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Floor Debate
January 25, 2017

[LB17 LB35 LB45 LB56 LB80 LB107 LB134 LB138 LB142 LB159 LB188 LB284 LB315
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PRESIDENT FOLEY PRESIDING

PRESIDENT FOLEY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the fifteenth day of the One Hundred Fifth Legislature, First Session. Our chaplain for today is Pastor Jon Sollberger of the Immanuel Lutheran Church in Louisville, Nebraska. Please rise.

PASTOR SOLLBERGER: (Prayer offered.)

PRESIDENT FOLEY: Thank you, Pastor Sollberger. I call to order the fifteenth day of the One Hundred Fifth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

PRESIDENT FOLEY: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: I have no corrections.

PRESIDENT FOLEY: Thank you, sir. Are there any messages, reports, or announcements?

CLERK: I have notice of hearing, Mr. President, from the Health and Human Services Committee, those signed by Senator Riepe as Chair. Conflict of Interest Statements from Senator Williams and Senator Stinner. Those will be on file in the Clerk's Office. That's all that I have, Mr. President. (Legislative Journal pages 341-342.)

PRESIDENT FOLEY: Thank you, Mr. Clerk. Speaker Scheer, you're recognized.

SPEAKER SCHEER: Thank you, Mr. President. Colleagues, I am in receipt and I have provided Senator Kintner a receipt for his letter of resignation that is dated January 30, 12:01 a.m. Because of the resignation, any resolution in regards to his stature becomes moot. Having said that, we will then roll over, we'll pass over the resolution this morning and we will go directly to Rules. If you have any questions, please come back and see me. Thank you.

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PRESIDENT FOLEY: Thank you, Mr. Speaker. Mr. Clerk, you're recognized.

CLERK: Mr. President, I have a communication from Senator Kintner regarding his resignation from office effective 12:01 a.m., January 30 of 2017. Pursuant to that communication, Speaker Scheer acknowledges the resignation letter pursuant to Statute 32-562. Those matters will be inserted in the Legislative Journal. That's all that I had, Mr. President. (Legislative Journal pages 342-343.)

PRESIDENT FOLEY: Thank you, Mr. Clerk. We'll now move to the next item on the agenda, which is the motion. Mr. Clerk.

CLERK: Mr. President, the motion before the body is adoption of permanent rules. When the body last considered that motion, there was pending an amendment from the Rules Committee, specifically what was characterized as Rule 2 of the Rules Committee proposals. There had been consideration of amendments to that, one of which was Senator Harr's. That amendment was adopted. I now have, Mr. President, other amendments to proposed committee amendment number 2. The first, Senator Harr, I have your proposed change, Senator, that reverts back from 48 hours to 72 hours with respect to the filing of fiscal notes.

PRESIDENT FOLEY: Thank you, Mr. Clerk. Senator Hilgers, can we ask you to give us a brief update before we move on to whatever amendments may be pending?

SENATOR HILGERS: Sure, Mr. President. Proposed Rule change 2 was Senator Harr's Rule change which dealt with the timing of fiscal notes provided to senators before hearing dates. When we took this up last, there was an amendment which passed, which changed the time from 24...or 72 hours, but changed the time before the hearing from 7 days to 10 days, I believe, for when notice of hearing needs to be provided. And so, I think that's where we left off on Friday.

PRESIDENT FOLEY: Senator Harr, you're recognized to open on your amendment.

SENATOR HARR: Thank you, Mr. President and members of the body. You're going to have in front of you a comparison of the current proposed rules of filing of fiscal notes. I'm going to look forward to some debate about this. When we last spoke of this last Friday, I introduced why I thought the current fiscal note process, quote, has a very high rate of failure. It fails us as senators. We have put fiscal notes on a pedestal and then we have tied one hand behind our back. We don't give ourselves a fair fighting chance on how to address the issue of fiscal notes. We get them 24 hours before our hearing, usually in the afternoon, usually when we're in another hearing. And then if we disagree with it, we have the next morning to talk to someone in Fiscal

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as to how they came up with that. Sometimes they know, sometimes they don't. They have to go back to PRO, or they have to go back to the agency and say, how did you come up with this number? And then they have to communicate it back to us. And then we have to evaluate to see if we agree or disagree. And if we disagree, maybe Fiscal is with you, maybe they aren't. Then you're going to have to have a debate with Fiscal. In the meantime, these fiscal analysts are also at the same time trying to prepare fiscal notes for the bills that are coming up the following day. It leads to our fiscal analyst being stressed out. I've literally had a fiscal analyst come to me and cry about this, someone I respect. And it's not a productive way of doing things. You can be working on a bill in June, introduced it last week, and not know until March. In the meantime, you're trying to line up speakers, people to come in and talk in favor of your bill, and it doesn't work. I think we all agree with that. I would dare to say, even the Fiscal Office agrees that the current system doesn't work. Now, last week I said maybe we need to hire more people, maybe we need to give ourselves the ability so we can be more efficient with our time. We are, after all, citizen legislators. That's not our full-time job. I received some e-mails and some of my fellow senators said this is not the time to spend more money. I would argue, you should always be investing. And matter of fact, when no one else is, is probably a time you should be investing. And we should be investing in ourselves. We're spending billions upon billions upon billions upon billions upon billions of dollars. And if we can't afford a couple hundred thousand here or there, we're just being...we're cheating ourselves and we're cheating the taxpayers. So Fiscal realizing that we, in fact, have a problem, came with a Rule change to my Rule change. They thought 72 hours was too much. Didn't give them enough lead time. We were accused of maybe on the Rules Committee not understanding how fiscal notes are done. I disagree with that. I know, I know how they work and I know I spent time, and I know my fellow members know how they work. So we...I made two changes. They didn't like it. They came back with a compromise, which I think is good in some parts and bad in other parts. So there is a requirement for a 10-day public notice now. That means the Fiscal Office now has 10-days lead time to get a fiscal note done to know when a bill is going to be heard. Previously it was seven. So, fortunately, we've had a little bit of a break and I've been able to figure out 10 minus 7 is 72 hours. So they've given themselves an additional 72 hours to do fiscal notes. That's good because they are overworked. They are stressed. And then the second part of the amendment is, we're going to go from 24 to 48. So we're going to go from two, one day to two, which again using my math over the weekend, I was able to figure out is 24 additional hours. So they're giving themselves 72 hours and only then giving us 24 of those 72 hours. They're Fiscal. They're smart. They know how to win. They know how to use the numbers in their favor. Well, guys, folks, colleagues, we need that time. I'm willing to split the difference. If they want 48, let's do 72. They still have an extra day than they do now. We're still giving them more time to do fiscal notes than they did before. It's a win-win situation. They have more time. We have more time. I don't know where the problem lies. So I am proposing that we go back to my original. We give them the 10 days public notice so they have more time to prepare the fiscal notes. Again, additional 72 hours. In return, I am asking that we have an additional 24 hours, so we have 72 hours. They still have an extra day.

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That's what this amendment is about. Now, there is a sheet that's being passed around that I'll have more time to talk about, but I will just draw your attention to it because it has conclusions on there, including high failure rate, high compliance, very high failure rates, more frequent failures, right? I wish I could control results like this. Fiscal sometimes forgets. They do a good job, but they sometimes forget who they work for. Folks, I don't ever remember going to my boss and saying, if I don't get my way, you're going to have a high failure rate. But that's what this sheet says. And it's a conclusion. There is no basis for it. It's just a conclusion. That is amazing. That is absolutely amazing to me. I respect that office a lot. I can't emphasize how much I respect them, but that doesn't mean they're perfect. And when you hand out something like this and you thumb your nose at the Legislature and say, if I don't get my way, you're not going to get what you want, where is the respect for the institution? Where is the respect for you as a senator? And where is the respect for your boss? This is a simple change. I'm still giving them more time than they had before. So with that, I am going to ask for your support for my amendment to go back to 72 hours. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Harr. Senator Krist, you're next in the queue. You may speak or waive and then come back.

SENATOR KRIST: Thank you, Mr. President. Good morning, colleagues. On this particular issue, I spoke with Senator Wayne on Friday and this particularly early in the session I think with this 10 days is problematic for one-day committees. For a one-day committee with a hearing notice, that means basically you're pressing yourself into a two-week notification. That's just the math. That's just what happens. At the end of the process with a committee like Judiciary, which I've had the privilege of serving on for several times, you'll also run into a block of time where there are 130, 140 bills-plus and resolutions and just the 10 days to me puts both ends of the spectrum at a problematic risk of not getting the job done. Now, in addition to that, I can't support Senator Harr's amendment. We have a Rules Committee that hears as a committee process and public testimony is allowed and we agreed on bringing something out to the floor which is contrary to what's being discussed with the amendment that was filed by Senator Stinner...actually more like Mike Calvert, but supported by Senator Stinner. So I think what we have here...if you will allow me to enter your cranium and talk about logic. This is one of those situations that having been here for a while I think needs to be...needs to go back to the way it was. We need to have an interim study to look at the process involved and make sure that we're making changes that are conducive to the way we do business, the way we have always done business, or the way we want to do business in the future. This is one of those Rule changes that we can make it palatable by doing different things, but it just doesn't sound right, it doesn't smell right. Do the smell test on this one. I'm not going to do it unless you give me 72 hours. We need 10 days. You know what we don't have? We don't have enough people in the Fiscal Office to do what we need to do. That's the bottom line. We've never had enough people. But here we sit with a budget that needs some serious cuts. So how do we propose or purport to bring in the proper

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amount of staff to do the proper job? We do an interim study. We do a study and we take in all of the information that we possibly can and if there is a change to be made, it's made logically, it's made definitively, and it's not made without the input of both staff and the senators. No one is more, or has been more upset with the process than I. I've had things on the juvenile justice side that seem like it was logical, the judges were supporting it, the Supreme Court was supporting it. In other words, the judicial branch. The executive branch supports it, but what it came down to, it cost too much money. And that was during the 2009 Special Session that I attended that cut billions of dollars out of the budget because we had to.

PRESIDENT FOLEY: One minute.

SENATOR KRIST: Thank you, Mr. President. That was in the nine to eleven time frame. Let's slow down this process. I think Senator Wayne has an amendment filed that takes us back to the beginning. And if I'm wrong, he'll correct me. Let's go back to the way it was and do an interim study and do this right. Vote against the amendment to take it back to 72. Try to get Wayne's amendment in there. Let's do the interim study. Thank you.

PRESIDENT FOLEY: Thank you, Senator Krist. Senator Stinner, you're recognized.

SENATOR STINNER: Thank you, Mr. President. Members of the Legislature, what Senator Krist has suggested makes a lot of sense to me. If you remember the last time I was up, I believe I was asking Senator Hilgers a series of questions, and those questions really had to do with the general understanding that we have of this process. And I think you can understand now that 72 hours with the limitation that they have staffing high level of quality that we want to have in the fiscal notes with the 10-day window doesn't work. I did pass out, you know, an analysis of the process as we have it today, and then as we move to the 48 hour process. And what that looks like from timing, that timing has to do with quality. And I think that that standard has been well-established. Seventy-two hours, I believe, as Senator Harr is talking about, is way too long and way too short of a period of time and we're forcing people to hurry up a job that we do not want to have hurried up. But anyhow, I don't want to rehash. I mean it was 29-6. We went back, we compromised. I think it's a good compromise. I would definitely vote against the amendment proposed by Senator Harr, but I do want to talk a little bit about the handout and maybe you can pay attention, or just give me your ear for a second. But under the current Rules, we have the length of notice as seven days. And really it's six days because it takes a while for publication. So the agency then...if you remember me talking about the process, the bill comes down and within one day generally it gets out to the agency. You know, the Fiscal Office, the analyst has to read and has to interpret what that bill is about. Then gets it to the agency. The agency really doesn't work on this until the notice...in most cases. I shouldn't say all cases, but most cases they don't really start to work on this process and getting back to the fiscal note until they can see it

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scheduled for hearing, especially agencies like revenue that get 80 bills or other large agencies, or even small agencies that have manpower. And the complexity of the legislation is a big factor. I mean, I can harken back to last year when we had a fiscal note come out on medicaid expansion. We had an agency that came with a fiscal note. The Fiscal Office spent a lot of time and effort on trying to get that right. We had kind of dueling opinions on that. So they are independent. They do try to work with the agency to glean all the information they possibly can, but this is generally the time frame works. So the agency deadline to submit to the legislative Fiscal Office is really ineffective. Three days prior is what we tried to insert in Rule 2. We got 10 days. It's really kind of compressed in nine days. Likely to get to Fiscal Office is one to two days under the current situation and, of course, if you want to go through a decision making tree that a lot of us do in business and look at probabilities, probable outcomes, if you move this process up and you make people hurry their decision making and their fiscal note up, many times there is going to be some errors. And that's what we want to avoid. We want to have quality fiscal notes that reach the standard that we're accustomed to.

PRESIDENT FOLEY: One minute.

SENATOR STINNER: So if you hurry that process...one minute?

PRESIDENT FOLEY: That was one minute, sir.

SENATOR STINNER: Oh, thank you. So if you hurried that process up, there's a high degree of failure. Present system we're probably hitting 90, 95 percent of the time we can hit that mark. But if you hurry the process up, they may be able to still hit 50, 60, 70 percent, but the quality will suffer. And that's really what this discussion is about. I do support Senator Krist's ideas about sending this back. This is more complex, a lot more moving parts, a lot of misunderstanding. And we're dealing with a professional staff of folks that produce a great product. They're telling you they can do it 10 days, 48 hours, that's the compromise. High degree of success. That's where they're at. We as legislators have to look at that and say is that what we want to work with and that means that you really have to step back and study.

PRESIDENT FOLEY: Time, Senator.

SENATOR STINNER: And so that would be my recommendation. My recommendation would be to vote against the amendment by Senator Harr and take this back to the committee for study. Thank you.

PRESIDENT FOLEY: Thank you, Senator Stinner. Senator Hansen, you're recognized.

