

TENTH DAY - JANUARY 18, 2018

LEGISLATIVE JOURNAL

**ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION**

TENTH DAY

Legislative Chamber, Lincoln, Nebraska
Thursday, January 18, 2018

PRAYER

The prayer was offered by Pastor Greg Allen-Pickett, First Presbyterian Church, Hastings.

ROLL CALL

Pursuant to adjournment, the Legislature met at 9:00 a.m., President Foley presiding.

The roll was called and all members were present except Senators Bolz, Stinner, and Wishart who were excused until they arrive.

CORRECTIONS FOR THE JOURNAL

The Journal for the ninth day was approved.

COMMITTEE REPORT(S)

Banking, Commerce and Insurance

LEGISLATIVE BILL 743. Placed on General File.

LEGISLATIVE BILL 799. Placed on General File.

LEGISLATIVE BILL 812. Placed on General File.

LEGISLATIVE BILL 813. Placed on General File.

LEGISLATIVE BILL 815. Placed on General File.

(Signed) Brett Lindstrom, Chairperson

NOTICE OF COMMITTEE HEARING(S)

Revenue

Room 1524

Thursday, January 25, 2018 1:30 p.m.

LB829

LB899

Friday, January 26, 2018 1:30 p.m.

LB728
LB804
LB684

(Signed) Jim Smith, Chairperson

COMMITTEE REPORT(S)

Revenue

The Revenue Committee desires to report favorably upon the appointment(s) listed below. The Committee suggests the appointments(s) be confirmed by the Legislature and suggests a record vote.

Steven Keetle - Tax Equalization and Review Commission
James Kuhn - Tax Equalization and Review Commission

Aye: 8 Brasch, Friesen, Groene, Harr, Larson, Lindstrom, Schumacher, Smith. Nay: 0. Absent: 0. Present and not voting: 0.

(Signed) Jim Smith, Chairperson

REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the following report:

LB/LR	Committee
LB1000	Government, Military and Veterans Affairs
LB1001	Education
LB1002	Appropriations
LB1003	Government, Military and Veterans Affairs
LB1004	Health and Human Services
LB1005	Nebraska Retirement Systems
LB1006	Revenue
LB1007	Revenue
LB1008	Natural Resources
LB1009	Transportation and Telecommunications
LB1010	Judiciary
LB1011	Transportation and Telecommunications
LB1012	Banking, Commerce and Insurance
LB1013	Judiciary
LB1014	Business and Labor
LB1015	Government, Military and Veterans Affairs
LB1016	Revenue
LB1017	Natural Resources
LB1018	Executive Board
LB1019	Government, Military and Veterans Affairs
LB1020	Urban Affairs

LB1021 Revenue
 LB1022 Revenue
 LB1023 Revenue
 LB1024 Business and Labor
 LB1025 Urban Affairs
 LB1026 Revenue
 LB1027 Government, Military and Veterans Affairs
 LB1028 Urban Affairs
 LB1029 Judiciary
 LB1030 Revenue
 LB1031 Transportation and Telecommunications
 LB1032 Government, Military and Veterans Affairs
 LB1033 Education
 LR285CA Education
 LR286 Executive Board

Carlson, Tom - Nebraska Accountability and Disclosure Commission -
 Government, Military and Veterans Affairs

(Signed) Dan Watermeier, Chairperson
 Executive Board

ANNOUNCEMENT(S)

Senator Brewer designates LB1054 as his priority bill.

AMENDMENT(S) - Print in Journal

Senator Groene filed the following amendment to LB377:
 AM1454

- 1 1. Insert the following new section:
- 2 Sec. 85. This act becomes operative on January 1, 2019.
- 3 2. Renumber the remaining sections accordingly.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1084. Introduced by Briese, 41; Baker, 30;
 Brewer, 43; Erdman, 47; McDonnell, 5.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-2701.02, 77-2701.32, and 79-1025, Reissue Revised Statutes of Nebraska, sections 77-202, 77-382, 77-693, 77-801, 77-1116, 77-1238, 77-1248, 77-2602, 77-2701.16, 77-2701.35, 77-2704.24, 77-2715, 77-2716, 77-2717, 77-2734.01, 77-2912, and 79-1005.01, Revised Statutes Cumulative Supplement, 2016, and sections 77-2701, 77-2703, 77-2704.10, 77-27,132, 77-3446, 79-1009, 79-1015.01, 79-1022, 79-1022.02, 79-1023, 79-1027, and 79-1031.01, Revised Statutes Supplement, 2017; to adopt the

Property Tax Request Limitation Act; to provide sunset dates for the Personal Property Tax Relief Act, the New Markets Job Growth Investment Act, and the Nebraska Job Creation and Mainstreet Revitalization Act; to change and eliminate provisions relating to a tax expenditure report, the cigarette tax, the sales tax rate, sales tax on services, certain sales tax exemptions, the alternative minimum tax, the tax on certain small business corporation and limited liability company income, the distribution of tax proceeds, the base limitation, and the tax on certain extraordinary dividends and capital gains; to impose a surtax on certain individuals; to impose sales and use taxes on the sales of certain out-of-state retailers; to change the Tax Equity and Educational Opportunities Support Act; to require a review of school financing; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 77-2704.07, 77-2704.14, 77-2704.52, 77-2704.55, and 77-2715.09, Reissue Revised Statutes of Nebraska, and sections 77-2704.56, 77-2704.65, 77-2704.67, and 77-2715.08, Revised Statutes Cumulative Supplement, 2016; and to declare an emergency.

LEGISLATIVE BILL 1085. Introduced by Wayne, 13.

A BILL FOR AN ACT relating to community development; to amend sections 18-2109 and 18-2117.01, Reissue Revised Statutes of Nebraska, and sections 18-2103 and 18-2147, Revised Statutes Cumulative Supplement, 2016; to alphabetize terms, define a new term, and provide requirements for certain redevelopment plans under the Community Development Law; to change provisions relating to tax-increment financing; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1086. Introduced by Wayne, 13.

A BILL FOR AN ACT relating to civil procedure; to amend section 25-328, Reissue Revised Statutes of Nebraska; to provide for intervention in certain proceedings involving juveniles as prescribed; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1087. Introduced by Wayne, 13.

A BILL FOR AN ACT relating to the Tobacco Products Tax Act; to amend section 77-4008, Reissue Revised Statutes of Nebraska; to change provisions relating to the tax on cigars, cheroots, and stogies as prescribed; to harmonize provisions; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 1088. Introduced by Wayne, 13.

A BILL FOR AN ACT relating to taxation and school funding; to amend sections 2-2701, 10-704, 43-2515, 77-913, 77-2701.02, 77-2704.30, 77-2704.47, 77-2715.09, 77-3444, 77-4209, 77-4211, 79-213, 79-236, 79-240, 79-246, 79-266.01, 79-2,127, 79-2,134, 79-458, 79-479, 79-498,

