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Transcriber's Office

Floor Debate
February 12, 2013

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SENATOR CARLSON PRESIDING

SENATOR CARLSON: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-fourth day of the One Hundred Third Legislature, First Session. Our chaplain for today is Senator Wallman. Would you all please rise.

SENATOR WALLMAN: (Prayer offered.)

SENATOR CARLSON: Thank you, Senator Wallman. I call to order the twenty-fourth day of the One Hundred Third Legislature, First Session. Senators, please record your presence. Mr. Clerk, please record.

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

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

CLERK: I have no corrections, Mr. President.

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

CLERK: I do, Mr. President. Bills read on Final Reading yesterday morning were presented to the Governor as of 12:10 yesterday (re LB1, LB2, LB16, LB30, LB35, LB72, LB87, LB91, LB100, LB102, LB111, LB112, LB113, LB125, LB146, and LB155). Pursuant to that action, a communication from the Governor. (Read re LB125.) I have amendments to be printed to LB21 by Senator Lautenbaugh. And a communication from the Clerk to the Secretary of State. (Read re LB125.) And finally, Mr. President, a hearing notice from the Transportation and Telecommunications Committee. That's all that I have. (Legislative Journal pages 425-431.) [LB1 LB2 LB16 LB30 LB35 LB72 LB87 LB91 LB100 LB102 LB111 LB112 LB113 LB125 LB146 LB155 LB21]

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

CLERK: Mr. President, the Government, Military and Veterans Affairs Committee, chaired by Senator Avery, reports on the appointment of Tony Moody to the Nebraska Tourism Commission. (Legislative Journal page 422.)

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SENATOR CARLSON: Thank you, Mr. Clerk. Senator Avery, as Chair of the Government, Military and Veterans Affairs Committee, you're recognized to open on the confirmation report.

SENATOR AVERY: Thank you, Mr. President. Good morning, colleagues. The Government, Military and Veterans Affairs Committee is pleased to recommend the confirmation of Tony Moody to the Nebraska Tourism Commission. This is for a term that began on September 12, last year, and will extend until June 30, 2013. Mr. Moody is well qualified for this position. He has a long and distinguished career in hotel management, currently serving as the manager of Embassy Suites in La Vista. He has served previously on the Nebraska Hotel and Motel Board. Also he has served on the Metropolitan Hospitality Board, and he was the chair of the 2010 USA Special Olympic Games. These are impressive credentials. The committee was unanimous in its support of him; at least, unanimous of those who were present. The vote was 5-0. Three people were missing. The hearing was held on Friday, February 8. And I am pleased to recommend to this body the confirmation of Tony Moody to the Nebraska Tourism Commission. Thank you, Mr. President.

SENATOR CARLSON: Thank you, Senator Avery. Members, you've heard the opening on the confirmation report. Are there senators wishing to speak? Seeing none, Senator Avery, you're recognized to close. He waives closing. The question is, shall the confirmation report be adopted? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr. Clerk.

CLERK: (Record vote, Legislative Journal pages 431-432.) 33 ayes, 0 nays, Mr. President, on the adoption of the confirmation report.

SENATOR CARLSON: The confirmation report is adopted. Mr. Clerk, next item.

CLERK: Mr. President on LR31. It was originally introduced by Senator Campbell. It calls upon the Executive Board to reappoint and continue the work of the Children's Behavioral Health Oversight Committee of the Legislature. Pursuant to its introduction, the resolution was referred to the Executive Board for conducting a public hearing. The Executive Board has reported the resolution back to the floor for further consideration. [LR31]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Campbell, you're recognized to open on the resolution. [LR31]

SENATOR CAMPBELL: Thank you, Mr. President, and good morning, colleagues. LR31 is intended to allow the Children's Behavioral Health Oversight Committee, also known as the LB603 committee, to continue its work until the beginning of the One Hundred Third Legislature, Second Session, which would mean that we would serve

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until the end of this calendar year. The committee was created as a special legislative committee in 2009 with the enactment of LB603, which also created programs to assist families and children in need of behavioral health oversight and services. The committee provided the oversight of these programs. Section 11 of LB603 terminated the committee on December 31, 2012. In the meantime, the Nebraska Children's Commission, created with the enactment of LB821 in 2012, began its work, which includes creating a strategic plan for child welfare programs including the relationship with behavioral health and juvenile justice, and reviewing the Department of Health and Human Services' child welfare operations. LR31 would allow the LB603 committee to continue its progress on children's behavioral health and allow for an orderly transition to the Children's Commission. For the new senators, LB603 was a package of bills which came about as a result of the safe haven issue. When the Legislature took action to rescind some of the portions of its safe haven and make it more workable, a number of bills the next legislative session were proposed to deal with children's behavioral health. We packaged those bills into LB603 and charged the commission to have oversight. A number of senators have served on the commission, including Senator Dubas, Senator Avery, Senator Coash, Senator Hansen, Senator Howard, Senator McGill, Senator Nordquist, and Senator Pirsch. It is most fitting that we complete the work and oversight of the LB603 committee and hand it over to the Children's Commission. It's my belief that all the programs that we started through this legislation are in their respective budgets and being funded, all programs are operating successfully, and we can begin the transition and integration with the work of the Children's Commission. With that, Mr. President, I will conclude my opening statement. [LR31]

SENATOR CARLSON: Thank you, Senator Campbell. Members, you've heard the opening on the resolution from Senator Campbell. The floor is now open for debate. Those wishing to speak include McGill and Avery. Senator McGill, you're recognized. [LR31]

SENATOR MCGILL: Thank you, Mr. President and members of the body. I rise in support of LR31, and Senator Campbell did a pretty good job of recapping everything. I just wanted to rise, though, and talk a little bit more about safe haven, especially since so few members of the body now were here during that situation. What we saw, of course, was parents dropping off their teenage children at safe haven locations; but what we discovered during that process was that the vast majority of them, all but I think maybe one parent, dropped off those teenagers because they could not control that child's behavioral health problem. One of the youth who was safe-havened had pushed his grandmother down the stairs; another one was making weapons and there was another child in the house and Mom was afraid that child, the one boy, was going to hurt the other child. These were parents who had sent their kids, you know, to Immanuel Hospital for a while, they had sent them to a variety of places and just were not getting the services that they needed, to the point where nurses were actually saying: You

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know what, there's a safe haven law; you should just drop them off, then the state will have to give them the services they need. Most of us feel that creating the safe haven law was a fabulous mistake on our part but one that opened our eyes to a true problem in our system. And since then, through this Children's Behavioral Health Committee and through some legislation, we've made some really great strides in terms of an entryway into the system. But we're still lacking the services necessary. We're still seeing an increasing number of kids who should be getting behavioral health services that aren't. And the way that we know that is through talking to teachers in our schools. I spent a good chunk of my interim organizing teachers from around the state, from almost everyone's districts, just hearing about all of the behavioral health problems they're having, and trying to solve the problem of how do we get these kids these services, maybe even within the schools, as teachers are identifying them, because every school district is doing something different. You know, there aren't a whole lot of best practices out there that may be used; everybody is trying their own thing, and the problem is still persisting. So we need to be trying something new. I know I brought a bill that will be before the Health and Human Services Committee later this week to involve telemedicine, some other ideas in how to crack through this shell and really help these kids at a younger age. Many of these children show the signs of a behavioral health problem when they're four or five years old, and yet Mom and Dad may think, oh, it's just a boy being a boy, when really the teacher or the preschool teacher can tell that child's behavior is a little different, that is more violent or troublesome than the normal child. We need to create a system where we're getting these kids help as early as possible when their brains are still amenable to change; get the parents help, because some of these behavioral health problems could be rectified through parent coaching, you know, and wrapping those services around the families while the kids are young. Then we won't have as many kids going to the YRTC's, we won't have as many in the juvenile justice system that need our help at that point in time. So, you know, I share and hope that other folks in this body share a commitment to trying to solve this children's behavioral health crisis. We took some steps following safe haven but we're not all the way there yet. I think we have a lot of promises that are still left to be fulfilled, and I think this committee and the Children's Commission, in general, are necessary to move us forward. Thank you, Mr. President. [LR31]

SENATOR CARLSON: Thank you, Senator McGill. (Doctor of the day introduced.)
Senator Avery, you're recognized. [LR31]

SENATOR AVERY: Thank you, Mr. President. I have served on this oversight committee from the beginning, and I can echo what has been said already on the microphone. This committee is necessary. It may not be necessary beyond this year, but certainly it is necessary now. One thing I have learned in this body and I'm sure that many of you have as well, is that without oversight often things that we intend don't get done. Or if they do get done, they don't get done in the manner or to the extent that this body intended when we passed the legislation. I've seen many examples of that, and

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we worked hard on the safe haven issue and we worked very hard in putting together that coalition to pass LB603. And this oversight committee was formed for the express purpose of making sure LB603 was implemented in the manner that we intended. We are getting good reports in the meetings that we have had. We're getting good reports from the agencies that are charged with carrying out the intent of that legislation. I think that we can take some pride in that. But as Senator McGill said, it's not finished, and this committee I believe needs to continue to make sure that the job is done right and that the job is finished. Thank you, Mr. President. [LR31]

SENATOR CARLSON: Thank you, Senator Avery. Those still wishing to speak include Senators Dubas and Pirsch. Senator Dubas, you're recognized. [LR31]

