

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate February 18, 2020

SCHEER: Morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-fifth day of the One Hundred Sixth Legislature, Second Session. The chaplain this morning is Senator Williams. Would you please rise.

WILLIAMS: Well, good morning, everyone. And I'm kind of a pinch hitter today and the pre-season hasn't fully started, but Nebraska started playing this weekend, so we can look to that. Please join me in prayer. Dear Lord, we thank you for this day and all days. We pray that you will be with us as we deliberate difficult decisions thinking about bills that will help our constituents, help our state, help our state grow. We pray that you will give us the wisdom to work together knowing that compromise is oftentimes the path to solutions. We ask you to give us imagination to help us think outside the box looking for solutions that will help our state move forward. And please always help us to have compassion, compassion for our fellow senators, compassion for all Nebraskans, and be with us today and make this the best day it can be. Thank you, Lord. Amen.

SCHEER: Thank you, Senator Williams. I call to order the twenty-fifth day, One Hundred Sixth Legislature, Second Session. Senators, please record your presence. Roll call. Please record, Mr. Clerk.

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

SCHEER: Thank you. Are there any corrections for the Journal?

CLERK: I have no corrections.

SCHEER: Are there any messages, reports, or announcement?

CLERK: Mr. President, your Committee on Enrollment and Review reports LB607, LB607A, LB924, LB770, LB106, LB219, LB448, LB515, and LB518A to Select File, some having an Enrollment and Review amendments. Priority bill designations: Senator Hughes and the Natural Resources Committee, LB858; Senator Blood, LB755. That's all that I have, Mr. President.

SCHEER: Thank you, Mr. Clerk. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR309, LR310, LR311. Senator Williams, for what purpose do you rise?

WILLIAMS: Point of personal privilege.

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SCHEER: Please proceed.

WILLIAMS: Thank you, Mr. Speaker, and good morning, colleagues. Wanted to let the body know that last Friday at four o'clock, the Department of Banking closed the bank in Ericson, Nebraska. That was not unexpected at this point in time, but I would like to point out and read to you a statement by Director Quandahl that the failure of the Ericson State Bank resulted primarily from large out-of-territory commercial loan losses and poor management practices, which led to a deterioration of the bank's capital. When the capital was not replenished, the department was left with no options but to place the insolvent institution into receivership. And he noted that the overwhelming majority of Nebraska banks are in a strong condition. I appreciated the fact that the director contacted the Banking Committee on Friday evening to let us know that this had happened and would point out that since 1989, which is quite a few years ago, there have only been three banks in Nebraska that have been closed, and no depositor has lost a dime of insured deposits since the FDIC was formed in 1933. Sometimes those of us in the banking industry feel like we are overregulated and we have a group in our body that is always looking at those regulations. I will tell you, keeping a safe and sound banking structure in our state and in our country sets us apart from many other countries and those regulations are welcomed by most of us in the banking industry. I would like to thank the department for their quick and prompt action. And today, the bank will be opening right now under the ownership of Farmers and Merchants Bank of Milford, Nebraska. So the customers, both loan customers and deposit customers, will continue to be served by the Nebraska banking community. Thank you, Mr. President.

SCHEER: Thank you, Senator Williams. Mr. Clerk, we'll go to the first item.

ASSISTANT CLERK: First item, Mr. President. The Health and Human Services Committee, chaired by Senator Howard, reports on the gubernatorial appointments of three individuals to the Nebraska Child Abuse Prevention Fund Board.

SCHEER: Senator Howard, as Chairman of the committee, you're welcome to open.

HOWARD: Good morning, members. Thank you, Mr. President. This morning, I'm bringing you three appointments for the Nebraska Child Abuse-- Abuse and Prevention Fund Board. All three of these candidates were

