in the medical field, the nursing field, the optometrists, the ophthalmologists; it goes on and on. So we have guidelines what we're supposed to do when we go to the school. And I have no trouble with individuals doing their own livestock, whether you be a feedlot or a rancher or a farmer, because most of us give shots, we castrate, we dehorn, all this ourself. So...but this here, it gives another person...can charge for services, I guess, that's not a veterinarian. That's the way I see it. Is that...would Senator Schilz yield to a question? [LB686]

SENATOR COASH: Senator Schilz, will you yield? [LB686]

SENATOR SCHILZ: Yes, I'd be happy to. [LB686]

SENATOR WALLMAN: Thank you, Senator. Now, would these individuals that get this master's degree, would they be able to charge on ranches and feedlots, then, is that right? [LB686]

SENATOR SCHILZ: Yeah, I would...they would be able to do that, yes. [LB686]

SENATOR WALLMAN: Okay. Thank you. And so this is why I'm against this bill. And usually I'm for, maybe, a scope of practice expansion a little bit. But we can do it already. So, I guess, leave it like it is. Thank you, Mr. President. [LB686]

SENATOR COASH: Thank you, Senator Wallman. Members wishing to speak: Senators Schilz, Dubas, and Harms. Senator Schilz, you're recognized. [LB686]

SENATOR SCHILZ: Thank you, Mr. President and everyone else. And to Senator Wallman's question, again, yes, they would be able to charge. Of course, the vet that would be overseeing that would also then charge that person, so that would free up the vet's time to do more of what they do on an everyday basis, possibly. I just want to go through a couple things, and as I was reflecting last night at home on this bill and things like that, something kept tickling me in the back of my mind. And I thought about it for a little while. And I thought, well, wait a minute, hold on a second, just a couple years ago Senator Dierks introduced a bill to allow chiropractors, acupuncturists, and others to be able to work on animals. Senator Dierks is a vet. Senator Dierks introduced this bill. There is no coverage...or there is no supervision required of these folks by a veterinarian as they do work on animals. So we've seen this before. This is not unprecedented; it happens. As we talk about what we need to have happen in the industry, if you look at the cow-calf industry in the state of Nebraska as a manufacturing sector, and then you see all the support industries that are around that, including the necessity to have a feedyard, the necessity to have capable vets to be able to handle

Floor Debate
February 16, 2012

situations. The Nebraska Cattlemen, the organization that represents cattlemen in the state of Nebraska, has had policy for seven years on this issue. This bill has been introduced twice; this is the second time to come here. They've been working on the issue for seven years. They have been told time and again that the situation would be covered, that the needed support and services they need would be put into place. Well, they still want the bill. And it seems to me that an industry that is one of the largest in the state of Nebraska, when they clamor for something they say we need, we should take that seriously. I understand the concern of the vets, I really do. I get that. But business isn't always easy. Competition is there every time we turn. And competition makes us better over time. There are some things that we could do if people want to tighten this up a little bit. And I have an amendment that could possibly do that, if we get through all the other amendments in a certain way. You know, to be...and what this would do is, to be a licensed bovine embryo transfer technician in this state, an individual shall hold a master's degree or higher with an emphasis in reproductive physiology from an accredited college or university and obtain certification according to standards approved by the board. The department, with the recommendation of the board, shall adopt and promulgate rules and regulations providing for licensure of bovine embryo transfer technicians meeting the requirements of the previous section. Licensure standards for a person holding a master's degree with an emphasis in reproductive physiology from an accredited college or university shall require performance of the procedure under indirect supervision of a licensed vet and the ability to show proof of valid professional liability insurance and the receipt of a passing score on the examination approved by the board. Licensure standards for a person holding a doctorate degree with an emphasis in reproductive physiology from an accredited college or university shall only require the proof of valid professional liability insurance. And then the licensure of a bovine embryo transfer technician shall be limited to the performance of a retrievable transplantation of embryos on bovine, including the recovering, freezing, transferring of embryos on bovine. [LB686]

SENATOR COASH: One minute. [LB686]

SENATOR SCHILZ: Thank you, Mr. President. So there are some things we can do to tighten that up, and I would be willing to go in that direction. I understand, also, as we look at this, the Ph.D. has already been agreed to by all parties. So if you look at that, the practice act has been opened up, or they are agreeing to open the practice act up to allow this to happen. So I would encourage you to...for everyone to think about this and to really, really think about how we want to help serve this industry best. Thank you very much. [LB686]

SENATOR COASH: Thank you, Senator Schilz. Senator Dubas, you are recognized. [LB686]

SENATOR DUBAS: Thank you, Mr. President. Good morning, colleagues. I really think

Floor Debate
February 16, 2012

it's important that we're having this discussion. I certainly know and understand where Senator Schilz is coming from; I know he's been working on this a long time. And when you're that invested in an issue, it's not for just a common reason. And as I stated yesterday, this is a difficult position for me to be in, because I know and have a great deal of respect and trust for people who are on both sides of this issue. You know, I have no reason to question their judgment. But it comes down to, you know, where, at the end of the day, do I think we need to be? We've talked about this being a scope of practice issue, and it is. But it's an issue that, while it could have a positive impact on one of the most important industries in our state, the cattle industry--we know how important the cattle industry is in our state--it has the potential to have a negative impact also. I don't see this as being one side is right and one side is wrong. Again, the cattle industry is very important. We're trying to figure out a way to best meet a need to help our cattle industry remain a strong and very viable part of our overall ag economy. You know, I've heard from veterinarians across the state. I've heard from cattlemen not...I've heard from a few cattlemen who are not in support of this bill. They have large feedlots. Their concern comes from what they see as the potential of impacting the recruitment of additional vets into the area. They rely very heavily on the veterinarian practice for their feedlots. So again, it just...I think it illustrates just how critical this issue is and why it's important that we have this discussion and have it be a very thorough discussion so that we know what we're doing when it comes time to vote. I had the opportunity last night at a supper to visit with two of our Nebraska students who are in the two-plus-two program. They're still taking their studies at Nebraska but will be going on to another state to finish their veterinary training. They are very excited to return to Nebraska. And they want to be large-animal vets, which is something that we tend to have a little bit of a struggle with because of the challenges that our large-animal vets have to deal with. But they want to come back. And they said they want to be able to...and they're going to take the additional training in vet school to do the ET procedures. They want to come back and feel that they will have this as an option to help support their business. They see it as, by opening it up...what Senator Schilz said about competition is right. That's very true: competition tends to make us better. But they're seeing it as--and I think this goes to some of the comments that Senator Seiler made yesterday--they're investing a large amount of money to become a veterinarian, and they're going to have to work very hard to recoup that money and pay off those student loans. And so they see any opportunity that they have to help them offer more services to their clients, it's a way for them to help, you know, pay off those student loans and get their career under their feet and off and running. I was very impressed with these two young people, and they are very excited about the industry, about what they're going to do, and about coming back to serve Nebraska. And I think that's something, I mean, we talk about that on the floor all the time just in general terms: how do we keep our young people in Nebraska? And I know Senator Schilz has made this same analogy with what his bill would do: it would open it up for more people. But... [LB686]

SENATOR COASH: One minute. [LB686]

Floor Debate
February 16, 2012

SENATOR DUBAS: But I think it's very important to take into consideration what these young people are investing into their career with the hopes of coming back and having this service that they would be able to offer to their clients. Right now there are nine vets who are across the state--I think they are dispersed pretty geographically--who do an ET procedure. There is one who is AETA certified. So that's the highest level of certification. And right now that certification can be achieved by veterinarians and by Ph.D.s. And, yes, there's been talk within the association--I visited with someone last night--they've been talking about also including master's in this certification. They've been talking about it for a long time but have never felt like that was the right step to take. So at this point in time, that national certification, which is very, very extensive, very costly, very time-consuming, the... [LB686]

SENATOR COASH: Time, Senator. [LB686]

SENATOR DUBAS: Thank you. [LB686]

SENATOR COASH: Thank you, Senator Dubas. Senator Harms, you're recognized. [LB686]

SENATOR HARMS: Thank you, Mr. President, colleagues. Senator Schilz, could you yield, just a few questions, please? [LB686]

SENATOR COASH: Senator Schilz, will you yield? [LB686]

SENATOR SCHILZ: Yes. [LB686]

SENATOR HARMS: Thank you, Senator Schilz. I noticed on the committee statement that the Nebraska Veterinary Medical Association testified in opposition to this. Could you explain to me what their concerns were? [LB686]

SENATOR SCHILZ: Well, their concerns, if I remember right--and I'm trying to think back--obviously, they were concerned about the scope of practice issue. But when the bill came out and we had discussions with the vets, they were in agreement that the Ph.D. should be excepted. And they were okay with that and are okay with that, to what I can tell. And that's what Senator Dubas' amendment would do. [LB686]

SENATOR HARMS: What...in regard to the University of Nebraska's department of animal science, they testified in a neutral capacity. Could you tell me just exactly what they testified on and what their views were about this process? [LB686]

SENATOR SCHILZ: Let me...I...to tell you the truth, I don't know exactly what their testimony was. I don't have the committee statement sitting in front of me. But as most

Floor Debate
February 16, 2012

agencies do when they're affected, they bring in neutral testimony to give information and... [LB686]

SENATOR HARMS: Oh, I understand that, Senator. But what I'm...really what I'm trying to get to: what were they testifying about? There's a difference...you know, when you go to these hearings--and I always chuckle, and I've said this more than once on this floor--you really aren't neutral, but that's the way you go to hide behind that aspect of it. And that's what I'm trying to find out. And I could get the transcripts, but I think it's important for this body to understand that first you had the veterans, excuse me, you had the Nebraska Veterinary Medical Association testify against this, and then you also have the University of Nebraska animal science in a neutral capacity. I'm just trying to determine exactly what took place. [LB686]

SENATOR SCHILZ: Yeah. And I am working to get that committee statement so that I could tell you. Of course, it's available to anybody on the gadget, and we can look there and see what it says. [LB686]

SENATOR HARMS: Well, I appreciate that. Now let me go on to some other issues I'd like to visit with you. Yesterday I listened carefully, and you talked a great deal about the shortage of veterinarians in the great state, and this would be very helpful for them, even though the veterans...or, excuse me, the veterinarians are not in favor of the bill as it was originally written. So how short are we? And, geographically, where's the shortage located? [LB686]

SENATOR SCHILZ: Is that a question for me? [LB686]

SENATOR HARMS: Yes, it is. [LB686]

SENATOR SCHILZ: Yeah. I can tell you this, and I was bringing you those numbers yesterday from the veterinarian association, and as you look down through there you can see that there's counties that have almost 100,000 animals per vet that they are in charge of taking care of. I can tell you this, in that same year, last year, the vets asked me to pass a locum tenens bill because they were afraid that if there was an occurrence or a disease outbreak, there would not be enough vets in the state of Nebraska to be able to take care of the problem. So they saw it as a huge issue, and they wanted to allow vets from other states to come in here on a temporary basis to be able to handle some of those situations. [LB686]

SENATOR HARMS: You haven't really answered my question. Really, what I'm after is, I mean, what is the number in the shortage and where are they geographically located? I know where the cattle are, but where are we actually short? [LB686]

SENATOR SCHILZ: Well, I could... [LB686]

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

Floor Debate
February 16, 2012

SENATOR HARMS: That's okay, because that's a question we can follow up later. I want to talk to you now just a little bit about the educational side of this thing. Are you saying that if you have a...that you would want someone with a less education to provide this service... [LB686]

SENATOR COASH: One minute. [LB686]

SENATOR HARMS: ...rather than a veterinarian? [LB686]