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SENATOR HANSEN: Thank you, Mr. President. Colleagues, I rise today, not 100 percent sure how I'm voting on the Harr amendment to propose Rule change 2. I'll admit fiscal notes throughout my tenure have always been kind of one of those mystical aspects of the Legislature, you know, pay no attention between the man behind the curtain. Not to, you know, diminish the role that legislative Fiscal Office and all the staff in there do, I've had some great opportunities to talk with them and really have good discussions of fiscal notes and what's proper in a fiscal note. But I'm sure like many of you freshmen are experiencing, some of us are more...I don't want to say senior, it's only been two years, but more senior members who experience there's times where just I feel like there's agencies who have an opportunity to really shoehorn their way into legislation. I had a bill I brought last year that an agency said it would take one full-time employee, one FTE, to do. And that seemed fair. There were some reporting requirements. You know, I don't necessarily think it was 40 hours a week, but that seemed fair. I talked with them, checked with them. I said give them a nice heads up in November and December, was saying, hey, that bill, you know, had some legs. I liked it. I'm going to keep working on it. And they said oh, yeah, actually we've relooked. If you do it this year, it's going to take seventeen full-time employees. And we kind of went back and forth a little bit. They had reinterpreted the same language different another time, so a bill with a \$50,000, \$60,000 fiscal note all of a sudden was in theory going to have a half million, \$600,000 fiscal note, if not higher. And so that's when I say is like I'm not quite sure I understand the process from start to finish and I hope that's maybe a discussion we can have more and I'll maybe pull Senator Stinner off the microphone. But that's where I'm trying to get as I read through the amendment to an amendment. I think we're now at the point where we're unamending an amendment we made a week ago. Anyway, I'm trying to...I guess what I'm saying is, I'm trying to get to the bottom of this and I'm sure I'm probably not the only one confused today. So I think this is really an important aspect of our Legislature that frankly a lot us...I know myself has not spent enough time learning and getting to the bottom of. And that's something I'm resolving to do this morning, you know, and make sure that if we're changing the Rules on committee hearings, if we're changing the Rules on fiscal notes and time lines and whatnot and whatnot and whatnot, we really get to know. I mean, I know Senator Wayne has an amendment coming up dealing with changing the hearing notice back and forth and I think that's something good and will merit some debate. I know we're getting into the difference between legislative days and calendar days. By the first time, I saw the amendment last week 10 legislative days...that was 10 legislative days and I was worried we wouldn't be having committee hearings yet because we didn't refer a bill to a committee until day four or five. So anyway, I guess you're getting a little stream of conscientiousness. I was earlier in the queue than I thought I was going to be, but I guess I am coming up as undecided on the Harr amendment to proposed Rule change 2. I wanted to share my experience with the impact and power that agencies can have on fiscal notes and just kind of my commitment to get up, pull some people off...maybe off the microphone and maybe on the microphone later and really get to an understanding of how Fiscal Office works with state agencies, how fiscal notes come together, and what we can really do to make this process more efficient. I mean, I think it's already come

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up this morning that maybe some of our hindrances with fiscal notes is just staffing of the Fiscal Office. I mean, that probably is a wise investment for us if we are going to give this much power and this much weight to these documents. Let's make sure they're fully staffed and fully...have the full opportunity to, you know, get the work they need done and we need done in time. So with that, I'll just continue to monitor debate and thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Harr, you're recognized.

SENATOR HARR: Thank you. I think this is good what we're doing here today. Right? I have heard nobody knows how fiscal notes work. We live in an era of term limits. A lot of this institutional knowledge disappears. So I think it's a very good that we have a chance to talk about what we do, why we do it, and more importantly, how we can do it better. So I was looking at...or I was thinking about that and we say fiscal notes control everything we say and do to a large degree on our bills if they have a fiscal note, because as I've stated earlier, fiscal notes take precedence over policy. Right? Look no further than this debate. We all know the right thing to do is to have high-quality fiscal notes with a reasonable time that we can evaluate them and we can work with the Fiscal Office, we can work with agencies, so that when we get into those public hearings, we are prepared, we are ready to go. Now, what you also heard is, to a certain degree, what I complain about, death by fiscal note, which is, gosh, we'd all love to do that in a perfect world, we would, but we don't have the money. So how do we balance those two? That's what we do every day on bills that have fiscal notes. How do we balance the fiscal cost versus doing what's right with our limited resources that we have? If and butts were candies and nuts, every day would be Christmas. We can't. So how do we do it? Well, you know what we do? We have debate like we do here today. And I look forward to a debate. I, you know, I get the position Chairman Stinner is in, this isn't the first time nor the last time he'll be fighting about not spending money. I went head-to-head, toe-to-toe with Senator Mello many times and then you can do all you want to fight for a budget and then we have the shortfalls that we do and everything you do is for naught. But folks, when we are cutting dollars, and we do have to watch our pennies more wisely, and we do, isn't it better that we have more, not less information, that we have time to put it together, to ask how you got that number? Is that number legitimate? Is it not legitimate? Is it just politics? I told you last week about the "may" versus "shall" game. If the corner office is with you, for goodness sakes, that bill needs to be "may." Because if it is "may," there is no fiscal note because it's discretionary. If it is "shall," there's no discretion, there's a cost. Remember that when you're drafting notes, when you're drafting legislation. Now the next Governor may not agree with you, but if it's something you want right now and the corner office is with you, for goodness sakes, say "may." There's a weakness right there in our fiscal notes. It's a big weakness. We base everything on fiscal notes. Everything we do, fiscal note, fiscal note, fiscal note. And yet there is a trick and there are more. There are more to work your way around the fiscal notes and I have learned through my years here how those...some of those tricks.

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Sometimes they're frustrating. Sometimes they're exciting when I learn them. Some I trip on. Some I look at two pieces of legislation and go, how can that be? How can that be?

PRESIDENT FOLEY: One minute.

SENATOR HARR: Thank you. Fiscal notes we put on a pedestal, but quite frankly, folks, they aren't gold. They're based on assumptions in them. And I'll talk more about those assumptions the next time. But those assumptions in there cannot be treated at the level they are and then only give us a couple minutes so we can't learn and dissect what those assumptions mean. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Harr. Senator Groene, you're recognized.

SENATOR GROENE: Thank you, Mr. President. I had some time to think about Rule change 2. I made some comments last week that it would be nice. Yeah, it would be nice to go when you go buy a car to know what the price was three weeks ahead of time, but you have to make decisions. And I thought over my last two years has fiscal notes caused me any grief? No. I'm a fiscal conservative. I don't try to get a lot of them. I don't introduce those bills. The system works, folks. A fiscal note is a fiscal note. If it's \$10 million, \$20 million, whatever, there is a fiscal note. Even if there wasn't a fiscal note when we read the bill, we would know there would be a cost as senators. The process works. You get a fiscal note, you have a hearing. In the Education Committee yesterday we had a senator introduce a bill, fiscal note wasn't that good. The senator said, you know, could you hold this bill for next year so I have more time to work on it? The system works. You have time. We do not have a hearing and then we do not have an exec on it immediately, if you're a good chairman. That senator has time to address that fiscal note, to come up with other ideas, bring back to the committee amendments. The system works. This is unnecessary. You get your fiscal note earlier, what good does it do you? It's there. How are you going to change it? The lobby is out there, folks. I've dropped a couple bills that had some errors in it. Had nothing to do with the fiscal note. The lobby came to me and said this is wrong, if you did this. So when I introduce those bills, I'll have a committee amendment with them right away. We had one of those in Education Committee too. We are unique, very unique. We write our bills. I do. I have direct input. There are some who would stick their nose in the air and say you don't have a law degree. You're not qualified. I've heard that on this floor. The system works. There is no panic. Death by fiscal note? It deserves to die. If your bill has a huge cost and it don't fit into the budget and what the good that is gained by your bill doesn't fit the cost of the taxpayers, it should die. And it's going to die if you get the fiscal note 10 days, 48 hours or 72 hours ahead of time, it's going to die. This is foolishness. It really is. The system works. So I encourage my colleagues to vote Rule change 2 down. Thank you, Mr. President.

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PRESIDENT FOLEY: Thank you, Senator Groene. Senator Crawford, you're recognized.

SENATOR CRAWFORD: Thank you, Lieutenant Governor. I rise to get some more information and ask some questions about Rule change 2. I'm skeptical of Rule change 2 because I think we had a very good conversation when we were last talking about Rules about the adjustment to 48 hours. And I want to just on the record indicate my support and appreciation for the hard work that the Fiscal Office does in terms of working with us and in addition to our fiscal notes, as Senator Bolz noted, also working with us in terms of finding projections and doing other fiscal analysis for us that's important in all of our rules in the Legislature. And as has been noted here and noted by Senator Stinner, there are a lot of actors at play and a lot of pieces and parts at play in terms of what goes into getting to that fiscal note so that we can have a good conversation about what the actual costs are going to be. As has been noted in the conversation so far, and noted by Senator Harr, part of that process is often having conversations after you get that initial fiscal note. And sometimes what has happened and what I have seen happen in my own case is that the fiscal note is based on the best assumptions that people in the agencies and people in the Fiscal Office have about the interpretation of the bill. And so, sometimes there are situations where a fiscal note will overestimate or have a higher cost than expected because there is an interpretation of what the bill is intending to do that is overly broad. And part of that process is very understandable because I think the Fiscal Office and the agencies in trying to be protective and conservative in their estimates will generally interpret those bills and those laws on the broadside. Like if...if everyone who qualified for this program stepped up and participated in the program, this is what the cost would be. And so that first fiscal note that you get generally has very broad assumptions and then part of that conversation and that work to address the fiscal note, or to establish other estimates, is to really dig into those assumptions that are built into the fiscal note. And so what do we need to...what evidence do we need, what information do we need to determine the real likelihood of the percent of people who are participating in this program, or is it the case that the fiscal note needs to assume and maintain an assumption that we are identifying the cost if every single person who could possibly qualify for the program participated in the program? Other times there are examples where you're working on fiscal note where it is something that the fiscal note helps you as a lawmaker see that you have left out clarifying language or narrowing language. And so that's an important part of the process as well...

PRESIDENT FOLEY: One minute.

SENATOR CRAWFORD: Thank you, Mr. President...is to see that when someone else, an agency reads your bill, when the Fiscal Office reads your bill, they interpret it and you recognize that there are provisions or restrictions that need to be clear in the bill. And that's some of the work that gets done between that first fiscal note and the hearing. If you can work on some of those assumptions, clarifications, you can bring an amendment to the hearing so that the hearing

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can include a conversation about possible changes to clarify and narrow that interpretation. So I will close my comments there. I didn't get to my questions for Senator Harr. I'll do that in a future turn. I just thought it would be helpful for new members and other people considering what this time frame means to consider some of the kinds of activities that happen in that time frame, whether it's 24, 48, or 72 hours. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Hansen, you're next in the queue.

SENATOR HANSEN: Thank you, Mr. President. I have some questions I was going to kind of get to, but first to Senator Groene's comments, commented that the system works. And it's working is not necessarily the minimum standard we want. A car missing its power steering works. That doesn't mean it's like what I want to drive to work every day. Just because the system isn't completely falling apart and delaying the entire opportunity of the state budget doesn't mean we can't make it a little bit better. Now, I've already said I'm still trying to piece together the amendment to the amendment to the amendment to the amendment or wherever we're at today and hope other people can come around with me, but we shouldn't just wholeheartedly oppose a rules change because we think that the current system is tolerable. So that's my...that's my...I just had to throw it in there, two cents on what...Senator Groene's comments. I am looking for a relative fiscal note expert. I was wondering if Senator Burke Harr would be able to yield to a question?

PRESIDENT FOLEY: Senator Harr, would you yield, please?

SENATOR HARR: Yes, I will yield to a question from my esteemed colleague, Senator Hansen.

SENATOR HANSEN: Thank you, Senator Harr. So, I've been following your comments and your proposal and your ideas. And as simple and straightforward as you can be, can you explain the Rule change that we've already done and what your proposed current pending amendment would do?

SENATOR HARR: Thank you. So currently how it works is there's a notice seven days out, and within five days, the administration is supposed to turn over what they think the cost is for whatever department that is. Sometimes they do, sometimes they don't. And then that gives the Fiscal Office basically two or three days to prepare a fiscal note that they have to get to us. What this does, what the current amendment to my proposed amendment does is say 10-days public notice, and then it gives the agencies a deadline of three days prior to LFO release, and so that the Fiscal Office basically now has four to five days to prepare a fiscal note. What I would like to do is to make it 72 so that they have two to three days...no, I'm not good at math. Three to four

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days, which is still more than they have today. So it's a win-win proposition. And I'll be up-front, that's a...I'm not very succinct, but the Fiscal Office is against it.

SENATOR HANSEN: You said Fiscal is against it?

SENATOR HARR: Against my taking it from 48 to 72. They want more time.

SENATOR HANSEN: Okay. I think I'm tracking better. So it has been 24 hours before committee hearings, that's what I'm used to.

SENATOR HARR: Been 24 under the rule that's...or the proposed amendment brought by Senator Stinner, it's 48. My original proposal had 72 and now I'm trying to push it back to 72, with the compromise that I give them 10 days lead time instead of the current seven day lead time under the temporary rules that we are working under now.

SENATOR HANSEN: Okay. Thank you, Senator Harr. That got me back up to speed. I think I then would be supporting your amendment to proposed Rule change 2.

PRESIDENT FOLEY: One minute.

SENATOR HANSEN: Thank you, Mr. President. I think I will be supporting it. You know, I think every little bit of time and every little bit of opportunity helps. I understand while Fiscal Office would frankly view this as...have hesitation on this, I'll just leave it there. But I think there's the potential that once you get in this...I guess, once you renew the time line and change the time line, you know, you're kind of probably jumping from one project to the next as it is. If at the very beginning of session we kick it up by an extra 48 hours, once you get over that initial burden in the first round of committee hearings, you're no different than you are now. Meanwhile, it gives us senators plenty of time to look and analyze the fiscal note. I know I've already had three or four committee bills up in committee and there is plenty of senators who have wanted to go line by line through a fiscal note with me and it's a fiscal note that as you pointed out, I think earlier, I've had...

PRESIDENT FOLEY: Time, Senator.

SENATOR HANSEN: Thank you, Mr. President.

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PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Harr, you're recognized. Oh, I'm sorry. Excuse me, Senator Harr, we're going to go to the Clerk first for announcement and to read some items into the record.

CLERK: Excuse me, Senator. First of all, Banking Committee was having an Executive Session under the north balcony now; Banking Committee, north balcony now. Items: Senator Hilkemann would like to withdraw LB667. I have notice of hearing from the Revenue Committee. I have notices of hearing from the Government, Military and Veterans Affairs Committee. The Committee on Enrollment and Review reports LB45, LB80, and LB134 to Select File. And Urban Affairs Committee chaired by Senator Wayne reports LB315 to General File; LB159 General File with amendments; LB317 General File with amendments. Thank you, Mr. President. (Legislative Journal pages 343-348.) [LB667 LB45 LB80 LB134 LB315 LB159 LB317]

PRESIDENT FOLEY: Thank you, Mr. Clerk. Senator Harr, you're recognized. This is your third opportunity, Senator.