79-605, 79-769, 79-855, 79-856, 79-1007.05, 79-1007.08, 79-1007.10, 79-1007.15, 79-1007.16, 79-1007.21, 79-1009.01, 79-1014, 79-1021, 79-1025, 79-1029, 79-1030, 79-1031, 79-1089, 79-1090, 79-1103, 79-1125.01, 79-1142, 79-1241.01, 79-2102, 79-2103, and 79-2404, Reissue Revised Statutes of Nebraska, sections 48-818.01, 70-651.04, 77-1736.06, 77-2701.16, 77-2704.13, 77-2715.07, 77-2715.08, 77-5007, 79-101, 79-215, 79-234, 79-235, 79-235.01, 79-241, 79-499, 79-4,123, 79-528, 79-611, 79-8,137, 79-8,137.04, 79-1001, 79-1003.01, 79-1005, 79-1005.01, 79-1007.06, 79-1007.07, 79-1007.18, 79-1008.01, 79-1013, 79-10,143, 79-1140, 79-11,155, 79-1241.03, 79-1337, 79-2104, and 79-2110, Revised Statutes Cumulative Supplement, 2016, and sections 9-812, 13-508, 77-3442, 77-4212, 79-237, 79-8,142, 79-1003, 79-1007.11, 79-1009, 79-1015.01, 79-1016, 79-1017.01, 79-1022, 79-1023, 79-1027, 79-1028.01, 79-1031.01, 79-1065, and 79-1108.02, Revised Statutes Supplement, 2017; to adopt the Remote Seller Sales Tax Collection Act; to adopt the Nebraska Education Formula; to repeal certain occupation, sales, and income tax exemptions; to state intent; to change an income tax credit; to change levy limitations for school districts; to change procedures to override levy limitations for school districts; to terminate the Property Tax Credit Act; to transfer funds; to limit the applicability of and terminate the enrollment option program; to limit the applicability of and terminate the Tax Equity and Educational Opportunities Support Act; to harmonize provisions; to provide operative dates; to provide severability; to repeal the original sections; and to outright repeal sections 43-2513, 77-2704.04, 77-2704.05, 77-2704.07, 77-2704.14, 77-2704.22, 77-2704.27, 77-2704.38, 77-2704.52, 77-2704.55, 79-529, 79-977, 79-1065.02, 79-1083.01, and 79-2110.01, Reissue Revised Statutes of Nebraska, sections 77-2704.36, 77-2704.50, 77-2704.56, 77-2704.64, 77-2704.65, 77-2704.67, 79-245, 79-1041, 79-1065.01, 79-1073, and 79-10,126.01, Revised Statutes Cumulative Supplement, 2016, and section 79-10,145, Revised Statutes Supplement, 2017.

LEGISLATIVE BILL 1089. Introduced by Smith, 14.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-3505.02 and 77-3514.01, Reissue Revised Statutes of Nebraska, sections 77-376, 77-2791, 77-3501.01, 77-3506, 77-3506.02, 77-3506.03, 77-3509.01, 77-3509.02, 77-3509.03, 77-3512, 77-3513, 77-3514, 77-3516, 77-3522, and 77-3523, Revised Statutes Cumulative Supplement, 2016, and section 77-3510, Revised Statutes Supplement, 2017; to provide that certain information of the Department of Revenue is confidential; to provide for reassessment of property affected by major calamities; to change provisions relating to the treatment of refundable income tax credits; to change and eliminate provisions relating to homestead exemptions; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal section 77-3509, Revised Statutes Cumulative Supplement, 2016; and to declare an emergency.

LEGISLATIVE BILL 1090. Introduced by Smith, 14.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-2716.01, Reissue Revised Statutes of Nebraska, and section 77-2715.03, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to inflation adjustments, personal exemptions, and standard deductions; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1091. Introduced by Smith, 14.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 49-801.01, Revised Statutes Supplement, 2017; to update references to the Internal Revenue Code; to repeal the original section; and to declare an emergency.

GENERAL FILE**LEGISLATIVE RESOLUTION 18CA.** Considered.

Senator Chambers offered the following motion:

MO176

Bracket until April 18, 2018.

Pending.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1092. Introduced by Smith, 14.

A BILL FOR AN ACT relating to motor vehicles; to amend sections 28-1204.04, 60-191, 60-378, 60-4,128, 60-6,244, 60-6,254, 60-6,255, 60-6,263, 60-6,279, 60-6,306, 60-6,307, 60-6,308, 60-6,313, and 69-2441, Reissue Revised Statutes of Nebraska, sections 60-104.01, 60-124, 60-309.01, 60-340, 60-3,100, 60-3,143, 60-3,187, 60-3,190, 60-463.02, 60-480, 60-4,123, 60-4,123.01, 60-4,124, 60-4,127, 60-4,182, 60-610.01, 60-639, 60-640, 60-6,226, 60-1401.28, and 60-1401.42, Revised Statutes Cumulative Supplement, 2016, and sections 60-363 and 60-6,267, Revised Statutes Supplement, 2017; to redefine autocycle and motorcycle for purposes of the Motor Vehicle Certificate of Title Act, Motor Vehicle Industry Regulation Act, Motor Vehicle Operator's License Act, Motor Vehicle Registration Act, and Nebraska Rules of the Road; to change provisions relating to the registration fee and motor vehicle fee for autocycles; to require operators or passengers of certain autocycles to wear protective helmets as prescribed; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1093. Introduced by Walz, 15.

A BILL FOR AN ACT relating to the Public Counsel; to amend sections 81-8,241, 81-8,244, and 81-8,245, Revised Statutes Cumulative Supplement, 2016; to provide for an office of Inspector General of Nebraska Public Health; to provide powers and duties for the Public Counsel; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1094. Introduced by Hilgers, 21.

A BILL FOR AN ACT relating to schools; to amend sections 79-760.01, 79-760.02, and 79-760.03, Revised Statutes Cumulative Supplement, 2016; to change provisions for academic content standards; to provide for model measurable academic content standards covering financial literacy and entrepreneurship; to change school district duties; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1095. Introduced by Hilgers, 21.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-1704.01, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to the information included in certain tax notices and receipts; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 1096. Introduced by Hilgers, 21.

A BILL FOR AN ACT relating to state government; to amend sections 48-193, 48-194, 48-195, 48-196, 48-197, 48-1,108, 81-8,224, 81-8,239.02, and 81-1021, Reissue Revised Statutes of Nebraska; to change provisions relating to workers' compensation claims and tort claims against the state, the State Self-Insured Liability Fund, and state vehicles; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1097. Introduced by Hilgers, 21.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-1837, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to treasurer's tax deeds; and to repeal the original section.

LEGISLATIVE BILL 1098. Introduced by Hilgers, 21.

A BILL FOR AN ACT relating to the County Purchasing Act; to amend section 23-3108, Reissue Revised Statutes of Nebraska; to change dollar thresholds for certain purchasing requirements; and to repeal the original section.

LEGISLATIVE BILL 1099. Introduced by Kuehn, 38.

A BILL FOR AN ACT relating to the Legislature; to adopt the Legislative Ethics Act.

LEGISLATIVE BILL 1100. Introduced by Erdman, 47.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 46-294.03, 77-103.01, and 77-1343, Reissue Revised Statutes of Nebraska, section 77-1371, Revised Statutes Cumulative Supplement, 2016, and sections 77-1359 and 79-1016, Revised Statutes Supplement, 2017; to change the valuation of agricultural land and horticultural land as prescribed; to create the Agricultural Land Valuation Board; to eliminate provisions relating to land classifications; to harmonize provisions; to repeal the original sections; to outright repeal section 77-1363, Revised Statutes Cumulative Supplement, 2016; and to declare an emergency.

LEGISLATIVE BILL 1101. Introduced by Vargas, 7; Bolz, 29.

A BILL FOR AN ACT relating to appropriations; to state intent relating to provider rates for behavioral health services as prescribed.

LEGISLATIVE BILL 1102. Introduced by Friesen, 34.

A BILL FOR AN ACT relating to county and city lotteries; to amend sections 9-631 and 9-648, Reissue Revised Statutes of Nebraska, and section 9-1,101, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to distribution of taxes collected, license renewals, license fees, and the tax on gross proceeds; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 1103. Introduced by Friesen, 34.

A BILL FOR AN ACT relating to the Tax Equity and Educational Opportunities Support Act; to amend section 79-1022, Revised Statutes Supplement, 2017; to provide for a minimum amount of state aid to be distributed to each local system; and to repeal the original section.