SENATOR DUBAS: Thank you, Mr. President, and good morning, colleagues. I, too, want to echo the comments that my colleagues have made and thank Senator Campbell for her leadership on this committee. I think it's important that we make some points, especially for those who are new to the Legislature, the purpose of these special committees, the LB603 committee, the committee that deals with Beatrice, and some of the other committees that we have put together maybe in a less formal fashion. The work that these committees do are not in replacement of the work that our standing committees do. They are in conjunction with and supportive of the work that our standing committees do, because some of these issues are just so big. We have so many different issues tied into them that we need to be able to have a committee whose focus is on that particular topic and who's able to pull people together and work with the stakeholders again to support the work that the standing committees are doing, like the Health Committee, like the Judiciary Committee. It also allows senators who have a very strong interest in the particular topic and who may not serve on those standing committees an opportunity to become involved and to bring their interest and their expertise to the table to try to continue to work towards solutions. And I also think in light of term limits, it's even more important that we have the information that we need at our fingertips as we're making the decisions on these issues that I said are very multifaceted. And so with these special committees, we're able to generate that additional information and we're able to share it with the committees as well as the rest of our colleagues as we have debate on the floor. So it's just another resource that we as legislators can have to rely on to help us with our decision-making process. And I also have found as a member of that committee, it is a great opportunity to keep people together, to keep all of the stakeholders coming together, talking about issues, talking amongst themselves. You know, we know ourselves as senators, we spend a lot of time together but we don't always get a lot of time to actually sit down and talk about the issues that are before us. We have a lot of things coming at us from many different directions. And so to have an opportunity where you come together and you're very focused on what you're discussing is something that escapes many people whether you're in the Legislature or on the outside working on things. So having this kind of a committee that keeps us very focused on the issue at hand, keeping them talking, and

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there have been great ideas, actual legislation that has come out of this committee that keeps us moving forward in trying to address the mental health issues of the young people in our state. You know, as Senator McGill said, we have made some strides but we still have a long way to go, and it seems like every time we think we've put something to rest and we've found a solution, you know, another issue comes up that we hadn't thought of. So keeping this dialogue going is going to be so very important. I have a great deal of faith in what the Children's Commission is going to do to elevate this discussion to an even higher level with truly positive suggestions that will turn into legislation or working solutions for the children and families across our state. So I am in very hearty support of LR31 and encourage my colleagues to be likewise. Thank you. [LR31]

SENATOR CARLSON: Thank you, Senator Dubas. Senator Pirsch, you're recognized. [LR31]

SENATOR PIRSCH: Thank you, Mr. President and members of the body. I would like to stand in strong support of this LR and, first of all, thank Senator Campbell for her strong leadership of this and the other members of the committee. You know, when it comes to behavioral health of children, it really is...you know, there's some issues that the state faces that are of minor or peripheral importance, but this is not one of them. This is a very...an issue of core importance to the state. And so I really do appreciate the work of this committee and think that there is more that we can do here. So with respect to LR31, I just wanted to join the chorus of voices that are in support. Thank you. [LR31]

SENATOR CARLSON: Thank you, Senator Pirsch. Senator Lathrop, you're recognized. [LR31]

SENATOR LATHROP: Thank you, Mr. President. And colleagues, good morning. I stand in support of LR31. I just want to make a couple of observations perhaps. This type of a committee should be formed in extraordinary circumstances, and that's what we faced when this committee was put together. The safe haven bill, as you heard, was in some ways...you know, we can call it a mistake of the Legislature not to put a date on when you can bring a newborn in, but what it did illustrate was the problem people were having accessing the system and a lot of problems with child welfare. This committee was formed in response to that and to deal with the issues that surrounded that circumstance and the problems that became so evident during the safe haven situation. And I sit on the Judiciary Committee; when we had this special session and those folks came in and told us the problems they had, it was heartbreaking--heartbreaking. And, you know, if we're going to have the health and human services around, if we're going to discharge our responsibility to this population, we should do it right. And if we haven't learned anything over the last few years, when we do it wrong it costs us more money. So I fully support the committee. The other observation I'm going to make is that the composition of this committee brings in two people from Judiciary, two people from

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Health, and two people from Appropriations. And what I learned from our experience with the Beatrice State Developmental Special Investigation Committee is that bringing senators in from different committees is very important. It does no good if the people over in the Health Committee fully understand the issue but they can't sell it to the Appropriations Committee. And in this case, we're dealing with Judiciary Committee issues, we're dealing with Health and Human Services issues, but having two people from Appropriations serve on this committee gives somebody in the Appropriations Committee a sense of the importance of what's being done, how acute the problem is, and it has...and you naturally have two plants inside of Appropriations that recognize that something needs to be funded and they have a good idea of what it takes to solve the problem. So I fully support the committee. I am impressed with the composition of the committee and how it's being structured, and I would appreciate your green light on LR31. Thanks. [LR31]

SENATOR CARLSON: Thank you, Senator Lathrop. Senator Nelson, you're recognized. [LR31]

SENATOR NELSON: Thank you, Mr. President and members of the body. I'm not standing in opposition to this resolution, but I do have a question or two of Senator Campbell if she would yield. [LR31]

SENATOR CARLSON: Senator Campbell, would you yield? [LR31]

SENATOR CAMPBELL: Certainly. [LR31]

SENATOR NELSON: Thank you, Senator Campbell. I'm just...I'm going to take this opportunity to find out a little more about where we are with the Nebraska Children's Commission. Has that been formed yet and organized? Is it in existence? [LR31]

SENATOR CAMPBELL: Yes, Senator Nelson. It came together in early summer. The Governor made all of the appointments and it has been meeting monthly since then. It has produced and distributed, and most likely you have a copy either electronically or hard copy in your office, of its first phase strategic plan. And it is beginning its work on all the assignments we gave it in the five bills we passed on child welfare. I am pleased to say that I think this commission is just doing dynamite work and we have all been learning from them, including the Governor has been at almost every meeting. [LR31]

SENATOR NELSON: Are members of the oversight committee also members of the commission? [LR31]

SENATOR CAMPBELL: No. There is...on the Children's Commission nonvoting members are the Chairman of Health and Human Services, the Chairman of Appropriations, and the Chairman of the Judiciary. [LR31]

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SENATOR NELSON: Well, then aren't we kind of doubling up here? If the commission has been formed and it's operating and since this summer, do we have extraordinary circumstances, as Senator Lathrop referred to, that would require us to keep this committee here that the resolution involves and keep it alive for another year? [LR31]

SENATOR CAMPBELL: Senator Nelson, I would have to say the Children's Commission is up and going; but given the programs that were involved in LB603, I think the committee feels that we want to ensure that they are on solid footing. And really, they were the first phase. And so partial work this year for the committee would be to talk to all of those components and say, what needs to be done next so that we can truly transition to the Children's Commission. I think you do need the LB603 committee, Senator, to finish out the work and ensure that the programs are on solid footing, number one; and number two, what are their recommendations for what needs to be done. This was only phase one. [LR31]

SENATOR NELSON: All right. Thank you very much, Senator Campbell. Thank you, Mr. President. [LR31]

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SENATOR GLOOR: Thank you, Senator Nelson. Senator Nordquist, you're recognized. [LR31]

SENATOR NORDQUIST: Thank you, Mr. President and members. I, too, have served on the LB603 committee since its beginning, and I do think it serves an important...a couple important purposes. First, is to provide some true oversight of the initial, as Senator Campbell just said, phase one implementation of these programs. When safe haven hit, this body decided to make significant investments in new programs and expanded programs to meet the needs that were so clearly demonstrated by the safe haven crisis. Some of those programs were the Family Navigator program, the Professional Partners program. We created a new hotline for people across the state to access when crisis hits their families. And this, if you haven't read the report that's up--every year the committee is issued a report--I encourage you to, to go in and look at that. It provides very specific...and unfortunately, we don't do this with every program we provide, but very specific output data of, you know, where are the calls coming from, how many calls to the hotline, what are the demographics of those families, who's using Professional Partner programs in which behavioral health regions, who's using the Family Navigator programs. This committee provides oversight of those programs. But as Senator Campbell said, that is phase one. The committee is tasked with looking at providing oversight of children's behavioral health in this state, and that means continuing to monitor where we're at. And I think the Children's Commission is a component of that. And I think sometimes with the Children's Commission and LB603,

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you know, we set up these committees or commissions but we don't pay as much attention to them as we should. We sometimes get excited about an issue and we'll start this legislative session going down another path, where now that we have these structures in place, I think they are the appropriate structures for us to really use them and their expertise both outside the body and inside the body on focusing our attention on how we create the best system of behavioral health for children in this state. So it's my intention this year that we let the Children's Commission do their work, bring their expertise from the outside to the Legislature through their upcoming reports over the next year, and then through the LB603 committee analyze those opportunities, look at them and propose recommendations from the LB603 committee to the whole Legislature. So it serves a very important purpose as we're continuing to improve our behavioral health system for children in this state. Thank you, Mr. President. [LR31]

SENATOR GLOOR: Thank you, Senator Nordquist. The Chair recognizes Senator Chambers. Senator Chambers, you are recognized. [LR31]

SENATOR CHAMBERS: Mr. President, members of the Legislature, I just want to say a few words about that original safe haven bill that created the problem that resulted in what's being done now, which is very good. And what's being done now shows that indeed a silk purse can be made from a sow's ear. There was a question asked who can bring a clean thing out of an unclean thing and the answer was none, no, not one. When the discussion occurred years ago about safe haven legislation, I was four square opposed to it. What I wanted to focus on was the type of thing, the type of experience that might cause a woman to abandon a newborn. And by saying that you're going to make it easy to give up the newborn would take our attention away from the fact that there are societal problems that are never addressed by the Legislature. We looked only at symptoms. So I was able to head those kind of bills off. Then a senator brought another bill. He had seen something on Oprah Winfrey where she was talking about why these types of bills were good. And I had said Oprah doesn't set my legislative agenda. But I'll tell you all what I will do. If you all can agree on some kind of legislation, I will stop fighting it. I won't support it, but I'll let you do whatever you want to do. So they decided to take a bill and they couldn't determine where to draw the line. Should you say a six-month-old infant, a few-days-old infant, a two-year-old child? Well, if the two-year-old child needs some kind of safe haven, why not an eight-year-old child? So I said I'm not going to be in any of that. So they passed the bill. And it led to people coming from all over the country literally dumping their children. Nobody wanted to take responsibility. As is often said, success has a thousand parents, failure is an orphan. I was the only one who voted against the bill, the only one. And as years went by and problems developed, there's a fellow who was made famous on Oprah Winfrey's program called Dr. Phil. Now when a doctor only has a first name, I'm skeptical. But when it comes from the entertainment realm, that happens. Dr. Oz is an example and he's very good, very competent, very capable. He is a practicing surgeon. He is world-renowned. So the mere fact that he has only one name is all right because that