SENATOR HARR: Thank you, Mr. President. First of all, I want to thank Senator Hilkemann for introducing LB667. If he had not introduced it, we would have ended on LB666, so I appreciate that even if he does pull it later. I want to address the issues of Senator Groene. He said it would be nice if I had three weeks to know the price if I buy a car. Guess what? You do. You're in control of when you buy your car. You're in control of how...what the situation is. And if you don't like that situation, you can change it. Well, to a certain degree that's where we are today. We are in complete control of the situation and I'm not asking for three weeks. What I am asking for is a fair amount. Now I may disagree with Senator Stinner on what a fair amount is and the Fiscal Office of notice and time, so I can figure out what it is. But I think we can all agree that 24 hours is a failure, that it isn't working, that we're all agitated by it. The other issue is, you know it has a cost and we got to fit into the budget and that's exactly right. That's the problem. Senator Groene is new to Revenue and he will soon learn that where we're going to pass bill and our bills have effects on future Legislatures. It also has effects on how people in the outside world act and what they do. And we don't know what the ramifications of our actions are, meaning we may think that someone is going to take advantage of a tax break, tax credit, saying it costs the state \$10 million. Well, guess what? It wasn't very popular, people didn't like it and it only cost a million. I shouldn't say only, but a million. ABLE is one of those bills that did that. Or you may have one that's extremely popular and it costs even more than what we projected. Unless we have a cap on it that says the first \$20 million or the first \$2 million or the first \$5 million, but very few bills do that. And it's funny, I have asked the Fiscal, I've asked Revenue, hey, have you ever gone back and reviewed your fiscal notes to see if they're accurate or not? And their response was no. No, we haven't. Well, how do you learn from your mistakes if you don't look at what you did? Maybe you were right. Maybe some assumptions were right, maybe some of them were

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wrong, and that can inform you on your future fiscal notes. There are assumptions built into fiscal notes. Those of you who don't realize that, you need to spend more time looking at your fiscal notes...Senator Groene. There are assumptions built into it. And by the way, even if you do go review them, you're not going to be able to know necessarily what those costs are or what those costs aren't. But at least, you should study them. We heard we're going to get \$11.2 million from Amazon collecting sales tax now. Guess what, folks? That's an assumption. We don't know. We don't know how much people purchased from Amazon in the past. We don't know how much they're going to purchase from Amazon in the future. The reason Amazon fought paying their sales tax initially was because they had an advantage. For me in Omaha a 7 percent discount if I didn't pay the tax. Unfortunately, I do pay the on-line tax. I report it. But that tells you Amazon thinks their numbers might go down. But again, it's an assumption. There are assumptions built into all our fiscal notes. That's one example. I would love to see at the end of the year how much we end up getting from Amazon.

PRESIDENT FOLEY: One minute.

SENATOR HARR: Thank you. And see if that's accurate or not. But there are assumptions and we have to know what those are and how they came up with the \$11 million. Today, I don't know how they came up with \$11 million. But if they're on my fiscal note in a bill, you better be darn sure I was going to find out and I'm going to need more than 24 hours and I may need more than 48 hours. I don't know. Seventy-two is not a lot of time when you're trying to pass legislation in the morning, you have committee hearings in the afternoons, and you're trying to get people ready to come testify on your bills. But I'm willing to take that compromise at 72 hours because I know they do work hard and I know there are time constraints. Senator Wayne is coming with a bill to talk about some of those time constraints. But I think 72 hours is more than apt. They have 10 days. They're still better positioned than they were before I proposed this Rule change and I hope they come and meet me halfway. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Harr. Senator Morfeld, you're recognized.

SENATOR MORFELD: Thank you, Mr. President. I haven't decided how I'm going to vote on this Rule change yet and I'm still listening to some of the debate and still need to talk to Senator Stinner a little bit even though I've heard some of his comments. I just wanted to respond to one of my colleagues' comments, Senator Groene, about some of the things regarding fiscal notes and some of my experiences with it. First off, I think the Fiscal Office does a great job given their resources and the time constraints. If the Fiscal Office needs more staff and more support, then I think that we as a state have an obligation to provide more staff and support to ensure that the people of Nebraska are served well by legislators that have enough time to look at fiscal notes, that are accurate fiscal notes, and that are well-reasoned and thought out ones. Now, I

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know as a returning legislator, I introduced about 20 bills this session and we have a lot of committee hearings coming up, as I know many of you guys do as well. And sometimes, things get lost in the shuffle and 72 hours notice would actually be very helpful. I had one bill that's been brought two or three times before I brought it, or I should say I actually brought it last session or last Legislature. It didn't go anywhere, even though it got out of committee unanimously, but it didn't have a priority vehicle or designation. And for the last two or three times that it's been introduced, there had been zero fiscal impact. It's a pretty straightforward bill. It's making it so that there can be declarations that are made overseas that are signed, sworn statements instead of having to go to the Embassy or some consulate to be able to get a document notarized if you happen to be out of the country. Twenty-one other states have signed onto this legislation and, of course, if you falsely attest or swear to a document, then there's perjury charges that could be brought, however, very rare. Well, this bill had been introduced two or three times before I had introduced it. Zero fiscal notes. And then, lo and behold, my good friend and colleague, Senator Baker, asks me during the committee hearing, what's up with this fiscal note? And granted, I bear some of the blame for not doing my due diligence in checking the fiscal note. But there had never been a fiscal note on this type of bill and usually these types of bills that require...or not require, but rather carry criminal penalties, the Department of Corrections doesn't estimate how many more people would be brought into the corrections system based on a felony change or a misdemeanor change or whatever the case may be. Well, lo and behold, there was this fiscal note that said that there's going to be a \$20,000 fiscal note because there might be some people that perjured themselves overseas. We would then go and get them from overseas, bring them back, and put them in our prisons, so all of a sudden I have a fiscal note that I had no clue that was coming. Granted, again, I had 48 hours notice. I should have done my due diligence, should have looked at it. I understand that, but as the session starts going as things get busy, having that extra time would be useful, would be helpful. That being said, my first and foremost concern is making sure that the legislative Fiscal Office has the right resources and capacity to be able to do that if we make changes, because I know that they already work very hard in trying to keep up with all the bills. So, I don't know where I stand on this yet, but I do understand where Senator Harr is coming from. I do understand where the Fiscal Office is coming from, and I will wait to reserve judgment until I hear from a few more people. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Morfeld. Senator Crawford, you're recognized.

SENATOR CRAWFORD: Thank you, Lieutenant Governor. I rise in opposition to Senator Harr's proposed Rule change. I understand and have heard, you know, the advantages of having more time and don't doubt that something that would be helpful and people would have opportunities to ask more questions and get more information with that extra time. However, I was just looking back through the analysis that Senator Stinner did on the change that we have already discussed and passed, which is the 48 hour time change. And I think there is a lot of careful analysis that

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went into determining whether or not we could logically expect to make that time change within all of those other moving pieces and parts that establish parameters within which we need to work. So, while I understand in the abstract that it would be nice and helpful and, yes, definitely there are some times when there are complex questions to be asked and those 72 hours could be critical in getting those questions asked before a hearing, however, we have to operate within the parameters that we have with all of the other people who play a role in these fiscal notes as well. And so I really appreciate and wanted to acknowledge the work of Senator Stinner to work with the Fiscal Office and work on this proposed Rule change that was discussed by the committee, and in a very tight time line, try to identify what's possible in terms of identifying more time for senators to have with a fiscal note. Now, I...and so I think to try to push that to 72 hours right now, without more time for deliberation and debate, would be pushing too far. And I did hear Senator Krist mention that he felt that we needed to push this to an interim study even with the change that we have currently on the table. And I wondered if Senator Krist would respond to a question.

PRESIDENT FOLEY: Senator Krist, would you yield, please?

SENATOR KRIST: Absolutely.

SENATOR CRAWFORD: So, Senator Krist, you had raised some concern, and were you raising a concern even about the 48 hour change, or are you raising a concern only if we are really trying to push to the 72 hours?

SENATOR KRIST: What came out of committee was a agreement that we would stay at seven for notification and 48. So I, at the very minimum, I'd like to see it stay at 48, but I am taking exception to the 10-day requirement for notification. And you understand, as a one-day committee former chair, of the problem that you would have to put something on the agenda. It could cost you two weeks. So, to be clear, I agreed on 48, but I agreed on seven coming out of committee. I'd like to see it go back there, and those are my reasons.

SENATOR CRAWFORD: Thank you, Senator Krist. So the...you're concerned even with what the compromise that we reached on the floor because that compromise...

PRESIDENT FOLEY: One minute.

SENATOR CRAWFORD: Thank you, Mr. President...that compromise made a change in this logistics, and that change proposes a serious challenge for committee chairs, and so that needs to be reconsidered, is that fair?

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SENATOR KRIST: Yes, ma'am, and to be very clear, Senator Wayne, I mentioned, had a bill that takes us back to original with the...both the notification process and the number of days the fiscal note would be at your hand. That, I believe, is appropriate, and I still have the Revisor's Office putting together a resolution that would do an interim study on the entire process.

SENATOR CRAWFORD: Thank you, Senator Krist. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senators Crawford and Krist. Senator Schumacher, you're recognized.

SENATOR SCHUMACHER: Thank you, Mr. President and members of the body. Sometimes we have a tendency to not see the forest for the trees. And what some of this debate is about is the little fiscal note on a bill, whether or not it's going to bring in money or cost money. And that should give us a little guideline as to whether or not we should move the bill ahead or not move the bill ahead. But where those all funnel into and add into is into a score sheet that we start getting about halfway through the session showing how we are impacting with our actions the balance we have, the budget we have. And supposedly that will assist us in balancing the budget, not only in the present year, but in what they call the out years, so that we kind of understand the long-term impact of what we're doing. That's how it's supposed to work so that we can guess whether or not we're taking this large aircraft carrier that is a ship of state and sailing it at the right speed and in the right direction, and whether or not we're taking on water or not. Obviously, the system has failed. I mean, look at it. We were using those score sheets, supposedly an aggregation of these fiscal notes on the bills we passed, and merrily sailing along. As little as 18 months ago, we had or were approaching the prescribed limit and what is theoretically the proper limit of having in our reserve two months of revenue. I personally like three, but two is what was settled on some time ago, and there's some fairly decent reasoning that says it should be at two. We were even having discussions about, well, what happens when we get done paying off our prison mess and addressing some of the other crises that are there, how we would get that excess revenue if the balance continued to rise back to the taxpayers, whether it should be property tax, or income tax, or sales tax, or some type of incentive program or whatever. We were kind of in Alice in Wonderland. And on several occasions on this floor, I and others began to question whether or not our long-term projections were correct. And it's really good to be right, you feel good when you're right, when a warning you give comes true, but not when it comes this true. And what we probably need in some way so that this doesn't happen again, is an overlay of analysis that says yes, this is how it crunches out in the calculator if we use these assumptions and these historical trends, but that doesn't necessarily apply in the real world, as it hasn't in a very dramatic way. The decisions we made in Revenue Committee, passed by the floor regarding tax incentives, tax cuts, tax credits, tax perks, gee, we feel sorry for your tax benefits...have resulted in hundreds of millions of dollars in revenue shortfall that we've now got to deal with,

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and basically prevents us from doing much, if anything, in the areas of income tax and property tax change.

PRESIDENT FOLEY: One minute.

SENATOR SCHUMACHER: So while we talk about, you know, whether we have 72 or 24 hours of time to analyze the fiscal note, we have to ask ourselves what is the purpose of these fiscal notes. And to the extent the system has been working in the microcosm, why has it failed so miserably in the macrocosm and the big picture because there is no way we should have went from thinking we were rich with over \$725 million to facing a nearly billion dollar shortfall in just a year and a half. Something went wrong. Something should have been anticipated, and that is what we need to start thinking about and addressing because it wasn't just as simple as corn prices dropping. There was a lot of other factors operating under that. Thank you.

PRESIDENT FOLEY: Thank you, Senator Schumacher. Senator Krist, you're recognized.

SENATOR KRIST: Thank you again, Mr. President, and good morning again, colleagues and Nebraska. I just...after the conversation on the mike with Senator Crawford, I just want to make it perfectly clear. In the Rules Committee, we had a debate and a conversation about the potential of tabling this and having an interim study done. I was...I was a positive, affirmative vote to bring it out in the state that it came out of Rules Committee, and that is, 48 hour notice and still remaining with the 7-day notification, which I hope you understand goes hand in hand because of how the process works. You've heard it explained by Senator Stinner and by others. What Senator Schumacher has described is inherently the basic problem. I said it earlier on the mike. We haven't spent enough money making that fiscal analysis, that process, enough people, man-hours, making it what we actually need as a tool, as decision makers, to make valid, long-term decisions and strategic plans for the state. We are operating under a very static process to put a fiscal note out when, indeed, there are other models out there and if you have a chance to sit down and talk to Ernie Goss, and you could slow him down just a little bit, he gives you a great understanding of that modeling process that could be used. Even our own analysts in the Fiscal Office will tell you, there are other models. There are some dynamic models out there. I would invite you to look at the federal level at how GSA does business. I'm familiar with the process. I dealt with the budget process in the contracting process when I was on active duty. Look at how they project savings and investment along with the expense of doing business. That's a missing piece for our current system. So, once again, I want to emphasize the fact I can't support the amendment taking it to any other numbers besides 48, certainly not...24 would be ideal at this point, in my mind. Leave it where it is today, let's do an interim study, and I'll reiterate again, I have drafters working...Revisor's Office working on that LR so that we can take a quality look at the program as it exists right now and make some valid decisions moving forward. And because

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I was so long-winded answering questions for Senator Crawford, if Senator Crawford would like the balance of my time, she is welcome to it.

PRESIDENT FOLEY: Thank you, Senator Krist. Two minutes, Senator Crawford.

SENATOR CRAWFORD: Thank you, Mr. President. So I appreciate Senator Krist's clarification there, and that he has a possible amendment for an interim study to examine these issues with the Revisor's Office, so I look forward to seeing that language and continuing this conversation on this possible change. And, again, I want to commend the Rules Committee and the Fiscal Office and Senator Stinner for all their work in trying to see how far we can push changes and improvements now and I think an important issue for deliberation and debate when Senator Krist's amendment arrives is the question of...comes back to that question of how far we can go or...

PRESIDENT FOLEY: One minute.

SENATOR CRAWFORD: Thank you, Mr. President...or if it's the case that it's an issue that does need more attention before we decide if we're able to accomplish this. And that, I think, comes back to this 10-day, 7-day issue as well. So if it's possible to accomplish it in 10 days, but 10 days then creates a problem for our committee process, and we're not sure if it's possible to accomplish it in 7 days, then we're coming to this complication of whether or not this is a change that we can push now, or if it is a change that needs more time and attention. So I appreciate Senator Krist's amendment that gives us a chance to pause and ask that question as we're moving forward. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Morfeld, you're recognized. I do not see Senator Morfeld. Senator Harr, there are no other senators in the queue, you're recognized to close on your amendment.