LEGISLATIVE BILL 1104. Introduced by Friesen, 34.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-1344, Reissue Revised Statutes of Nebraska, and section 77-1347, Revised Statutes Cumulative Supplement, 2016; to change provisions relating to the special valuation of agricultural or horticultural land; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 1105. Introduced by Vargas, 7.

A BILL FOR AN ACT relating to the Delayed Deposit Services Licensing Act; to amend section 45-919, Revised Statutes Supplement, 2017; to change the delayed deposit transaction loan period; and to repeal the original section.

LEGISLATIVE BILL 1106. Introduced by Linehan, 39.

A BILL FOR AN ACT relating to property taxes; to amend sections 32-559 and 77-3444, Reissue Revised Statutes of Nebraska, and section 77-3442, Revised Statutes Supplement, 2017; to change requirements for authority for a political subdivision to exceed maximum levy provisions; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1107. Introduced by Linehan, 39.

A BILL FOR AN ACT relating to health and human services; to amend sections 38-1005, 38-1017, 38-1018, 38-1028, 38-1038, 38-1043, 38-1058, 38-1061, 38-1062, 38-1063, 38-1065, 38-1069, 38-1073, 38-1074, 38-1075, 38-1086, 38-1097, 38-1099, 38-10,100, 38-10,102, 38-10,103, 38-10,104, 38-10,105, 38-10,107, 38-10,108, 38-10,112, 38-10,120, 38-10,128, 38-10,129, 38-10,131, 38-10,133, 38-10,135, 38-10,142, 38-10,147, 38-10,150, 38-10,152, 38-10,153, 38-10,154, 38-10,156, 38-10,171, 71-204, and 71-208.08, Reissue Revised Statutes of Nebraska, section 71-208, Revised Statutes Cumulative Supplement, 2016, and sections 38-1066, 38-1070, and 38-10,132, Revised Statutes Supplement, 2017; to change and eliminate definitions in the Cosmetology, Electrology, Esthetics, Nail Technology, and Body Art Practice Act; to eliminate provisions relating to cosmeticians, cosmetic establishments, electrology establishments, guest artists, guest body artists, students, and schools; to change licensure requirements for cosmetologists, nail technicians, instructors, and barbers; to change and eliminate operating requirements for salons and schools; to eliminate liability of managers as prescribed; to harmonize provisions; to repeal the original sections; and to outright repeal sections 38-1013, 38-1014, 38-1022, 38-1029, 38-1030, 38-1071, 38-1072, 38-1091, 38-1092, 38-1093, 38-1094, 38-1095, 38-1096, 38-10,106, and 38-10,155, Reissue Revised Statutes of Nebraska.

LEGISLATIVE BILL 1108. Introduced by Harr, 8.

A BILL FOR AN ACT relating to revenue and taxation; to amend sections 77-2701.02, 85-1539, and 85-1540, Reissue Revised Statutes of Nebraska, sections 77-2715.07, 77-2717, 77-2734.03, 77-3604, 77-3605, 77-3606, and 81-1201.21, Revised Statutes Cumulative Supplement, 2016, and section 77-27,132, Revised Statutes Supplement, 2017; to adopt the Yes to Occupational Learning Opportunities Act and the Jobs of Tomorrow Innovation Act; to change the sales and use tax rate; to provide for distribution of tax revenue; to change the School Readiness Tax Credit Act; to create funds; to provide for school foundation aid; to provide for certain grant programs; to eliminate a grant program for internships; to harmonize provisions; to provide an operative date; to repeal the original sections; and to outright repeal sections 81-1210.02 and 81-1210.03, Reissue Revised Statutes of Nebraska, and section 81-1210.01, Revised Statutes Cumulative Supplement, 2016.

LEGISLATIVE BILL 1109. Introduced by Harr, 8.

A BILL FOR AN ACT relating to economic development; to create the Grow Nebraska Through Quality Employment Strategic Partnership; to provide powers and duties for the partnership; and to provide a termination date.

LEGISLATIVE BILL 1110. Introduced by Vargas, 7; Morfeld, 46.

A BILL FOR AN ACT relating to schools; to amend section 79-760.06, Revised Statutes Cumulative Supplement, 2016; to require annual reporting of performance scores and classification levels; to provide a penalty; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1111. Introduced by Stinner, 48.

A BILL FOR AN ACT relating to political subdivisions; to amend section 84-304, Revised Statutes Supplement, 2017; to adopt the Fiscal Stress Management Act; to provide powers and duties for the Auditor of Public Accounts; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1112. Introduced by Vargas, 7; Krist, 10; Pansing Brooks, 28.

A BILL FOR AN ACT relating to juveniles; to amend sections 43-251.01, 43-260.01, 43-2404.02, and 43-2409, Reissue Revised Statutes of Nebraska, and section 43-253, Revised Statutes Supplement, 2017; to change provisions relating to placement and detention; to provide for an additional use of funds under the Community-based Juvenile Services Aid Program; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1113. Introduced by Walz, 15; Briese, 41.

A BILL FOR AN ACT relating to telecommunications and technology; to amend sections 86-577, 86-593, and 86-594, Reissue Revised Statutes of Nebraska; to provide an exception for leasing dark fiber or providing broadband, Internet, telecommunications, or video services by an agency or political subdivision of the state; to define terms; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1114. Introduced by Walz, 15.

A BILL FOR AN ACT relating to the Nebraska Telecommunications Regulation Act; to amend sections 86-101 and 86-103, Reissue Revised Statutes of Nebraska; to define a term; to provide duties for certain telecommunications companies and the Public Service Commission; to provide for creation and maintenance of a statewide geographic information system map as prescribed; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1115. Introduced by Murante, 49.

A BILL FOR AN ACT relating to government; to amend sections 32-540, 32-552, 32-553, 32-554, 32-555, and 79-1217.01, Reissue Revised Statutes of Nebraska, and section 23-151, Revised Statutes Cumulative Supplement, 2016; to provide requirements for establishing district boundary lines for purposes of legislative districts, Supreme Court judicial districts, and certain political subdivisions; to harmonize provisions; and to repeal the original sections.

LEGISLATIVE BILL 1116. Introduced by Linehan, 39.

A BILL FOR AN ACT relating to the Quality Education Accountability Act; to amend sections 79-757, 79-758, and 79-760.05, Reissue Revised Statutes of Nebraska, and sections 79-760.03 and 79-760.06, Revised Statutes Cumulative Supplement, 2016; to create the Quality Education Accountability Commission and the Quality Education Accountability Office; to define terms; to change and provide powers and duties for the commission, office, and the State Board of Education as prescribed; to transfer authority for an accountability system; to harmonize provisions; and to repeal the original sections.

MOTION - Escort Chief Justice

Senator Blood moved that a committee of five be appointed to escort the Chief Justice of the Supreme Court to the Legislative Chamber for the purpose of delivering the State of the Judiciary Address.

The motion prevailed.

The Chair appointed Senators Ebke, Albrecht, Briese, Hilgers, and Quick to serve on said committee.

The committee escorted Chief Justice Michael G. Heavican to the rostrum where he delivered the following message:

Mr. President, Mr. Speaker, Members of the Legislature, fellow Justices of the Nebraska Supreme Court, and fellow Nebraskans. Thanks to you, the members of this legislative body and especially Speaker Scheer, for inviting me to address you this morning. As always, it is an honor for me to report on Judicial Branch accomplishments and to discuss the future of the courts and probation.

First, I will introduce my fellow Justices. To my immediate right is Justice Lindsey Miller-Lerman of Omaha, and to Justice Miller-Lerman's right is Justice Jeff Funke of Nebraska City.