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puts him in a category with Plato, Socrates, Aristotle, Ernie. So anyway, I was up at a Catholic school in Massachusetts, and I forget the name of the town, but they didn't pronounce the town the way it was spelled. So I told them either they don't know how to spell the name of the town or if the spelling was correct, they didn't know how to read because the two didn't go together. Here's why I mentioned that. Dr. Phil's program out in California had called to locate me, and they found me up there in Massachusetts and asked would I come to be on his program the following day and they would pay all arrangements. They'd fly me out there. I said, when I travel, I travel light. I just go in and I try to say what I've got to say the day that I'm there and leave the same day so I don't have anything. I don't have another shirt. Now I don't want to embarrass anybody, but I do take a change... [LR31]

SENATOR GLOOR: One minute. [LR31]

SENATOR CHAMBERS: ...of socks and underwear. So I told him that I was not going to come out there under those circumstances. He said that he'd buy me a wardrobe if I would come. I did not go. I did not make any appearances about that. But it would be a lesson for the Legislature in not acting hastily on a subject about which you may have and feel great sympathy and empathy. There should be much analysis, consideration given to the nature of the problem. And if it's going to be ongoing, we ought to try to find what the cause of it is. And nobody wanted to talk about it at the time so they got that atrocity of a bill. And since my time probably is up, I will stop now. Thank you, Mr. President. [LR31]

SENATOR GLOOR: You may continue on your new time, Senator Chambers. [LR31]

SENATOR CHAMBERS: Oh, okay, because I just want to wrap this up. There are few people who would not...maybe none, who would not be sympathetic to having someplace where an innocent newborn could be delivered so that his or her life may be sustained. But when we're talking about things like that, we need to look at root causes, and legislatures never do that. They go by what's in the headlines, what the public is talking about, especially in the realm of crime and punishment. For example, if crack cocaine is found to be a form of cocaine that black people use, then throw the book at whoever uses it. And when they were throwing the book at black people, the majority of users of crack cocaine were white. And when somebody brought a piece of that trash legislation here, I fought it but I couldn't stop it. Anytime something comes up, the legislators' first response is, harsher punishments, longer sentences. Then when you have a lot of people serving those longer sentences, and they're not going to be mitigated by the Pardons Board, you can forget that. Who's on the Pardon's Board? Simon Legree, Jack the Ripper, Jesse James. Now you're going to look for mercy from a group like that? Oh, I'm sorry. I apologize to Simon Legree, Jack the Ripper, and Jesse James. I should not have defamed them in that manner. They probably would have been more sympathetic to people who may have strayed from the path of

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righteousness based on their own lives. And it seems that the people deemed wicked have more understanding and compassion from those self-righteous people who have never done anything wrong, who meddle in other people's business, who are going to put harsh punishments on everybody else but let them be in the dock and they plead for leniency, they plead for mercy, and everything they denied to others is what they wanted. So when we have these kind of emotion-ridden issues, we should address them. But if possible, there would be causes or contributing factors. And if a legislative remedy could be fashioned, that's what we ought to do. But you know what, my colleagues, the first thing would pop into their minds? I don't want to be soft on crime. I don't want to seem like I favor drug dealers. But then you find a politician who does something wrong like Mike Fahey or whatever his...Sheehy, nobody wants to talk about it. That's a perfect example to use. Everybody said, well, I'm not going to judge him. Well, you judge other people. He ought to be given a break. You don't want to give breaks to other people. He misused state equipment. He misspent state money. And you can't talk about it? I'll talk about it. I'll talk about any of them. And when I see the Legislature going astray, I'm going to do it. And I'm even going to make religious references because you all pray in here every morning. I don't come in here for that. I have too much respect for the people who believe in their religion. What happens here is a sham, it's a hoax, it's blasphemous. [LR31]

SENATOR GLOOR: One minute. [LR31]

SENATOR CHAMBERS: People here don't believe in that. Look at the legislation that comes out of here. The Chamber is like an echo chamber. Every one of you ought to be in your seat or standing on your feet when the prayer goes forth. You all are the ones who want it. I went to court and tried to stop it. None of you were here at that time, but you carry on these traditions. You don't realize how offensive it is every time somebody gets up there and mentions Jesus Christ. I feel like saying, Jesus Christ, not everybody worships Jesus Christ. Suppose my name is Goldberg and I've got to hear that when the coverage of the Legislature comes on. You don't think. You don't feel. So I'm going to try to put on you what other people feel when you force your views on them. It's pointless. It's worthless. And if you want to show me it means something, let it be reflected in your life. Stop drinking with the lobbyists. Stop mooching and sponging off the lobbyists. [LR31]

SENATOR GLOOR: Time, Senator. [LR31]

SENATOR CHAMBERS: Thank you, Mr. President. [LR31]

SENATOR GLOOR: Thank you, Senator Chambers. Are there other members who wish to be heard? Seeing none, Senator Campbell, you're recognized to close on LR31. [LR31]

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SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. I'd like to thank my colleagues for their comments and certainly their history to illustrate the importance of the issue that is contained in LB603 and its committee. You know, people say, well, what have you seen in two years? And I think Senator Nelson was most appropriate in his questions. What we've seen is that a helpline was established and they have received and answered and helped 10,000 callers. Among those callers they were then referred to a peer support or navigators, parents who had been through what that parent on the helpline was facing. And then in turn, they could have been given help through the Professional Partners of the regions. We also established in LB603 adoption support or Right Turn, meaning if you adopt a state ward these counselors and people are there to help you when questions arise as you begin your life with that new child. We also saw established BHECN, which is the Behavioral Health Education Center of Nebraska at UNMC. And this center provides education and builds hopefully a mental health work force all across the state of Nebraska and has done great work in the rural areas of our state. So why should we continue? These programs have been successful. They are helping our families across the state. But as Senator McGill indicated and Senator Lathrop, we have far more to do. Senator Dubas talked about the importance of working within a special committee on a particular problem and that we have begun to really build on the children's behavioral health. Much more needs to be done. But now we have the Children's Commission that hopefully can break down the silos between child welfare, child behavioral health, juvenile justice, and see that we want a system that responds to children in whatever need that they have. The LB603 committee has been a great mechanism to begin addressing some of those problems. And I would much appreciate your support on LR31. Thank you, Mr. President. [LR31]

SENATOR GLOOR: Thank you, Senator Campbell. Members, you have heard the closing on LR31. The question before the body is the adoption of LR31. Those in favor vote aye; those opposed vote nay. Have all voted who care to? Record, Mr. Clerk. [LR31]

CLERK: 39 ayes, 0 nays, Mr. President, on the adoption of LR31. [LR31]

SENATOR GLOOR: The resolution is adopted. Mr. Clerk, items for the record. [LR31]

CLERK: Thank you, Mr. President. Your Committee on Natural Resources reports LB94 and LB340 to General File, LB499 to General File, and LB322 indefinitely postponed, those signed by Senator Carlson. The Education Committee, chaired by Senator Sullivan, reports LB262 to General File with amendments. Hearing notice from the Appropriations Committee. And I have an amendment to be printed from Senator Dubas to LB250. That's all that I have, Mr. President. Thank you. (Legislative Journal pages 432-433.) [LB94 LB340 LB499 LB322 LB262 LB250]

SENATOR GLOOR: Thank you, Mr. Clerk. We now continue...we now go to General

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File. Mr. Clerk.

CLERK: Mr. President, LB88, a bill by Senator McGill. (Read title.) Senator McGill presented her bill yesterday, Mr. President. The Urban Affairs Committee conducted the public hearing. There are committee amendments pending. Those amendments are now the matter before the body, Mr. President. (AM137, Legislative Journal page 370.) [LB88]

SENATOR GLOOR: Thank you, Mr. Clerk. Senator McGill, would you take a few minutes to remind the body of the issues surrounding LB88. [LB88]

SENATOR MCGILL: I'd be happy to, Mr. President. In summary, LB88 was the bill that allows the city of Lincoln to issue permits and inspect work on some farmstead structures that are within their three-mile ETJ. A quick update from yesterday. We had the Farm Bureau, the Cattlemen, and the city of Lincoln meet together this morning to draft an amendment so that the language is more clear for the concerns of the Farm Bureau and the Cattlemen. And so I have an amendment to the committee amendment, and we'll get to that next. Thank you, Mr. President. [LB88]

SENATOR GLOOR: Thank you, Senator McGill. As the Clerk stated, there are amendments from the Urban Affairs Committee. Senator McGill, as Chair of that committee, you're recognized to open on the committee amendment. [LB88]

SENATOR MCGILL: I would actually waive that and go to the amendment to the committee amendment. [LB88]

SENATOR GLOOR: Go ahead, Senator McGill. [LB88]

SENATOR MCGILL: Okay. Thank you. So your gadget should show AM216 or, let's see, amendments to LB...oh, maybe this was to...hold on just a moment. [LB88]

CLERK: I think you're on...I think it's an amendment to the committee amendment, Senator. (AM216, Legislative Journal page 433.) [LB88]