SENATOR HARR: Thank you, Mr. President and members of the body. You know, sometimes you listen to the debate, and you listen, and you think, and you fight hard for what you want. The Rules change that I proposed is something that I put a lot of thought into. It's not something I just came up on a whim with. It's something that means a lot to me. It does change the way we do fiscal notes. I've been talking to Senator Stinner, and I've been listening to what others have said on the floor today, and I understand their concerns. Fiscal came with a compromise. Not a compromise I like, I'll be honest. But it's a compromise, and the fact that I don't like it probably means it's a halfway to a good compromise. I just went over and talked to Senator Stinner. I said, listening to everything everyone said, I said, you win. And he said, there are no winners. He'd love to do more if he could, but we can't with the resources we have. So...well, I guess he didn't

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say that. He didn't go that far. He said there are no winners, which, I guess, means it is a good compromise because he's not happy. So if he's not happy and I'm not happy, I guess we can all be happy. So with that, I'm going to go ahead and pull my proposed amendment, Mr. President. Thank you.

PRESIDENT FOLEY: Thank you, Senator Harr. Without objection, the amendment is pulled. Mr. Clerk.

CLERK: Mr. President, the next amendment I have to the proposal from the Rules Committee, Senator Wayne. Senator, this is the requirement that changes from 10 to 7 calendar days' notice of public hearing requirements.

PRESIDENT FOLEY: Senator Wayne, you're recognized to open on your amendment.

SENATOR WAYNE: Thank you, Lieutenant Governor. This is a simple amendment. It was passed out. We are moving the 10 days back to 7 days for a public notice, and the reasons are pretty simple. For a one-day chair, or one-day committee like Urban Affairs or Agriculture, we would actually miss a week of hearings with the 10 days because essentially every year our first committee hearing will start typically after Martin Luther King Day. That would require us to have a 10-day notice, and typically bill introduction does not start until day two or day three, and it would make it impossible for us to have the first week of hearings for that committee, and particularly Agriculture. Other committees that would be affected would be Transportation, Education, and Banking, but since those are multiday or have more than one day, they can have a little more wiggle room. However, because of Urban Affairs and Agriculture only having one day, particularly on that Tuesday, we would actually miss out on a week, and we think going back to the seven days would be appropriate so we can have the full time that's allotted for public hearings and committee hearings to occur. And again, this is really noted on the fact that by day two or three, there are actually bills introduced that would be referenced by then. Sometimes it might not be a bill introduced for Urban Affairs, maybe until day five or six and may not get referenced until day seven or eight. So, essentially, we know for sure we would be losing one week, but we could potentially lose two weeks with the 10 days. So I would submit that the seven-day original requirement works well for particularly Urban Affairs, and I would also submit that it probably works well for Agriculture, and that's why I'm asking for this committee...or this amendment change, and I would ask for your support for this amendment change.

PRESIDENT FOLEY: Thank you, Senator Wayne. Debate is now open on the Wayne amendment to proposed Rule change number 2. Senator Krist, you're recognized.

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SENATOR KRIST: Thank you, Mr. President. Just a quick comment. As a freshman, you have just gained freshman-plus status in my mind. Thank you, Senator Wayne. I think it's very important that we consider this amendment because the seven-day is exactly the way we brought it out of committee, and I just want to say that I was wrong on the mike before when I voted out the original. We had it at 72 and 7, so this takes it back to the 7 that we would be required. I thank you, Senator Wayne, for the amendment, and I invite you to vote green on Rule change number 2.

PRESIDENT FOLEY: Thank you, Senator Krist. Senator Hansen, you're recognized.

SENATOR HANSEN: Thank you, Mr. President. Based on my conversation on the microphone with Senator Harr earlier going through all the intricacies of this motion, I do believe I'll support the...Senator Wayne's amendment to proposed Rules Change 2. As a member of Urban Affairs, I'm always more than happy to help jump to the defense of Urban Affairs and make sure we ensure we protect our hearing dates including our first week. But frankly, I think this impacts just one or two...make it clear on the record and maybe see if other committee chairs feel similar. I think this impacts most committees that meet that first week. Obviously, anybody who meets only on Monday is already by virtue of our typical start after Martin Luther King Day have that extended, but based on my account, so our first time we had bills referred to a committee, and therefore first day you could schedule committee hearings, if you did it in the morning between...start and adjournment, was day four which was on the ninth. And that means we would not have had committee hearings until the 19th day, 11, last Thursday, and only bills that were introduced on the very first day of bill introduction could be heard on the very first day of committee hearings, and that is something we would be going through for a little bit until we caught up. So the first day of...from my three day, the first day of Judiciary, we would not be able to have a Wednesday hearing under the proposed language on day 10, and we would not be able to schedule any bills on day 11 other than those which were scheduled on day 2. Now, I don't know if this is going to lead to some tactics, leads to some rushes if we keep the Rule it is without the Wayne amendment, where people who are looking to get an earlier hearing might introduce and intentionally try and be one of the first bills referred, or if there is people who want to avoid that will do the opposite. But I mean, I think that really changes the dynamics. So, you know, last Thursday we would have been only able to hear bills that were introduced on day two. Last Friday we would have only introduced bills that were heard in day two and day three which, I think by my count, was not all that many. We were only up to, I think, the 100s, 150s in that time period. So that's all we have to choose from. And I know even among bills that get introduced early, senators have preference on committee hearings and committee hearing dates, so that we might ask for them to be scheduled later in the year. I must say, I originally thought this was worse. I got calendar days and legislative days confused and was initially thinking we were basically abolishing hearings in January, but I am very supportive of the Wayne

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amendment. I think that will give us an opportunity to keep our very productive first week of hearings, and I'll be supporting his amendment. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Crawford, you're recognized.

SENATOR CRAWFORD: Thank you, Lieutenant Governor, and thank you, Senator Wayne, for proposing this Rule change. Now, we did have quite a bit of conversation about some of the challenges of meeting this deadline when we were debating the amendments before, but I appreciate you bringing to the record and to the floor some of those challenges that exist for committee chairs. When we do, if we do add those 10 days, and that 10-day component, and the importance of that 7-day period in terms of a committee process. So we have agency process, and we have Fiscal Office process, and we have committee process, all of these pieces moving together in terms of trying to see if the time period is a manageable one. And Senator Stinner, again, worked with the Fiscal Office, was trying to identify what that time frame looked like and what those challenges would be in terms of the Fiscal Office side. But your amendment and testimony in this debate puts that committee process back on the table in terms of what impact it has and terms of getting hearings scheduled and getting good conversation on those bills. So I wondered...I'm just going to try to find...I wonder if Senator Krist would yield to a question.

PRESIDENT FOLEY: Senator Krist, would you yield, please?

SENATOR KRIST: Absolutely.

SENATOR CRAWFORD: So this, the seven to 10 change, as I understand it, is a change that you have serious concerns about. I just wondered, in...you're on the Rules Committee, and so the original conversation that you had about 48 hours for the fiscal note and 7 days for the...in terms of the notice, I wondered, did...was the Fiscal Office, I assume, came and provided testimony to the committee on this Rule change, is that correct?

SENATOR KRIST: That is correct, both the chairman of the Appropriations Committee, Senator Stinner, and his fiscal...and Mike Calvert, the fiscal analyst, was present and gave testimony.

SENATOR CRAWFORD: Were they expressing concerns at the time about the seven-day and 48 hour time frame?

SENATOR KRIST: They had concerns about both...both parts, both the number of days' notice and in terms of the number of hours or presenting a fiscal note, yes, both parts.

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SENATOR CRAWFORD: So in that conversation that the Rules Committee had, what made you feel comfortable with the seven days and...time frame?

SENATOR KRIST: The seven-day time frame has been in place, and not to say that everything should be continued as it was because we're in a dynamic environment, but seven days has been used successfully, and I was...my concern was that we, again, if we went to 10, we would be...it would be problematic for the reasons that I previously stated on the mike.

SENATOR CRAWFORD: Thank you, Senator Krist. I wonder if Senator Stinner would yield to a question.

PRESIDENT FOLEY: Senator Stinner, would you yield, please?

SENATOR STINNER: Yes, I will.

SENATOR CRAWFORD: Thank you, Senator Stinner. And I think you might have been out of the Chamber when I was complimenting you on your work with the Fiscal Office coming up with analysis to determine what's possible...

PRESIDENT FOLEY: One minute.

SENATOR CRAWFORD: Thank you, Mr. President...with our existing structures and our existing staff. And so, I appreciate the work that you've put together in terms of laying out the possible changes with the amendment moving to 10 days, and your interest in making sure that that 10-day window is there to give the Fiscal Office more time. I wondered if there's a particular key part that you see as absolutely critical in moving to that 10 days. I mean, there are several moving parts in the analysis here, but I wondered if you might speak to...if there's one...oh, I see I'm running out of time, so I will wait on that question. Thank you.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Larson, you're recognized.

SENATOR LARSON: Thank you, Mr. President. I stand in support of Senator Wayne's proposed Rule change for essentially the exact reason he gave. As a chair of a Monday committee, and I think that's Senator Albrecht and myself, we are at even a further disadvantage versus the Tuesday committees. We have most of our holidays are on Mondays, so by definition the two Monday-only committees lose two hearing dates anyway. So if the...without this Rule change, essentially we will struggle to be able to get enough of our hearings on the books as well. And so I stand in support of Senator Wayne's amendment for pretty much the same reason he does, or he

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stated, in the sense of it really is a burden to the four one-day committees. And that's something, I think, that's important to make sure that we are getting all of our bills out in a timely fashion, especially the noncontroversial ones. I know, you know, next week General Affairs will have hopefully some noncontroversial bills on cemeteries and kick boxing, so I'd like to get those to the floor so we can move on them and they don't need priorities. And if I had to set a hearing 10 days before, it might have been pushed back another week. So I appreciate Senator Wayne doing this and will support the amendment to the rules. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Larson. Senator Stinner, you're recognized.

SENATOR STINNER: Thank you, Mr. President. Members of the Legislature, let's start the analysis with a fair, independent, quality product that we're accustomed to. We want to keep that standard up here. Okay? That's where we started. Now, Senator Harr says he wants 72 hours. We want to maintain the standard here. Okay? So as we looked at work flow, as we said this standard has to be up here, we can do it if we move the hearing dates back to 10 days and 48 hours. That will maintain that level of excellence at this level. The proposal up here, seven days, I get what they're talking about. Sure, there's maybe a workaround that will accommodate 10 days. But if you go back to seven days, we have to go back to the current system of 24 hours, it's just that simple, because what happens if you start to shove this down, that standard goes down. You don't want to rush professionals. I mean, when you go to...when you go and you have a complex transaction and you walk into an attorney's office, you're going to demand priority over everybody else, and it doesn't happen, so there's work flows that we have to deal with. There's professionals that we have to deal with. These folks that we call fiscal analysts, they've been around 25, 30 years. They've been at...and they are vested in this process. And I will tell you that seven days doesn't work with 48 hours...or 48-hour process. It has to go back to where we're at. So I would encourage you to, again, think about the standards that we have to maintain, the information that you all want to have, and if it's seven days and it messes up committee structure, then we probably ought to step back, take a look at this, restudy, refigure, look at what's possible, look at the dollars that are involved in it. So that's my recommendation, is to vote this down. If you want this 10 day, 48 hours, we can do that; we can do that and maintain that standard. Or is it more prudent just to put this back to the committee, do an interim study, get everything worked out, see how many dollars that you want to put in people, how many different programs that you want to put in place to accommodate the Legislature? We'll probably be able to do a workaround on that and come up with the conclusions that will fit both parties. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Stinner. Senator Harr, you're recognized.

SENATOR HARR: Thank you, Mr. President, and welcome to Burke Harr day. I apologize for getting on the mike so much today. I don't enjoy it. But I do want to address this because I'm

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listening to what Senator Stinner says. I listen to what the Fiscal Office says, and I listened to what Senator Wayne said. And they're all right, right? I mean the frustrations are there. But I think we have given ourselves a runway. These new rules don't take effect right away. It gives the Fiscal Office time to prepare for the Rule change that's coming. I'm not as excited about...you know, as I said earlier, this compromise does not excite me, but it is just that: a compromise. And the Fiscal Office is giving a little. And so they do need that 10-day runway so they can have proper time to prepare. What that means is, if you are a committee chair or you are on a committee that has these one-days that Senator Larson, Senator Wayne talked about, you've got to be prepared and you've got to be cognizant of that rule so that it's not 10 legislative days but 10 calendar days so that your first week of hearing...now, if you're a Monday hearing, I think it was said, you're going to run into MLK, so that's never an issue. But if you're that Tuesday committee, you better be prepared and have bills ready to go day one or two, day three, so that we can make sure you get a proper hearing, to make sure that there are bills to be heard. I know in General Affairs this year our first hearing was about appointments. Well, we know about appointments months in advance. So if you're a committee chair, be ready. Maybe you just have appointments your first day. Maybe you have cleanups from the agencies that you oversee. Maybe you actually have a bill you care about. But you have to be ready. That's part of being a chair is you have to know what is expected of you and you have to know on day one what you're going to do and you've got to be planning ahead of time. That's part of being a good chair. So I appreciate the concerns of Senator Wayne. I appreciate the concerns of Senator Larson. But I am going to stick to the deal I made with Senator Stinner. I hope everyone in the body will agree to stick with the deal made with Senator Stinner. We're still getting something, folks. We're still getting 48 hours instead of 24 to hear a fiscal note before a hearing for our fiscal note. If we go back to seven (days), I'm afraid we'll have to go back to 24 (hours) and that is not a world I've enjoyed. It's been one of my biggest frustrations in this body, as I've said over and over again. And so I would politely say that while the intentions are good, I am going to support the underlying compromise made with Senator Stinner. So, thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Harr. Senator Crawford, you're recognized.

SENATOR CRAWFORD: Thank you, Lieutenant Governor. And I want to thank everyone for engaging in this debate this morning. I had...I just spoke off the mike with Senator Krist. I had misunderstood what he had said earlier. I thought that he was talking about an amendment in this process to have an interim study to replace the changes we are discussing now and I was incorrect in that assumption. So part of what I thought we were doing was making sure we had some times. We are speaking on the floor, debating, and we're asking questions and moving forward in terms of figuring out where we stand and making arguments for people who have to make that choice, but we're also making sure that we have time to, sometimes, to get language back down from...that's been drafted. And I thought that's part of also what we were waiting on at this point. So instead, my understanding is that is not going to be a proposed amendment but,

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instead, he was just raising that as a future LR consideration. And so the...I just wanted to clarify that with Senator Krist, if Senator Krist would yield to a question.