To my immediate left is Justice William Cassel of O'Neill; and to his right is Justice Stephanie Stacy of Lincoln. Justice John Wright of Scottsbluff and Justice Max Kelch of Papillion are unable to be with us today.

Introduction

This is my 11th State of the Judiciary address. Over the past 11 years Nebraska's judges, court clerks, probation officers, and support staff have greatly expanded the services we provide to Nebraska's communities. In doing so, we have recommitted ourselves to providing equality before the law. That recommitment emphasizes compassion, sacrifice, and creativity. We are constantly asking ourselves: Is there a way to do this better? And indeed, this body has asked us to find ways to do it better.

The answer is yes -- there are always ways to do it better. That is why we now have problem-solving courts, specialized probation programs, probation-led juvenile justice supervision, the Office of Public Guardian, electronic case management, efilings and epayments, our new Access to Justice Initiatives, and our increased community outreach.

I will speak to you today about each of these programs, beginning with problem-solving courts.

Problem-Solving Courts

Problem-solving courts in Nebraska were initiated by our trial court judges. In problem-solving courts, judges personally supervise, with the aid of probation officers, convicted felons who are at high risk to reoffend and would otherwise be sent to prison. There are a variety of problem-solving courts in Nebraska. I first call your attention to Nebraska's two new Veterans Treatment Courts, which I will refer to as Veterans Courts.

Veterans Treatment Courts

Veterans courts are designed to give men and women, who have served in our armed forces and have fallen on hard times, a second chance to reclaim their rightful places as positive, contributing members of our society. Many have substance abuse or mental health issues. Veterans Courts treat these and other issues contributing to criminal behavior by utilizing intensive judicial and probation supervision and trained veteran mentors.

Veterans courts are unique in the utilization of those mentors. The mentors in these courts are fellow veterans who, similar to our judges, volunteer to support and encourage success for veterans court participants. These volunteer mentors work with veterans on a one-on-one basis and follow their motto: "Leave no veteran behind."

With us here today are members of our inaugural Douglas and Lancaster County Veterans Treatment Courts. Among those seated in the center balcony are judges, prosecutors, defense attorneys, veteran mentors, and other supporters of these two courts. Special recognition goes to Judge John Colborn from here in Lancaster County, and Judge Mark Ashford from Douglas County, who volunteered as Veterans Treatment Court judges in their two jurisdictions.

Judges, mentors, lawyers, team members, and supporters please stand. Let's give them a round of applause.

Also, special thanks to Senators McCollister and Williams for sponsoring legislation to fund these courts.

Drug Courts

Our other problem-solving courts are primarily drug courts. Drug court and other problem-solving court judges also volunteer for duties over and above their traditional responsibilities because of their commitments to serve their communities and to serve the individual offenders who are working to rehabilitate their lives.

This past summer, as part of the Supreme Court's annual summer tour of courthouses around the state, members of this Court attended Hamilton County's first drug court graduation ceremony. Led by Judges Rachel Daugherty and Linda Senff, the Hamilton County Drug Court is an example of the extra effort our judges, probation officers, and support staff make to keep our communities safe and strong.

The Hamilton County Drug Court also highlighted the difficult commitments drug court participants must make in order to graduate. The participants must overcome addictions and past bad decision-making; they must affirmatively commit to rehabilitating themselves, to finding jobs, and creating productive futures. Every problem-solving court participant saved is one less incarcerated felon and one less burden for Nebraska's taxpayers.

We invite all of you to visit your local problem-solving courts and probation offices. You will see firsthand the commitment and hard work of judges and probation officers for Nebraska's citizens and communities.

Reentry Courts

In that spirit, we are beginning implementation of reentry courts in response to this Legislature's Justice Reinvestment Initiative. Nebraska's reentry courts will provide additional supervision to individuals returning to society from incarceration or post-release supervision. Special thanks to Judges Jim Doyle of Dawson County, Paul Vaughan of Dakota County, and Tim Burns of Douglas County for developing the plans for our reentry courts. I also thank Judge Teresa Luther of Hall County and Judge Stefanie Martinez of Sarpy County for their leadership in developing reentry courts in their districts.

LB 605

Our new judge-led reentry courts are designed to complement this Legislature's desire for supervision of Class III and Class IV felons upon release from state or county correctional facilities. Supervision of these individuals is accomplished by our Administrative Office of Courts and Probation and is designed to increase the likelihood of a successful return to Nebraska communities.

Virtually all of these probationers return to the communities where they initially broke the law, and past experience indicates that most of these individuals will reoffend unless prior failings are addressed. Chief among the needs to be addressed are substance abuse, mental health issues, and housing concerns.

The courts and probation staff have embraced the responsibility this body has given to them to supervise probationer reentry. To that end, probation has created a number of programs, including the concept of reentry navigators, to anticipate the release of prisoners and smooth the transition

process to life after incarceration. Reentry navigators emphasize housing, job placement, counseling for addiction, and services for mental health issues.

Probation administration also tracks all returning felons as to risk of reoffending. Each supervised reentry participant is given individual programming designed to help that person succeed. Probation provides traditional housing alternatives, GPS monitoring, and a special program for offenders who have substance abuse and mental health problems. There are approximately 820 individuals currently enrolled in reentry supervision.

Adult Probation

Overall, there are nearly 18,000 individuals in our adult probation program. That is an increase of nearly 1,400 individuals since 2016. Those numbers indicate that both judges and probation officers are doing their part to implement the directives and presumptions embodied in LB 605 and related legislation.

The University of Nebraska-Lincoln has evaluated recidivism of Nebraska's probation system participants by measuring convictions for criminal behavior after three years from successful release. Using those calculations, the recidivism rate for all adult probationers in Nebraska is approximately 15%. Let me repeat that figure: the recidivism rate for all Nebraska adult probationers is approximately 15%. Fifteen percent is an extraordinarily good number based on adult probation national standards. Your investment in probation is paying off in both tax dollars and public safety.

Testimony at legislative committee hearings and input from our local probation officers suggest there is a large demand for increased probation services and specialty courts, particularly to address mental health issues. Expansion of those programs is not possible, however, without increasing both judge and probation resources. Indeed, currently anticipated budget cuts will diminish both probation services and capacity.

Juvenile Justice

I now call your attention to our juvenile justice program. Based on a successful Douglas County initiative, in 2013 this Legislature decided to place the responsibility for supervision of juvenile justice cases – that is juveniles who break the law or have status offense issues – with the Office of Probation Administration rather than with the Department of Health and Human Services.

The previous model for juvenile justice supervision was to designate juveniles as wards of the state. This effectively removed or diminished the responsibility and participation of parents and guardians in the treatment and rehabilitation of juvenile offenders. The model now utilized by Probation Administration emphasizes, rather than diminishes, the responsibilities of parents, families, and guardians to provide assistance and support of youth rehabilitation and reform.

Juvenile probation programs stress in-home services and strive to minimize out-of-home placements whenever possible. Reducing out-of-home placements has required a fundamental restructuring of the state's

juvenile justice system. We have made great strides in moving toward this new way of thinking about and treating our juveniles.

Reduction in out-of-home placements, however, requires treatment alternatives. Thanks to grant funding, the Office of Probation Administration has implemented such programs as multi-systemic therapy. Multi-systemic therapy is designed to provide around-the-clock in-home intervention and counseling. The Office of Probation Administration and our local judges, by way of our Through the Eyes of the Child Initiative teams, are working on further alternatives to out-of-home placement for juvenile offenders.

Recidivism

Just as we measure success in our adult probation programs by tracking recidivism, we also measure recidivism in our juvenile justice programs. Using a 1-year repeat of delinquent or criminal behavior threshold, the University of Nebraska-Lincoln found the juvenile justice recidivism rate to be approximately 25%. This number, too, shows a decrease in recidivism and indicates a high rate of success in our juvenile justice system.