SENATOR MCGILL: Oh, okay, that this is correct. Okay, thank you. This amendment uses the language from the metropolitan-class statutes that uses the terminology "except as to construction on farms for farm purposes." So the language will read, "Every city of the primary class may regulate in the area which is within the corporate limits of the city or within three miles of the corporate limits of the city and outside of the organized city or village except as to construction on farms for farm purposes." This is language that gets to the same point that the language yesterday did, but in a way that is more clear in the minds of the Farm Bureau and the Cattlemen. I also passed out a sheet this morning that shows the permitting requirements in that three-mile zone, and

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in the county and the city, and you can really see where that gap is in terms of the residences that we're trying to fill and make sure they're up to the proper codes for folks who may be moving in there. I think that really shows that we do just have a small little hole in the consistency of our laws when it comes to permits and inspection. So I ask for your support. Thank you, Mr. President. [LB88]

SENATOR GLOOR: Thank you, Senator McGill. Members, you've heard the opening to the amendment to the committee amendments to LB88. Are there senators wishing to be recognized? Seeing none, Senator McGill waives closing. Members, the question is, shall the amendment to the committee amendment to LB88 be adopted? All in favor vote aye; those opposed vote nay. Have all voted who care to? Record, Mr. Clerk. [LB88]

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of the amendment to the committee amendments. [LB88]

SENATOR GLOOR: The amendment is adopted. We now return to discussion on the committee amendment to LB88. Are there senators wishing to be recognized? Seeing none, Senator McGill waives closing. The question is, shall the committee amendments to LB88 be adopted? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk. [LB88]

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of committee amendments. [LB88]

SENATOR GLOOR: The committee amendment is adopted. Senator McGill, you're recognized to close on the advancement of LB88. [LB88]

SENATOR MCGILL: Thank you, Mr. President and members of the body. I simply want to thank the folks who met in my office at 8 a.m. to work out this language, that being the city of Lincoln, the Farm Bureau, and the Cattlemen, and to my colleagues here who expressed concerns yesterday and were supportive of this amendment. Thank you, Mr. President. [LB88]

SENATOR GLOOR: Thank you, Senator McGill. Members, the question before us is the advancement of LB88 to E&R Initial. Those in favor vote aye; those opposed vote nay. [LB88]

SENATOR CARLSON PRESIDING

SENATOR CARLSON: Have all voted who wish to vote? Record, Mr. Clerk. [LB88]

CLERK: 35 ayes, 0 nays, Mr. President, on the advancement of LB88. [LB88]

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SENATOR CARLSON: LB88 does advance. Mr. Clerk, next item. [LB88]

CLERK: Mr. President, LB38 is offered by Senator Wightman. (Read title.) Introduced on January 10, referred to the Banking, Commerce and Insurance Committee, the bill was advanced to General File. I have no amendments to the bill, Mr. President. [LB38]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Wightman, you're recognized to open on LB38. [LB38]

SENATOR WIGHTMAN: Thank you, Mr. President and members of the body. LB38 is intended to conform the Uniform Trust Code to Nebraska's probate laws and was advanced to the floor by a unanimous vote of the Banking, Commerce and Insurance Committee. Trusts, by their design, can be very flexible to deal with changes in circumstances in the future. Most people are familiar with what a trust is and the role of a trustee. LB38 amends the law concerning a feature of a trust law that you may not have heard of before called a power of appointment. A power of appointment can be granted by the person who created the trust to a holder who may be the creator of the trust or another individual. A holder of a power of appointment can be granted complete or partial control over the ultimate disposition of assets of a trust and who the beneficiaries will be. LB38 makes changes to the current law on powers of the holder of a power of appointment. By its nature, this is either the creator of the trust himself, and that's frequently true, or herself, or someone who the creator of the trust has great confidence in their actions. The purpose of LB38 is to amend the Uniform Trust Code to (1) allow any holder of a power of appointment to represent and bind persons subject to that power as it relates to the trust, and (2) state that during the period that the rights of a beneficiary may be terminated by a power of appointment or other power, the duties of the trustee are owed exclusively to the power holder to the extent of the property in the trust and subject to the power. The changes made by this bill are intended to provide uniformity and consistency between the Nebraska Probate Code and the Nebraska Uniform Trust Code. The Probate Code, Section 30-3823 has been changed to eliminate the conflict of interest language. The same change should be made to the Trust Code so that the holder of a power of appointment who may be the creator of the trust or a person in whom the creator of the trust has great confidence can do what the creator of the trust would want done with assets of the trust. This concludes my opening and I would be happy to try to answer any questions that you might have. Thank you. [LB38]

SENATOR CARLSON: Thank you, Senator Wightman. Members, you've heard the opening on LB38. Are there senators wishing to speak? Seeing none, Senator Wightman, you're recognized to close. He waives closing. The question is, shall LB38 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Record, Mr. Clerk. [LB38]

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CLERK: 36 ayes, 0 nays, Mr. President, on the advancement of LB38. [LB38]

SENATOR CARLSON: LB38 does advance. Mr. Clerk, next item. [LB38]

CLERK: LB283 is by Senator Conrad. (Read title.) The bill was introduced on January 16, referred to Banking, Commerce and Insurance Committee, advanced to General File. I have no amendments to the bill, Mr. President. [LB283]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Conrad, you're recognized to open on LB283. [LB283]

SENATOR CONRAD: Thank you, Mr. President. Good morning, colleagues. LB283 was brought to me by committee legal counsel, Bill Marienau, and is a technical bill that repeals terminated statutes regarding limited liability companies or LLCs. It also repeals internal references to those terminated statutes. The new LLC Act, based on recommendations of the National Conference of Commissioners on Uniform State Laws, was enacted via LB888 in 2010. LLCs formed prior to January 1, 2011, were allowed to elect to become subject to the new LLC Act on or after January 1, 2011, and before January 1, 2013. All LLCs formed after January 1, 2013, are subject to the new act. The transition from the old LLC Act to the new LLC Act was complete as of January 1, 2013. This bill represents the final housekeeping step in that process and simply removes already terminated provisions from the statutes. Thank you, Mr. President. [LB283]

SENATOR CARLSON: Thank you, Senator Conrad. Members, you've heard the opening on LB283. Are there senators wishing to speak? Senator Chambers, you're recognized. [LB283]

SENATOR CHAMBERS: Thank you. Mr. President, sometimes people in the wider world see things that people such as myself do not see, so I must ask Senator Conrad a question. [LB283]

SENATOR CARLSON: Senator Conrad, would you yield? [LB283]

SENATOR CONRAD: Absolutely. [LB283]

SENATOR CHAMBERS: Senator Conrad, would you state again what this bill does, briefly? [LB283]

SENATOR CONRAD: Absolutely, Senator Chambers. And I know that some members had a little bit of heartburn when they first looked at the one-liner and thought, oh my goodness, are we doing away with the statutory framework that governs LLCs? The

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simple answer is no. We're doing away with the statutory framework that used to govern LLCs, and this body has since adopted a new framework to that effect in the 2010 session. This is the final act of housekeeping to remove the already obsolete statutory provisions. [LB283]

SENATOR CHAMBERS: Senator Conrad, are you familiar with the letters LGBT? [LB283]

SENATOR CONRAD: I am. [LB283]

SENATOR CHAMBERS: What do those letters stand for? [LB283]

SENATOR CONRAD: I believe that it's normally a reference to lesbian, gay, bisexual, and transgendered individuals. [LB283]

SENATOR CHAMBERS: Bingo. Does this bill that you're offering, is it a subtle subterfuge to provide cunning cover for some same-sex unions as an end run around the constitution which prohibits such things? [LB283]

SENATOR CONRAD: It is not. [LB283]

SENATOR CHAMBERS: Thank you. I appreciate that. [LB283]

SENATOR CONRAD: You're welcome. [LB283]

SENATOR CARLSON: Thank you, Senator Chambers and Senator Conrad. Seeing no other lights, Senator Conrad, you're recognized to close on LB283. She waives closing. The question is, shall LB283 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr. Clerk. [LB283]

CLERK: 33 ayes, 0 nays, Mr. President, on the advancement of LB283. [LB283]

SENATOR CARLSON: LB283 does advance. Mr. Clerk, next item. [LB283]

CLERK: LB616 is by Senator Schumacher. (Read title.) The bill was introduced on January 23, referred to the Banking, Commerce and Insurance Committee, advanced to General File. At this time, I have no amendments to the bill, Mr. President. [LB616]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Schumacher, you're recognized to open on LB616. [LB616]

SENATOR SCHUMACHER: Thank you, Mr. Chairman, members of the body. LB616 is a bill introduced at the request of the Nebraska Department of Banking and Finance.