PRESIDENT FOLEY: Senator Krist, would you yield, please?

SENATOR CRAWFORD: Oh. Apologize. He was busy at work.

SENATOR KRIST: I'm here.

SENATOR CRAWFORD: Thank you, Senator Krist. So what you were really proposing in your conversation was an LR to examine this change, but that is not something you're bringing today for the debate and conversation. Is that correct?

SENATOR KRIST: I have a legislative resolution being drafted--in fact, that's where I was with the Clerk and the Drafter--that would form a committee to do an interim study that would look at the entire process, how we...the process of doing it and the number of people who were involved.

SENATOR CRAWFORD: Thank you.

SENATOR KRIST: So it's an interim study that...and then what I said earlier in my comments on the mike is, if that were the case, I would invite people to go back to 24/7, they way the rule currently exists, and do the interim study and do it correctly.

SENATOR CRAWFORD: Thank you, Senator Krist. I appreciate your answers and I appreciate your time. That's an important question, I guess, as I said earlier on the mike, to be raised is the question of whether or not we take that pause or whether we go ahead and move forward with the recommendation, the amended recommendation from the Rules Committee. So we've had a Rules Committee proposal after their deliberation and then further deliberation to come up with this 10 hours and...10 days, 48-hour agreement. And the conversation now is whether or not to move to that seven and what I'm hearing from folks associated with the process is that that dynamic, the 7/48 dynamic just really doesn't work. And so if we want the seven hours (sic), it's a tough...it's tough to actually make that happen and get those fiscal notes in 48 hours. So I think that's a...

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SENATOR CRAWFORD: ...a tough choice for us to consider. And possibly the interim study to ask this question and to consider what is possible may make sense. I'm still mixed on that, because if the 10 days, 48 hours gives us something, the real question is, how much does that interfere with committee processes? And that's part of, I think, what's being raised by Senator Wayne's amendment. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Wayne, you're recognized.

SENATOR WAYNE: Thank you, Lieutenant Governor. Although I am a freshman Senator, I used to study and watch the Legislature quite a bit, and it seems the first week has always been tough for everybody in the Legislature, whether trying to figure out who is going to introduce a bill on your behalf or maybe you're going to introduce a bill on somebody else's behalf. But I think it's always tough, but that doesn't mean we delay the job that we have to do as elected officials. In this particular case, if you look at the schedule that was done this year, I know Senator Hansen went through it quite well, but in this case the second day was when, as committee chair, I introduced bills. I introduced bills for the committee on the second day. Third day it went to Referencing, was not published until the fourth day, which means even the technical cleanup bills that should not have a lot of debate that the Speaker asked to try to get out as soon as possible so we can fill time, would not have occurred, nor could I have scheduled them for a hearing under the 10 days. So even if I try to do everything that, in this case, the Speaker had asked to try to get things on the floor, under this proposed Rule change, I would not have been able to do it, even though the first day of bill introduction that we actually got to introduce bills, or the second day, still would not have occurred. While I know it's tough for everybody, we still have a job to do, and I think it's...the efficiencies of making sure we can put committee hearings together, and, yes, for that first week it might be tough for the Fiscal Office, and actually probably through all the public hearings, but that first week they're also not having any public hearings. So maybe that first committee can have a priority, those first committees on that Tuesday have a priority to get those out. And if there's, like in the case that we had where there really wasn't any fiscal note at all, they were fairly simple, we still could not have met the deadline. So I think it's important that as we as a body...we only have so many limited days and, as we've seen, days can get taken up with rules debates, different changes, things on the Internet. We have to make sure we use the time that we have wisely and I think one of those ways is to make sure that we can schedule hearings and bring items to the floor so we can do the work of the people. Thank you.

PRESIDENT FOLEY: Thank you, Senator Wayne. Senator Hansen, you're recognized.

SENATOR HANSEN: Thank you, Mr. President. Again, I am planning on supporting the Wayne amendment and appreciate him bringing it and all of the reasons he just laid out for the first

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week of committee hearings. One thing I wanted to address because I don't think I've heard it yet is we're doing a lot of these changes in order to support one of our resources as a Legislature: Fiscal Office and fiscal notes. And we're working really hard to make sure we can get information from them without overburdening them and I think that's important. I think that's a noble goal. I would support probably more study. I think an LR may be appropriate in this case. However, we have another group that we rely upon that I'm worried that we're now shifting the burden to: our Bill Drafters, Revisor of Statutes Office. All of a sudden, if we pass this Rule change, based on how committee hearings go, we've already given up...pass this Rule change without the Wayne amendment, that is, we've already given up Tuesday and Wednesday hearings for the first week and we're looking at Thursday and Friday hearings only. And those Thursday and Friday hearings which are going to be some of the first bills to get on General File and be the first bills guaranteed to be debated without priority, well, those bills all have to be dropped day two and day three. They all have to be dropped the first Thursday and first Friday. Now Bill Drafters, as I know, we've put a lot of burden and a lot of information and a lot of requests and a lot of tasks on them at that time, and I know that's just the nature, especially with as a term-limited body now we have many new senators who don't know they even will be senators until, you know, 60 days before the session. My worry though is shifting to really emphasize with the 10-day rule, the 10-day notice rule, we're really, really, really, putting more emphasis on day two, three, and four of the session. We're going to have to drop more three-parts; we're going to have to ask more of Bill Drafters. We're going to have to go through all of that process where you do two, three, four, five, six drafts to get a three-part as good as you can, because I've learned quickly in my tenure here your bill is never perfect upon committee inspection. But so that's my worry. So I understand and really, really respect the work of Legislative Fiscal Office and the burdens we place on them. And I understand that in order to get us more information via the fiscal notes earlier, to do, frankly, more informed work in the committee process, I think that's important; I think that's a noble goal. But I'm hesitant to do this on the potentially by shifting the burden to Bill Drafters, especially right around the very first week of session. So that's something I think, minus the Wayne amendment, we should be really concerned about and I frankly would be concerned about as well. If somebody wants to tell me I'm wrong, please come up on the microphone and tell me I'm wrong. But that's my worry and that's one of the reasons I will continue to support the Wayne amendment. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Crawford, you're recognized. This is your third opportunity, Senator.

SENATOR CRAWFORD: Thank you, Lieutenant Governor. I was just talking off the mike with a couple of our chairs of one-day committees and it's my understanding that the 10-day process is particularly a challenge for those committees that are one-day committees. And so once we're up and rolling and running, it's not...there are ways to work around that issue. But we do have our one-day committees where the impact is that those first bills that come in, there just wouldn't

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be that...you would potentially lose one day of your hearing and even that second week the hearing window is very tight. Now I guess, Senator Wayne, I wonder if you would yield to a question.

PRESIDENT FOLEY: Senator Wayne, would you yield, please?

SENATOR WAYNE: Yes, yes.

SENATOR CRAWFORD: So we were just talking off the mike. The first set of bills that come to you, in order to get hearings up and running, the first week of hearings, you would not have had those in time this year; there wouldn't have been 10 days. Is that correct?

SENATOR WAYNE: Yes, this year we would not have had because referencing was not completed and actually posted till day four, and that would have put us outside of the 10-day window, for example, using this year.

SENATOR CRAWFORD: So I guess that raises a question about, again, the technical process and all the moving parts. So it perhaps raises an issue about whether or not there might be an allowance in terms of juggling all of those bills coming in and trying to make some kind of allowance for those one-day committees in terms of a tighter time line for them, if making some allowance that allows those committees to have the...less time, and the committees that are multiple days to have more time. I don't know. I also haven't really had a chance to think through what that means for our two-day committees and if they are similarly impacted to the one-day committees. I understand the one-day committee. So this I think is an issue that really does raise that question about whether it's a matter of needing more time and attention to this Rule change in terms of its impact on all of our processes. So I appreciate Senator Wayne bringing this to our attention. I'm concerned. I don't want to pass something that puts us in the situation that Senator Stinner is saying where we're not able to have quality fiscal notes. On the other hand, it is a problem of what we're going to do about these one-day committees and this impact it has on one-day committees. Now perhaps what we need to do is...another way of moving forward is we move forward with the 10/48. And one of the things that will be in that we'll work in our proposed Rule change for that...in that period next year is trying to figure out some way of addressing this problem and challenge for our one-day committees. But it's a serious question and I guess at this point we have to recognize if we go with 10 (days) and 48 (hours), we are going to...

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SENATOR CRAWFORD: Thank you, Mr. President. We are perhaps going to lose one week of hearings for those one-day committees. Perhaps that's a reasonable cost or...and it pushes that back, but we have better information for the hearings that we have. It's a serious question, serious concern. And so I don't have an easy solution to that...answer to that question. So I will close. And I don't know if anyone else wants to comment or has...wants to comment on that trade-off. It appears to be it's important as we move forward that we recognize if we move forward with the 10 (days) and 48 (hours), we are making a trade-off in terms of losing a hearing window, especially for those one-day committees. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator McCollister, you're recognized.

SENATOR MCCOLLISTER: Thank you, Mr. President. Good morning, colleagues. I've found this debate to be very educational. I think we have a pretty good Fiscal Office. They do a magnificent job for us. The numbers I've found to be fairly accurate, impartial, and well done, so the group does a great job. And I'm also looking forward to the interim study that Senator Krist will sponsor, because that will affirm that the procedures that we pass here today and have established in the past are effective and proper for this body. So thank you very much for the education. And thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator McCollister. Senator Howard, you're recognized.

SENATOR HOWARD: Thank you, Mr. President. And I apologize. I was off the floor for a little while dealing with a family matter. I've been spending a lot of time reading the history of the Unicameral. And Senator Wayne actually brought up an interesting point about efficiency. It appears throughout the years there's always been a tension between efficiency and full and fair debate and having enough information to pass statutes that are constitutional, that are quality, that are worthwhile. And so I was hoping Senator Wayne would yield to a question.

PRESIDENT FOLEY: Senator Wayne, would you yield, please?

SENATOR WAYNE: Yes.

SENATOR HOWARD: Certainly. Senator Wayne, I apologize. I missed some of the debate previously and I was hoping you could walk me through your Rule change just because I don't have a copy of it on my desk.

SENATOR WAYNE: My Rule change strikes out the seven...or, sorry, strikes out the 10-day on amendment, Rule 3, Section 14, for public hearings; it strikes out, the third line where it just says

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"at least ten," strikes out the word "ten" and changes the...and adds the words "seven calendars days' notice."

SENATOR HOWARD: So is the rule currently 10 days or is it currently 7 days?

SENATOR WAYNE: Well, the rule actually is currently seven, but then we just adopted an amendment from earlier last week from Senator Stinner to move it to 10 days. So if the proposal goes forward, it will be 10 days.

SENATOR HOWARD: And how does that impact your committee?

SENATOR WAYNE: It impacts the committee in the sense of, for example, this year, introducing bills on day two, we still would not have been able to have a hearing the first week of hearing because the referencing would not have been posted until day four. So if we were under the 10-day rule which Senator Stinner is proposing, the first week of hearings would not have happened.

SENATOR HOWARD: Thank you, Senator Wayne.

SENATOR WAYNE: Thank you.

SENATOR HOWARD: Would Senator Stinner yield to a question?

PRESIDENT FOLEY: Senator Stinner, would you yield, please?

SENATOR STINNER: Yes. Yes, I will.

SENATOR HOWARD: Thank you, Senator Stinner. Can you tell me the reasoning behind the 10 days of notice? Senator Wayne brings up an interesting point that he wouldn't have time to put together a hearing.

SENATOR STINNER: The 10-day has to do with trying to accommodate the 72 hours. So as we started to work through the process, as I said before, the standards have to be held. That's where you start the conversation. We've got to have an excellent product because we're making billions and billions and billions of dollar decisions, right? So it has to be held here. What's possible if we have to go and we kind of work through that whole series of things, that work flow that happens, the interaction between agencies, those types of things? And that was the number. We said, okay, if we go to 48 hours, we need to maintain that standard, we have to have 10 days. If

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we go to seven hours (sic), then it has to go back to the 24 hours. It's just absolutely impossible to maintain the standards at the level that they're at and not have it go back to 24 hours. So it's a hand-in-glove type of thing, one really kind of...what the notice does, the 10 days, it really notices the agencies: Hey, it's going, we need to prioritize and we need to get this back to the Fiscal Office. So that's kind of the driver of it. And I get what Senator Wayne is talking about, seven days, but there's a workaround somewhere in that, I would presume.

SENATOR HOWARD: And, Senator Stinner, would you say that this would...this 10-day hearing notice would really only impact those one-day committees as opposed to the three-days?

SENATOR STINNER: It will have an effect on one-day committees, yes.

SENATOR HOWARD: Okay. And in your opinion, and it's just an opinion, do the one-day committees carry as large of a load as, say, a three-day committee?

SENATOR STINNER: You know, I don't know that. I haven't paid attention. I've just kind of paid attention to Appropriations. Sorry.

SENATOR HOWARD: Which we appreciate. Senator Wayne, would you yield to a question?

SENATOR WAYNE: Yes, Senator.

PRESIDENT FOLEY: Senator Wayne, would you yield, please?

SENATOR WAYNE: Yes, Senator Howard.

SENATOR HOWARD: How many bills is your...have been referenced to your committee this year?

SENATOR WAYNE: Approximately 23...27 now, sorry.

PRESIDENT FOLEY: One minute.

SENATOR WAYNE: Correction: 27.

SENATOR HOWARD: Senator Albrecht, would you yield to a question?

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PRESIDENT FOLEY: Senator Albrecht, would you yield, please?

SENATOR ALBRECHT: Yes, I will.

SENATOR HOWARD: Thank you. How many bills have been referenced to your committee this year?

SENATOR ALBRECHT: 32.

SENATOR HOWARD: Thirty-two, all right. Is Senator Larson on the floor?

PRESIDENT FOLEY: Senator Larson, would you yield, please?

SENATOR LARSON: Yes.

SENATOR HOWARD: I think he knows the question that I'm going to ask. How many bills have been referenced to your committee?

SENATOR LARSON: Ten.

SENATOR HOWARD: Ten bills? All right. So perhaps this hearing notice issue really isn't a larger one for you?

SENATOR LARSON: It's not as large, but I understand the problems that one-day committees face. And obviously General Affairs and Business and Labor, we lose hearing days anyway because of holidays, so. And that makes it difficult, regardless if you have...

PRESIDENT FOLEY: Time, Senator.

SENATOR LARSON: Was that time?

PRESIDENT FOLEY: That's time, Senator. Thank you very much.

SENATOR LARSON: Sorry.

SENATOR HOWARD: Thank you.