The courts and probation appreciate the need for accountability and the implementation of effective safeguards and best practices in our juvenile justice system. We continually reevaluate our programs and the needs of our judges along with the need for objective and independent measurement of those processes.

Nebraska is one of just three states in the United States currently participating in a comprehensive juvenile probation system review by the Robert F. Kennedy Institute. This review measures both the strengths and weaknesses of Nebraska's juvenile justice system and will serve as a foundation for further improvements in that system.

Restorative Justice

One new program of particular note in our juvenile justice system is the restorative justice program implemented by this Court's Office of Dispute Resolution. Thus far, this grant-financed program has served over 200 youth, their parents, and victims of their delinquent behavior, in pilot sites in Scotts Bluff, Douglas, and Lancaster Counties.

Participants in the program must admit their misbehavior, agree to rehabilitative processes and, most especially, meet with the victims of their wrongdoing. Most of the young people involved in the program make reparations to those victims. Nearly all program participants, including victims, youth, and their parents, have expressed satisfaction with the program.

The restorative justice program is being expanded to include Buffalo, Adams, Dodge, Saunders, and Gage Counties. The Office of Dispute Resolution and the Office of Probation Administration have also reached out to the Youth Rehabilitation and Treatment Center in Kearney to assist with the feasibility of implementing a restorative justice program at that facility. We look forward to expansion of this restorative justice program around the state.

Office of Public Guardian

I now call your attention to the Office of Public Guardian. The Office of Public Guardian was legislatively established and placed under the administrative authority of the Nebraska Supreme Court. It is designed to provide our county court judges with last resort appointment options for vulnerable adults and developmentally challenged individuals who have no family or friends available for such responsibilities.

In early January, you received a copy of the annual report of the Office of Public Guardian. If you have not yet read the report, I would recommend that you do so. But be prepared: it is a somber read.

Within the 115 pages of that report, Michelle Chaffee, our very capable director of the Office of Public Guardian, outlines various statistics. The report indicates that the Office of Public Guardian handled over 237 cases in the last year, and that their 264 wards had multiple complex and challenging issues. These issues included cognitive impairment, mental health diagnoses, developmental disabilities, substance abuse, terminal medical conditions, histories of criminal behavior, and histories of Mental Health Board commitments. Our assistant public guardians have full to overflowing caseloads, and at the suggestion of the Public Guardian, a waiting list procedure has been set up by the Nebraska Supreme Court.

But numbers do not tell the full story. Each number in the report represents a vulnerable individual, forgotten by time and circumstances, each with a unique and often tragic story, with no one available to help, and for whom a judge had no other viable option but to appoint a guardian. Included in the report are the stories of eight individuals the public guardian has served over the past year. Because of the resources provided by the Office of Public Guardian, these wards were able to get the assistance they needed.

The workload of the Office of Public Guardian also includes finding volunteer court visitors and replacement guardians to take on the increasing demand for guardians driven by the aging of Nebraska's Baby Boomer population. The office is also responsible for educating every new guardian appointed in the State of Nebraska. There were 1,240 new private guardians appointed in the past year.

Thanks to all our county court judges who work with the Office of Public Guardian, especially Judges Todd Hutton of Sarpy County and Holly Parsley of Lancaster County, for providing leadership on guardianship issues.

As with probation and problem-solving courts, we look forward to working with this body to provide adequate resources for these increasing demands.

Technology

I have reported to you in the past about progress with the Court's statewide electronic filing system. Attorneys can now electronically file documents in all of our courts using the same on-line portal. During the past year, the appellate courts became the most recent addition to that portal. Nearly 750,000 documents were filed electronically last year.

The courts also recently rolled out an updated electronic payment system. This new online application makes recurring payments easier for businesses who are paying on garnishments, or for individuals who have a payment obligation to the courts for such things as probation fees, court fines, or civil judgments. Email messages and text messages are sent out once a month to remind parties of payments due. These improvements encourage people to take advantage of the convenience of online payments and save court staff time as well.

In fiscal year 2017, over \$150 million was disbursed through the judicial branch. Of that amount, last year nearly \$7 million was distributed to local city and county governments, half of which was then further distributed to our school systems. Other court filing fees were distributed to funds for indigent defense, dispute resolution, and support for victims of crime. And approximately \$8 million was deposited into the state's general fund. Every case that is filed electronically saves dollars for both Nebraska's county and state governments.

Most of the Court's technology is financed by court fees. The Court's Technology Committee has a carefully prioritized strategic plan which will be particularly beneficial in saving property tax dollars for Nebraska's counties.

LB 504

Probation has also moved forward with technological advances. Electronic delivery of presentence investigation reports, provided for by LB 504, is in the process of being implemented across the state. All 12 judicial districts currently have the ability to utilize this process.

Probation is also constantly expanding its teleservices network. Approximately 5,214 hours of teleservicing, equaling more than 130 weeks of work, was utilized in 2016. That number increased in 2017. Teleservices make treatment and rehabilitative programs available in sparsely populated areas where such programs are otherwise not available. They also save travel time and costs for users and taxpayers.

Access to Justice

Technology, of course, is ultimately about access to justice. Users of the technology I just outlined have more access to our clerks' offices than at any time in the history of our judiciary. Filings can be made and accessed 24 hours a day. Payments, too, can be made 24 hours a day.

Access to justice, however, involves not just technology, but issues of human welfare. During the last year, the Court implemented a new Access to Justice Commission. The purpose of this Commission is to bring together and coordinate various initiatives of the courts, the Nebraska State Bar Association, legal service organizations, legal education providers, and public libraries in order to leverage limited resources and increase the impact of work being done to ensure access to swift, fair justice.

The Access to Justice Commission incorporates our existing Committee on Self-Represented Litigation, which was established more than a decade ago to address problems arising from increasing numbers of litigants not represented by lawyers in our court system. The Committee on Self-

Represented Litigation continues its good work in assisting those who find themselves without the benefit of attorney services. It supports Legal Aid and encourages more lawyers to volunteer their time to help the underrepresented. That Committee also supplies dozens of forms, which can be found on this Court's website, to be utilized in various court proceedings.

Access to justice also means language access. Without interpreters, our litigants, judges, jurors, lawyers, and other court system participants would be unable to understand what is happening in our courts. Nebraska judges work daily to provide access in our courts and probation programs to speakers with limited English proficiency. During the past year, the Judicial Branch relied on interpreters for 53 different languages.

Appellate Court Outreach

As part of access to justice, the courts continue to sponsor outreach programs for both adults and young people. Judges work with the Nebraska State Bar Foundation on the implementation of such programs as High School Mock Trial, Constitution Day, Teen Parents and the Law, and Law Day Job Shadowing.

Both the Supreme Court and Court of Appeals webcast oral arguments live and maintain an archive of past oral arguments. All Nebraskans -- not just lawyers -- can watch Nebraska's appellate courts at work by going to this Court's website or to the Nebraska Public Television website. Special thanks to NET for making these webcasts possible.

For over 30 years, the Supreme Court has traveled to both of Nebraska's law schools each year for the purpose of making the Court's business accessible to law students on their campuses. The Court saw value in providing similar educational programming for students in Nebraska's high schools and colleges. As a result, over the last two years the Nebraska Supreme Court has held oral arguments at Norfolk, Beatrice, Omaha Central, and Omaha South high schools. Likewise, the Court of Appeals has held its oral arguments at Chadron State College, Hastings College, University of Nebraska at Kearney, Peru State College, Doane University in Crete, Nebraska Wesleyan University in Lincoln, Midland University in Fremont, and Concordia University in Seward.