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The purpose of LB616 is to adopt the Nebraska Money Transmitters Act in order to organize, enhance, and modernize the regulation of the industry which is engaged in the transmission of money. That sounds complicated; in a simpler day think Western Union. The purpose of the Money Transmitters Act is based on model legislation outlined and drafted by the Money Transmission Regulators Association, a trade group of state regulators. More than 30 states have used this outline to update the regulation of the money transmitting industry. Use of the model outline promotes efficiencies in the industry among the regulators. Nebraska has regulated this industry since 1965 under the Sale of Checks and Funds Transmission Act found in Chapter 8, Article 10. This act will be repealed by LB616, although a number of its provisions have been incorporated unchanged into the proposed Nebraska Money Transmitters Act. These include license and renewal fees, a net worth standard, surety bond requirements, change of control notices, and material change notices. The department's authority for examination and administration action is clarified. LB616 clearly defines the products and services covered by the proposed act to include the receiving of money or monetary value for the transmission to another location by any means: prepaid cards, stored value, certain bill payment services, checks which were money orders and travelers checks, which were the original focus of the current act, will continue to be covered. In short, a money transmitter is an entity that is in the business of accepting funds from one person and paying those funds out to another person. The bill updates licensing standards and continuing duties for licensees. Licensees will be required to maintain specified reserves comprised of permissible investments in an amount equal to all the outstanding customer obligations. This will promote safety and soundness in the industry. LB616 defines and provides standards of conduct for the authorized delegates which are the entities designed by a licensee or an exempt entity to engage in the business of transmission on its behalf. For example, many stores offer money transmission services through Western Union. Western Union is the licensee. The individual grocery store is the authorized delegate. Under existing laws, these stores are called "agents." Authorized delegates will not be licensed under the act and there are no fees imposed upon those entities. LB616 does require though that an authorized delegate have a written contract with the licensee, account for all funds they handle on behalf of the licensee, and are subject to administrative action. Sixty-one companies are licensed under the current Sale of Checks and Funds Transmission Act and conduct business at approximately 2,200 agent locations in Nebraska now. LB616 proposes to transition the licensing process to the National Mortgage Licensing System and Registry, NMLSR, that won't be hard to pronounce, as of July 1, 2014. The NMLSR is an electronic system of licensing originally designed for the mortgage bankers and mortgage loan originating which has been expanding its operations to include other consumer finance entities. It is now operational for many money transmitters. Standards relating to licensing through this system are set out in this particular bill. A number of entities are excluded from coverage under the proposed act including federal and state governments, political subdivisions, governmental agencies, the U.S. Post Office, financial institutions and their subsidiaries, and contractors providing governmental electronic benefit transfers.

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This act does not cover gift cards redeemable by an issuer or its affiliates for goods or services such as restaurant-type gift cards. The bill carries a delayed effective date of January 1, 2014. That concludes my introduction of LB616, Mr. Chairman. [LB616]

SENATOR CARLSON: Thank you, Senator Schumacher. You've heard the opening on LB616. Are there senators wishing to speak? Seeing none, Senator Schumacher, you're recognized to close. He waives closing. The question is, shall LB616 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr. Clerk. [LB616]

CLERK: 27 ayes, 0 nays, Mr. President, on the advancement of LB616. [LB616]

SENATOR CARLSON: LB616 does advance. Mr. Clerk, next item. [LB616]

CLERK: LB628, a bill by Senator Conrad relates to the Small Business Innovation Act. (Read title.) Introduced on January 23, of this year; referred to the Banking, Commerce and Insurance Committee. The bill was advanced to General File. I have no amendments to the bill, Mr. President. [LB628]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Conrad, you're recognized to open on LB628. [LB628]

SENATOR CONRAD: Thank you, Mr. President. Good morning, colleagues. LB628 amends the Small Business Innovation Act, also known as Nebraska's Economic Gardening Pilot Project which was enacted in 2011 via LB345. This bill really does two things. It extends the termination date from December 31, 2013, to December 31, 2014, and lowers the minimum numbers of employees for qualification from five full-time employees to two full-time employees. I introduced this bill after hearing from professionals in the field who were working with eligible small businesses that these changes were needed to better utilize existing funds already appropriated and to help the most qualified businesses for this program succeed. We know that locally and nationally small businesses are the engine in a vibrant economy and are what are responsible for much of our job growth. However, small businesses and entrepreneurs generally lack the resources or employment base to qualify for help with traditional economic development programs. This is an opportunity to help evolve our economic development tools targeted to small businesses and entrepreneurs. And at its heart is a technical bill to make a good program more user friendly. Thank you, Mr. President. [LB628]

SENATOR CARLSON: Thank you, Senator Conrad. Members, you've heard the opening on LB628. Are there senators wishing to speak? Seeing none, Senator Conrad waives closing. The question is, shall LB628 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr.

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Clerk. [LB628]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB628. [LB628]

SENATOR CARLSON: LB628 does advance. Next item, Mr. Clerk. [LB628]

CLERK: LB337 is a bill by Senator Schumacher. (Read title.) The bill was introduced on January 17 of this year; referred to the Banking, Commerce and Insurance Committee, advanced to General File. There are committee amendments pending, Mr. President. (AM107, Legislative Journal page 378.) [LB337]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Schumacher, you're recognized to open on LB337. [LB337]

SENATOR SCHUMACHER: Thank you, Mr. Chairman, members of the body. LB337 is a second bill that we've heard this year about the Federal Home Loan Bank. Let me give you a little background about the Federal Home Loan Bank system and why this bill was introduced. The Federal Home Loan Bank System was established after the Great Depression to help promote private home ownership and provide a source of liquidity to thrift institutions. Federal Home Loan Banks are privately owned, federally chartered corporations. They receive no federal funds. Federal Home Loan Banks are cooperatives which means that the Federal Home Loan Bank System is actually owned by its members. To become a member, a financial institution or insurance company must purchase stock and in return it has access to the very low-cost loans of the system and it receives dividends from the Federal Home Loan Bank. There are 12 Federal Home Loan Banks: Atlanta, Boston, Chicago, Cincinnati, Dallas, Des Moines, Indianapolis, New York, Pittsburgh, San Francisco, Seattle, and Topeka. The Federal Home Loan Bank of Topeka services the Nebraska, Colorado, Kansas, and Oklahoma region. Within this four-state region, there are 24 insurance company members, half of them are domiciled here in Nebraska. These 12 insurers have approximately \$1.7 billion in borrowings outstanding to the bank. Federal law, 12 USC 1430 requires that all Federal Home Loan Bank loans be fully securitized. That means that the loan must at all times have collateral pledged to the bank that is equal or greater than the amount of the loan. This requirement is one reason that throughout the 80-year history no Federal Home Loan Bank has experienced a credit loss on a loan to its members. Due to the federal requirement and its credit history, Federal Home Loan Banks are able to issue debt to its capital...to the capital markets at a very low interest rate and are able to offer low-interest loans to its member institutions. The Federal Home Loan Banks are required and are regulated by an entity called the Federal Housing Finance Agency, which is created by the Housing and Economic Recovery Act of 2008. After the housing crisis, the Federal Home...Federal Housing Finance Agency started scrutinizing state laws and how they might affect loans issued by the bank to an insurance company that ends up in a receivership. The regulator wanted assurance that if an insurance

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company becomes insolvent, the bank would be able to remain fully secured and have quick access to the security. The bank doesn't have the same concern about the banks it lends to, because there is a very clear federal law regarding the banks and how collateral pledged to the bank by a bank would be treated in the event a bank becomes insolvent. If a change needs to be made, the FHFA can look solely to the federal government to clarify the rules. Bank insolvencies are governed by the federal government. Unlike banks, however, the insurance companies are not regulated at the federal level. They are regulated by the state. And insurance company insolvencies are handled by a state regulator rather than the federal regulator. As a result, it's unclear how priority granted to the bank by the federal law would apply to an insurance company in the process of liquidation or reorganization under the state rules. After the housing crisis, the FHFA started scrutinizing insurance company laws to determine how they might affect the bank in the event an insurance company became insolvent or had financial difficulties. The regulator wants that assurance that if an insurance company goes into receivership, the bank would still be fully securitized. Fortunately, very few insurance companies do go into receivership. Unfortunately, that means there is little case law or precedent about what would happen to the bank in the event an insurance company it lent to went into receivership. Because of the uncertainty, the federal regulator issued an advisory bulletin in October 2012 expressing concern that unless state insurance laws are made clear about how Federal Home Loan Bank's security interest and collateral will be treated in the event of an insurance company insolvency, there could be issues. The Federal Home Loan Bank may have to restrict their lending or change their lending practices to insurance company. And with \$1.7 billion loaned in Nebraska, that would be a very big thing. Consequently, until there is clarity, the Federal Home Loan Banks will have to treat insurance company members less favorably than their bank and credit union members. LB337 is brought in response to that bulletin by the federal regulator. The bill is intended to clarify priorities that the Federal Home Loan Bank advances and collateral have under the Nebraska Insurance Liquidation Act and to ensure that the Federal Home Loan Bank's position with regard to the insurance company's collateral is parallel to that position that the bank has to collateral when it loans to a bank or credit union. The bill would clarify that security interests granted to the bank are entitled to priority over claims and rights of any party except the claims and rights of other secured creditors entitled to priority by reason of actual perfected security interest and that the Federal Home Loan Bank interest are valid and enforceable at any stage of the rehabilitation or liquidation proceeding. As the bill is clarification of existing law, it will apply to existing lending arrangements concurrently in effect. This bill has an emergency clause to establish that the bill becomes law immediately after the signature of the Governor. Because of the language of the bill is very technical in nature and difficult to wade through, I want you to know that representatives of the Federal Home Loan Bank met with the insurance director and staff to discuss the bill. Appropriately, the director and his staff asked tough questions and wanted to know how the bill would affect policyholders. I believe that they were able to answer the department's questions satisfactorily because the director testified in a neutral capacity on the bill and stated

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that the bill is important to ensure low-interest financing to Nebraska's insurance companies. In addition, the Federal Home Loan Bank of Topeka visited with banks and insurance company members in Nebraska. The committee heard testimony from two such companies that the resources of the Federal Home Loan Bank are an important thing to Nebraska insurance companies. On a regional/national level, the Federal Home Loan Banks have secured the support of the American Council Life Insurers and are working with the National Association of Insurance Commissioners to secure approval of these changes on a national basis to satisfy the federal regulatory authority. Finally, I would note that legislation similar to LB337 has passed in Indiana and Michigan already, and similar bills are pending in a number of states throughout the country in response to the federal regulator's request. Suffice it to say, because of the FHFA's advisory bulletin, I believe that LB337 is essential for the Federal Home Loan Bank of Topeka to be able to continue to provide low-cost funds to the insurance industry here in Nebraska. And there is a committee amendment. I'd be happy to answer any questions that you might have. And that concludes my opening. [LB337]

SENATOR CARLSON: Thank you, Senator Schumacher, for the opening on LB337. At this point the Chair recognizes Speaker Adams for an announcement. [LB337]

SPEAKER ADAMS: Good morning. I'm sorry to interrupt the flow of this bill, but I wanted to make this announcement. Tomorrow we will begin at 9:00 as we anticipate, but if you'll recall, tomorrow is going to be one of those days where we will try to block in some time for the one-day as well as the two-day committees to meet. So we will proceed on with wherever we're at with General File tomorrow. And then somewhere around 10:00, at a good concluding point, we will end for the morning and let those committees meet. Thank you, Mr. President.