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advanced unanimously from the Health and Human Services Committee. The first appointment is Shelly McQuillan. Ms. McQuillan is a re-appointment having served on the Child Abuse and Prevention Fund Board since 2016. She provides medical social work services at Ogallala Community Hospital to patients and families affected by stressors related to illness, injury and disability. Through her previous work with the board, the fund was able to provide funding to various counting--counties on child abuse prevention from 0 to 3. When asked why she wanted to continue serving on the board, she spoke about the continuing need in small communities and her desire to continue helping. The second appointment to the Child Abuse Prevention Fund Board is Jillian Chance. Ms. Chance is a first-time appointment and has been a registered nurse at the Lincoln Pediatric Group for the past eight years where she has cared for children in an ambulatory healthcare setting. She is currently in school at Creighton to become a nurse practitioner. She's also been a volunteer at People's City Mission and the People's Health Center. Through her employment experience, she unfortunately has seen the effects of child abuse firsthand. Because of those experiences, she is eager to bring her medical viewpoint, knowledge and firsthand treatment experience to the board. And finally, the third appointment is Professor David Hansen. He is a first-time appointment and a professor of psychology at the University of Nebraska-Lincoln. He is the director of a Law-- of the Law Psychology Program at UNL and has worked in areas involving-- involving child mistreatment for the majority of his career. He developed and leads a program called Project Safe at the Child Advocacy Center in Lincoln. Project Safe provides clinical services to children who are sexually abused, along with nonoffending parents and siblings. He's also written over 90 journal publications and three books addressing child maltreatment, and the committee felt as though he would be a good fit for the Child Abuse and Prevention Fund Board. All three of these candidates will make great additions to the board and I would urge you to vote green to confirm them. Again, the committee advanced them unanimously and I'm happy to answer any questions. Thank you, Mr. President.

SCHEER: Thank you, Senator Howard. Is there any discussion on the report? Seeing none, Senator Howard you're welcome to close, and she waives closing on the report. The question is the adoption of the report offered by Health and Human Services Committee. All those in favor please vote aye; all those opposed vote nay. Have all voted that wish to? Please record.

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CLERK: 38 ayes, 0 nays on the adoption of the confirmation report.

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

CLERK: Mr. President, the Agriculture Committee reports on four appointments to the Beginning Farmer Board.

SCHEER: Senator Halloran, as Chairman of the Agriculture Committee, you're welcome to open.

HALLORAN: Thank you, Mr. Speaker. The Agriculture Committee wishes to recommend approval of four appointments to the Beginning Farmer Board. The Beginning Farmer Tax Credit Act was created in 1999. This act provides a refundable income tax credit of 10 percent or 15 percent of the gross receipts, depending on whether a cash rental or a share rental agreement arrangement of rental income when renting agriculture assets to a beginning farmer. The tax credit serves as an incentive for owners of agriculture assets to rent to a beginning farmer. The Beginning Farmer Board is appointed by the Governor for four-year term to guide the program, approve and certify all eligibility for the tax incentives, and to advise the Governor and Legislature regarding policies to promote opportunities for beginning farmers. The Department of Agriculture and the Board have implemented a number of initiatives built around the Beginning Farmer Tax Credit Act to host succession planning workshops to link older farmers with beginning farmers and to encourage farm operators to consider transition options. I would encourage members to view the full range of activities under the department's next Gen program, which can be viewed on the department's website. We have four appointments today for the body to confirm. The first appointment is Dr. Bradley Lubben, who is a reappointment filling the ag economist position on the board. Dr. Lubben is an extension assistant professor and policy specialist in the UNL Department of Agriculture and Economics and director of the North Central Extension Risk Management Education Center. He has obtained a bachelor of science and a master's degree in Agriculture Economics from the University of Nebraska and acquired a Ph.D. at Kansas State University in 2005. His research and extension focuses on agriculture policy and risk management. He provided an impressive list of his relevant publications, grant work, professional associations. This would be Dr. Lubben's third term. Next, we have Britt Anderson, who will fill the active farmer position for the Third District. Mr. Anderson lives and farms with his wife and son near Gothenburg, Nebraska. Mr. Anderson attended UNL from 1970 to 1973, earning an associate degree in agriculture. He is a LEAD alumnus and former