SENATOR SCHILZ: I can tell you this, and I know this from my feedyard experience: I want somebody that's proficient. When I go to do things for my cattle that require me to pay something, I want to make sure it's done right. And I can tell you this, that this kind of procedure is one that has to be performed over and over and over, for somebody to become proficient. I want proficiency. That's what I look for. [LB686]

SENATOR HARMS: What we're really talking about here, and I understand all those things, but what I'm saying is, because I listened to you explain very clearly about the components that were in this master's degree program, are you saying to me and... [LB686]

PRESIDENT SHEEHY PRESIDING

PRESIDENT SHEEHY: Time, Senator. [LB686]

SENATOR HARMS: Oh, thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Harms. Mr. Clerk, you have items for the record. [LB686]

CLERK: I do, Mr. President, thank you. Committee on Judiciary reports LB993 and LB1049 to General File. Banking, Commerce and Insurance reports LB882 to General File. Priority bill designations: Senator Janssen, LB209; Senator Nordquist, LB882; Senator Heidemann, LB1061; Senator Harms, LB842; Senator Langemeier, LB933; and Senator...Retirement Systems, LB867 as one of their two. That's all that I have, Mr. President. Thank you. (Legislative Journal page 564.) [LB993 LB1049 LB882 LB209 LB1061 LB842 LB933 LB867]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR365. Returning to floor discussion on FA34 to AM1774, members requesting to speak: Senator Schilz, followed by Senator Dubas, Senator Lautenbaugh, Senator Wallman, Senator Harms. Senator Schilz. [LR365 LB686]

Floor Debate
February 16, 2012

SENATOR SCHILZ: Thank you, Mr. President and members of the body. And I'm looking up some of that information, as we speak, about...that Senator Harms was looking for. And I will get that back to folks. I know this, as I said before, the Nebraska Cattlemen have had this as a policy statement for over seven years now. They've been working at it. If folks perceive that it's a need out there and they're in the industry, then I take them at their word. The veterinarians of the state may not agree with this, but my intentions here are to help them as well. Scope of practice is there for a reason. Because as times change, you need to change that scope, you need to understand the dynamics of the real world that are going on. We've heard that it's hard to bring vets back. It's hard to bring anybody back to rural Nebraska, okay, not just vets. It's hard to bring farmers back. It's hard to bring ranchers back. It's hard to bring manufacturing companies to rural Nebraska. As I look at it, I think that flexibility is what we need. I would really like to hear some information on the idea that I pushed forward possibly to amend for a certification. Because quite truly if we are talking about proficiency and we are talking about what's best for an industry, then I think a certification process makes sense. And I can deal with that. I totally agree with that. I also think it makes sense to let Ph.D.s do this. I don't think there's a problem there. And no matter how somebody testified in the hearing, as negotiations go forward, you know, everybody that was on this bill that when it came out...or when it was debated on was okay with the Ph.D.s being able to handle this. If they've changed their opinion on that, I haven't heard that yet. But the other side of it is, are we going to move forward and be able to do this, or does everybody want to stay exactly where we are and hope things work out doing the same old things we've done in the past? Of course, I'm a risktaker. If I see an opportunity out there, I understand that anything worth doing is worth taking a risk on. Some would say I'm taking a pretty big risk right here. I mean, quite honestly, I've got vets in my district that aren't happy with this either, and I understand that. It's never comfortable. But the Legislature has been given the authority, has the authority to change these types of things. And we are to look to the future and to what best serves the people, all of the people, of the state of Nebraska. So this is a fundamental question. It's a philosophical question. But it has real-world implications. And I would hope that everybody would take a look at...or would have some questions on credentialing and things like that, and I will try to get that passed around here while we're still speaking, to see if there's any interest there. Thank you very much. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Schilz. Senator Dubas. [LB686]

SENATOR DUBAS: Thank you, Mr. Lieutenant Governor. Senator Schilz brought up a point about having people work on your farms and ranches who are proficient. And I certainly can't disagree with that. And training doesn't always equate to proficiency. But with a procedure like this, proficiency is a very key and important component. I spent some time on the phone last night. We have nine vets, as I said previously, in the state who do the ET procedure, but we have one vet who is actually AETA certified. And so I

Floor Debate
February 16, 2012

spent some time last night talking to him about what he had to go through to get that certification, and it is a very, very extensive process. It's a great deal of studying, lots of paperwork. You are required to flush 50 cows and freeze or transfer upwards of 250 to 300 embryos in a 12-month period. He said he had to work really, really hard to meet that requirement. He actually even did some of the procedures...offered to do them for nothing, just so he could meet that qualification. And the reason they require that is for that proficiency...is because. The success rate for ET, I don't have the numbers for our state, but nationwide the success rate for a successful transfer is around 58 percent. So, I mean, I don't know how, you know, everybody would look at those numbers in a little bit of different light. But I think it demonstrates that this is a procedure that is very intricate and very involved. And that's why this additional training provides this particular vet, who right now is in a large-animal practice with other vets...because of the training that he's gone through. And he says he's never turned down a call for a job, and it's their hope that they can bring a couple more veterinarians into this practice, which would free him up to do this full time. He already does travel the state, and this would free him up to try to help meet the demands that are out there. This is something he feels very strongly about. Another one of the things he pointed out is, like, for purebred sales, some of these purebred breeders like to offer embryos on their sale. If the work has been done by an AETA vet, the purebred breeder can advertise in his catalog that he can guarantee a success rate of at least 50 percent. If that work isn't being done by a certified vet, they can't make that guarantee. So if you're in the purebred business, it's a very expensive business. These cows are...you're going to treat them with kid gloves because it's an important part of your business. And so again it's just showing that this extra certification provides that extra level of service that they can provide to their clients. Again, I don't have the statewide numbers, and maybe someone will be able to come up with those at a later time, but I do have nationwide numbers as far as how many cows go through this process. And we have approximately 40 million cows across the entire United States. And these numbers, I believe, come from AETA. They say there are approximately 40,000 flushes occurring, but also some of those cows can be flushed multiple times. So when you look at those numbers, it's still not a large percentage of animals that are undergoing this procedure. [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR DUBAS: You know, I've received some e-mails from veterinarians who provide this service. One in particular has said they're looking at expanding their business also. And we've been talking here on the floor about the shortage of vets and having trouble recruiting. Well, it sounds like maybe that's improving. I think that is somewhat due to the two-plus-two program that we have going in the state. But this is a veterinarian from the Valentine area who...they are advertising to recruit more vets. Again, they're seeing this ET procedure as a market they would like to be able to expand on, so they're wanting to bring more vets into the business. And in less than one month, they had over 20 applications. And these are vets that will be trained to serve

Floor Debate
February 16, 2012

the livestock industry in all capacities, but they've also been trained to do ET, and they want to do ET. And so, you know, yeah, we're talking about protecting some turf here, and I certainly... [LB686]

PRESIDENT SHEEHY: Time, Senator. [LB686]

SENATOR DUBAS: ...understand why they would be. Thank you. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Dubas. Senator Lautenbaugh. [LB686]

SENATOR LAUTENBAUGH: Thank you, Mr. President and members of the body. I'll confess at the outset, to no one's surprise, this is not an area of my particular expertise. I was describing the bill yesterday and I referred to it as Senator Schilz's bull-insemination bill, which would be a waste of time and also a horrible description of what we're talking about here. So I think I know a little bit more than I did yesterday, at least. But what I am hearing is this is something that we do allow ranchers to do on their own, if they're of a mind to; I think I heard that in floor debate. And I can't for the life of me understand why we wouldn't let that same rancher hire someone of his choosing to do this as well. I don't want to diminish the value of the livestock, but we aren't talking about procedures on people here; we're talking about something we let ranchers do on their own, presumably. So I don't understand why we would shy away from expanding the number of people that a rancher could hire to do this, if he or she so chose...chooses to do. I don't understand this to be a huge area that would be a make-or-break for any particular veterinarian if we expanded this to include others as providers. And for that reason I do have to support Senator Schilz's bill, and I hope it moves forward to passage. I'd be happy to yield the rest of my time to Senator Schilz. [LB686]

PRESIDENT SHEEHY: Senator Schilz, you're yielded 3 minutes 20 seconds. [LB686]

SENATOR SCHILZ: Thank you, Mr. President. Thank you, Senator Lautenbaugh. To Senator Harms's questions, he asked about the testimony from the professor at UNL. And basically, his neutral testimony was just explaining the embryo transfer classes that are presented at the university, explaining that both veterinarian students that are there on the two-plus-two thing and the ones that are taking master's degree take the classes, many of the embryo transfer classes that are offered there. He said, quite honestly, most of the master's students--and this is where I got this yesterday--most of the master's students that go through the college there end up, and I quote: Many of the master's of reproductive physiology students that graduate from our program go into human embryo clinics. And so what we're saying here is that it's okay for people, but it's not okay for cattle. These are the types of things that we hear in committee. These are the types of things that cause a bill to come out of committee 7-0. This is why I'm still standing here fighting for the bill as amended. Because we've heard from the experts in

Floor Debate
February 16, 2012

this area, all the experts, not one special-interest group or another, that say, you know what, if done properly, someone with a master's degree in reproductive physiology, someone with a Ph.D. in reproductive physiology can perform this successfully. If we trust them for humans, shouldn't we trust them on the ranch? Thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Lautenbaugh. Thank you, Senator Schilz. Members requesting to speak on FA34: we have Senator Harms, followed by Senator Schilz, and Senator Schumacher. Senator Harms. [LB686]

SENATOR HARMS: Thank you, Mr. President. Senator Schilz, would you yield just for a few more questions? [LB686]

PRESIDENT SHEEHY: Senator Schilz, would you yield to Senator Harms? [LB686]

SENATOR SCHILZ: I would be more than happy to try, yes. [LB686]

SENATOR HARMS: Thank you, Senator Schilz. I just wanted to ask a couple of other questions in regard to this particular topic. I want to go to...in regard to the cost for providing this, is there going to be...or is there a difference, at a master's level, of the charge to someone who has cattle, versus someone who has a Ph.D. or who is a veterinarian? Is it going to be cheaper, in other words? [LB686]

SENATOR SCHILZ: I would guess it's not, because most of those costs are done on a pretty standardized scale. And you may...the only...one of the things that may make a difference would be mileage and things like that. The drugs are all pretty consistent; the procedure, the time that it takes to do it is all pretty consistent. So I don't see that there would be any difference as to whether a vet would charge it or somebody with any of these other degrees would charge...or would be able to charge. [LB686]

SENATOR HARMS: Have we spoken to the folks that are veterinarians, in regard to confirming that position, that there would be the same cost? Because earlier we were having the discussion about this is a lessened education; it's...don't have to have a doctor's degree, don't have to be a veterinarian. Would it be more cost-effective? I don't know what the answer to that is, but that's what I'm asking you. Have you confirmed that with any of the veterinarians or the association of veterinarians? [LB686]

SENATOR SCHILZ: You know, and I'm trying to think back. And I don't think...I think that cost was mentioned once, and don't...I mean, I think it was somewhere around \$25 to \$30 a head. But that's pretty standardized across...and I may be...don't take me to heart on that one necessarily. But I don't think that cost changes a whole lot. [LB686]

SENATOR HARMS: Thank you. Senator Schilz, I still would like to continue this

Floor Debate
February 16, 2012

conversation, if we could. Yesterday I listened very carefully in regard to your discussion in regard to LB686. And you talked about people coming from outside of the state of Nebraska doing this for the farmers. Did I understand that correctly? [LB686]

SENATOR SCHILZ: Excuse me? I'm sorry. [LB686]