SENATOR CARLSON: Thank you, Speaker Adams. As the Clerk indicated, there are committee amendments and Senator Gloor, as Chair of the Banking, Commerce and Insurance Committee, you're recognized to open on the committee amendments. [LB337]

SENATOR GLOOR: Thank you, Mr. President; good morning, members. These amendments were brought to the committee by the bills...at the bill's hearing by the introducer, Senator Schumacher. They originated with the Federal Home Loan Bank of Topeka. The amendments would tighten up the bill's new language which the committee agreed is too broad in its current form. Committee amendments would provide that the bill's benefits and protections would be afforded only to the Federal Home Loan Bank, which essentially reflects what was the original intent of the bill when Senator Schumacher brought it to us. Those are the committee amendments. I'd urge their adoption. Thank you. [LB337]

SENATOR CARLSON: Thank you, Senator Gloor. Members, you've heard the opening

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on LB337 and the committee amendments, AM107. The floor is now open for debate. Seeing no senators...excuse me, Senator Nelson, you're recognized. [LB337]

SENATOR NELSON: Thank you, Mr. President, members of the body. I have a question for Senator Gloor if he would yield. [LB337]

SENATOR CARLSON: Senator Gloor, would you yield? [LB337]

SENATOR GLOOR: Certainly. [LB337]

SENATOR NELSON: Thank you, Senator Gloor. Maybe Senator Schumacher might more properly answer this, but it seems to me in going through the main bill and then the amendment that one of the things that was taken out...or addressed most often was removing the phrase "any other person." I'm just curious as to what "any other person" meant, if you know. [LB337]

SENATOR GLOOR: It was...the original bill was drafted too broadly when it was brought to us by the Federal Home Loan Bank. And we had that same question and therefore took the language out. [LB337]

SENATOR NELSON: Okay. So, I'm thinking, maybe, it might have been a trustee in bankruptcy or something like that. Are the bankruptcy laws affected by this at all as far as what...you talk about receiver here, but... [LB337]

SENATOR GLOOR: No, this is receivership, receivership only. [LB337]

SENATOR NELSON: Receivership only, all right, that answers my questions. Thank you, Senator Gloor. [LB337]

SENATOR GLOOR: Thank you. [LB337]

SENATOR CARLSON: Thank you, Senator Nelson and Senator Gloor. (Visitors introduced.) Returning to debate, Senator Schumacher, you're recognized. [LB337]

SENATOR SCHUMACHER: Thank you, Mr. Chairman, members of the body. Just to elaborate and fill in some of the reasoning behind the shift to the amended language. The committee amendment does substantially the same thing as the green copy of the bill. However, the language makes it clear that the bill applies only to Federal Home Loan Banks and their security interest and collateral. It's also an attempt to adopt language similar to that introduced in the state of Pennsylvania. A bill similar to this has been introduced in Pennsylvania. Because the insurance laws in that state and the laws in Nebraska are not identical, the language of the bills is not identical, but substantially the same. Therefore, Sections 1 and 2 deal with stays and receiverships and make it

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clear that if a receiver of an insurance company ask a court to suspend actions by the creditors, the court may not stay an action or in any way prevent the Federal Home Loan Bank from exercising or enforcing rights to collateral that is pledged to it under any security agreement or similar arrangement. The language will eliminate the possibility that a Federal Home Loan Bank may be prevented from enforcing the requirements of the federal law against its collateral for an extended or indefinite period of time. That federal law is 12 USC 1430. Section 3 deals with protection of security agreements against repudiation, the Nebraska Receivership Act allows a liquidator in an insurance insolvency proceeding to disavow contracts to which the insurer is a party. It is unclear what would happen if a liquidator were to disavow the Federal Home Loan Bank security, or what affect it would have on the bank's ability to enforce rights as a secured creditor. Section 3 solves this problem by stating that a liquidator does not have the power to disavow, reject, or repudiate a Federal Home Loan Bank security agreement. Sections 4 and 5 deal with fraudulent transfers. The Nebraska Receivership Act provides that a transfer made by an insurer within one year before the beginning of a rehabilitation or liquidation is considered to be fraudulent and will have to be given to the receiver unless made for fair consideration and without actual intent to hinder or delay or defraud creditors. As a result, if it appears that the federal banks' collateral may be declining in value and more collateral is needed to comply with the federal requirements, this would permit that. Sections 4 and 5 amend the fraudulent transfer provisions in the Nebraska Receivership Act to make it clear that a receiver cannot avoid a transfer in connection with the bank security agreement or similar agreement unless a transfer was made with an intent to defraud. Finally, Section 6 deals with the preferences the Nebraska Receivership Act allows a liquidator to avoid certain transfers of an insurer's property that may be seen as preferring one creditor over another, called a preference. If, as a result of federal law, the federal bank has to obtain additional collateral to stay securitized, that action could be attacked as a preference. Section 6 states that the liquidator shall not have the authority to avoid such a preference. As in the case of fraudulent transfer, sections of the Nebraska Receivership Act, this section will allow the Federal Home Loan Bank to remain fully securitized and avoid having to liquidate its collateral immediately which could hamper the work of the liquidator of the insurance company. Thus this section benefits the insurance liquidator and policyholders by facilitating an orderly liquidation. The Nebraska Bankers Association initially wanted to be included as a protected party, but that complicated several things on several levels. And the insurance commissioner had thought that that would impact the accreditation of our insurance laws, and subsequently the Nebraska bankers have withdrawn their objection to this particular bill. Thank you, Mr. Chairman. [LB337]

SENATOR CARLSON: Thank you, Senator Schumacher. Senator Wightman, you're recognized. [LB337]

SENATOR WIGHTMAN: Thank you, Mr. President, members of the body. If Senator Schumacher would yield for a question... [LB337]

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SENATOR CARLSON: Senator Schumacher, would you yield? [LB337]

SENATOR SCHUMACHER: I will. [LB337]

SENATOR WIGHTMAN: Senator, I think you may have covered this right at the end of what you just said, but the Nebraska Bankers Association originally were opponents to the bill, is that correct? [LB337]

SENATOR SCHUMACHER: That is correct. [LB337]

SENATOR WIGHTMAN: And a change was made, did you say, right at the end, that took care of their objection or not? [LB337]

SENATOR SCHUMACHER: It is my understanding that there was discussion between the bankers and the insurance commissioner and that if the bankers were to be included with exceptions to these preferences and these security priority arrangements, it would complicate things severely; and as a result of that have an impact on our accreditation of the rules of the Insurance Department. Apparently they have some accrediting agency, and as a result, and particularly in light of the fact that these insurance liquidations are very rare things and the Federal Home Loan Bank has a very large amount of loans at the local banks, few, if any, loans involved in the insurance business here and the Federal Home Loan Bank needs some immediate action. All that came together and the bankers at this time have withdrew their opposition to the bill. [LB337]

SENATOR WIGHTMAN: So they're not objecting to it and they have withdrawn their objection? [LB337]

SENATOR SCHUMACHER: That's my understanding, Senator. [LB337]

SENATOR WIGHTMAN: Thank you, Senator Schumacher. I have nothing further. [LB337]

SENATOR CARLSON: Thank you, Senator Wightman and Senator Schumacher. There are no other senators wishing to speak. Senator Gloor, you're recognized to close on AM107. Senator Gloor waives closing. The question is, shall AM107 be adopted? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr. Clerk. [LB337]

CLERK: 33 ayes, 0 nays, Mr. President, on the adoption of the committee amendments. [LB337]

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SENATOR CARLSON: AM107 is adopted. Are there other senators wishing to speak? Seeing none, Senator Schumacher, you're recognized to close on LB337. [LB337]

SENATOR SCHUMACHER: Thank you, Mr. Chairman, members of the body. The long and short of this is the Federal Home Loan Bank is composed of its members. It is able to borrow money from the public with very low interest rate bonds when it sells that. Turns around and loans them to banks and to insurance companies. Does a lot of loaning to Nebraska insurance companies, \$1.7 billion. Because Nebraska has worked really hard and have been very successful in culturing the insurance industry in this state, we're a major player in the insurance industry. Because of the heartburn that the economic crisis in 2008 gave to everyone regulating financial institutions, the federal regulators have been going over any possible loose ends to make sure that the Federal Home Loan Bank is adequately secured. One loose end that it found was that when it deals with loans to an insurance company, if that insurance company gets into financial difficulty and goes into a receivership there are state receivership rules that could interfere with the prompt liquidation and prudent handling of the security by the Federal Home Loan Bank. And as a result, that could make the Federal Home Loan Bank undersecritized and in violation of federal law. So that needed to be cleared up so that we say clearly and without doubt that the Federal Home Loan Bank remains fully securitized, will have security for all of its loans, and be able to gather such security and respond to the banking adjustment...or the insurance receivership adjustments as they flow. So this is an important bill. It enables the Federal Home Loan Bank to continue to make low-interest loans to the insurance companies domiciled in this state and remove the federal heartburn that that agency regulator has about incongruities between our insurance liquidation and receivership laws and the federal law requiring a fully secured Federal Home Loan Bank. I would ask the members for their support in the passage of LB337. Thank you. [LB337]

SENATOR CARLSON: Thank you, Senator Schumacher. Members, you've heard the closing on the bill. The question is, shall LB337 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Record, Mr. Clerk. [LB337]

CLERK: 35 ayes, 0 nays, Mr. President, on the advancement of LB337. [LB337]