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Dawson Area Development fellow and has served several years on a succession of farm co-operative boards. Other governmental community services and trade association organizations he has had leadership roles with, the Dawson County Red Cross, Dawson County Farm Bureau, a school board and township board. The next appointee is Dave Nielsen, who fills a position of producer from the 1st District. Mr. Nielsen is the President and CEO of Garr Creek Farms, Inc. located near Lincoln. He earned a bachelor of science degree in general agriculture from UNL. He's a LEAD alumnus and has served on the Nebraska Corn Board and has been a member of the Nebraska Farm Bureau Board of Directors and has also been recognized as Nebraska's pioneer farmer and outstanding family farmer awarded jointly by the Aksarben Foundation and the Nebraska Farm Bureau. Finally, Wade-- Wade Thornburg is appointment to fill the ag lender position on the board. He succeeds Nadine Hagedorn, whose term expired. Mr. Thornburg is currently a Vice President of the State Bank of Table Rock in Tecumseh, Nebraska. Previously, he served as a loan officer for Security First Bank in Beatrice in Hay Springs location. He also lists previous employment as a field agronomist intern with Monsanto. Mr. Thornburg earned a bachelor of science degree in agri-business at UNL and attended an advanced ag lending school in Topeka, Kansas. In addition to his banking background, Mr. Thornburg is a fifth-generation farmer and has utilized the Beginning Farmer Tax Credit as an asset owner. He has served on the Southeast Nebraska Cooperative Board and Gage County Ag Society. Dr. Lubben appeared before the Agriculture Committee on February 4, and the remaining appointees appeared before the committee on February 11, Mr. Anderson by teleconference, and responded forthrightly to the committee's questions. The vote to advance the recommendation of approval was unanimous, 8 to 0. I would move adoption of the committee report.

SCHEER: Thank you, Senator Halloran. Going to floor discussion.
Senator Clements.

CLEMENTS: Thank you, Mr. President. I just wanted to stand up and have a comment about the Beginning Farmer Program. These appointees are on a board approving beginning farmer credits and as a country banker who loans money to farmers, and I did a tax return on Friday for a farmer and he's over 70 years old and even he-- I noticed on his tax return he paid the bank over \$75,000 worth of interest. Part of the reason for that was, he bought a planter. The planter was \$165,000. He bought a sprayer. It was \$325,000 and shocked me a little bit. Now, this is a guy who's been farming many years and he's-- he's stable. He has a

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couple of other businesses. He sells some insurance and he sells some buildings and bins. And if it wasn't for that, I don't know if he'd had a positive income this year. But I wanted to just point that out as to the difficulty to be a beginning farmer. If you have to buy a-- finance a \$165,000 planter. I think he has a tractor that was almost \$300,000, is under 250,000 or so to pull the planter. And I just appreciate the beginning farmer plans. And this guy does have a son and he's in his-- the farmers in his 70's, his son would like to start farming and it's going to be helpful if he can be able to use some of the Beginning Farmer Program. So I stand in support of these appointments and I want to just thank those people both for being willing to help support the Beginning Farmer Program. Thank you, Mr. Speaker.

SCHEER: Thanks, Senator Clements. Senator Murman, you're recognized.

MURMAN: Yes, thank you, Mr. Speaker. I just want to make it short comment about Dave Nielsen. I know he'll be a great asset to the board. And there's also, I think Mr. Anderson is also a LEAD alumni. Both of them are LEAD alumnis, and I could speak just a minute about the LEAD program. It's a great program through the University of Nebraska. I, myself, am also a graduate of that program. But it develops leadership throughout Nebraska, especially in agriculture. And Mr. Nielsen also is active in other agricultural groups, including Farm Bureau, and does a great job. He'll be an active member of the board. Thank you, Mr. President.

SCHEER: Thank you, Senator Murman. Senator Friesen, you're recognized.

FRIESEN: Thank you, Mr. President. I do stand in support of the confirmation of these gentlemen. But I, in the past, anybody that's heard me talk about the Beginning Farmer Program, I haven't been a huge fan of it. We have fixed a few things in the last year in the Beginning Farmer Program, but when you look at it in today's agriculture, some of the asset limits and things like that for that beginning farmer are too small and therefore it disqualifies, at some point, some what I would really call beginning farmers. So there are games to be played that you just don't let that beginning farmer build very many assets, which is the exact opposite of what we should be doing. We should be helping them to build assets so they can take over. And yet we set the limit so low that even any small business would hardly be able to survive at those levels. And so going forward, I'm-- I'm at some point maybe we need to look at some of those asset levels that disqualifies beginning farmers. Otherwise, it is still