SENATOR HARMS: Yesterday I thought I heard you in a time of discussion, that...when we were talking about the shortages of veterinarians and people being able to provide this kind of service, I thought you had indicated there were people coming in from out of state providing this service for the ranchers or the farmers. Is that correct? Did I hear that right? [LB686]

SENATOR SCHILZ: Yes. And I think...and here's where it gets kind of muddy and kind of hard to understand. There are some vets, from Kansas, from other states, that are certified in the state of Nebraska that are coming in and doing this. But then after that we suspect that there are others that are coming in, that are doing this, but they're doing it quietly, because otherwise they would be found to be breaking the law. [LB686]

SENATOR HARMS: I thought yesterday in the discussion we weren't really talking about the vets, we were talking about people who had less education, didn't even have a master's degree, were coming across the line. Did I understand that correctly? [LB686]

SENATOR SCHILZ: I'm sure there are, but we have no documentation of that. They would be crazy to jump up and down and tell people they're doing it. [LB686]

SENATOR HARMS: But you did make that statement. That's correct, right? [LB686]

SENATOR SCHILZ: Yes, and we have people in the state of Nebraska that are doing the same thing, who I have had personal contact with, telling me: Don't pass this law, because it'll make it illegal for me to go over to my neighbors and do embryo transfer with them. And I said: Well, unfortunately, that's the law now. [LB686]

SENATOR HARMS: Senator Schilz, I've taken the liberty to look at the legislative planning report of 2/11. And under "Agricultural Diversity," where it talks about the top agricultural commodities... [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR HARMS: Thank you, Mr. President...we talked about the cattle and calves operation and the amount of value that they provide, which is, by the way, colleagues, extremely good, actually 40 percent of the Nebraska total farm receipts...is 40 percent of the agriculture. And we rank 14th in the nation, and we're number 1 in our region, and

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

Floor Debate
February 16, 2012

the region would be South Dakota, North Dakota, the states that surround us. So when I see those sort of things and that kind of data, Senator, it makes me wonder whether this is really needed. Because it seems like we're doing really well now, and why would we want to go forward with someone with a less education to provide this service when it's evident that it's one of the best that we have already, as far as producing into this market? And I thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Harms. Mr. Clerk, you're recognized for an announcement. [LB686]

CLERK: Mr. President, the General Affairs Committee will meet in Executive Session at 10:30; General Affairs, 10:30 in Room 2022.

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Schilz, this is your third time. [LB686]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. I'd just like to address Senator Harms's last question there since he ran out of time. Absolutely we're in the number one spot, and thank goodness. And I can tell you this: You don't stay number one by always doing the same things over and over again. You stay number one and you stay in the lead by advancing yourself technologically, by advancing yourself in the changes that come along, and taking adversity, like the fact that maybe if you believe the Cattlemen that there aren't enough people out there doing this, there's not enough access. You take those bold steps and you make those changes to maintain that position in the world in the beef industry. And that is the goal of the Nebraska Cattlemen, that's the goal of myself because of my background in the industry. We have to be number one in that industry because that's our lifeblood; that's what we do every day; and that's how we fuel this engine for the state of Nebraska with our taxes, with our profits, and with our ingenuity and hard work. So I agree with Senator Harms that absolutely we're in the lead. Let's not lose steam. Let's not go backwards. Will this bill solve all the problems? No. Will it create problems? Who can tell. Will it provide people with opportunities? And that's how I like to look at things. I don't...folks, I want you to know that I don't bring bills that I don't think have merit. And I don't fight for bills that I don't think should go through. I think this bill needs to go through in some form or other. We will find out on this vote. Oh, by the way, I am for Senator Louden's amendment. It fits in this. It makes sense. I guess we'll find out where everybody wants to be, and I'm okay with that because it is up to this body to decide what the scope of practice is for any of the professionals out here that we're talking about. And so I put it upon your shoulders to make the best decision for this body, for the state of Nebraska, and for our industry in the state of Nebraska. Thank you very much, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Schilz. Speaker Flood, you're recognized for an announcement. [LB686]

Floor Debate
February 16, 2012

SPEAKER FLOOD: Thank you, Mr. President. Good morning, members. As you know, today at adjournment, expected to be around noon, is the deadline for senator and committee priority bills. You need to get those letters to the Clerk and my office so that they can be recorded and announced by the Clerk and placed in the Journal. This is an important day in terms of deadlines and we certainly don't want anybody to be left out as you select your personal or committee priority bill. This is the point in the session where things are going to change markedly on Tuesday. We will not be back on General File order. We will be on priority bills. We will be putting priority bills on the floor and we will be taking them up. If your bill is available to be scheduled on General File, there's a very good chance it's going to be up in a very short time. I know that everybody wants timing to be perfect when their bill comes to the floor. Let me tell you in a short session we have to get into these bills and we have to start dealing with the issues. And senators that come up to me and say, hold my bill or I'm not ready for my bill, they go to the bottom of the list. And every year that I've been Speaker and as long as I've been in the Legislature...well, every year I've been Speaker we've been able to at least debate every bill. There were a lot of years where we didn't debate priority bills because we didn't get to them. With the number of issues we have this year, with the amount of debate that I think will be required, it's possible your bill may not get scheduled. We have a finite amount of time and on April 12 we're done. I also am sympathetic to certain situations where you have to be out of the Capitol for whatever reason. But if your bill is out and it's available to be scheduled, there's a very good chance it's going to come up sooner rather than later. And Tuesday's agenda is going to outline for you what we're going to start with next week. And next week we still have committee hearings in the afternoon so we've just got the mornings, and I believe it's 11 hours of debate next week approximately. We go to full days after that. We will be working nights this year, and I'll put out a memo with those nights and please keep them free. I just want to encourage everybody to the extent they can if your bill is on General File or if it's ready to be scheduled, start working the floor and talking to members about the policy issues contained in that bill. When it shows up on the agenda the first time or it's scheduled for debate, it shouldn't be the first time that you've reached out to try and determine if you can alleviate problems that members have with the policy implications. The burden is not just on the Speaker. The burden is on each member to work your bill. And if your bill is ready to go for scheduling, I hope that you're ready to go on the floor. And if you're not ready to go and we're spinning our wheels on something, it may come off the agenda and we'll put something else that is ready to go, and it doesn't mean your bill will be up very quickly thereafter. I'm just putting this out there so that we're all remembering that it's not just the scheduling of bills; it's the interaction between all the members and working very proactively while your bill is on the agenda and not yet up for debate. Thank you very much and have a good weekend. We're going to go until about noon. Thank you, Mr. President.

PRESIDENT SHEEHY: Thank you, Speaker Flood. Senator Schumacher. [LB686]

Floor Debate
February 16, 2012

SENATOR SCHUMACHER: Thank you, Mr. President, members of the body. Would Senator Campbell yield to a question? [LB686]

PRESIDENT SHEEHY: Senator Campbell, would you yield to Senator Schumacher? [LB686]

SENATOR CAMPBELL: Yes, certainly. [LB686]

SENATOR SCHUMACHER: Senator Campbell, I notice in the committee amendment that you added the requirement for liability insurance. Generally liability insurance is a good idea when there is a risk of some kind. What did the committee think was the risk that needed to be insured against? [LB686]

SENATOR CAMPBELL: I appreciate your question. I think we took the recommendation of some of the testifiers and Senator Schilz that if this was going to be a contracted position with a veterinarian that most likely that veterinarian may want to know if that person has liability insurance. And any procedure I would assume that there would be some risk to it, Senator. [LB686]

SENATOR SCHUMACHER: Now the amendment asked that there be professional liability insurance. For that to be meaningful, there should be some limits of liability. Was there any discussion on that? [LB686]

SENATOR CAMPBELL: No, there was not, Senator. [LB686]

SENATOR SCHUMACHER: So somebody could have \$100 liability insurance and call it quits. [LB686]

SENATOR CAMPBELL: You know, Senator, we figured that in the amendment, because it was a contracted situation, that most likely the veterinarian, that would be a negotiated item between the contractor and the veterinarian. We did not discuss a limit, no. [LB686]

SENATOR SCHUMACHER: Okay. Do you contemplate that a veterinarian could carry coverage to cover the contractor? [LB686]

SENATOR CAMPBELL: Well, it may be that the veterinarian would choose to do that. But we wanted to at least put this in the amendment for potential contractors to know that that may be a requirement. That somehow there has to be a...if the veterinarian said I will cover you as your contractor or I'm going to hire you to do this as a part of my veterinarian team, then their liability may be sufficient. But we didn't...we wanted to protect if it was a contracted situation. [LB686]

Floor Debate
February 16, 2012

SENATOR SCHUMACHER: Do you contemplate any rule or regulation then that would require the amount of the insurance to be disclosed to the customer? [LB686]

SENATOR CAMPBELL: It could be referred to the Board of Health and the Board of Veterinary Medicine. It could be, Senator. We did not propose that there be a rule and reg with regard to the liability. [LB686]

SENATOR SCHUMACHER: So the customer might not know what the insurance that the person was carrying unless they voluntarily disclosed it. [LB686]

SENATOR CAMPBELL: That's correct. They would have to ask that, Senator. [LB686]

SENATOR SCHUMACHER: Okay. Thank you, Senator Campbell. [LB686]

SENATOR CAMPBELL: Thank you. [LB686]

SENATOR SCHUMACHER: This appears to be one of those issues that probably could go either way because the arguments are strong on either side. I'm getting a lot of calls from veterinarians who are feeling that this will undermine some of their industry and their ability to attract young people to the state. And the analogy kind of goes like this: that if in all practical purposes we wanted to, we could say that somebody with a certificate of proficiency in will drafting could draft wills as long as they were simple wills and probably it would work in most cases. But it's the few percentage of cases where a complex trust or big tax consequences could arise that we protect the public and don't let people with certificates of proficiency from something or another draft wills. The same thing probably in doctors' offices where we have a situation where probably most persons with a very minimal level of education could take care of a sore throat for somebody. But they might miss a cancer... [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR SCHUMACHER: ...growing next to the particular throat disease. So we have to balance the industry with the qualifications necessary. Senator Schilz, would you respond to a question? [LB686]

PRESIDENT SHEEHY: Senator Schilz, would you yield to Senator Schumacher? [LB686]

SENATOR SCHILZ: Yes. [LB686]

SENATOR SCHUMACHER: I'm still very undecided on this, Senator. Why not just have, since this is a relatively simple procedure that a farmer can do for basically on his own

Floor Debate
February 16, 2012

herd, why not just lower the bar and say let's have a certificate of proficiency, this is a routine thing, people are coming in doing it without any licenses now, why don't we just lower the bar and say, you know, buyer beware and if you mess up your herd, you mess up your herd? [LB686]

SENATOR SCHILZ: Right. And since they can do that already, individuals. And here's the... [LB686]

PRESIDENT SHEEHY: Time, Senator. Thank you, Senator Schumacher. Senator Council. [LB686]

SENATOR COUNCIL: Yes. Thank you, Mr. Lieutenant Governor. In fact, the reason I hit my light was the questions that Senator Schumacher posed caused questions for me as well. In looking at the Health and Human Services amendment, first on the professional liability insurance, and I guess I need to direct the question to Senator Campbell if she would yield. [LB686]

PRESIDENT SHEEHY: Senator Campbell, would you yield to Senator Council? [LB686]

SENATOR CAMPBELL: Yes, I would. [LB686]

SENATOR COUNCIL: All right. Did the committee look into when it says...I mean there's liability insurance and then there's professional liability insurance. For example, in the practice of law there is a certain type of liability insurance that's available for lawyers and it protects the things that lawyers do. And it's a limited market and you can only obtain that kind of liability insurance from certain insurance carriers. When in the amendment you're talking about professional liability insurance, is there some professional liability insurance that is available to individuals with a master's degree or a doctorate degree in these particular reproductive methods? [LB686]