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PRESIDENT FOLEY: Thank you, Senator Hansen (sic). Senator Pansing Brooks, you're recognized.

SENATOR PANSING BROOKS: Thank you, Mr. President. I'm understanding that this affects Education a little bit, because something about after Martin Luther King Day. Senator Wayne, would you yield to a question, please?

SENATOR WAYNE: Yes.

PRESIDENT FOLEY: Senator Wayne, would you yield, please?

SENATOR WAYNE: Yes.

SENATOR PANSING BROOKS: So could you explain...I'm sorry. I've been in some meetings on and off the floor too. So could you please explain what's happening on Education Committee with respect to Martin Luther King Day?

SENATOR WAYNE: I don't sit on Education Committee so I couldn't speculate on...

SENATOR PANSING BROOKS: Okay, something about Martin Luther King Day is on a Monday, so the two-day committees would be affected.

SENATOR WAYNE: Well, I can explain for my committee. So for the next five years, the second week of our session...for the next four years, the second week of our session is going to start on week two. Our week two is going to start the day after Martin Luther King Day, so the first committee hearing for at least the next four years would still be the second week, which would be the day after Martin Luther King Day, and with the 10-day notice, we would essentially have to be bumped until the following week. So we would miss one week of hearings.

SENATOR PANSING BROOKS: Okay. So for Education Committee, is Senator Groene in here? Nope. Okay. Education and Judiciary are the two committees that have the highest load of bills, and so to miss a week of hearings, I presume, for Education would be quite significant. So I'm just...have you talked with Senator Groene about that, Senator Wayne?

SENATOR WAYNE: I have not. I have not seen him.

SENATOR PANSING BROOKS: Okay.

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SENATOR WAYNE: Talked to him earlier but not about this issue.

SENATOR PANSING BROOKS: Well, thank you. Thank you for answering those questions. I was talking with Senator Crawford, and she had some enlightening information and was helping to explain some things to me. So, Senator Crawford, I yield my time to you.

PRESIDENT FOLEY: Senator Crawford, 3:00.

SENATOR CRAWFORD: Thank you, Senator Pansing Brooks. I think some of the conversation that we were having was trying to have a conversation about whether or not it would be possible to allow if the seven-day window was what needed to be met, especially at the beginning, if those cases would, if it's a seven-day window, the fiscal note is a 24-hour fiscal note; and if the 10-day window...at least the 10-day window gets hit, it goes to 48 hours. So that could provide some ability to address this challenge that happens in the first week for hearings for committees without pushing the...back to seven (days) and 48 (hours) for the whole session, which you could see the way that that would...I can understand the concerns about the impact that might have. So I wonder if...but then again, one of our challenges is trying to make these kinds of changes on the floor. The floor debate raises these important questions and the issue is which of those changes are appropriate to make on the floor and which of those changes are changes that really need to be assessed and given time with a committee. So I am concerned about trying to make that change today. But there may be others who are willing to see if we can push that conversation. The concern is if there is a way to strike some middle ground so that we have the shorter time and recognize that comes with a shorter time window for fiscal notes in that first window...

PRESIDENT FOLEY: One minute.

SENATOR CRAWFORD: Thank you, Mr. President...but then allow this agreement that was discussed with the 10 days and 48 hours in for...as the general rule. So I wonder if Senator Stinner, if he has a chance, if he would want to comment on whether or not there could be some allowance. Another issue is if the general rule was passed with it being 10 (days) and 48 (hours), if there could be some allowance and agreement of special attention in the Fiscal Office to recognize pushing and getting those first week notes out, the first, those bills sometimes introduced at the beginning and schedule...that we want to schedule at the beginning are sometimes simpler and so there could be some attention to making sure that those notes...

PRESIDENT FOLEY: Time, Senator.

SENATOR CRAWFORD: Thank you, Mr. President.

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PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Blood, you're recognized.

SENATOR BLOOD: Thank you, Lieutenant Governor. I would yield my time to the esteemed Senator Crawford.

PRESIDENT FOLEY: Senator Crawford, 5:00.

SENATOR CRAWFORD: Thank you, Senator Blood. So now I would ask, if Senator Stinner is on the floor, if he would yield to a question.

PRESIDENT FOLEY: Senator Stinner, would you yield, please?

SENATOR STINNER: Yes, I will.

SENATOR CRAWFORD: So I think you've heard some of this conversation about the challenge of what goes on for committees, especially in that first week in terms of that seven days. It appears that that's the real barrier on the...that's the real challenge for the seven days that after we get past that first week, the 10 days is not as much an obstacle to committees. And so I wondered if you had heard the conversation. I mean, do you think it would be possible to have some kind of allowance for those bills that are coming in or recognition of attention to a faster process for those bills that are coming in during that first week?

SENATOR STINNER: Again, we're plowing a little bit of new ground in this thing. Anything is possible. But I'd have to again go back with it just needs to be studied. The easy answer is everything gets pushed back, so the 10-day fits. That's an easy answer. Now, is that acceptable to the body or not acceptable to the body? If it isn't acceptable to the body, then we really need to take a step back and see how we manage this and it's going to be a management process between Fiscal and those committees. And is there a solution? Of course, there is a solution. But I think that it really needs to be looked at committee by committee by committee because you've got different bills coming with different complexities, with different fiscal notes, different types of fiscal notes. All of that has to be considered, so.

SENATOR CRAWFORD: I appreciate that, Senator Stinner. With those considerations and complications, I am leaning toward voting against the rules changes and really saying that the rules changes in terms of the time line, recognizing that we...it is an issue that has complications that needs to be assessed. It's a very tough choice, though, because the...to shift, it is just...it is a temporary crush...crunch in that first week. And so I would rather we figure out a way to push through that first week so that we get the advantage of 10 (days) and 48 (hours). But I recognize

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that challenge of keeping it at 10 (days) and 48 (hours), so I'm not going to support this amendment even though I recognize that challenge it poses for that first week of hearings. And we'll see what else is discussed in debate in terms of trying to...whether or not it's good to go ahead and move to 10 (days) and 48 (hours) right now or whether or not that needs further conversation. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Hansen, you're recognized. This is your third opportunity, Senator.

SENATOR HANSEN: Okay. Thank you, Mr. President. I'm going to do something I don't do often. I'm going to disagree with my esteemed colleague, Senator Crawford. I think the Wayne amendment is important to have in order to protect that first week of hearings and I think that is something we need to look at as a body. I turned on my light because Senator Pansing Brooks was asking questions about how this would impact Education Committee. And I, like Senator Wayne, Chairman Wayne, focused on one-day committees because I serve on two one-day committees. But just to kind of get that on the record of how this would impact Education, it is my reading of the calendar and my reading of how bills reference, Education for the next few years is going to miss Monday of the first week of hearings because it is Martin Luther King Day and obviously a federal holiday and a state holiday. And it is going to miss Tuesday because it will not have been 10 days since bills are referred. And likely, all the three-day committees are going to miss Wednesday hearings because of the time line because bills are typically referred that very first Monday. Now, if we want to start getting into it and we start introducing bills immediately after we swear in people day one, then we get Referencing, we get Exec Board to really crank them out and pop them out on General File...not General File, referenced in the...get the Reference report in the Journal on day two, this changes the calendar. But now we're talking about changing how, you know, a very special committee operates and changing all sorts of different time lines. And I'm sure there is so many things going on first day with office moves and Committee on Committees and all of that, that that's unlikely. But just in terms of, you know, how this would impact the two-day committees, like I said, you know, it's not just Education. It's going to affect Transportation; it's going to affect Banking. As we've already mentioned, it's going to effect Urban Affairs and Agriculture. So already this year we've debated on General File and moved forward three bills that have come through a two-day committee. So we've done, you know, Morfeld's LB56 through the Banking, Commerce and Insurance Committee, you know, dealing dealing with CPAs. We had Senator Brasch's Ag cleanup bill for LB134 which came through Ag and we did Senator Watermeier's Military Honor Plates update which came through Transportation and Telecommunications, LB45. All three of those bills we've had the opportunity to debate, we've moved forward, and are now sitting on either E&R Initial or have made it to Select File. Those wouldn't have been possible to have been reported to the floor until, at earliest, yesterday if they were heard and Execed on Monday hearings this week, which means that we could not even begin starting the debating these bills until today, assuming they were

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then still the first thing in General File order, which we obviously know they likely wouldn't. You know, the three-day committees--Government, Judiciary, Natural Resources--might have kicked other things out. So it's going from, you know, having a trade-off where the two-day committees lose a day of hearings but still have the opportunity to get some bills out first on General File or completely cutting them out of the process and giving all the three-day committees an opportunity to both have hearings first, have more hearings, and get those things out first on General File. Now, I understand, you know, say...I personally, you know, was very appreciative of LB45, the Military Honor License Plates. I had a constituent who is a naval reservist who had contacted me. And it had been a process I had been looking at and, you know, was very glad to see that Senator Watermeier brought the bill and that the Transportation Committee and senators there prioritized it, or prioritized it for an early hearing, rather, and got it out in debate. That's something that directly impacts my constituents and I'm very glad to see. I'd be disappointed to lose that opportunity all together if we had to wait a couple weeks if it all of a sudden was, instead of the fourth bill on General File, it was the 24th bill on General File...
[LB56 LB134 LB45]

PRESIDENT FOLEY: One minute.

SENATOR HANSEN: Thank you, Mr. President...or whatever we're at now. So I just wanted to make that clear for all of the committee members of...I guess we're all, outside of everybody who is on Appropriations, we're all on a two-day committee or a one-day committee. This is going to impact that. We're going to lose Education the first week. We're going to lose Banking the first week. We're going to lose Transportation and Telecommunications the first week, going to lose Urban Affairs the first week. We're going to lose Ag the first week if we don't adopt the Wayne amendment. Now I understand that the Wayne amendment has some conflicting connections with time lines and agreements and negotiations, so that's maybe something we should deal with. But I still think we should deal with the Wayne amendment, adopt the Wayne amendment, and if we need to go from there to adjust the time lines, we'll possibly need more amendments to proposed Rule change 2. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Howard, you're recognized.

SENATOR HOWARD: Thank you, Mr. President. I'm still kind of trying to figure out what's going on here and so I was hoping...I always like to go to history and so I was hoping Senator Chambers would yield to a few questions.

PRESIDENT FOLEY: Senator Chambers, would you yield, please?

SENATOR CHAMBERS: Of course I will.

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SENATOR HOWARD: Thank you, Senator Chambers. Can you tell me, has there ever been a time when we changed the time line for fiscal notes previously?

SENATOR CHAMBERS: I'm not aware of that having happened, but that doesn't mean it never has.

SENATOR HOWARD: And what about changing the hearing notices? Have we ever changed that before either?

SENATOR CHAMBERS: Same answer. These are what I would call esoteric-type questions which don't arise often. So they could have been discussed. Maybe something had even been done, but that does not stick in my mind as something that has happened.

SENATOR HOWARD: Okay, thank you, Senator Chambers. Would Senator Stinner yield to a question?

PRESIDENT FOLEY: Senator Stinner, would you yield, please?

SENATOR STINNER: Yes, I will.

SENATOR HOWARD: And you and I had been talking off the mike because I was trying to figure out how the seven days versus the 10 days impacts the 72 (hours) versus the 48 (hours) or 24 (hours).

SENATOR STINNER: Right.

SENATOR HOWARD: Okay. And so if we make this change without making any change to the 72 (hours), that will be bad for the Fiscal Office.

SENATOR STINNER: It would be a disaster. But we have right now approved 29-6 an amendment that I put in that was passed 29-6 that currently is 10 days and 48 hours.

SENATOR HOWARD: So sort of a middle of the road?

SENATOR STINNER: So if you change it back from...to seven days, the 48 (hours) is still in there. So it's still a problem.

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SENATOR HOWARD: Okay. Can you tell me a little bit about the process of creating a fiscal note and what goes into that?

SENATOR STINNER: Yeah. You know, I actually have a flow chart on it but I won't bore you with those details. But basically what happens is a bill drops here. It goes to Fiscal Office. They pick it up and they take a look at the bill. That means, the taking a look at it, means reading, reading it. So it gets referenced to whoever that fiscal analyst is that is the expert in that field. So they read it and then they send it to the agency for them to review it to see what kind of fiscal note or fiscal impact that bill would have. And many times if the bill is crafted perfectly, then they can really work with it. Many times they're guessing on some language and stuff like that, so it might slow the process down. But as...and many times agencies...of course, now we're cutting the budget, cutting staff. Doing that is going to put even a bigger burden. Many times agencies really don't start working on that fiscal note and gathering that information until it's put up there and listed for hearing. And so that's when they'll start working on it. Fiscal Office needs two to three days after the agency has it to actually draft, depending on complexity of that. They can do it sometimes in 24 hours, you know, up to two, three days, to take a look at what that agency has said in their fiscal note. And if it reconciles with what they understand, then it's probably an okay thing. Sometimes there is a divergence of opinion and they get to back-and-forth, gathering information. So it's a process that varies on complexity, size of bills, different agencies, those types of things. But then it obviously that bill then gets uploaded into the computer, which generally is 24 hours, and that really is a heads-up for the staff. If you have staff, and you and heard Senator Kuehn I think was asking the question the other day, it gets uploaded so the staff needs to know that they can look at that. It will give you a little more lead time into it. But that's kind of the process.

PRESIDENT FOLEY: One minute.

SENATOR STINNER: And it varies depending on what type of bill you have, what agency you're dealing with. PRO can get involved with code, Budgeting Office. The Governor's Budgeting Office can get involved for legitimate reasons, but there is a lot of moving parts.

SENATOR HOWARD: Thank you, Senator Stinner. And just so I'm clear, there are more barriers than just the Fiscal Office not being timely. It's a matter of the agencies maybe not being aware of the necessity for analyzing the fiscal impacts until we get the hearing notice. Is that correct?

SENATOR STINNER: Yeah. There is a lot of moving parts and a lot of people involved in the process that could either speed it up or slow it down. It's a coordinated effort though.

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SENATOR HOWARD: And there could also be a barrier in terms of the language of the bill, too,...

SENATOR STINNER: Yes.

SENATOR HOWARD: ...if it's not sort of in its final form?

SENATOR STINNER: Many...you know, in the...

PRESIDENT FOLEY: Time, Senator.

SENATOR STINNER: Many times...

PRESIDENT FOLEY: That's time, Senator.

SENATOR STINNER: ...the analyst has to look at the agency...

PRESIDENT FOLEY: Senator, that's time. Thank you.

SENATOR HOWARD: Oh. Thank you.

PRESIDENT FOLEY: But, I'm sorry, Senator Howard, you're actually next in the queue. You may continue. This is your third opportunity.