Cameras in the Trial Courts

During the last year, the Supreme Court developed uniform rules for cameras and other electronic devices in our trial courts. After experimenting in various trial courts over the past 5 years, these uniform rules were implemented beginning March 1, 2017. Now, Nebraskans can see and hear trial court proceedings on their televisions and computers, and listen to court sound bites on Nebraska's radio stations. This process was complemented by the Nebraska State Bar Foundation's Bench Media Committee, which brings together judges, lawyers and news reporters, to raise the level of understanding and appreciation for a fair and impartial court system.

Conclusion

In conclusion, I repeat a line from earlier in this presentation: courts are committed to providing equality before the law.

Mindful of the budget constraints of the last year, and the likely budget constraints of the near future, the courts continue their dynamic pursuit of ways to do our job better. Hence, the implementation of our new Access to Justice Commission; the implementation of cameras in our trial courts; the implementation of increasingly sophisticated e-filing and other technological advances; and the good work of the Office of Public Guardian, the Office of Dispute Resolution; and the increase of adult probation services, problem-solving courts, and juvenile justice supervision programs.

The commitment of this, the Judicial Branch, to you, the Legislative Branch, to the Executive Branch, and to all of Nebraska's citizens, is that our courts will be open and fair and that we will continue to search for ways to do this better. We thank you for your past and future support in these endeavors.

And thank you again for allowing me to speak to you today.

The committee escorted the Chief Justice from the Chamber.

MOTION(S) - Print in Journal

Senator Wayne filed the following motion to LB1066:
MO175
Indefinitely postpone pursuant to Rule 6, Section 3(f).

Senator Wayne filed the following motion to LB1059:
MO177
Withdraw bill.

NOTICE OF COMMITTEE HEARING(S)
Government, Military and Veterans Affairs

Room 1507

Thursday, January 25, 2018 1:30 p.m.

John Andrew Bolduc - Nebraska State Patrol
LB831
LB997

(Signed) John Murante, Chairperson

Natural Resources

Room 1525

Thursday, January 25, 2018 1:30 p.m.

Bradley Bird - Nebraska Ethanol Board
LB754

(Signed) Dan Hughes, Chairperson

GENERAL FILE

LEGISLATIVE RESOLUTION 18CA. The Chambers motion, MO176, found in this day's Journal, to bracket until April 18, 2018, was renewed.

SPEAKER SCHEER PRESIDING

Pending.

BILLS ON FIRST READING

The following bills were read for the first time by title:

LEGISLATIVE BILL 1117. Introduced by Crawford, 45.

A BILL FOR AN ACT relating to revenue and taxation; to amend section 77-4008, Reissue Revised Statutes of Nebraska, and section 77-2602, Revised Statutes Cumulative Supplement, 2016; to change certain cigarette and tobacco products tax rates; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 1118. Introduced by Krist, 10.

A BILL FOR AN ACT relating to criminal justice; to create the Coordinated Reentry Council; to provide powers and duties for the council; and to provide a termination date.

LEGISLATIVE BILL 1119. Introduced by Riepe, 12; Geist, 25; Hilgers, 21; Hughes, 44; Kolterman, 24; Stinner, 48.

A BILL FOR AN ACT relating to state government; to adopt the Direct Primary Care Pilot Program Act.

LEGISLATIVE BILL 1120. Introduced by Larson, 40.

A BILL FOR AN ACT relating to government regulation; to amend sections 53-118, 53-168, 53-1,115, 59-1401, 59-1403, 59-1404, 59-1405, and 59-1406, Reissue Revised Statutes of Nebraska, and sections 53-123.15, 53-124.11, 53-134.01, 53-135, 53-1,100, 53-1,104, and 53-504, Revised Statutes Cumulative Supplement, 2016; to provide procedures regarding overdue accounts; to change provisions relating to taxation of beer and use of a fund; to require annual reports by third-party shippers as prescribed; to change requirements for the sale of beer by certain licensees; to require automatic renewal of retail licenses as prescribed; to change penalty and enforcement provisions of the Nebraska Liquor Control Act; to name the Music Licensing Agency Act; to define and redefine terms; to eliminate obsolete references; to provide duties; to require music licensing agencies to register with the Secretary of State; to change penalties; to harmonize provisions; to provide operative dates; to provide severability; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 1121. Introduced by Larson, 40.

A BILL FOR AN ACT relating to the Nebraska Uniform Limited Liability Company Act; to amend section 21-101, Reissue Revised Statutes of Nebraska; to adopt the Nebraska Uniform Protected Series Act; to harmonize provisions; to provide an operative date; and to repeal the original section.

LEGISLATIVE BILL 1122. Introduced by Larson, 40.

A BILL FOR AN ACT relating to motor vehicles; to amend section 60-601, Revised Statutes Cumulative Supplement, 2016; to authorize the testing of automated motor vehicles as prescribed; to define terms; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1123. Introduced by Groene, 42.

A BILL FOR AN ACT relating to natural resources districts; to provide for augmentation projects and retention of water rights as prescribed; and to provide a duty for the Revisor of Statutes.

LEGISLATIVE BILL 1124. Introduced by Groene, 42.

A BILL FOR AN ACT relating to public entities; to provide for notice and hearings relating to acquisition of land and installation of certain pumping equipment as prescribed.

LEGISLATIVE BILL 1125. Introduced by Groene, 42.

A BILL FOR AN ACT relating to school finance; to amend sections 77-3446, 79-1015.01, 79-1022, 79-1022.02, 79-1023, 79-1027, and 79-1031.01, Revised Statutes Supplement, 2017; to change the base limitation; to change the local effort rate; to change the determination and certification dates relating to distribution of aid, certification of certain budget limitations as prescribed, and duties of the Appropriations Committee of the Legislature; to harmonize provisions; to repeal the original sections; and to declare an emergency.

LEGISLATIVE BILL 1126. Introduced by Bolz, 29.

A BILL FOR AN ACT relating to victims' rights; to adopt the Sexual Assault Survivors' Bill of Rights Act; and to provide for a civil action.

LEGISLATIVE BILL 1127. Introduced by Kolterman, 24.

A BILL FOR AN ACT relating to health and human services; to amend sections 38-151 and 71-8701, Reissue Revised Statutes of Nebraska; to provide additional fees for certain credentials; to provide for a termination date; to create a fund; to harmonize provisions; to provide an operative date; and to repeal the original sections.

LEGISLATIVE BILL 1128. Introduced by Wayne, 13.

A BILL FOR AN ACT relating to appropriations; to prohibit counties, local governments, and certain state government entities from spending legislative appropriations under certain conditions.

LEGISLATIVE BILL 1129. Introduced by Kuehn, 38.

A BILL FOR AN ACT relating to state government; to amend section 49-1401, Revised Statutes Supplement, 2017; to prohibit state employees from certain political activities; to provide a penalty; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1130. Introduced by Kuehn, 38.

A BILL FOR AN ACT relating to the Nebraska Political Accountability and Disclosure Act; to amend section 49-1401, Revised Statutes Supplement, 2017; to provide a disclosure requirement for providing income to certain candidates and officials as prescribed; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1131. Introduced by Riepe, 12.

A BILL FOR AN ACT relating to dissolution of marriage; to amend section 42-347, Reissue Revised Statutes of Nebraska; to define a term; to harmonize provisions; and to repeal the original section.

LEGISLATIVE BILL 1132. Introduced by Pansing Brooks, 28; Ebke, 32; Linehan, 39; Morfeld, 46; Vargas, 7; Wishart, 27.

A BILL FOR AN ACT relating to crimes and offenses; to amend section 29-3523, Reissue Revised Statutes of Nebraska; to define terms; to provide a procedure to set aside convictions for victims of sex trafficking; to provide for expungement of criminal history record information of such victims; and to repeal the original section.