SENATOR CAMPBELL: Senator Council, I have to tell you that I think we put the word "professional liability insurance" there based on some information that we had been given. And I would prefer...I would feel more comfortable if you directed that question to Senator Schilz because we took it from information we were given. I'm assuming that there...I'm making a personal assumption, but I don't think that's good enough for the record, and I think you should direct the question, if you wouldn't mind, to Senator Schilz. [LB686]

SENATOR COUNCIL: Okay. And I thank you, Senator Campbell, because in the legal context, for example, seniors in law school are authorized to engage in certain levels of the practice of law. And most lawyers' liability insurance will extend coverage to those students while they're working under the direct supervision. Senator Schilz, if you would yield to a question? [LB686]

Floor Debate
February 16, 2012

PRESIDENT SHEEHY: Senator Schilz, would you yield to Senator Council? [LB686]

SENATOR SCHILZ: I will sure try, yes. [LB686]

SENATOR COUNCIL: Okay. Again, with the reference to professional liability insurance, what was the intent of specifying professional liability insurance? [LB686]

SENATOR SCHILZ: Well, I think that...and I can't...I mean, quite honestly, that was added by the committee. And I know that as we look at these things it just...in my opinion, what it is, as you start to get into the professional aspects of it, it just makes sense. I mean, I don't know about you, but I have a liability policy myself and I just serve on boards, and it's a professional liability policy. So I just see it as a smart thing to do for people that are representing themselves and going out and doing a service to folks. [LB686]

SENATOR COUNCIL: Okay. And is it your understanding, Senator Schilz, that when the reference is to professional liability insurance it's just general liability insurance that happens to cover whatever it is you're doing at the time? [LB686]

SENATOR SCHILZ: I'm sorry. Can you restate that? [LB686]

SENATOR COUNCIL: I said is it your understanding of professional liability insurance is that it's simply general liability insurance that will cover whatever it is you happen to be doing at the time? [LB686]

SENATOR SCHILZ: I'm going to have to say that I don't know the differences in the definitions between general and professional. And I'm not trying to go past you on this. I would have to educate myself to know myself. Thank you. [LB686]

SENATOR COUNCIL: Okay. And that's the reason I'm asking the question, Senator Schilz, because professional liability insurance is a specific type of liability insurance. It is not simply general liability insurance. [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR COUNCIL: And my next question, Senator Schilz, if he would yield, I notice in the committee amendment it speaks to if you have the master's degree performing under the indirect supervision of a veterinarian. What do you envision to be indirect supervision? [LB686]

SENATOR SCHILZ: Here's how I see it. This is how it would work. Somebody calls up, wants their cattle to be embryo transplanted. They call the vet. The vet goes out,

Floor Debate
February 16, 2012

inspects the cattle, says, yeah, they're okay. They're healthy enough; they're in good enough shape. Writes the prescription for those cattle. And then what would happen is when it's the time to do the transplant or to do whatever the flushing or however that all works, then this technician, whether it be the vet or the master's degree holder, would then come out and perform the actual process. And that's how that would work. And I see that they would work it under a contract. And if it were going to be me setting up the business model, I'd do it under contract with the person that had the master's. [LB686]

SENATOR COUNCIL: Okay. So you're... [LB686]

PRESIDENT SHEEHY: Time, Senator. [LB686]

SENATOR COUNCIL: Thank you. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Council. Seeing no additional requests to speak, Senator Louden, you're recognized to close on FA34. [LB686]

SENATOR LOUDEN: Thank you, Mr. President and members. Actually, this is just a simple amendment and all it does is clarify what a person can do with their own livestock or their own cattle and also if they trade help amongst their neighbors. It just added the language on what we've been discussing today into the list of procedures that people can perform on their own livestock. With that, I would ask that you would amend FA34 onto AM1774. Thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Louden. You have heard the closing. The question before the body is on the adoption of FA34 to AM1774, the Health and Human Services Committee amendment. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB686]

CLERK: 31 ayes, 0 nays, Mr. President, on adoption of the amendment to the committee amendments. [LB686]

PRESIDENT SHEEHY: FA34 is adopted to AM1774. Mr. Clerk, you have an amendment to committee amendment. [LB686]

CLERK: I do. Senator Dubas would move to amend committee amendments with AM1913. (Legislative Journal page 552.) [LB686]

PRESIDENT SHEEHY: Senator Dubas, you're recognized to open on AM1913. [LB686]

SENATOR DUBAS: Thank you very much, Mr. President. This amendment strikes out the inclusion of the master's and would keep the inclusion of the Ph.D. This is something that the vets are in agreement with. I think it kind of aligns with what those

Floor Debate
February 16, 2012

national certifications are recognized in the AETA, recognizes vets as well as Ph.D.s, so this would have us following along those same national accreditation lines. I think there's been some great conversation this morning. Talking about the insurance I think is very important. And that's a question that has been brought to me as far...from the veterinarians' perspective as to, okay, if this master's person is required to have liability insurance, first, what type of insurance is available out there to make sure that they're well covered; and second, if it's under the indirect supervision of them, does it put their license in jeopardy? Does it put their business in jeopardy? With their license, they are accountable to the veterinarian board. And if they're not operating the way they should be operating, if there are problems, they can be called before the board. There are a lot of things that can happen that could impact the ability for them to carry out their business and possibly even lose their license. Do we have that same type of oversight, that same type of accountability by allowing a master's to do this? It may even be a question with the Ph.D.s, too, but I'm understanding that the indirect supervision wouldn't be required for the Ph.D.s, but they're very concerned about that. Even if the master's has their own liability insurance, does that still put that veterinarian's license and insurance in play on this issue? I think one of the...I talked about this yesterday when we were talking about the Veterinary Practice Act. And one of the key components of the act, and I think it's something that the veterinarians take very, very seriously, is that need to establish that doctor-client relationship and knowing and understanding what the individual producer's needs are, what their herd needs are, the type of practices that those people put in play. And I think they see this by opening it up to a master's it puts that particular piece of the act in a little bit of jeopardy. And I think Senator Schilz mentioned in his last time at the mike that the vet would still be involved by going out and examining the cows. And my understanding is there's a lot of preparation with the animal before this transfer can even happen, and you need to make sure that the cow is able to handle all of the procedures. And so there are a lot of diagnoses that go into this decision on this process, but...and so I think...you know, I think the vets are willing to recognize that Ph.D.s maybe have this ability--not maybe--they do have this ability more than a master's degree would have. There's been some conversation about, you know, the demand is not being met and the veterinarians have been dragging their feet for years. I know this is an issue Senator Schilz and the Cattlemen in particular have been working on for a long time. I can't really speak to that. I don't have a lot of understanding or involvement with the issue about what has happened in the past. And perhaps the vets have dragged their feet. I can't speak to that either. It's also been said that the vets are being very shortsighted and self-serving with their position on this bill, and perhaps that's true too. But I think their position is in light of the oath that they have taken and how important that particular oath is in the way they carry out their business. And that their license, their reputation, their business in general could be in jeopardy by making these kinds of changes. I also feel again, not knowing what's happened in the past, but through the contacts that I've had with several vets across the state who are talking about bringing more vets into their practice, who are talking about allowing those two young students that I visited with last night an

Floor Debate
February 16, 2012

opportunity to come back to Nebraska and step into a practice and have this as a service that they can offer, I think that shows that they are trying to step up and meet this need and not being shortsighted and recognizing that this is a procedure that is definitely going to be a part of a successful future for the cattle industry in our state. So, you know, again I can't speak to the past, but I think through the conversations that I've had with vets they are trying to meet that need. They are taking the training. Some are going as far as getting the national certification, but others are just taking extra courses through their college work so that they can be proficient, and I think that's important. And Senator Schilz talked about the importance of being proficient in this manner. You know, Senator Schumacher talked about this being a simple procedure, and it's not a simple procedure. It's an involved one and it involves very dangerous drugs. And that's a concern that has been brought to me by the veterinarians about these types of drugs that are being used. I mean they're so powerful that by even getting exposed to it just on your skin, not even with an injection, it could cause abortions in a woman. So it takes people who really know and understand these pharmaceuticals and how they're used and how they're administered to be involved in this procedure. As I said, I had a long conversation with the only nationally certified vet that we have in the state. He's very excited about being able to move forward with expanding this portion of his business. And as I said, they, too, are looking at bringing additional vets in to their practice. He does recognize that there is a growing demand and he wants to be a part of that. He wants to be able to provide that as a service, and he is invested in it. He's invested his time; he's invested in the educational component of it; he's invested financially. I think he told me it was around \$20,000 for him to get this certification. So he needs to be able to have some assurance that he is going to be able to recoup what he's invested into his practice. And, I mean, we all are if we feel like there's something that is going to put our ability to make a profit and make a living, we're all going to get a little protective of that particular component. And that's what I see with the vets. But again, I also see that they are trying to step up and meet the demand. And I know there are probably a lot of activities that are going on across the state that maybe shouldn't be going on. And no matter what laws you put in place there will always be those types of things. For those producers who are comfortable doing this procedure on their own, they're doing it to their own livestock so they are recognizing that any of their actions, I mean, many of us take care of our animals on the farm, whether it's through vaccinations and other procedures that we use, sometimes we call the vet, sometimes we do it ourselves. But we know that when we're doing it ourselves we take a risk that we could possibly do something wrong, inject something wrong, but it's our loss, it's our liability. It's not anybody else's. It's something that we take on, make that decision on our own. As I said, there are nine vets currently practicing in the state who offer ET and they're pretty well dispersed across the state. They're in Columbus, North Platte, Alma, West Point, Valentine, Imperial, Cortland, Oshkosh, Alma; and then we have two students who are ready to graduate in 2012 with the intention of coming back to Nebraska with training that they've taken in ET, that they want to be able to have that procedure available to offer as a service to their clients when they begin their operation. There's been some

Floor Debate
February 16, 2012

other things that have been brought up through the course of the conversation. I've been able to do a little bit of trying to research some of the answers. I know it was talked about human embryo transfer and that master's are able to do it. But my understanding is these people are working in a lab setting. They're viewing embryos, but they're not actually working with the patients. And I think most importantly, they aren't dealing with the drugs. I think that's an issue that we can't just gloss over the fact that the types... [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR DUBAS: ...of drugs that are being used on these procedures are very, very powerful. And when we're even not quite sure what type of liability insurance may be available to these master's, I think that's something we have to make sure that we're very sure of before we make a decision one way or another on this bill. Thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Dubas. You've heard the opening of AM1913 to AM1774. Members requesting to speak: Senator Schilz, followed by Senator Wightman, Senator Wallman, and Senator Harms. Senator Schilz. [LB686]

SENATOR SCHILZ: Thank you, Mr. President. And here we are. This is the crux of the issue and this is where we are this morning. Do you believe that somebody with a master's degree can handle this procedure? I don't think there's any question that's out there, ranchers are doing this now to their own cattle and getting along. I must say one thing that I do know is in having checked out on the liability question, in looking back, that we have seen no evidence and know of no court cases where anybody has been brought to court for this procedure. And so I just wanted to bring that to everybody's attention that, you know, there could be an issue, there can be. I mean, shoot, I don't get paid to do it but I serve on voluntary boards and stuff like that and I have a professional liability policy myself that I have just to make sure that if something would happen on a board that I serve on or something, that I would have that liability protection myself. So it's out there. It's available. You can get it. And it's not that expensive. But it is...I mean you can get it, anybody can get it. So if I could, I'd like to ask Senator Gloor a question. [LB686]