SENATOR CARLSON: LB337 does advance. Mr. Clerk, next item. [LB337]

CLERK: LB426 is a bill by Senator Howard. (Read title.) Introduced on January 22; referred to the Banking, Commerce and Insurance Committee. The bill was advanced to General File. There are committee amendments, Mr. President. (AM26, Legislative Journal page 379.) [LB426]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Howard, you're recognized to open on LB426. [LB426]

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SENATOR HOWARD: Thank you, Mr. President. Members of the body, LB426 would revise the Nebraska Risk-Based Capital Act to apply its requirements to fraternal benefit societies. Fraternal benefit societies are nonprofit insurance organizations that offer life insurance, annuities, and other financial service products to members, while also providing benefits to its members, member organizations, and member community service efforts. The Risk-Based Capital Act ensures financial solvency in two ways. It acts as an early warning system by setting risk levels and requiring annual reporting. Additionally, in the event that a company runs into problems, the Risk-Based Capital Act provides four levels of corrective action. Under current law, fraternal benefit societies are exempted from the provisions of the act because they fall under the list of organizations that are excepted from the definition of insurers. LB426, as amended, would add fraternal benefit societies to the role of insurers whose risk-based capital is overseen by the Department of Insurance. LB426 also gives the Department of Insurance oversight over assessment of fraternal policyholders. A fraternal may assess its certificate owners in the event that its reserves become impaired under the laws of all states. The bill requires the approval of the Director of Insurance before a domestic fraternal benefit society may assess certificate owners, as well as notice to the Director of Insurance 30 days before a foreign or alien fraternal benefit society assesses certificate owners. Prior approval or prior notice of such company action will strengthen financial solvency, maintain the integrity of risk-based capital reporting requirements for fraternal benefit societies, and protect consumers. The additional oversight LB426 provides is intended to protect fraternal and their customers and has the full support of the fraternal industry. This bill was brought to me by Woodmen of the World, the only fraternal benefit society physically located in Nebraska, and is supported by the American Fraternal Alliance, a trade association representing 70 fraternal benefit societies operating in all 50 states and Canada. Both the Nebraska Department of Insurance and the Nebraska Insurance Alliance testified in support of this bill. There were no opponent testifiers. It was advanced unanimously from committee. Despite the complex terminology, LB426 is a simple bill that will ensure fraternal benefit societies are strong, competitive organizations able to efficiently serve their members for decades to come. I hope you will vote for LB426. Thank you, Mr. President. [LB426]

SENATOR CARLSON: Thank you, Senator Howard. As the Clerk indicated, there are committee amendments. Senator Gloor, as Chair of the Banking, Commerce and Insurance Committee, you're recognized to open on AM26. [LB426]

SENATOR GLOOR: Thank you, Mr. President. Good morning again, members. Committee amendments were offered to the committee by the introducer of the bill, Senator Howard. Committee amendments would make one clean-up change in the bill; this is clean-up language. They would strike fraternal benefit societies from the list of insurers that are not included within the definition of an insurer subject to the requirements of the insurers and health organizations Risk-Based Capital Act. They are

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actually spoken to in the follow-up paragraph where they are listed as not needed. The committee amendments will put the bill in its proper form, and I urge your adoption. Thank you, Mr. President. [LB426]

SENATOR CARLSON: Thank you, Senator Gloor. Members, you've heard the opening on LB426 and the underlying amendment, AM26. The floor is now open for debate. Are there senators wishing to speak? Seeing none, Senator Gloor, you're recognized to close on AM26. He waives closing. The question is, shall AM26 be adopted? All those in favor vote yea; all opposed vote nay. Record, Mr. Clerk. [LB426]

ASSISTANT CLERK: 32 ayes, 0 nays on the adoption of committee amendments, Mr. President. [LB426]

SENATOR CARLSON: The committee amendments are adopted. We return to the floor for debate on LB426. Are there senators wishing to speak? Seeing none, Senator Howard, you're recognized to close. Senator Howard waives closing. The question is, shall LB426 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr. Clerk. [LB426]

ASSISTANT CLERK: 34 ayes, 0 nays on the motion to advance the bill. [LB426]

SENATOR CARLSON: LB426 does advance. Mr. Clerk, next item. [LB426]

ASSISTANT CLERK: Mr. President, LB117 was introduced by Senator Harms. (Read title.) The bill was read for the first time on January 11, referred to the Transportation and Telecommunications Committee. That committee placed the bill on General File without committee amendments. [LB117]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Harms, you're recognized to open on LB117. [LB117]

SENATOR HARMS: Thank you, Mr. President, colleagues. LB117 would prevent long-range combination vehicles, which we often refer to as LCV, permit for seasonal harvest agriculture products to be issued up to 150 days. This legislation brings us up to date with the current federal regulations. In May of 2012, at the request of the Nebraska Department of Roads, federal rules--and those federal rules were Federal Rule 23 CFR Part 653, Appendix C--were revised to allow permits to be issued up to 150 days. Legislation is needed to change the state law to reflect this change in the maximum permit length. Current state law that only allows for 120 days is a restriction that is a product of the 1991 federal freeze instituted by the Federal Highway Administration under the Intermodal Surface Transportation Efficiency Act of 1991, a highway authorization bill, along with ensuing regulations. Let me give you just a little bit of history about this bill. This is not the first time we've had this discussion, but hopefully

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it's the last time we'll have this discussion. In 2010, I introduced and the Legislature passed into law LB35 to assist our sugar beet industry in Nebraska. The sugar beet harvesting season can sometimes last longer than 120 days that is currently listed for the LCV permits in our state statutes. The industry and the truckers need to request a 30-day time extension in order to complete the harvest if it is a longer one. However, at the time of this legislation, these 30-day extensions were not being accepted anymore. And what happened to us is the Nebraska Department of Transportation permit office in Lincoln said, you know, this has become a pattern for you as an industry and each year you keep asking for more permits and we have to stop that. The fear was at that time that under 120 permit without these extensions there was a concern that the industry workers would not be able to complete the harvest and potentially millions and millions of dollars would have rotted into the fields. The beet industry is typically affected by variations of crop size and changes in weather, as well as in factory performances and these conditions may alter at times in regard to transportation and production. The Governor intervened at this point and said we have to fix this. It's important that the economy not struggle any more than it is right now in rural Nebraska. We will go ahead and allow this to be harvest taken care of and then we will deal with the feds later. So in order to resolve this, my bill, LB35, extended the maximum time period from 120 to 200 days and the committee amendment adjusted it to 210 days which merely kept the renewal period in increments of 30 days to provide ease to the Department of Roads electronic system. The longer time period was helpful for the sugar beet industry, but unfortunately it was not in compliance with the federal rules; and without compliance, Nebraska was at risk of losing 10 percent of its federal apportionment which was approximately at that time about \$24 million. To ensure federal compliance and retain these crucial federal funds for Nebraska, I brought LB841 in the 2012 Legislative Session to return the period of 210 days back to 120 days. Then the Nebraska Department of Roads successfully sought a change in the federal rules that established a new ideal. A 150-day maximum on July 2, 2012, the federal rule...the final rule authorizing the 150-day maximum took effect. Once again, this bill simply mirrors bringing the 120 days cited in the current state statutes to 150 in order to be in federal compliance. I would ask you to support this bill. Thank you, Mr. President. [LB117]

SENATOR CARLSON: Thank you, Senator Harms. You've heard the opening on LB117. The floor is now open for debate. Are there senators wishing to speak? Seeing none, Senator Harms, you're recognized to close. He waives closing. The question is, shall LB117 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Have all voted who wish to vote? Record, Mr. Clerk. [LB117]

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB117. [LB117]

SENATOR CARLSON: LB117 does advance. Mr. Clerk, next item. [LB117]

CLERK: LB165 is a bill by Senator Dubas. (Read title.) Introduced on January 14,

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referred to the Transportation and Telecommunications Committee, advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB165]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Dubas, you're recognized to open on LB165. [LB165]

SENATOR DUBAS: Thank you very much, Mr. President and colleagues. LB165 is a bill that deals with automobile warranties. Starting back in 1964, Nebraska statutes attempted to bring uniformity to warranty offers required by manufacturers. All 50 states regulate the relationship between the manufacturer and the car dealer. Really, the only bargaining power that car dealerships have with their manufacturers is through legislation. Otherwise, dealers are truly at the mercy of the manufacturer. If you go to the sections, sections multiple, in statute, it's very long and detailed as to how manufacturers and dealerships work together. There are statutes that deal with defining a franchise; setting out termination; and specific guidelines for how franchises operate; oversight of warranty applications; how a franchise is transferred, whether through a sale or succession by family members; prohibited acts by manufacturers. So the list is very long and detailed as to the relationships between our dealerships and the manufacturers. A formula was created and used nationwide to determine the fair and accurate charges that a dealer may be reimbursed for warranty labor. That formula takes repair tickets from 100 consecutive repair orders to show manufacturers' average labor cost and what those charges are in that locale. In 2011, we passed LB477 which created exceptions that would not allow routine maintenance such as oil and fluid changes to be used as a part of the formula because it would greatly bring down the rate of payment and not be an accurate reflection of the more complex mechanical repair work involved with warranty repairs. The intent of excluding routine maintenance was to pull out charges for things that were not covered by a warranty. Now dealers are seeking to include tire repairs and replacement in those excluded services because there have been some manufacturers who are now wanting to require their dealers to include those services in the formula because they were not specifically excluded in the statute. As with oil changes, these types of services do not reflect the complexity of warranty work and would reduce the rate of payment on what is considered true warranty work. Without a clear understanding of a relationship between a dealer and the car manufacturer many would say, why should the Legislature be involved in these details? But as I stated before, you know, this is something that is worked out between the interested parties. And you would hope that that's the way it would happen, but again, dealerships have very little, if any, bargaining power with their manufacturer. Contracts between the two entities are very detailed and tend to favor the manufacturer. It's pretty much a take it or leave it kind of deal. So you will see across the country, state legislatures intervene in order to provide some bargaining leverage for the dealerships. This bill is needed to ensure that dealerships are receiving just compensation for the work that is required by the manufacturers in order to honor vehicle warranty work. Thank you. [LB165]