LEGISLATIVE BILL 1133. Introduced by Wayne, 13.

A BILL FOR AN ACT relating to agriculture; to amend section 28-401, Revised Statutes Supplement, 2017; to adopt the Industrial Hemp Act; to provide an exemption under the Uniform Controlled Substances Act as prescribed; to eliminate a provision permitting growth and cultivation of industrial hemp by a postsecondary institution or the Department of Agriculture; to provide an operative date; to repeal the original section; and to outright repeal section 2-5701, Revised Statutes Cumulative Supplement, 2016.

LEGISLATIVE BILL 1134. Introduced by Vargas, 7; Crawford, 45.

A BILL FOR AN ACT relating to labor; to adopt the Nebraska Worker Adjustment and Retraining Notification Act.

LEGISLATIVE BILL 1135. Introduced by Vargas, 7.

A BILL FOR AN ACT relating to teachers; to adopt the Alternative Certification for Quality Teachers Act.

LEGISLATIVE BILL 1136. Introduced by Clements, 2.

A BILL FOR AN ACT relating to motor vehicles; to amend sections 60-1905, 60-1910, and 60-1911, Reissue Revised Statutes of Nebraska, section 60-1901, Revised Statutes Cumulative Supplement, 2016, and sections 60-149 and 60-166, Revised Statutes Supplement, 2017; to redefine abandoned vehicle to include a motor vehicle donated or sold to a multistate auction dealer; to provide for custody and disposition of such vehicles and proceeds of sales of such vehicles; to provide duties for multistate online dealers; to harmonize provisions; and to repeal the original sections.

RESOLUTION(S)**LEGISLATIVE RESOLUTION 290CA.** Introduced by Kuehn, 38.

THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article VIII, section 1:

VIII-1 The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Notwithstanding Article I, section 16, Article III, section 18, or Article VIII, section 4, of this Constitution or any other provision of this Constitution to the contrary: (1) Taxes shall be levied by valuation uniformly and proportionately upon all real property and franchises as defined by the Legislature except as otherwise provided in or permitted by this Constitution; (2) tangible personal property, as defined by the Legislature, not exempted by this Constitution or by legislation, shall all be taxed at depreciated cost using the same depreciation method with reasonable class lives, as determined by the Legislature, or shall all be taxed by valuation uniformly and proportionately; (3) the Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles. The tax proceeds from motor vehicles taxed in each county shall be allocated to the county and the cities, villages, and school districts of such county; (4) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature,

shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other real property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land; (5) the Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses; (6) the Legislature may prescribe standards and methods for the determination of the value of real property at uniform and proportionate values; (7) the Legislature may provide that all real property in the state shall be valued, for property tax purposes, at the property's market value on the date such property was purchased or otherwise acquired by the property owner and may also provide that such valuation shall not change until the property is subsequently sold or transferred to a new property owner. Such method of valuation may be enacted despite the fact that it results in values that are not uniform and proportionate; ~~(8)(7)~~ in furtherance of the purposes for which such a law of the United States has been adopted, whenever there exists a law of the United States which is intended to protect a specifically designated type, use, user, or owner of property or franchise from discriminatory state or local taxation, such property or franchise shall constitute a separate class of property or franchise under the laws of the State of Nebraska, and such property or franchise may not be taken into consideration in determining whether taxes are levied by valuation uniformly or proportionately upon any property or franchise, and the Legislature may enact laws which statutorily recognize such class and which tax or exempt from taxation such class of property or franchise in such manner as it determines; and ~~(9)(8)~~ the Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. Each actual property tax rate levied for a governmental subdivision shall be the same for all classes of taxed property and franchises. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment authorizing the Legislature to value real property for property tax purposes at the property's market value on the date

the property was acquired and provide that such valuation shall not change until the property is subsequently sold or transferred.

For

Against.

LEGISLATIVE RESOLUTION 291. Introduced by Kolowski, 31.

WHEREAS, overloaded school backpacks are causing increasing problems with back pain and spinal strain for students across the nation; and

WHEREAS, because spinal ligaments and muscles do not fully develop until after the age of sixteen, overweight backpacks are a source of repeated low-level stress that may result in chronic neck, shoulder, or back pain in children; and

WHEREAS, studies have shown that heavy loads carried on the back have the potential to damage the soft tissues of the shoulder, causing microstructural damage to the nerves and damage to internal organs; and

WHEREAS, studies have shown an increase in curvatures of the spine and compression of intervertebral height when backpacks exceed ten percent of a student's body weight; and

WHEREAS, textbooks have become much heavier in recent years, and, in addition to textbooks, students often carry computers, cell phones, water bottles, running shoes, band instruments, and other equipment needed for studies and extracurricular activities; and

WHEREAS, a recent study found that many students carry backpacks exceeding ten percent of their body weight. Some students even carry backpacks weighing twenty-five percent or more of their body weight; and

WHEREAS, backpacks are frequently worn incorrectly, often slung over one shoulder or allowed to hang significantly below the waistline, increasing the weight on the shoulders and making the child lean forward when walking or stoop forward when standing to compensate for the weight.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Legislature strongly recommends that all school administrators, teachers, parents, and students be educated about the potential health impact of heavy backpacks and take proactive measures to avoid injury.

2. That schools should work to assess the extent to which students use overweight backpacks and take steps to lessen the need to carry all school materials and books back and forth each day, such as using handouts or workbooks for homework assignments so that students can leave their heaviest books at home or school.

3. That schools should develop school policies and talking points encouraging students to:

a. Keep the weight of their backpacks under ten percent of their body weight;

b. Use ergonomic backpacks with individualized compartments to efficiently hold books and equipment;

- c. Use both shoulder straps instead of slinging the backpack over one shoulder; and
- d. Use wide, padded straps that can adjust to fit the student's body.

Laid over.

SPEAKER'S ANNOUNCEMENT

Pursuant to Rule 4, Section 8, LR291 was referred to the Reference Committee.

RESOLUTION(S)

LEGISLATIVE RESOLUTION 292. Introduced by Clements, 2.

WHEREAS, Nebraska celebrated 150 years of statehood on March 1, 2017; and

WHEREAS, anyone who hails from or lives in Nebraska can call themselves a citizen of the great State of Nebraska; and

WHEREAS, a pledge to honor the nobler past of Nebraska is a call to remembrance of the many noble acts of Nebraskans, while recognizing that the less noble also existed in Nebraska's past; and

WHEREAS, to emulate is to seek to copy and live out the character traits of another; and

WHEREAS, courage is exemplified in the boldness, bravery, determination, fearlessness, spirit, and resolution of the native tribes, pioneers, homesteaders, soldiers, Pony Express riders, first responders, and military who have called Nebraska home; and

WHEREAS, faith is a sign of hope, confidence, and conviction regarding God, one's abilities, and the dreams of a better tomorrow for all Nebraskans; and

WHEREAS, resourcefulness calls upon a citizen to use one's mental and physical abilities to their full potential, with vision, ingenuity, creativity, and initiative in innovative and careful approaches to the use of resources; and

WHEREAS, service is helpfulness, assistance, and kindness while seeing and meeting a need; and

WHEREAS, the Nebraska state motto is "EQUALITY BEFORE THE LAW" as evidenced during the trial of Chief Standing Bear.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. The Legislature encourages all Nebraskans to show respect for Nebraska and its rich history at appropriate occasions by reciting the following pledge:

As a citizen under the flag of the great State of Nebraska, I pledge to honor our nobler past by emulating the courage, faith, resourcefulness, and service of past citizens and by supporting our motto, "EQUALITY BEFORE THE LAW".

2. That a copy of this resolution be sent to the author of the pledge, Phil Boehr.

Laid over.