PRESIDENT SHEEHY: Senator Gloor, would you yield to Senator Schilz? [LB686]

SENATOR GLOOR: Yes, I would. [LB686]

SENATOR SCHILZ: Senator Gloor, thank you very much. And we were having a conversation earlier and, you know, not serving on the Health and Human Services Committee and not having to deal with "scope of practice" issues and things like that, is this issue pertaining to the embryo transfer, is it the same as all the other scope of

Floor Debate
February 16, 2012

practice issues or are there a few things that are put in here that are a little different, put a little twist on it? [LB686]

SENATOR GLOOR: Thank you, Senator Schilz. Yes, it is unusual. Usually when we deal with scope of practice issues as a...I will speak as an individual committee member. I'm concerned about what impact this will have if we allow somebody to get involved in procedures or expand their scope of practice on the humans that they're going to practice on. But this issue had to do with allowing somebody to perform procedures on--I'll be blunt; I know there are, of course, people who would argue the point--property. And in this debate I've heard the term ownership, ownership, ownership, quite a bit. And so to me the discussion as we had the hearing was allowing people who had ownership in cattle to perform procedures--we allow them to do these procedures on their own cattle--allow them to bring in people who they felt were experts to perform those procedures, to help them do those procedures on their property, on their cattle, versus the concerns that the individuals with veterinary science bring forward saying this is an infringement on an area that we're supposed to be able to do; and, in fact, above and beyond that it's a threat to our very livelihood of being able to get students interested in the practice of veterinary medicine and whatnot. To me it was worth voting this out of committee because I saw this as an ownership issue, not a scope of practice in the traditional sense but an ownership issue as it relates to the practice of something that falls into the venue of healthcare and the impact it might have. Good debate. And interestingly enough, the debate has been exactly about that: property versus the science of veterinary medicine and what this does to it. [LB686]

PRESIDENT SHEEHY: Senator Schilz. [LB686]

SENATOR SCHILZ: Yes, thank you. Thank you, Senator Gloor. I really appreciate that. Like I said before, here we are. We've got Senator Annette's (sic) bill. I think that we've pretty much taken this to the nth degree as far as debating it and everything. [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR SCHILZ: I am not...I will say this. I am in support of a Ph.D. being able to do this. I am also in support of allowing a master's student to be able to do this. And as I said before, this question is up to the people within this body. And I can tell you that I would love to see the bill go just as it came out of committee without Senator Dubas' amendment. So we'll see how the vote goes and go from there. Thank you. But I will say this: If this vote goes down, I will introduce the amendment to put the credentialing on the two positions. Thank you very much. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Schilz. Senator Wallman. [LB686]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. I still have...I

Floor Debate
February 16, 2012

appreciated the conversation that Mike Gloor and Senator Schilz had and I still haven't changed my mind. And why? Why? We can do it now and we're expanding it for a certain group of people who may go ranch to ranch or you can trade from ranch to ranch. Why do we want to put something like this in statute? And will the nurse practitioners come next, you know, they want a little more? This will keep going, folks. And I myself think it's a scope of practice, and I've always had trouble with scope of practice issues, and I still do today. And I appreciate what the vets do. And if we think this is going to be an economic tool to get more people to work on animals in this state, I think it's going to be the opposite. Why would you want to be a veterinarian in Nebraska if people that don't have to be a veterinarian do some of these practices? So I still stand by my...I think it's asinine, with the third largest number of animals in the nation, we don't have a total vet school. That's our fault, folks. That's us rural senators' fault. We didn't push for this. We thought it would cost too much or whatever. I don't know. But we can blame that on rural America, rural Americans, folks. If we want better healthcare for our animals, all these things, we should have a vet school. A land grant university, that's what we are. The last time I heard Senator Council, we were a land grant university. And I'm proud to be here in the state of Nebraska. Why should we be debating on this, this long? I'm not an enemy of the Cattlemen, and I appreciate Senator Schilz's passion for this. But I also have a passion for the vets. Do the vets need help? I don't know. But if we seem to be getting less and less veterinarians in this state and then we're going to do this, I'm pretty sure we're not going to get any more vets. Should that be a concern for us? Maybe not. But if we want more veterinarians, it should be a concern. So that's where I'm at. Thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Wallman. Members requesting to speak on AM1913 to AM1774: Senator Harms, followed by Senator Dubas, Senator Christensen, and Senator Schilz. Senator Harms. [LB686]

SENATOR HARMS: Thank you, Mr. President. Senator Schilz, would you yield again, please? [LB686]

PRESIDENT SHEEHY: Senator Schilz, would you yield to Senator Harms? [LB686]

SENATOR SCHILZ: Yes, sir, I will. [LB686]

SENATOR HARMS: Thank you very much, Senator Schilz. Would you help me understand a little bit here: Are you aware, did the Nebraska Veterinarian Medical Association actually approve having a Ph.D. rather than a master's to provide this, to do this? [LB686]

SENATOR SCHILZ: In my discussions with them and my discussions with their lobbyist, we have their approval that Ph.D. is okay. [LB686]

Floor Debate
February 16, 2012

SENATOR HARMS: Okay. So I guess where I'm struggling a little bit with this, why would you want to have someone with a master's degree--and I've heard all the arguments here--go through this process, and yet you have the people who have taken our livestock and put it to the level that it is today. We would not have...we wouldn't be number one in this great state and ranked highly in the nation if it would not be for the veterinarians, when they brought us to where we are today. And now what we're saying to them is even though you are agreeable that we would go to a Ph.D., we're still here battling the fact that we want them to have a master's degree. I object to this. I think it's the wrong thing for us to do. I think what it says is that, go to Nebraska, I don't care whether it's cattle or we talked about cattle versus human beings, there's a lot of difference between scope of practice maybe with human beings and cattle, but this really is a violation of their scope and practice. And I don't understand why we want to walk this pathway. You know, whether it be cattle or whether it be humans, I would think you'd want the best practice and the highest-skilled people educationally to provide this kind of service. It's hard for me to understand that. And so I think this is the best way to go. I think it answers the questions of the Nebraska Veterinarian Medical Association that said, hey, we're willing to give in to this, and we are willing to accept maybe this scope of practice change. I think we ought to at least abide by that. And so thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Harms. Senator Dubas. [LB686]

SENATOR DUBAS: Thank you, Mr. President. I certainly understand, you know, Senator Schilz's commitment to this issue. I know it's something he's been working on a long time. I think every one of us in here have probably had an issue or a bill that we've been heavily involved with and have very, very strong feelings for and, you know, either in committee or on the floor are not able to get where we really want to go. But sometimes we can get a little way there. And I feel like...and I know just having this bill finally reach the floor is a victory in and of itself. And again, I know that this has been an issue for the Cattlemen for quite a few years and for Senator Schilz. So the fact that we're having this debate I think is a good step. And I introduced this amendment because it's something that the veterinarians said that they would be agreeable to. We've had this discussion. I think it's raised the elevation of the importance of this topic to our cattle industry as a whole. And, you know, and then we can see how things move forward from here. You know, sometimes this is a very slow and frustrating process for us as we're trying to move things forward in establishing policy for the state. But again I think with this amendment it would allow us to move the bill forward. And while it's not everything that Senator Schilz wants, I hope it's something that he can at least feel we're recognizing the issues that he's raised as valid issues and want to try to address and provide some type of support for our cattle industry. So I would really encourage the body to support my amendment and to support the bill as amended. Thank you. [LB686]

Floor Debate
February 16, 2012

PRESIDENT SHEEHY: Thank you, Senator Dubas. Senator Christensen. [LB686]

SENATOR CHRISTENSEN: Thank you, Mr. President. I've sat and listened to this discussion, and I find it kind of humorous in a way because as I look at the bill, what the veterinarians have asked for, opening up their own scope of practice and allowing Ph.D.s to do this is the one thing that I struggle with. Because when you look at they're weakening their own license here in doing this. I've had this conversation with several of the vets in my district, and only one of them has been extremely don't do this, you're affecting the scope of practice. And everyone else I've talked to has been concerned about the master's degree that works under the supervision of a veterinarian. That's no different than a vet tech which only takes two years' training. So I keep telling them I think you got it backwards. You should be worried about the scope, not the master's. This amendment removes the master's. And if that's the will of the people, that's fine, if that's the will of this Legislature. But when they're under the directive of the veterinarian, that's where they should be. It's just like being a vet tech except they have more training and more specialized training for what they're doing than the actual vet tech does. That's why I say I find this humorous because they have agreed to open to the Ph.D.s, and that's the part I've struggled with and why I haven't got up and talked, listening to all the discussion here on the floor, because predominantly this floor has voted to protect the scope of practice with justifiable reason. This one is just so unique, and that's why I say it's comical is they have agreed to this and asking for this. So again, I can't support this amendment cutting out the master's because in my opinion they're operating under the scope or under the direction of a veterinarian. That's like a vet tech. To me that's a good thing. That opens up opportunities. Each vet could hire a master's student, go out and expand his business, because the vets I talked to say they don't have enough time to go do this full time, the embryo transplants, because of the other size of their business. To me this economically develops them, allows them to hire a master's student to come in, fulfill this need that's out there, and go on. If we cut this part out, now we're just strictly scope of practice and it's a more difficult vote for me because I don't believe in changing it, the scope of practice, but yet at the same time they've agreed to it. So that's why I say I think it's a little comical. I'm interested in hearing continued debate or just if we go to the vote I'm good with that too. But that's why I've been quiet, that's why I haven't said a lot even though this affects my district drastically. I've visited with my vets, and like I said, I just find it a little comical on the direction that this bill has gone. Thank you. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Christensen. Senator Schilz. [LB686]

SENATOR SCHILZ: Thank you, Mr. President, members of the body. Thank you, Senator Christensen, Senator Dubas. We've had a long conversation on this and I think a good conversation. I think it does show you the differences that we have out there and what different segments of an industry think need to happen to be successful. So these conversations make sense. They're good. Does it ruffle some feathers? Probably so.