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extremely difficult for someone to start farming. This program was initially designed for nonrelated parties so that you might be able to pick some young man that desired to start farming who had no chance of doing so otherwise, but in the-- when we ran under those rules, then there was really no-- very little use of the program. There were very few people who qualified and so nobody used the program. Later it was expanded to where you could use close relatives as members of the program and so now it is a father starting his son farming and we are giving them tax credits if we hold their assets down low enough that they qualify. One thing I'll point out that in small business, we don't have a program there where it helps the farmer-- or father help his son take over a small business. And so in some cases, I mean, it is being, I think, abused to some extent, but in other cases it is needed in order to pass that farm along to anyone. It will just further consolidate the industry, which we have so far failed to slow down that consolidation. But I do support the program right now, but it does in the future need some changes, and I do support the confirmation of these people. Thank you, Mr. President.

SCHEER: Thank you, Senator Friesen. Seeing no others wishing to speak, Senator Halloran, you're welcome to close on the report. He waives the closing. The question is the adoption of the report offered by the Agriculture Committee. All those in favor please vote aye; all those opposed vote nay. Have all voted that wish to? Please record.

CLERK: 37 ayes, 0 nays on adoption of the confirmation report.

SCHEER: Report is adopted. Mr. Clerk.

CLERK: Mr. President, some items before we proceed. Priority bill designations. Senator Hunt, LB962. Enrollment and Review reports LB126 and LB312 as correctly engrossed. The Education Committee Chaired by Senator Groene reports LB1080 to General File. And I have a hearing notice from the Education Committee. That's signed by Senator Groene as well. That's all that I have, Mr. President.

SCHEER: Thank you, Mr. Clerk. Going to the first item, LB909.

CLERK: Mr. President, LB909 was a bill originally introduced by Senator Williams. It's a bill for an act relating to finance and amends Sections 45-191, 199-09, 1733, 1750, 1725. It changes provisions relating-- certain preventive acts by the Department of Banking and Finance and redefines the term relating to loan limits, updates and changes references in certain federal provisions.

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Eliminates a reporting notice requirement, revises powers of state chartered banks, building and loan associations, and it repeals the original sections introduced on January 10 of this year. Referred to the Banking, Commerce and Insurance Committee. Advanced to General File. There are committee amendments pending.

SCHAEER: Thank you, Mr. Clerk. Senator Williams, you're welcome to open on LB909.

WILLIAMS: Thank you, Mr. President, and good morning, colleagues. And welcome to the Banking, Commerce and Insurance Committee's Christmas party with our first priority bill. LB909 is a bill I introduced at the request of the Nebraska Department of Banking and Finance to update laws under the jurisdiction of the department. The bill was amended and prioritized by the Banking, Commerce and Insurance Committee. There is a lengthy committee amendment that includes six other bills that were processed by the committee, all of which were advanced individually by the committee with no dissenting votes. There was no opposition testimony on any of these bills. I will introduce LB909, the underlying bill first and then we will take up the committee amendment. As I just mentioned, I introduced LB909 at the request of the Nebraska Department of Banking and Finance to update laws under the jurisdiction of the department. The bill provides for the annual reenactment of the depository financial institutions wild card statutes to keep state chartered banks, savings and loans, and credit unions in line with their respective federal counterparts. In addition, the bill updates cross-referenced federal statutes and regulations in the Nebraska Banking Act and in sections of statute pertaining to savings and loans, the Securities Act of Nebraska, the Nebraska Commodity Code, the Seller Assisted Marketing Plan Act, the Consumer Rental Purchase Agreement Act, and the Uniform Commercial Code. LB909 also amends the Nebraska Banking Act to authorize employees of the department who are not involved in financial institution supervision to borrow from Nebraska state-chartered depository financial institutions. It updates the definition of unimpaired capital and surplus to comport with a revised federal rule implementing the community bank leverage ratio and it removes obsolete language. Further, LB909 updates the Loan Broker Act to provide that filing fees collected under the act will be placed in the Securities Act Cash Fund rather than the Financial Institutions Assessment Cash Fund to reflect the division of the department administering these laws. It updates the Installment Loan Act to provide that examinations of licensees may be conducted as often as the department director

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deems necessary, and it amends the Seller Assisted Marketing Plan Act to update references to federal law and regulatory guidelines dealing with franchisees. Finally, LB909 corrects language related to the disposition of fines to the State Treasurer and provides for an emergency clause. That is the introduction for LB909, Mr. President.