SPEAKER'S ANNOUNCEMENT

Pursuant to Rule 4, Section 8, LR292 was referred to the Reference Committee.

RESOLUTION(S)

LEGISLATIVE RESOLUTION 293CA. Introduced by Wishart, 27.

THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To add a new section 26 to Article XV:

XV-26 The people of Nebraska have the right to use or consume medical cannabis products, regardless of form, to treat or relieve any medical condition or illness, subject only to laws, rules, and regulations regarding the authority of medical professionals to recommend and dispense medical cannabis, so long as such laws, rules, or regulations preserve or facilitate the right to use or consume medical cannabis.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to provide that the people of Nebraska have the right to use or consume medical cannabis products, regardless of form, to treat or relieve any medical condition or illness, subject only to laws, rules, and regulations regarding the authority of medical professionals to recommend and dispense medical cannabis, so long as such laws, rules, or regulations preserve or facilitate the right to use or consume medical cannabis.

For

Against.

LEGISLATIVE RESOLUTION 294CA. Introduced by Larson, 40.

THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article III, section 24:

III-24 (1) The Legislature may authorize any game of chance, any lottery, or any gift enterprise. Except as provided in this section, the Legislature shall

~~not authorize any game of chance or any lottery or gift enterprise when the consideration for a chance to participate involves the payment of money for the purchase of property, services, or a chance or admission ticket or requires an expenditure of substantial effort or time.~~

(2) The Legislature may authorize and regulate a state lottery pursuant to subsection (3) of this section and other lotteries, raffles, and gift enterprises which are intended solely as business promotions or the proceeds of which are to be used solely for charitable or community betterment purposes without profit to the promoter of such lotteries, raffles, or gift enterprises.

(3)(a) The Legislature may establish a lottery to be operated and regulated by the State of Nebraska. The proceeds of the lottery shall be appropriated by the Legislature for the costs of establishing and maintaining the lottery and for the following purposes, as directed by the Legislature:

(i) The first five hundred thousand dollars after the payment of prizes and operating expenses shall be transferred to the Compulsive Gamblers Assistance Fund;

(ii) Forty-four and one-half percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska Environmental Trust Fund to be used as provided in the Nebraska Environmental Trust Act;

(iii) Forty-four and one-half percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be used for education as the Legislature may direct;

(iv) Ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Nebraska State Fair Board if the most populous city within the county in which the fair is located provides matching funds equivalent to ten percent of the funds available for transfer. Such matching funds may be obtained from the city and any other private or public entity, except that no portion of such matching funds shall be provided by the state. If the Nebraska State Fair ceases operations, ten percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the General Fund; and

(v) One percent of the money remaining after the payment of prizes and operating expenses and the initial transfer to the Compulsive Gamblers Assistance Fund shall be transferred to the Compulsive Gamblers Assistance Fund.

(b) No lottery game shall be conducted as part of the lottery unless the type of game has been approved by a majority of the members of the Legislature.

(4) Nothing in this section shall be construed to prohibit (a) the enactment of laws providing for the licensing and regulation of wagering on the results of horseraces, wherever run, either within or outside of the state, by the parimutuel method, when such wagering is conducted by licensees within a licensed racetrack enclosure or (b) the enactment of laws providing for the licensing and regulation of bingo games conducted by nonprofit associations

which have been in existence for a period of five years immediately preceding the application for license, except that bingo games cannot be conducted by agents or lessees of such associations on a percentage basis.

Sec. 2. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To add a new section 23 to Article III:

III-23 Ninety-eight percent of revenue from any game of chance, any lottery, or any gift enterprise authorized by the Legislature under subsection (1) of Article III, section 24, of this Constitution and not distributed pursuant to subsection (2), (3), or (4) of such section shall be transferred to the Property Tax Credit Cash Fund and the remaining two percent shall be transferred to the Compulsive Gamblers Assistance Fund.

Sec. 3. The proposed amendments shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to provide that the Legislature may authorize any game of chance, any lottery, or any gift enterprise and eliminate the existing prohibition regarding certain games of chance, lotteries, or gift enterprises.

For

Against.

A constitutional amendment to provide that ninety-eight percent of revenue from certain games of chance, lotteries, or gift enterprises authorized by the Legislature shall be transferred to the Property Tax Credit Cash Fund and the remaining two percent shall be transferred to the Compulsive Gamblers Assistance Fund.

For

Against.

LEGISLATIVE RESOLUTION 295CA. Introduced by Vargas, 7; Albrecht, 17; Briese, 41; Groene, 42; Halloran, 33; Howard, 9; Krist, 10; Wayne, 13.

THE MEMBERS OF THE ONE HUNDRED FIFTH LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2018, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article III, section 7:

III-7 At the general election to be held in November 1964, one-half the members of the Legislature, or as nearly thereto as may be practicable, shall be elected for a term of four years and the remainder for a term of two years, and thereafter all members shall be elected for a term of four years, with the manner of such election to be determined by the Legislature. When the Legislature is redistricted, the members elected prior to the redistricting shall continue in office, and the law providing for such redistricting shall where necessary specify the newly established district which they shall represent for the balance of their term. Each member shall be nominated and

elected in a nonpartisan manner and without any indication on the ballot that he or she is affiliated with or endorsed by any political party or organization. Each member of the Legislature shall receive an annual salary of not to exceed one thousand dollars per month during the term of his or her office equal to fifty percent of the median household income for the State of Nebraska as defined by the most recent report of such income published by the United States Bureau of the Census prior to the first Wednesday after the first Monday of January in each odd-numbered year. In addition to his or her salary, each member shall receive an amount equal to his or her actual expenses in traveling by the most usual route once to and returning from each regular or special session of the Legislature. Members of the Legislature shall receive no pay nor perquisites other than his or her salary and expenses, and employees of the Legislature shall receive no compensation other than their salary or per diem.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to change the annual salary of members of the Legislature to fifty percent of the most recent report of the median household income published by the United States Bureau of the Census prior to January of odd-numbered years.

For

Against.

NOTICE OF COMMITTEE HEARING(S)

Transportation and Telecommunications

Room 2102

Friday, January 26, 2018 1:00 p.m.

David Copple - Nebraska Highway Commission
 Mary K. Gerdes - Nebraska Highway Commission
 James W. Hawks - Nebraska Highway Commission
 James Kindig - Nebraska Highway Commission
 Greg Wolford - Nebraska Highway Commission

(Signed) Curt Friesen, Chairperson

UNANIMOUS CONSENT - Add Cointroducer(s)

Unanimous consent to add Senator(s) as cointroducer(s). No objections. So ordered.

Senator Blood name added to LB256.
 Senator Kolterman name added to LB731.
 Senator Pansing Brooks name added to LB1070.
 Senator Blood name added to LB1084.
 Senator Howard name added to LB1084.

VISITORS

Visitors to the Chamber were Senator Hughes' wife, Josie, from Venango, and daughter Ashley Colglazier, from Grant; Kare Heilbrun from Scottsbluff; Steve Guenzel, Steve Seglin, and Dorris Huffman of the Nebraska State Bar Foundation; Scott Paul, President-Elect of the Nebraska State Bar Association, Jane Langan Mach, Chair of the Nebraska State Bar House of Delegates, and Liz Neeley, Executive Director of the Nebraska State Bar Association; members of State Chambers Leadership Nebraska Class X from across the state; and members of the Nebraska Cattlemen Young Producers from across the state.

The Doctor of the Day was Dr. Michael Keralis from Lincoln.

ADJOURNMENT

At 11:50 a.m., on a motion by Senator Hughes, the Legislature adjourned until 9:00 a.m., Friday, January 19, 2018.

Patrick J. O'Donnell
Clerk of the Legislature