Floor Debate
February 16, 2012

Should it at times? Maybe. But I will say this: I do still believe that there are a lot of people out there with lesser degrees than a veterinary license that can do this procedure. We know that. But because of where we are and what we've seen and what we've heard today and, of course, with politics being that of what is possible, I'm going to stand down and agree to the Ph.D. level and agree with Senator Dubas' amendment. Thank you very much. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Schilz. Senator Council. [LB686]

SENATOR COUNCIL: Yeah, thank you, Mr. Lieutenant Governor. And I've been listening to the debate about whether this is a scope of practice issue or what it is. And the more I read the bill and the amendment, I guess the more questions it raises for me. Senator Schilz...well, first, Senator Christensen made a point that kind of responded to a question I asked earlier about what was meant by indirect supervision, if we're talking about someone with a master's degree, because that would be what we would traditionally see in situations where someone is operating under someone else's license. And that's the case I think that Senator Christensen is alluding to when you're talking about a vet tech. They are operating under the veterinarian's license. But when we're talking about this doctoral degree, and I guess I'm looking at what is gained by this. Senator Christensen also asked the question about the doctoral. Well, if the issue is a shortage of veterinarians, do we have any data on how many doctoral degree people we have with an emphasis in reproductive physiology? Senator Schilz, can you yield to a question? [LB686]

PRESIDENT SHEEHY: Senator Schilz, would you yield to Senator Council? [LB686]

SENATOR SCHILZ: Yes. [LB686]

SENATOR COUNCIL: The question is, is do we have any data that shows how many persons we currently have in the state who have doctoral degrees with an emphasis in reproductive physiology? [LB686]

SENATOR SCHILZ: Right. I don't have any of those numbers for sure, but I do know of a couple instances where Ph.D.s were practicing this, did not realize that they were breaking the law, and actually received cease and desist orders. And according to everybody that knows them, they will say that they are some of the preeminent embryo transfer people in the state. [LB686]

SENATOR COUNCIL: Okay. And that was the other question I was going to go to, and I confess my ignorance in this regard. The language of the bill and the language of the amendment just speaks to a doctoral degree with an emphasis in reproductive physiology. Does the doctoral degree have to be in any particular emphasis area? [LB686]

Floor Debate
February 16, 2012

SENATOR SCHILZ: Yes. The doctoral degree has to...well, let me...you know what, that's a good question. I will get that for you and get it to you. [LB686]

SENATOR COUNCIL: Can I have a doctorate in English and happen to have taken 14 hours of reproductive physiology? [LB686]

SENATOR SCHILZ: I don't know, but I can tell you this: There's a lot of people that took ranch management that are out there doing it today. I'm looking through the bill right now. Just give me...I don't want to take your time. [LB686]

SENATOR COUNCIL: Okay, because, I mean, because if the fact is that the bill says all I have to have is a doctorate degree with an emphasis in reproductive physiology, I don't know what an emphasis is, you know. Is that some kind of certification associated with it? But it doesn't say that I have to have a doctoral degree in animal science or biology. It just says a doctorate degree with an emphasis in reproductive physiology. And I don't know how you...how do you determine that someone has an emphasis in reproductive physiology, Senator Schilz, if he would yield? [LB686]

PRESIDENT SHEEHY: Senator Schilz. [LB686]

SENATOR SCHILZ: Well, I would suppose that if you went to an accredited university and actually had your doctoral certificate, that can be checked out and looked into. And so that would be my answer to that. [LB686]

SENATOR COUNCIL: Okay. Well, like I say, I confess my ignorance. I don't know... [LB686]

PRESIDENT SHEEHY: One minute. [LB686]

SENATOR COUNCIL: ...that your doctoral degree comes with...I mean, and I guess quite frankly if it does come with an emphasis noted on it, perhaps I could have a doctorate degree in mathematics with an emphasis in reproductive physiology. You know, I respect the veterinarians, but I, too, wonder why they'd be willing to accept someone with a doctoral degree without, I mean, some clarification of a doctorate degree at least in animal science. And then I could understand with an emphasis in reproductive physiology because that's telling me if I saw someone that had a doctoral degree in animal science with an emphasis in reproductive physiology, I would see somebody who is one step away, if they chose to, to go forward and receive licensure as a veterinarian. [LB686]

PRESIDENT SHEEHY: Time, Senator. [LB686]

Floor Debate
February 16, 2012

SENATOR COUNCIL: Thank you. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Council. Senator Wallman. [LB686]

SENATOR WALLMAN: Thank you, Mr. President, members of the body. Would Senator...I don't see him. Would Senator Schilz yield to a question? [LB686]

PRESIDENT SHEEHY: Senator Schilz, would you yield to Senator Wallman? [LB686]

SENATOR SCHILZ: Yes. [LB686]

SENATOR WALLMAN: Thank you, Senator Schilz. Under this bill of yours, would that practitioner be required to pay some money to a veterinarian to practice in his area? Do you know? [LB686]

SENATOR SCHILZ: If we take it down to just Ph.D., no, there would be no oversight there, so it takes away the liability issue. It takes away all that. It allows the Ph.D. And to answer Senator Council's question, the amendment was a committee amendment. I'm working on that. But if it's something that we need to clarify on Select File, I would be more than happy to work with them as I'm sure the committee would as well. [LB686]

SENATOR WALLMAN: Okay, thank you. Some of these...I still don't see how we're going to use this as an economic development tool and to keep our vets what we have. The vets I know educated in Kansas State, left the state. So why? Because we didn't think enough of them to have a school. So does that bother me? It should bother every one of us. So should we be cranking out more vets? We won't have any large animal vets left, folks, if we keep doing this way. They'll all be small animals--where the money is. That's where they'll go--where the money is. Everybody goes where the money is. And that's why I have tremendous trouble with this bill, Senator Schilz. And I hate to debate on this issue of maybe I'm narrow-minded, but I'd like to think we should protect a certain segment of our professionals. And Senator Dubas makes it some better, but why, why, why? Thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Wallman. Senator Schilz. Senator Schilz waives. Seeing no additional requests to speak, Senator Dubas, you're recognized to close on AM1913 to AM1774. [LB686]

SENATOR DUBAS: Thank you very much, Mr. President. I appreciate the discussion. I think it's been important. While this isn't everything that Senator Schilz wants, I think it's a great step in that direction. I am going to visit with the veterinarians to make sure that they're understanding what they need to do as far as moving forward with this issue. But I appreciate Senator Schilz's support of the amendment and hope that the rest of the body will follow suit. Thank you. [LB686]

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

Floor Debate
February 16, 2012

PRESIDENT SHEEHY: Thank you, Senator Dubas. You have heard the closing. The question before the body is on the adoption of the amendment to committee amendment AM1913 to AM1774. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB686]

CLERK: 32 ayes, 3 nays on adoption of Senator Dubas' amendment. [LB686]

PRESIDENT SHEEHY: AM1913 is adopted. [LB686]

CLERK: I have nothing further to the committee amendments, Mr. President. [LB686]

PRESIDENT SHEEHY: We will now return to the Health and Human Services Committee amendment, AM1774. Seeing no requests to speak, Senator Campbell, you're recognized to close. Senator Campbell waives closing. The question before the body is on the adoption of AM1774 to LB686. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB686]

CLERK: 38 ayes, 1 nay, Mr. President, on adoption of committee amendments. [LB686]

PRESIDENT SHEEHY: The Health and Human Services Committee amendment, AM1774, is adopted. [LB686]

CLERK: I have nothing further on the bill, Mr. President. [LB686]

PRESIDENT SHEEHY: We will now return to floor discussion on LB686. Seeing no requests to speak, Senator Schilz, you're recognized to close. [LB686]

SENATOR SCHILZ: Thank you, Mr. President and members of the body. I must say that this has been a little bit of a change for me this session. It seems like most of the bills that I've had have been pretty simple, have moved through rather quickly. I guess you make it up at some point or another. Right? I would just like to thank everyone for their interest, for their thoughts, and for moving this process forward. These issues are always tough. They're never easy. And as with any scope of practice issues, they continue to be there. And so that's what this is about. The issue is there, it will continue to be there. I look forward now...I look forward to watching us over the next few years take care of the issue that the Cattlemen have brought up in needing to have embryo transplant or embryo transfer, bovine embryo transfer, having enough folks out there to have access to it. I look forward to that. I'm ready for that. I also look forward to bringing more vets back to do this. I'm ready for it. Hey, people in a community are people in a community, and rural communities need more people. So I hope that this can bring this forward. As I said, this takes care of one of the issues, and this takes care of the impetus of why this bill was brought in the first place. And so with that, I would hope that

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

Floor Debate
February 16, 2012

you will vote to advance LB686 to General File. And if there are some issues that we need to discuss on Select as far as education and what should be involved in a doctoral degree to be able to do this, we can discuss that some. Thank you, Mr. President. [LB686]

PRESIDENT SHEEHY: Thank you, Senator Schilz. You have heard the closing. The question before the body is on the advancement of LB686. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB686]

CLERK: 34 ayes, 4 nays, Mr. President, on the advancement of LB686. [LB686]

PRESIDENT SHEEHY: LB686 advances. Mr. Clerk, do you have items for the record? [LB686]

CLERK: I do, Mr. President. Enrollment and Review reports LB269, LB470, LB536, LB646, LB725, LB828, LB879, LB886, all reported correctly engrossed. Education Committee, chaired by Senator Adams, reports LB1020 to General File with amendments and LB1079 to General File with amendments and LB1090 to General File with amendments. Judiciary, chaired by Senator Ashford, reports LB398 to General File with amendments, LB793 to General File with amendments, and LB933 to General File with amendments. Senator Fischer would like to print an amendment to LB751. Hearing notice from the Agriculture Committee. And a series of priority bills, Mr. President: Senator Council, LB1128; Senator Flood, LB1114; Senator Fulton, LB804; Senator Coash, LB959; Senator Pirsch, LB461; Senator Howard, LB993; Senator Wightman, as Chair of the board, LR373CA and LB711; Senator Nelson, LB872; Senator Lathrop, LB1071; Senator Hansen, LB799; Senator Schumacher, LB735; and Senator Pahls, LB962; and the Banking Committee, LB963 and LB965. And finally, Mr. President, a conflict of interest declaration by Senator Flood. That's all that I have, Mr. President. (Legislative Journal pages 565-575.) [LB269 LB470 LB536 LB646 LB725 LB828 LB879 LB886 LB1020 LB1079 LB1090 LB398 LB793 LB933 LB751 LB1128 LB1114 LB804 LB959 LB461 LB993 LR373CA LB711 LB872 LB1071 LB799 LB735 LB962 LB963 LB965]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. We'll move to the next item under General File, LB849. [LB849]

CLERK: LB849, by Senator Sullivan. (Read title.) The bill was introduced on January 6 of this year, referred to the Natural Resources Committee, advanced to General File. I do have committee amendments, Mr. President. (AM1777, Legislative Journal page 365.) [LB849]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Sullivan, you're recognized to open on LB849. [LB849]

Floor Debate
February 16, 2012

SENATOR SULLIVAN: Thank you, Mr. President. LB849 is somewhat different than previous bills that have transferred Game and Parks property to cities, counties, and foundations. LB849 conveys Pibel Lake State Recreation Area in Wheeler County from the Nebraska Game and Parks Commission to the Lower Loup Natural Resources District. Pibel Lake State Recreation Area totals a little more than 53 acres. It has a nice spring-fed lake surrounded by trees and a primitive campsite. An agreement was reached between Game and Parks and the Lower Loup Natural Resources District in which the NRD has agreed to maintain the facilities and keep the park open for public use. The NRD also has planned additional improvements to the facilities. The transfer saves Game and Parks approximately \$8,700, but there will be a corresponding loss of approximately \$1,340 in revenue from permit sales and camping fees. So the net savings to Game and Parks is \$7,360. I encourage you to support the amendments and advance LB849 to Select File. Thank you. [LB849]

PRESIDENT SHEEHY: Thank you, Senator Sullivan. You've heard the opening to LB849. As was noted, there is a Natural Resources Committee amendment, AM1777. Senator Langemeier, you're recognized to open. [LB849]

SENATOR LANGEMEIER: Mr. President, members of the body, the committee amendment, AM1777, was sent out of committee, and it struck some unneeded reference to Nebraska game law. Actually, there's another amendment that's going to take this one out. So at this time, I would quit and move to the next. [LB849]

PRESIDENT SHEEHY: Thank you, Senator Langemeier. You've heard the opening to the Natural Resources Committee amendment AM1777. Mr. Clerk, an amendment on your desk. [LB849]

CLERK: Mr. President, Senator Langemeier would move to amend the committee amendments with AM1873. (Legislative Journal page 474.) [LB849]

PRESIDENT SHEEHY: Senator Langemeier, you're recognized to open on AM1873. [LB849]

SENATOR LANGEMEIER: Mr. President and members of the body, AM1873 was a compromise reached after the bill was out of committee. There's been some discussion on all these properties that Game and Parks has given back to these communities and counties. And there's been a lot of discussion as to who has long-term obligation to make sure these parks are taken care of. This one is a little unique. The current law says that falls back to Game and Parks. This one in particular is going to an NRD district, and they are very comfortable with the idea they're going to manage this, they're going to manage the facilities that are out there. It is primitive camping. And so what AM1873 does is removes that fallback liability from Game and Parks; it puts it squarely with the