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SENATOR CARLSON: Thank you, Senator Dubas. Members, you've heard the opening on LB165. Are there senators wishing to speak? Seeing none, Senator Dubas, you're recognized to close. She waives closing. The question is, shall LB165 be advanced to E&R Initial? All those in favor vote yea; all opposed vote nay. Record, Mr. Clerk. [LB165]

CLERK: 32 ayes, 0 nays, Mr. President, on the advancement of LB165. [LB165]

SENATOR CARLSON: LB165 does advance. Mr. Clerk, next item. [LB165]

CLERK: LB484, Mr. President, is a bill by Senator Karpisek. (Read title.) The bill was introduced on January 22; referred to the Health and Human Services Committee; advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB484]

SENATOR CARLSON: Thank you, Mr. Clerk. Senator Karpisek, you're recognized to open on LB484. [LB484]

SENATOR KARPISEK: Thank you, Mr. President, members of the body. LB484 is a bill that has come together with the dentists and the hygienists. As we have had a few different bills come through the floor in the past that have been a little bit tough to deal with, but they are all together on this one. In 2007, the Legislature enacted legislation allowing dental hygienists to provide certain basic services to children which were examination, cleaning, and the application of sealants unsupervised by a dentist in certain public health and healthcare facility settings provided that the hygienist had 3,000 hours of practice experience. LB484 would make it possible for a hygienist to provide these basic services without the necessity of completing the 3,000 hours. The rationale for this change is that the procedures authorized are the most basic components of dental hygiene practice and are thoroughly learned and practiced consequent to a dental hygienist original education and supervised clinical practice. LB484 would authorize a licensed dental hygienist approved by the Department of Health and Human Services Division of Public Health to offer the same basic services presently provided to children, also to adults in public health or certain licensed healthcare facilities with the 3,000 hours of practice experience. The former requirement that 3,000 hours of experience must be obtained in four out of the last five years has in LB484 been stricken because of confusion over exactly what it required and that it could be interpreted to mean that to be approved a licensed dental hygienist had to complete the 3,000 hours, which is roughly a year and a half of full-time employment, over a period of four years. LB484 would charge the Health and Human Services Committee to, after a period of five years, report to the full Legislature on the operation of the program of services authorized by the Legislature. In summary, LB484 will broaden and extend badly needed dental care to thousands of Nebraskans who do not presently

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receive it on any kind of regular basis and do so through the efficient use of an available professional resource and at a modest cost. And I would urge your support for this legislation. Thank you, Mr. President. [LB484]

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SENATOR COASH: Thank you, Senator Karpisek. Members, you've heard the opening to LB484. Members wishing to speak: Senators Campbell, Cook, and Lautenbaugh. Senator Campbell, you're recognized. [LB484]

SENATOR CAMPBELL: Thank you, Mr. President and members of the Legislature. Today I come before you with a story of irony. I wish I had the voice of Senator Chambers as a poet. But I do not, so we will have to suffice with a story. So first the history to the story, just the facts, actually. You have a freshman senator with a bill that was described to that senator as "not a problem, very simple." The freshman senator found themselves entwined with controversy, days of controversy leading up to when the bill came out of committee and onto the floor of the Legislature for General File debate. It was slated for General File debate the afternoon before a four-day Easter weekend. And Senator Karpisek rose to lead a filibuster. Now the bags were packed and the cars were ready and all the senators looked at the freshman senator and said, okay, what are you going to do now? The Speaker kindly took the freshman senator aside and described all of the options. And after an agonizing two hours, the freshman senator finally pulled the bill and will forever be remembered as the freshman senator who took on the battle of the dentists, the hygienists, and the dental assistants. Ah, it is deja vu all over again, a dentist and a hygienist bill. But three years have passed and now a wiser senator stands before you and sees no filibuster in return, but a resounding support for Senator Karpisek's bill. Thank you, Mr. President. [LB484]

SENATOR COASH: Thank you, Senator Campbell. Senator Cook, you're recognized. [LB484]

SENATOR COOK: Thank you, Mr. President, and good morning, colleagues. While I did not engage in the battle that my dear colleague, Senator Campbell, engaged in in her freshman year, I did have the opportunity to engage in a skirmish, shall we say, or a series of skirmishes and continued dialogue in the conversation between the dentists and the dental hygienists. That took the form...it's dangerous to remember bill numbers, but we took the form of LB330 last year and indeed had arrived at some pretty good language which you'll see and vote for in a few minutes. And with our emphasis in the year of the child being on child welfare did not get a chance to bring that to the floor. But I, too, rise in strong support of LB484 and commend everyone on all sides for their stick-to-itiveness and thank Senator Karpisek for bringing it home. Thank you very much. [LB484]

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SENATOR COASH: Thank you, Senator Cook. Senator Lautenbaugh, you're recognized. [LB484]

SENATOR LAUTENBAUGH: Thank you, Mr. President, members of the body, and good morning, America. I'm more of an optimist than Senator Krist. I also rise in support of this bill and I wonder if Senator Karpisek would yield to a question? [LB484]

SENATOR COASH: Senator Karpisek, would you yield? [LB484]

SENATOR KARPISEK: Yes, I will. [LB484]

SENATOR LAUTENBAUGH: I think you and I were participants in that debacle that Senator Campbell just described. Is that correct? [LB484]

SENATOR KARPISEK: That is correct. [LB484]

SENATOR LAUTENBAUGH: And just for my own edification, is it "hygienists" or "hygeneists" (phonetic)? [LB484]

SENATOR KARPISEK: Well, as I recall Senator Stuthman referred to them as "hygeneists" (phonetic), but I think you and I said hygienists. [LB484]

SENATOR LAUTENBAUGH: Thank you, Senator. And I believe we said it with increasing emphasis as the debate went on. So Senator Stuthman, if you're watching, every time I have a "cegar" (phonetic) or every time we have a "hygeneists" (phonetic) bill I think of you. And if this can be worked out, that's very encouraging. Can peace between the optometrist and the ophthalmologist be far behind? Thank you, Mr. President. [LB484]

SENATOR COASH: Thank you, Senator Lautenbaugh. Seeing no other members wishing to speak, Senator Karpisek, you're recognized to close on LB484. [LB484]

SENATOR KARPISEK: Thank you, Mr. President and members of the body. That was a, kind of a rough day and I took absolutely no fun out of filibustering Senator Campbell on the bill. It so happened that I had a constituent that was a dental hygienist who really opposed that bill and away it went. As they say, timing is everything and everyone told me you wouldn't have gotten that done had it not been for Easter weekend. Well, they were probably right, but we would have been here even longer. I do appreciate all sides on this bill, coming together, the dentists and the hygienists. It is a good bill. Now we can get some of the people to come to nursing homes and hopefully help some of the people there that it's very hard and very important for their health in general to have good oral health. And I think that was the first year that possibly Senator Chambers wasn't here. And so that's why I thought that I had to try to do a filibuster in his honor.

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But now he is back and he is on the floor so I will close on LB484 and ask for your green light. Thank you, Mr. President. [LB484]

SENATOR COASH: Thank you, Senator Karpisek. Members, you've heard the closing to LB484. The question is, shall LB484 advance? All those in favor vote aye, all those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LB484]

CLERK: 37 ayes, 0 nays, Mr. President, on the advancement of LB484. [LB484]

SENATOR COASH: LB484 does advance. Next item, Mr. Clerk. [LB484]

CLERK: Mr. President, LB398 is a bill by Senator Brasch. (Read title.) Introduced on January 18; referred to Transportation and Telecommunications Committee; advanced to General File. I have no amendments to the bill at this time, Mr. President. [LB398]

SENATOR COASH: Senator Brasch, you're recognized to open on LB398. [LB398]

SENATOR BRASCH: Thank you, Mr. President, and thank you, colleagues. This bill was brought to me by the State Patrol regarding their legislation and the need to address a change in the current statutes. This bill would give the State Patrol the ability to ticket the owner, rather than solely the driver. At this point, a driver of an overloaded truck, tractor, is the person who may not be aware of the load and the overload of it. And to ticket them is not in the best interest of the State Patrol or the ability of the State Patrol to do so. With this legislation they will be able to send a ticket to the driver...to the owner, excuse me, I didn't have my folder up here. I do ask for your support in this legislation. Thank you. [LB398]

SENATOR COASH: Thank you, Senator Brasch. Members, you've heard the opening to LB398. The floor is now open for debate. Seeing no one wishing to speak, Senator Brasch, you're recognized to close on the advancement of LB398. Senator Brasch waives closing. Members, the question before the body is, shall LB398 advance? All those in favor vote aye; all those opposed vote nay. Have all voted who wish? Record, Mr. Clerk. [LB398]

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB398. [LB398]

SENATOR COASH: LB398 does advance. Items, Mr. Clerk. [LB398]

CLERK: Mr. President, thank you. Committee on General Affairs reports LB259 and LB273 to General File. I have a Reference report referring certain gubernatorial appointees to standing committee for confirmation hearing. I have name adds: Senator Ashford would like to add his name to LB613 as coinroducer. (Legislative Journal page 435.) [LB259 LB273 LB613]

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And, Mr. President, a priority motion. Senator Bolz would move to adjourn the body until Wednesday morning, February 13, at 9:00 a.m.

SENATOR COASH: Members, you've heard the motion to adjourn. All those in favor say aye. Those opposed say nay. We are adjourned.