SENATOR HOWARD: Thank you. As you were saying?

SENATOR STINNER: I'm sorry. We're still good?

SENATOR HOWARD: Oh, yeah, we're still doing it.

SENATOR STINNER: Okay.

PRESIDENT FOLEY: 5:00.

SENATOR STINNER: Thank you. I can't even remember where I was at with the conversation.

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SENATOR HOWARD: That's okay. So we were talking about how sometimes the language that gets put in is not the final form and that can slow down the Fiscal Office as well as the agencies maybe not being as timely. And so I think...thank you, Senator Stinner.

SENATOR STINNER: Yeah. Thank you.

SENATOR HOWARD: I think what I'd like to say is that I'm reluctant to support a Rule change that goes to seven days when we haven't worked with the Fiscal Office and the changes that they would need to make in terms of their timeliness. If they need 48 (hours) or 24 (hours) to go with the seven days, then we certainly shouldn't adopt this Rule change without their comfort being there. I have a lot of esteem for the Fiscal Office and I think we should definitely pay attention when they tell us what they need in order to give us the information that is necessary for us to make really thoughtful decisions about legislation. And with that, I would urge the body to vote red on Senator Wayne's proposed rule amendment and I thank you for your time. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Howard. Senator Wayne, you're recognized to close on your amendment.

SENATOR WAYNE: Thank you, Lieutenant Governor. We are actually currently at seven (days). It was Senator Stinner's amendment to the rules that is moving it from 10 (days) to 48 (hours). But we are currently at seven days and 24 hours. And so if it's been working that way, maybe we should continue to keep it working that way. My only point in bringing this amendment is that the committee that I chair and other committees like this one-day committee, particularly on Tuesday, would have essentially a dead week, which is not I think in the best interest of moving legislation forward. And although this year we have 27 bills before this committee, we are tackling some big issues, one, TIF, in particular. We have six bills on TIF. And this is a conversation that this committee is going to tackle because, one, the state is demanding that we do so and local municipalities are asking that we help provide guidance on TIF and maybe make it better if we can. There are other issues that are before the committee, sometimes very controversial, such as code changes. This year we have a bill on code changes between building codes and day-care codes. That is a really important bill for particularly those in north Omaha and south Omaha where many day cares, in-home day cares are being closed. That's going to be a heavily conversation that needs to occur and I see more bills like that coming in the future. So I think it's critical that we allow committees to have all the hearing days that are possible within the legislative session. And I do understand that there are some concerns about the seven days in the Fiscal Office and I would be in favor of going back to the original seven day and 24 (hours) if need be. But I would ask you to vote green on this, if nothing more, to make sure that we as state senators and those who sit on those committees can perform our functions that we were voted to

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do instead of delaying it for a week of having another dead week in a committee. I think it's important that we get those bills heard, that we get them on the floor and we move legislation forward. Thank you.

PRESIDENT FOLEY: Thank you, Senator Wayne. Members, you've heard the debate on the Wayne amendment to proposed Rule change number 2. All those in favor vote...

SENATOR WAYNE: Call of the house.

PRESIDENT FOLEY: There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; those opposed vote nay. Record, please, Mr. Clerk.

CLERK: 31 ayes, 2 nays to place the house under call, Mr. President.

PRESIDENT FOLEY: The house is under call. Senators please record your presence. Those unexcused senators outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. Senator...oh. All members are present. We'll now proceed to the vote. The question is the adoption of the Wayne amendment. All those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please, Mr. Clerk.

CLERK: 12 ayes, 29 nays, Mr. President, on the amendment.

PRESIDENT FOLEY: The amendment is not adopted. Raise the call.

CLERK: Mr. President, I have nothing further pending to the proposal from Rules Committee identified as number 2.

PRESIDENT FOLEY: Senator Hansen, you're recognized.

SENATOR HANSEN: Thank you, Mr. President. Just because I know we might be quickly going to a vote here on proposed rules change 2, I will not try to take up too much time, can...will Senator Harr yield to a question?

PRESIDENT FOLEY: Senator Harr, would you yield, please?

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SENATOR HARR: Yes, I will.

SENATOR HANSEN: Senator Harr, would you just walk us through the process, the amendments we've adopted and the amendment we just voted down, so what the current proposed rules change 2, as amended, looks like.

SENATOR HARR: Man, do you have five minutes?

SENATOR HANSEN: At least four left.

SENATOR HARR: (Laugh) Yeah, so...and thank you for the question. And this is a compromise and, like all compromises, it's never perfect and not everybody is happy. But what we're trying to do...and I have my light on if I go beyond the time.

SENATOR HANSEN: Thank you.

SENATOR HARR: But what we're trying to do is figure out how do we get fiscal notes to senators so we have enough time to talk about them, so we get enough time to challenge and look into them. This bill says 10-day public...10 days before a bill's hearing date, you've got to give public notice, so 10 days, 10 calendar days. So if I have a hearing on February 10, it has to be...notification has to go out February 1. All right? And then if you look at the sheet given to us by Senator Stinner, it feeds it that it has to be back...and, gosh, I think we changed it to within three business days was one of the changes we made, three days prior to LFO release. So that's the agency has a three-day. This gives the Fiscal Office four to five days prior to the hearing to do a fiscal note and then we get it 48 hours ahead of time. And that's what's important: that we get it 48 hours ahead of time. The controversy isn't what happens in the middle. The controversy is on the edges, 10 days prior and that first...and that 48 hours. And it's a compromise worked out with the Fiscal Office and myself knowing the frustrations that we have.

SENATOR HANSEN: Okay. I think I'm following. But we measure some things in calendar days and some days in business days. Is that correct?

SENATOR HARR: Okay. I...that's a good question. I suppose it would be two business days ahead would be the fiscal note, yeah.

SENATOR HANSEN: Okay.

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SENATOR HARR: I don't know. We've talked about this so much, I'm a little confused myself. But I think it's basically you have to get it there two days ahead of time.

SENATOR HANSEN: Okay.

SENATOR HARR: So if you have a Monday hearing, I'm assuming you have to get...well, it's my belief that you should have it on Thursday. If you have a Tuesday hearing, you should get it on Friday.

SENATOR HANSEN: Okay. I think that...I think I'm following better now, so thank you, Senator Harr.

SENATOR HARR: Thank you.

SENATOR HANSEN: Colleagues, I made it clear on the microphone that I was a big supporter of Senator Wayne's amendment. I'm still a little lukewarm on Rule change 2. As much as I would like more notice on fiscal notes, I'm not sure if trading three days of committee hearings is worth that trade, which is my understanding of how all these components will work together. You know, again, just to really hammer the point home, I know I'm kind of talking, talking, talking on it. But we're going to give up, we're going to give up any hearings of a two-day or a one-day committee the first week and we're going to give up the Wednesday hearing of a three-day, and our hearings on Thursday and Friday of the first day of hearings are only bills introduced day two and day three, respectively. I mean that really is going to change what the first week of committee hearings looks like. It's going to change what the first week of General...first couple weeks of General File debate look like in terms of what bills are even actually eligible.

PRESIDENT FOLEY: One minute.

SENATOR HANSEN: It's going to really change our...thank you, Mr. President. It's going to really change our dynamic on the floor. I don't know how I'm going to vote on proposed Rule change 2, so I guess I'll have to come to terms with that pretty soon. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Harr, you're recognized.

SENATOR HARR: Thank you. And thank you, Senator Hansen. Once again, you are liberal and wrong. How is that? (Laughter) I understand your concerns but they're not accurate. How is that? Is that more delicate? We are not getting rid of the first week of hearings. We will still have first-week hearings. Is it going to look a little different? Yeah, you bet it is. Is it incumbent upon the

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chairs to be aware of this Rule change? Yes. But we all are and we all will be. What we will do is you better have bills ready to go. If you are a committee chair, you better have bills ready to be introduced. You won't lose that first Tuesday. That first Monday is already gone because of Martin Luther King Day. So that is off the table. Let's get that clear. So then you have to worry about that first Tuesday. If a bill...I challenge anyone to go look at a calendar. If you look, if a bill is introduced, you're still going to have 10 calendar days. You're still going to have the ability to do what we need to do: the people's business. Is it going to be a little more difficult? You bet. Is it going to be a little challenging? Yes. But you can have your appointments because the Governor makes appointments over the interim. You can do cleanup bills because you're doing a cleanup bill, you're going to be working with the Fiscal...or with the agency, most likely, and they're going to know what the fiscal note is: probably zero. But they're also going to know, and you're going to go to them and say, hey, by the way, I'm going to schedule your bill early but, in return, be ready. All right? Turn that around right away. It's going to take communication, just like everything else in this building. And so you're going to have to be able to say, hey, I want to give you a heads-up. But I think that's a more than fair trade-off for the fact that we get to have fiscal notes ahead of time. We can talk about our fiscal notes with the Fiscal Office and actually have time to have interaction with not just the Fiscal Office, but with the agencies to talk about what is important or what isn't important or why they came up with the assumption they did. And there are assumptions in fiscal notes, folks, not all fiscal notes but some. So that's what this is going to give us: expanded ability. I appreciate Senator Hansen's concerns. He knows I was joking earlier. But I think, you know...and I appreciate that Senator Wayne brought this to our attention and we're going to have to talk about it. And, you know, the other missing link that we don't talk about is Exec Board. Exec Board is going to have to meet and reference bills right away. And, you know, now they meet on day three; they're going to have to meet a little earlier. But again, what we're talking about is not impossible. Does it require some change? Yes. Does that change, is it worth what we want, which is time to really analyze our bills? I know Senator Craighead over there had a bill the first day of Revenue and I looked at her. She said, I was a little surprised by the fiscal note. And...or she said that and I said, well, would you like more time? And she said that might have been helpful. And I told her help is on the way. Folks, help is on the way. That is what this proposed Rule change number 2 does. It allows us to make decisions. It allows us to study and analyze and to disagree if we have to, at times, with Fiscal. But, you know, we can be educated in our disagreement. We can't just go in there and say that's wrong. We can ask them, how did you come up with that assumption? How did you come up with that number? And they can tell us and we have time and they aren't as stressed out. We aren't creating any more work than what they do today.

PRESIDENT FOLEY: One minute.

SENATOR HARR: All we're doing is moving time lines. We're shifting the work. There isn't one additional thing they have to do that they aren't doing already. I appreciate the hard work that

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Senator Stinner has put into this. I appreciate the hard work and many restless nights that Mr. Calvert has put into this from the Fiscal Office. There has been a lot of thought that goes into this, not just what you saw on the floor today. There was good debate, by the way, this morning, and I appreciate that. I appreciate the questioning and it's good. We need to question our fundamentals. We're a young body and so we have to see why people did what they did in the past and how they came to that conclusion. That's what we're doing here. And maybe we change a little after we question things. Maybe we don't. But it's good to have the conversation. I want to thank all those who talked on it, spoke on this, this morning. I am going to support proposed Rule change number 2 even though it's a little different than what...

PRESIDENT FOLEY: Time, Senator.

SENATOR HARR: ...came out. Thank you.

PRESIDENT FOLEY: Thank you, Senator Harr. Senator Chambers, you're recognized.

SENATOR CHAMBERS: Thank you. Mr. President, I would like to ask Senator Harr a question.

PRESIDENT FOLEY: Senator Harr, would you yield, please?

SENATOR HARR: No. I'm kidding. Yes, for you.

SENATOR CHAMBERS: I don't blame you at all. (Laughter) Senator Harr, if this amendment is not adopted, what will the result be and how would such a result be harmful if it would be harmful? I'm not talking just about a preference but what actual harm would be done were it not to be accepted.

SENATOR HARR: Thank you, Senator Chambers. If this were not to be adopted, we would go back to the broken way we do fiscal notes now, meaning it would be a seven-day notice. There would be a rush downstairs to get them done within 24 hours. They will be sometimes. They will be most of the time. They won't be all the time. They'll come in maybe 1:30, maybe a little later, but you'll be in hearings. And all you'll have is that next morning and you better hope you don't have a bill up that morning and you better hope you don't want a debate on whatever that subject is if you disagree with that fiscal note because that's your only chance to look at it before your hearing. And then if you don't have time or you disagree and the Fiscal Office hasn't had enough time to go to...back to the agency to find out how they got their number and what their assumptions were, then you go to a hearing and in that hearing you will say, "I disagree with the fiscal note but," and then you'll give your presentation. And it's a waste of everybody's time

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because maybe that fiscal note is right, maybe it isn't, but you're going to be there. And I guarantee you, when people see a fiscal note, especially this year, they're going to tune you out, especially when you say, I disagree with it. Well, you know, why do you disagree with it? Well, I haven't had a chance to talk to Fiscal. So this extra time gives us time to be better educated for our hearings.

SENATOR CHAMBERS: Now, Senator Harr, I've been trying to find out and determine and follow, while doing other things, the work that you and Senator Stinner had collaborated on. Is this one of those amendments in the current form we find it in now?

SENATOR HARR: Yes and no. And I don't mean to be long-winded. This was presented to me...I originally said, okay, we're giving a longer runway on the public notice and so I would like going from seven to 10, which is an additional 72 hours. But on the other side, you're only going from 24 to 28, and so I thought it should be at 72. We took it to a vote and I lost. But I agree with this now, because it's still an improvement from where we are today for both sides.

SENATOR CHAMBERS: I don't think I see Senator Stinner, but does he agree with this amendment in the current form?

SENATOR HARR: Yes.

SENATOR CHAMBERS: Thank you. Members of the Legislature, there are many things that happen around here which defy logic and especially when it comes to referencing bills. Since there is no burning issue in front of us today, I'm going to spend time talking about some other matters that are of great concern to me. I want to see the Legislature become great again. I want to see the Legislature adopt a policy of logic, rationality and, for the sake of the public,...

PRESIDENT FOLEY: One minute.

SENATOR CHAMBERS: ...predictability. I'm not going to mention specific bills today, but I am in the not too distant future. And I still am very upset with, disappointed by, and determined to resist the kind of things that were spawned by what happened the first day. That's all I'll say at this point. My light is on again. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Chambers. Senator Hansen, you're recognized.