Floor Debate
February 16, 2012

NRD. The NRD has to maintain this property for their ownership of it. And so with that, I would turn any remaining time over to Senator Sullivan, and we'd ask for your adoption of AM1873 into the committee amendment into LB849. Thank you. [LB849]

PRESIDENT SHEEHY: Thank you, Senator Langemeier. You've heard the opening of AM1873. Senator Sullivan, you're yielded 8 minutes 45 seconds, and you are next in the queue. [LB849]

SENATOR SULLIVAN: Thank you. I appreciate that, Senator Langemeier. And thank you, Mr. President. As Senator Langemeier said, this is a little bit different situation than what we have previously heard with these transfers from Game and Parks. It is going to Lower Loup NRD. And not only have they accepted the responsibility for continuing the maintenance of this property; with this amendment, it gives them the statutory responsibility to take care of it. And I think that's important, first of all, because Lower Loup NRD is an entity that isn't going to go away. They've agreed to maintain the property, to keep it open to the public. And also there's a little caveat there in that one feature is that they have agreed and will maintain federally funded boating access in reasonable repair through 2024. Now, you know, the boating accesses were put in with a federal grant, and it's important that they be maintained for that period of time. So that's another thing that Lower Loup has agreed to. And, as I said, they have now, with passage of this amendment, they will have statutory responsibility for maintaining it. They have experience in doing this. They already manage Davis Creek Reservoir, which is also in my district and south of North Loup. And they also view this as part of their mission as a Natural Resources District. Part of their mission, they view, is to develop and manage recreational park facilities. And financially speaking, Lower Loup has this in part of their budget. They anticipate their initial budget to maintain the property will be approximately \$10,000, and they're looking forward to an annual budget of anywhere between \$12,000 and \$15,000. They base that partially on their experience with the Davis Creek Reservoir, but they have plans also. Pibel Lake Recreation Area is really a lovely spot. It's not very far from where I live, and I can only think that with the improvements that Lower Loup has planned for it that it will become even more inviting than it already is. I think long term they eventually hope to bring electricity to the camping sites; they're going to improve access roads to the area. So I think that this is a very good move. Obviously I feel that way, or I wouldn't have introduced the legislation. But I think just as importantly, because this is a little bit different, as I said, than the transfers that we've previously had, I hope that this will allay anyone's concerns about whether or not these kinds of properties will be maintained in the future. And I think in this case it gives Lower Loup the statutory responsibility to do so. On an aside, you know, last year, if you recall, I introduced legislation that conveyed property from Game and Parks to an organization in Sherman County, the property of Bowman Lake State Recreation Area. And I have followed that progress, reading in the Sherman County Times, and I've always been pleased to see the aggressive nature by which the local groups have taken on their responsibility, clearing trees and developing campsites. So I

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

Floor Debate
February 16, 2012

think these transfers of properties are not taken lightly; they are taken willingly by the groups that want to assume responsibility for them. And I think that in all cases thus far they will continue to be desirable, lovely recreation areas that will be available to the citizens of this state. So I thank you. And I'll shut off my light. [LB849]

PRESIDENT SHEEHY: Thank you, Senator Langemeier. Thank you, Senator Sullivan. Seeing no additional requests to speak, Senator Langemeier, you're recognized to close on AM1873. Senator Langemeier waives closing. The question before the body is on the adoption of AM1873 to AM1777. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB849]

CLERK: 30 ayes, 0 nays, Mr. President, on adoption of the amendment to the committee amendments. [LB849]

PRESIDENT SHEEHY: AM1873 is adopted. We will now return to floor discussion on AM1777. Seeing no requests to speak, Senator Langemeier, you're recognized to close. Senator Langemeier waives closing. The question before the body is on the adoption of AM1777 to LB849. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB849]

CLERK: 30 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB849]

PRESIDENT SHEEHY: Natural Resources Committee AM1777 is adopted. [LB849]

CLERK: I have nothing further, Mr. President. [LB849]

PRESIDENT SHEEHY: We will now return to floor discussion on LB849. Seeing no requests to speak, Senator Sullivan, you're recognized to close. Senator Sullivan waives closing. The question before the body is on the advancement of LB849. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB849]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB849. [LB849]

PRESIDENT SHEEHY: LB849 advances. We'll now proceed to LB1018. [LB849 LB1018]

CLERK: LB1018, a bill by Senator Conrad. (Read title.) Introduced on January 17 of this year, at that time referred to the Banking, Commerce and Insurance Committee; the bill was advanced to General File. I do have committee amendments, Mr. President. (AM1800, Legislative Journal page 409.) [LB1018]

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

Floor Debate
February 16, 2012

open on LB1018. [LB1018]

SENATOR McCOY: Thank you, Mr. President and members. I'm pleased to open on LB1018 for Senator Conrad this morning. This bill was brought to Senator Conrad on behalf of the Nebraska Bar Association and would make changes to both the Business Corporation Act and the Limited Partnership Act to bring these two acts in line with changes made in 2011 with LB888, which adopted the Nebraska Uniform Limited Liability Company Act. First, the legislation creates the necessary authorization for conversions from a corporation or a limited partnership to an LLC. Conversions are allowed in the new Uniform Limited Liability Company Act but was not similarly added to the corresponding business entity statutes, which is required before a conversion can be properly enacted. Prior to the adoption of the Nebraska Uniform Limited Liability Company Act, conversions were allowed between limited partnerships and LLCs. The changes proposed by this legislation would again ensure these conversions may take place. The bill would also allow mergers between corporations, limited partnerships, and other business entities, and streamline voting requirements. Mergers with other business entities are allowed in the new Uniform Limited Liability Company Act so long as they are allowed in the corresponding business entity statutes, which is the change being implemented by LB1018. Business entities are defined in the bill to include a foreign corporation, a domestic or foreign partnership, a domestic or foreign limited partnership, or a domestic or foreign limited liability company. There is also a committee amendment, AM1800, that Senator Conrad supports, which I will open on here in a moment. And as you can see, if you check the committee statement, this was voted unanimously out of the Banking, Commerce and Insurance Committee. Thank you, Mr. President. [LB1018]

PRESIDENT SHEEHY: Thank you, Senator McCoy. You've heard the opening to LB1018. As was noted, there is a Banking, Commerce and Insurance Committee amendment, AM1800. Senator McCoy, you're recognized to open. [LB1018]

SENATOR McCOY: Thank you, Mr. President and members. The committee amendment you see before you would make two clarifications in the bill. First, the amendment would provide that a domestic business corporation when converting to a limited liability company shall file a certificate of merger in the office of the register of deeds in each county in which the converting corporation owns real property. Second, the amendment would provide that in provisions regarding approval of mergers, consolidations, or conversions of limited partnerships, references to limited partners who own more than a 50 percent interest in the profits means partners who own "in the aggregate" more than 50 percent interest in the profits. And I would urge adoption of AM1800. Thank you, Mr. President. [LB1018]

PRESIDENT SHEEHY: Thank you, Senator McCoy. You've heard the opening of AM1800 to LB1018. Seeing no requests to speak, Senator McCoy, you're recognized to

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

Floor Debate
February 16, 2012

close. Senator McCoy waives closing. The question before the body is on the adoption of AM1800 to LB1018. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1018]

CLERK: 31 ayes, 0 nays, Mr. President, on adoption of committee amendments. [LB1018]

PRESIDENT SHEEHY: AM1800 is adopted. [LB1018]

CLERK: I have nothing further, Mr. President. [LB1018]

PRESIDENT SHEEHY: We'll now return to floor discussion on LB1018. Seeing no requests to speak, Senator McCoy, you're recognized to close. Senator McCoy waives closing. The question before the body is on the advancement of LB1018. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1018]

CLERK: 34 ayes, 0 nays, Mr. President, on the advancement of LB1018. [LB1018]

PRESIDENT SHEEHY: LB1018 advances. We will now proceed to LB1064. [LB1018 LB1064]

CLERK: LB1064 was a bill introduced by Senator Fulton. (Read title.) Introduced on January 18 of this year, referred to the Banking, Commerce and Insurance Committee. The bill was advanced to General File. I do have committee amendments, Mr. President. (AM1790, Legislative Journal page 409.) [LB1064]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Fulton, you're recognized to open on LB1064. [LB1064]

SENATOR FULTON: Thank you, Mr. President and members of the body. LB1064: Surplus lines provide Nebraskans with the ability to be covered by needed insurance that is not available through the admitted insurance markets in our state. LB1064 was amended by the committee amendment, AM1790, which will follow, and is intended to include excess disability insurance as an allowed product for exporting through surplus lines, as is allowed in the vast majority of states but presently not in Nebraska. The necessity for excess disability insurance through the surplus lines market is created by several factors that limit one's ability to acquire adequate disability insurance through the admitted markets, such as caps on maximum benefits that leave highly compensated professionals and executives short, ineligibility of certain individuals based on either occupation or preexisting health conditions or preexisting health concerns, and limited coverage for businesses valued at more than \$2 million. Expanding the surplus lines market in Nebraska for excess disability insurance would prove beneficial to a variety of Nebraskans, including but not limited to university

Floor Debate
February 16, 2012

athletes who seek to take out disability insurance against a career-ending disability that would prevent them from turning pro. A number of players can be covered with disability insurance since they bought it in their home state; however, players who are Nebraska residents are ineligible for the same coverage because the coverage of surplus lines regulations in Nebraska right now prevents the exportation of such coverage. Others would could be affected to the positive would be university coaching staff, medical professionals, and business owners who cannot otherwise get the amount of coverage needed by admitted Nebraska companies. LB1064 as amended by AM1790 proposes a solution to the problem of limited or nonexistent disability coverage in the admitted Nebraska market that poses no competitive conflict with the traditional disability market. I emphasize that there is no competition with the traditional disability market by passing LB1064 because the surplus lines are not allowed unless the admitted markets cannot provide the coverage a person needs. And therefore this bill is needed. I ask you to support the bill and the underlying amendment. Thank you, Mr. President. [LB1064]

PRESIDENT SHEEHY: Thank you, Senator Fulton. You've heard the opening to LB1064. As it was noted, there is a Banking, Commerce and Insurance Committee amendment, AM1790. Senator Pahls, you're recognized to open. [LB1064]

SENATOR PAHLS: Thank you, Mr. President and members of the body. The committee amendments would reinstate current provisions that prohibit sickness and accident insurance from being procured from a nonadmitted insurer but with an exception that would provide that disability insurance may be procured from a nonadmitted insurer. Such disability insurance has a benefit limit in excess of any limit available from an admitted insurer. Thank you. [LB1064]

PRESIDENT SHEEHY: Thank you, Senator Pahls. You've heard the opening of the committee amendment, AM1790. Seeing no requests to speak, Senator Pahls, you're recognized to close. Senator Pahls waives closing. The question before the body is on the adoption of AM1790 to LB1064. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1064]

CLERK: 31 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB1064]

PRESIDENT SHEEHY: AM1790 is adopted. [LB1064]

CLERK: I have nothing further, Mr. President. [LB1064]

PRESIDENT SHEEHY: We'll now return to floor discussion on LB1064. Seeing no requests to speak, Senator Fulton, you're recognized to close. Senator Fulton waives closing. The question before the body is on the advancement of LB1064. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB1064]

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

Floor Debate
February 16, 2012

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB1064. [LB1064]

PRESIDENT SHEEHY: LB1064 advances. We will now proceed to LB773. [LB1064 LB773]