SENATOR HANSEN: Thank you, Mr. President. And thank you again to Senator Harr for addressing my comments and my questions and on his own time as well. I will say you did pull

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what I believe is a classic attorney maneuver: You called me wrong and then said exactly what I said in different words. (Laughter) So I still do have those concerns. I know it doesn't completely eliminate the first day of hearings. I know that maybe Exec Board can kick it up into a higher gear and get bills referenced out sooner or what have you. Maybe that's kind of like we do at the end of session sometimes and we stand at ease for a little bit and they go, come back, and report. Maybe that's a decision our Exec Board Chairs and our Speakers can have in the future. I still do, the concerns for me still are there that the...we're losing a couple days and changing it up. I know it's on us as senators to be prepared and to be ready and to accommodate and understand rules changes. The only other thing I just had, and then I regret that I haven't brought this up the whole time, and this is more of comment--I don't have a question for anybody; I might have asked Senator Stinner if he was in the room, but I don't think he is--is, my understanding is, that when we adopt these permanent rules, this change will go into effect for this year, which means overnight the Legislative Fiscal Office is going to have to go from the 24 (hour) standard to the 72 (hour) standard. Just in case anybody else was coming slow to the realization like I was, I hope everybody is now on notice and they're maybe prepared to work a long weekend or something. So they have my understanding and my sympathy of that and I appreciate all of the work they do. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Chambers, you're recognized.

SENATOR CHAMBERS: Thank you. Mr. President, members of the Legislature, we are going to hear contradictory positions taken by people based on what is convenient. One difference between me and maybe everybody else in here...I say maybe because I don't know all of the new people well enough to be sure what direction they're going to go, although I have some indications on some. I cannot have a total picture because there are certain situations that the new senators have not yet been confronted by and I don't know how they will react. Are they starting to feel a sense of independence from the ones who sent them here and made them take oaths, make promises before they even knew what was going to be done because it was so important to get into this place that self-respect was thrown out the window? How can a person swear--and I'll use that term advisedly but it amounts to an oath and a swearing--what you're going to do in a situation when you don't even know the facts governing that situation? All you want to do is be in this Legislature. There are predators out there who will prey upon people who are ignorant not in the sense of being incapable of learning but that they lack knowledge and information because they have not been in a position to acquire such knowledge. It's one thing to read books, to talk to people, to speculate, and another thing to be on the ground in the situation where you begin to understand what the dynamics of this Legislature really are. You won't know that until you've been here. You're going to be disappointed by some people. You're going to be disappointed with yourself because you're going to find that that nonsensical, foolish oath that you took now, in the real world, goes contrary to what you believe. So the question will be, whom shall you serve? And you'll make the decision to serve the one that spent money to get you here. I've been here

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long enough to see that. I've read statements that people who were running for this office had made. They violated some of that already. There is not a great amount of thought that takes place in this Legislature. And when I say thought, I mean you, first of all, understand the situation that a bill is designed to address. Then you read the bill to see if, as written, it addresses that situation. This is before you even develop necessarily an attitude one way or the other. You should at least know what is at play in the situation you're confronting. I can give here the advice I give to students if they want my opinion on how to take an examination. I will give from my own experience.

PRESIDENT FOLEY: One minute.

SENATOR CHAMBERS: In law school, they ask questions. And if you're wise, you will read the question and see what you are being asked. You will not in your mind rearrange the circumstances or the facts presented and begin to say, if/then. No if/then unless it's an if/then question in the first place. Students have a tendency to come to law school the way they go to regular school. Your thinking is not disciplined. It's not organized. You don't read well. You skim things. You see what you think is there and haven't read it word by word to see what actually is being said, not what you think or how you interpret it, but what is being said.

PRESIDENT FOLEY: Time, Senator.

SENATOR CHAMBERS: I will stop now. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Chambers. Senator Krist, you're recognized.

SENATOR KRIST: Thank you, Mr. President. Colleagues, if you go on your gadget, you'll see LR25. LR25, I think it's up. It should be up. Is that correct? Yes. Not yet? Okay. In the very near future, if you go onto your gadget and look up LR25, you will see that I've dropped an interim study on the subject matter. What happens now is it goes for referencing to the Exec Board. The Exec Board assigns a committee to investigate the issues under Rule 5 in general and then on the timeliness of the proposal, timeliness of the notification. I believe that it is important that you realize that some things take a little bit of time. And I'm convinced, after hearing what I did in the Rules Committee and now what I have heard from all of you today, that this might be one that we take a little bit of time with. Now, I'll remind you that where we are is the agreement we came to on Friday which changes it to 48 (hours) and 10 (days). And you've heard Senator Wayne and Senator Larson and Senator Morfeld. And Senator Albrecht I don't think has gotten up to express it yet, but she's in that boat, as well as the rest, in terms of the timeliness of actually scheduling a hearing. And I have talked to you about the other end of it when you come up with 140 bills to 160 bills a year, getting notifications in towards the end of the year, particularly

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when there is a large budget process involved. So you've heard all that. If you're comfortable with 48 (hours) and 10 (days), with all of the concerns that you've heard, that's fine. If not, then I would invite somebody to drop an amendment that says let's go back to 24/7: 24 hours before and 7 days for notification. We can debate that, as well, and potentially go back to the original. But where we're at right now is 48 (hours) and 10 (days). Just wanted to let you know that I am a man of my word. The proposal for an interim study is in and, in my mind, I think that's the best way to go about this during this process. Thank you, Mr. President. [LR25]

PRESIDENT FOLEY: Thank you, Senator Krist. Senator Hansen, you're recognized for the third time.

SENATOR HANSEN: Thank you, Mr. President. Just to clarify my past remarks, I'm appreciative of the couple people who came up to me off the microphone and said that the proposed change on the fiscal note time line, there's...you can see it on Senator Stinner's amendment, there's a footnote and it says, "To begin January 1, 2018." I am supportive of that and wanted to make sure that there was very clear legislative intent on the record and I'm supportive of that kicking in next year. And I think that just goes to show sometimes when you want an answer, the quickest way is to say something wrong and have someone correct you rather than ask a question. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Hansen. Senator Chambers, you're recognized. It's your third opportunity, Senator.

SENATOR CHAMBERS: Thank you, Mr. President. Here is advice: When you go to law school and you get an examination, you, if you know the subject matter, have more time given to you than is necessary to answer the questions. So for the first 10 minutes, don't hold the pencil in your hand. Don't try to write anything. Read all of the questions. Law professors are not going to be tricked by you writing a lot of words to try to make it seem like you know something when you don't. They will give you hints in the same way that a judge will if you're arguing before the State Supreme Court. The questions that they ask you--and I've appeared and I've won cases--it lets you know what they're interested in. Don't do like a lot of those lawyers who go there with notes and they will hasten through the question that the judge asked in order to get back to what he or she wanted to present. Pay attention. If you read all of the questions, you may see a hint in question eight that will help you answer question one. There are things in the way of information in these exams. But even if you don't find that, you will at least understand what each question is asking you. Then you write the answer. Write what you know. Don't write what you don't know and guess. So when I took exams at Creighton, I was as popular there as I am here, maybe even less so because I didn't attend class but I never flunked an exam. So I would go in. We had these blue books. It had a blue cover and I'd follow my practice and I'd read the questions. I knew what

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I knew about a question. I'd write the answer and I always left the examination room before anybody else, before the students were aware of what I know, just as is the case here. They were sure I had flunked because they thought I was like them and then they were amazed to find out that I had not flunked at all. So how could I write those answers so quickly and leave before everybody else? Because I believe in preparation. Even though I didn't attend the classes, you have what is called a case book: cases that were decided by the courts. And that's how they teach you the law. I knew that when this case book was presented, whatever the subject is, it's going to be covered in the case book. So I read the cases. And as a result of that, I always had more information than was required to answer the questions. So I could write the answers to the little questions they gave me very quickly, answer them correctly, and get out. There is so much in this society that discourages people from thinking critically, from trusting their own judgment, from being willing to say what they are convinced is the truth. And as a result, there are times they'll sit back and swallow spit and not say anything. Then their own thoughts come back to them through the words of somebody else who is deemed to have told the truth and you say, I should have said something, I knew that. But you don't know yourself and you don't trust yourself and you are more concerned about what other people think...

PRESIDENT FOLEY: One minute.

SENATOR CHAMBERS: ...than you are what your judgment and your mind will tell you. There is a term about how you feel and they say you're self-conscious when you're around other people. No, you're not self-conscious. You're "other people" conscious: What do they think? What might they think? How will they feel? If you're self-conscious, you'll be regardful of what it is you think, what you believe, and how you feel. And if you make a mistake, so what? Who doesn't make a mistake, present company excepted--that's to try to lighten the mood. I see old Senator Groene over there, tap, tap, tapping away. I thought maybe I could coax a smile out of him with that. See? See how it worked? For now, Mr. President, that's my message for the day. And Senator Groene did coax a smile from me and mine is genuine. Thank you.

PRESIDENT FOLEY: Thank you, Senator Chambers. Senator Crawford, you're recognized.

SENATOR CRAWFORD: Thank you, Lieutenant Governor. I was just having a conversation with someone from the Fiscal Office just trying to figure out, you know, what flexibility or options there might be in terms of addressing the first weeks of hearings issue that's been discussed here on the floor. And so, I mean, as I understand it, I think that's the trade-off we have in front of us: longer time for time with those fiscal notes. And the cost of that in this current structure is going to be reduced hearing days for some of our committees. I mean, it's a...and that's a tough choice. And so I think that's a hard choice in terms of which way to go in the future. Senator Krist had said something about somebody putting in an amendment, you know,

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or going back to 24 (hours) and 7 (days). Just wanted to clarify that that would be the situation if this proposed Rule change was voted down. And so that would be the consequence of a...if this gets voted down, we go back to 24/7. So obviously that solves the problem for committees in terms of the seven-day period, but then obviously you also would then lose this advantage that we've talked about in terms of having more time with the fiscal note. But it appears, colleagues, that's the trade-off that we have in front of us is more time for fiscal notes throughout the session and the cost of that will be hearing days or trying to figure out adjustments in hearings. Some committees have Governor...gubernatorial appointments that they can work on in early hearings. But it means we have fewer bills that we can get done in early hearings and fewer bills getting to the floor quickly and that's a tough trade-off. And so I am considering that trade-off now and trying to decide which way I'm going to vote on this proposal. I appreciate Senator Krist's recommendation about considering whether we need time for interim study to really examine this issue further. And I'll just...just wanted to lay that on the floor in terms of the implications or...of the vote has that trade-off in terms of committee process versus more time with fiscal notes. And if that's not a trade-off we should make, then the step forward would be to vote against the Rule change proposed, and that would take us back to status quo. Thank you, Mr. President.

PRESIDENT FOLEY: Thank you, Senator Crawford. Senator Hilgers, you're recognized to close on proposed Rule change number 2.

SENATOR HILGERS: Thank you, Mr. President. I yield my time to Senator Harr.

PRESIDENT FOLEY: Senator Harr, you're recognized.

SENATOR HARR: Thank you, Mr. Chair. Thank you, Mr. President. So you've heard all the arguments. I guess we all understand that the status quo is not working. I don't think anyone stood up and said, I really think the way we're doing things work. If they did, I missed it. It's broken. We have this pedestal we put fiscal notes on and we need more time and preparation. That's undisputed. Nobody denies that. The question is, is this a good fix or do we want to go and kick the can down the road and do an interim study? I appreciate what Senator Krist has brought. And I guess it's not an either/or proposition, folks. We can do both. We can adopt the rules today. We can do a fiscal...we can do an interim study and if things come between now and then that we haven't considered, we can look at it. But let's get this passed today. Let's give Fiscal that runway to make the changes they need to. And if there have to be little tweaks from an interim study, that's fine. The concerns that were brought up today and raised were good. And it is going to take a little forethought when you're introducing bills. Tell you what, you got a bill and you think, who knows with the Exec Committee anymore, but you think it's going to go to one of these Monday, Tuesday committees. You know what I'd do? I'd introduce it early because

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that committee chair is going to be looking for bills. And if it's noncontroversial or it doesn't have a fiscal note, even better to introduce that early. You got them by the short hairs. They have to because there is a shortage. Now you don't have to wait till the end. Right? There are ways around this. And if there isn't, you know what we can do? It's what we almost did this morning. We can have a motion to suspend the rules. And if there is a good reason and enough of your colleagues agree with you, we can suspend the rules and we can do what is just and what is right, because maybe the rules don't work in all situations. That's not a bad thing either. I don't want to sound like a broken record, but we have to do something. What we're doing isn't working. This isn't going to take effect today. You guys are all going to get to witness and enjoy the frustration of fiscal notes for one more year. January 2018, change is on its way. Let's pass this today. Let's go ahead and do the interim study. It gives us more time. But we've got to give Fiscal a runway; we've got to give them time to be prepared. We can't do an interim and then on the first day say, oh, here is our change, good luck, thanks. So I appreciate all the debate that occurred today. I appreciate what everyone has done. But I also understand we all want to go to lunch. So with that, I would request a call of the house and ask that you adopt proposed Rule change 2.

PRESIDENT FOLEY: Thank you, Senator Harr. There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; those opposed vote nay. Looking for Senators Wayne and Friesen. Mr. Clerk, you can record on the call of the house.

CLERK: Mr. President, 39 ayes, 0 nays to place the house under call.

PRESIDENT FOLEY: Thank you, sir. Senator Wayne, the house is under call, if you could please return to Chamber. Senator Harr.

SENATOR HARR: We can go ahead and proceed without Senator Wayne.

PRESIDENT FOLEY: Very good, sir. Members, the question before the body is the adoption of proposed Rule change number 2. All those in favor vote aye; those opposed vote nay. Roll call has been requested. Mr. Clerk, please call the roll.

CLERK: (Roll call vote taken, Legislative Journal page 349.) 14 ayes, 17 nays, Mr. President, on the amendment.

PRESIDENT FOLEY: The proposed Rule change is not adopted. I raise the call. Items for the record, Mr. Clerk?

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CLERK: I do, Mr. President. I have items. New resolutions: Senator Craighead offers LR22, LR23, and LR24. I also have a new resolution by Senator Krist, LR25, interim study resolution that will be laid over at this time. Hearing notices: Judiciary. Banking, Commerce and Insurance Committee reports LB17, LB35, LB138, and LB142 to General File. I also have, Mr. President, a series of name adds: Senator Pansing Brooks to LB188; Senator Blood to LB188, likewise Senator Quick, Brasch, McDonnell; Senator Blood to LB500 and to LB497; Senator McDonnell to LB404 and LB107; Senator Blood to LB107 and to LB284; Senator Hansen, LB188 and to LB107. Mr. President, for purposes of... Senator Bolz would like to reconsider the vote we just took with respect to Rules change number 2. That will be laid over at this time. (Legislative Journal pages 349-352.) [LR22 LR23 LR24 LR25 LB17 LB35 LB138 LB142 LB188 LB500 LB497 LB404 LB107 LB284]

I do have a priority motion. Senator Pansing Brooks would move to adjourn the body until Thursday, January 26, at 9:00 a.m.

PRESIDENT FOLEY: Members, you heard the motion to adjourn. All those in favor say aye. Those opposed say nay. The ayes have it. We are adjourned.