CLERK: Mr. President, LB773 is bill originally introduced by Senator Smith. (Read title.) Introduced on January 4, referred to the Health and Human Services Committee. The bill was advanced to General File. I do have committee amendments, Mr. President. (AM1714, Legislative Journal page 409.) [LB773]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Campbell, you're recognized to open on LB773. [LB773]

SENATOR CAMPBELL: Thank you, Mr. President. And I'm here to prove that there are some easy bills that come out of the Health and Human Services Committee. LB773 is very much a cleanup bill. It would amend the Uniform Credentialing Act to allow the Department of Health and Human Services to prorate fees for the renewal of a credential. Current law only allows the initial credential fee to be prorated if the credential will expire within 180 days of issuance. This issue was addressed and this measure was brought to Senator Smith's attention by a constituent. This individual was a licensed RN in Nebraska, moved to Florida for a period of time, and then returned to our state in August. She paid \$123 for the renewal of the credential. She then received notice shortly thereafter that her license would expire in October, and she would have to pay another \$123. The simple reason for her having to pay the full price in such a short period of time was that our statutes do not allow the department to prorate renewals. I believe this was probably an oversight when the original law was passed. A public hearing on LB773 was held on January 19 in front of our committee and was advanced without any dissenting votes. Thank you, Mr. President. [LB773]

PRESIDENT SHEEHY: Thank you, Senator Campbell. You've heard the opening to LB773. (Visitors introduced.) As was noted, there is a Health and Human Services Committee amendment, AM1714. Senator Campbell, you're recognized to open. [LB773]

SENATOR CAMPBELL: Thank you, Mr. President. Colleagues, the amendment strikes the original bill and becomes the bill. The amendment does not change the intent of LB773, which is to allow renewal-of-credential fees to be prorated in the same manner that initial issuance can be prorated within 180 days of issuance. The amendment is a technical language change at the suggestion of the Division of Public Health. The amendment will allow the department of Public Health to consistently administer the proration of fees for both initially issued or reinstated credentials that will expire within 180 days of their issuance or reinstatement. Thank you, Mr. President. [LB773]

Floor Debate
February 16, 2012

PRESIDENT SHEEHY: Thank you, Senator Campbell. You've heard the opening of the Health and Human Services Committee amendment, AM1714, to LB773. Seeing no requests to speak, Senator Campbell, you're recognized to close. Senator Campbell waives closing. The question before the body is on the adoption of AM1714. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB773]

CLERK: 28 ayes, 0 nays, Mr. President, on adoption of committee amendments. [LB773]

PRESIDENT SHEEHY: AM1714 is adopted. [LB773]

CLERK: I have nothing further on the bill, Mr. President. [LB773]

PRESIDENT SHEEHY: We'll return to floor discussion on LB773. Seeing no requests to speak, Senator Campbell, you're recognized to close. Senator Campbell waives closing. The question before the body is on the advancement of LB773. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB773]

CLERK: 29 ayes, 0 nays, Mr. President, on the advancement of LB773. [LB773]

PRESIDENT SHEEHY: LB773 advances. We will now proceed to LB904. [LB773 LB904]

CLERK: LB904 is a bill by Senator Gloor. (Read title.) Introduced on January 9 of this year, at that time referred to the Health and Human Services Committee, advanced to General File. There are Health and Human Services Committee amendments, Mr. President. (AM1722, Legislative Journal page 418.) [LB904]

PRESIDENT SHEEHY: Thank you, Mr. Clerk. Senator Gloor, you're recognized to open on LB904. [LB904]

SENATOR GLOOR: Thank you, Mr. President. This would be the second easy bill to come out of Health and Human Services Committee, quoting Senator Campbell. This was brought to my attention by both a district judge and the district court clerk, both of whom have great credibility with me. I also found this entertaining to work through. It deals with basic information like the date of birth, place of birth that gets passed through the courts to Vital Records when there's a divorce or an annulment that's granted. When this was originally brought forward and put in statute in 1919 there appeared to be a battle between Vital Statistics and the court clerks of reporting information. And so the law slapped a \$25 fine on court clerks if they didn't get the information there in a timely manner. What is entertaining is the fact that there was also a 25-cent reward if they did it in time. We apparently struck that from the records some years ago, so there's no

Floor Debate
February 16, 2012

reward. But if you look at the law, it still requires a \$25 fine if they don't get information. We move on to a day of electronic transfer of information as well as transient populations. Quite frequently the people involved in these divorces and annulments no longer are in the city, in the county, or perhaps even in the country. But sending back a form incomplete doesn't fit within the law and generates a letter from Vital Statistics. What LB904 does is the following. It updates language that identifies the person petitioning for divorce: the out-of-date term "petitioner" is replaced with "plaintiff." It eliminates obsolete language that references the \$25 fine against the district court clerks for negligent or a refusal to forward information to Vital Records. It eliminates language stating that submission of the requested information to Vital Records is a prerequisite for granting a final decree of divorce, because judges are going ahead to issue the final decrees without concern for whether Vital Records has all the information that they're not going to get because we can't track down the individual involved. LB904 also clarifies that if this information is not provided to the clerk of the court by the plaintiff or their legal representatives, that it's okay to accept the designation of "unknown." And that almost is the heart of the problem we've had. It was advanced unanimously by committee. There were no opponents. And there was no fiscal impact. I would also encourage the committee amendments, which are also a very simplified issue of who has records. Thank you, Mr. President. [LB904]

PRESIDENT SHEEHY: Thank you, Senator Gloor. You've heard the opening of LB904. As was noted, there is a Health and Human Services Committee amendment, AM1722. Senator Campbell, you're recognized to open. [LB904]

SENATOR CAMPBELL: Thank you, Mr. President. The amendment put forward by the Health and Human Services Committee strikes Section 1 and becomes the bill. The amendment maintains the intention of LB904 to (1) eliminate language that required the clerk to submit information to Vital Records as a prerequisite for granting a final decree of divorce or annulment; (2) allow the clerk of the district court to designate, quote, unknown, if the information is unavailable; and (3) to eliminate the \$25 fine against the district court clerks for failure to submit the information to Vital Records. The amendment removes the requirement that the Division of Public Health track and provide noncertified copies of dissolutionments and annulment amendments back to the clerk in the county where the certificate was originally filed, a duty that the division is not currently undertaking. I really do want to express appreciation to Senator Gloor, the department, as well as the county clerks for coming to agreement on this bill and settling what had been a very thorny issue. Thank you, Mr. President. [LB904]

PRESIDENT SHEEHY: Thank you, Senator Campbell. You've heard the opening of the Health and Human Services Committee amendment, AM1722. Member requesting to speak: Senator Lathrop. [LB904]

SENATOR LATHROP: Good afternoon, Mr. President and colleagues. A long, long time

Floor Debate
February 16, 2012

ago--and I graduated law school in '81--so when I first started coming out of law school, first got out of law school and had a general practice, I did some domestic relations work. And we used to have to fill this form out. And as I recall, you could fill the form out and maybe you would forget it at the office and they'd still let you get your decree. And so many people didn't--did not--bring the form that they finally passed this rule that said, you cannot get your decree until you drop off the vital statistic thing. I understand the purpose of this is to go back to the old way, which is you fill it out and bring it in, but you can still get your decree. I'm wondering if there's a purpose for the vital statistic forms, because I have some reservation about LB904 and whether we'll ever get one completed by a profession that is very often...puts things off, doesn't get things done, makes a promise: I'll bring it down next time I come down, Judge. And it never happens. And so I want to ask Senator Gloor a question, if I may. [LB904]

PRESIDENT SHEEHY: Senator Gloor, would you yield to Senator Lathrop? [LB904]

SENATOR GLOOR: Absolutely. [LB904]

SENATOR LATHROP: Senator Gloor, this is not the biggest bill on the agenda; I get that. But I do have a question for you. Does the Department of Health and Human Services still have an interest in the information that's on these forms? [LB904]

SENATOR GLOOR: Yes, they do. And they get most of that information because it's submitted electronically, Senator. It's those blanks that would have to do with date of birth, as an example, current residence, that are problematic. So this electronically finds its way in very quickly. It's that there's just, with our transient populations, times when not every box gets completed. [LB904]

SENATOR LATHROP: But if I complete no boxes and I go down to the courthouse to prove up on a divorce...I don't even have to do that anymore now that we've changed the statute. So I submit the documents, and I don't have the vital statistic form complete; I still get my divorce. And then the judge gets a promise from a lawyer that he'll bring it down the next time he comes to the courthouse? [LB904]

SENATOR GLOOR: That's not my understanding of what's transpiring with this. I believe within the court system there's an expectation--and has been no problem, at least related to us--that most of this information is provided; it's just that not all of it can be. The judges appear to be in control of this process from beginning to end. Where they've lost and have had some frustration over it is, when not all that information is submitted, Vital Statistics keeps sending back the form saying that we don't have this box completed; there's a \$25 fine that we could assess if you don't complete it. And ultimately some of the judges are going ahead and issuing the divorce decree. [LB904]

SENATOR LATHROP: Okay. I'm not confident that lawyers will provide anything unless

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

Floor Debate
February 16, 2012

the court has some leverage, like: I'm not giving you the decree until you give me the vital statistics information. So we may be revisiting this. I'll support it, Senator Gloor; but we may be revisiting this in a couple years, when they find that the lawyers, who are procrastinators by profession, aren't giving the Health and Human Services the vital statistic information. With that, thank you. [LB904]

PRESIDENT SHEEHY: Thank you, Senator Lathrop. Seeing no additional requests to speak, Senator Campbell, you're recognized to close on committee AM1722. [LB904]

SENATOR CAMPBELL: Thank you, Mr. President. And just a quick response to Senator Lathrop's question. The committee was provided the form and an explanation, and in a lot of times, Senator Lathrop, it's, like, knowing the maiden name or an original address. And some of that information, it's hard to retrieve, or someone may not remember what their wife's maiden name and former address and all of that. So we just want to make clear that we did get a lot of information from the committee and would urge you to vote for the committee amendment as well as the underlying bill. Thank you, Mr. President. [LB904]

PRESIDENT SHEEHY: Thank you, Senator Campbell. You've heard the closing. The question before the body is on the adoption of AM1722 to LB904. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB904]

CLERK: 32 ayes, 0 nays on adoption of committee amendments. [LB904]

PRESIDENT SHEEHY: Committee amendment AM1722 is adopted. [LB904]

CLERK: I have nothing further on the bill, Mr. President. [LB904]

PRESIDENT SHEEHY: We'll now return to floor discussion on LB904. Seeing no requests to speak, Senator Gloor, you're recognized to close. Senator Gloor waives closing. The question before the body is on the advancement of LB904. All those in favor vote yea; opposed, nay. Please record, Mr. Clerk. [LB904]

CLERK: 32 ayes, 0 nays, Mr. President, on the motion to advance LB904. [LB904]

PRESIDENT SHEEHY: LB904 advances. Mr. Clerk, items for the record. [LB904]

CLERK: Thank you, Mr. President. Enrollment and Review reports LB800, LB854, LB890, LB911, and LB942 as correctly engrossed. Priority bill designations: the Agriculture Committee selects LB1057 and LB905; the Business and Labor Committee selects LB1058 and LB1151 as their priority bills. One name add: Senator Smith would like to add his name to LB1080. (Legislative Journal page 577.) [LB800 LB854 LB890 LB911 LB942 LB1057 LB905 LB1058 LB1151 LB1080]

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

Floor Debate
February 16, 2012

And a priority motion, Mr. President: Speaker Flood would move to adjourn the body until Tuesday morning, February 21, at 10:00 a.m.

PRESIDENT SHEEHY: You have heard the motion to adjourn until Tuesday, February 21, at 10:00 a.m. All those in favor say aye. Opposed, nay. We are adjourned.