SCHEER: Thank you, Senator Williams. Senator Albrecht would like to recognize our doctor of the day, Dr. David Hoelting of Pender, Nebraska, seated under the north balcony. Would you please rise and be recognized by the Nebraska Legislature. As the Clerk noted, there is a committee amendment. Senator Williams, you're welcome to open on AM2312.

WILLIAMS: Thank you, Mr. President. The committee amendment, AM2312 to LB909 includes six other bills processed by the committee. These bills are LB964, a bill introduced by Senator Lindstrom and LB852, LB853, LB854, LB908, and LB939, all of which I introduced. Three of these bills, LB964 and LB853 and LB854 are also amended by the committee amendment. We will discuss the committee amendment as it pertains to each bill in the numerical order. The first bill in the committee amendment is LB764, the bill introduced by Senator Lindstrom. LB764 as introduced is amended in the committee amendment. LB764 as introduced is intended to permit a Nebraska trust company acting in its investment discretion as a trustee or agent to invest fiduciary funds in private investment funds managed by an affiliate of the trust company. The provisions of the committee amendment applicable to LB764 clarify and pare back the provisions of the bill. The provisions clarify that the legislation does not prohibit a trust company from making investments for which a will or trust states that the stock of the trust company or securities of a company or affiliated companies of the trust company may be acquired by the estate or trust. In addition, the committee amendment expands the legislation's application only to private investment funds. LB764 was advanced as amended on an 8-0 vote with no opposition testimony. The next bill is LB852, a bill I introduced on behalf of the Secretary of State dealing with the state's central filing system, effective financing statements and security interests. Nebraska Central Filing System was established in 1986 in response to the Federal Food Security Act of 1985. Under the central filing system, when farm products are subject-- subjected to a security interest of a secured party or a lender, the secured party may file an effective financing statement with the Secretary of State. The statement identifies a secured party, the debtor and the farm products subject to the security interest. The Secretary of State

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compiles information off the effective financing statement into a master list. Buyers of farm products register with the Secretary of State to receive or obtain the master list. LB852 amends Section 52-1308 of the central filing system statutes to include goats and hemp for purposes of filing effective financing statements. Adding goats and hemp to the farm list products in the central filing system assures a buyer of goats or hemp that they do not risk paying twice for either farm product, once to the seller and once to the lender if the lender has a security interest in the products. LB852 also amends Section 9-513A of the Uniform Commercial Code, which sets out procedures by which victims of unauthorized financial statement filing can obtain relief. Under the provisions of LB852, if a secured party of record files a timely action, written notification to the Secretary of State would also be required. But if the secured party of record does not timely file an action, the Secretary of State may remove the filed financing statement from the searchable index. LB852 was advanced by the committee on an 8-0 vote with no opposition testimony. The next bill is LB853. This bill deals with the growing problem of elder exploitation. I introduced LB853 to provide legal protection to financial institutions so they have the discretion to intervene in transactions requested by customers who are senior adults or vulnerable adults in cases where there is reason to believe the customer might be victim of financial exploitation. Financial institutions have duties imposed-- imposed by contract, by federal and state laws to conduct transactions requested by their customers faithfully and timely in accordance with the customer's instructions. After all, it is the customer's money. Financial institutions also have a responsibility to protect the privacy of a customer's information. So now imagine, if you will, that you're a teller at a local bank and a longtime customer that you know very well comes in and asks to withdraw \$10,000 in cash. The red flags go up and you begin to ask a few questions. You find out that your customer received a phone call in which they were informed they had just won the Jamaican lottery, and in order to claim their prize, the customer must mail \$10,000 in cash to cover the necessary expenses before the prize money can be delivered. Your customer is convinced they are the winner of a \$1 million prize, even though they have never been to Jamaica and they do not remember entering any type of contest. A scam like this took place in my legislative district and it amounted to a \$900,000 loss, a loss that largely could have been avoided had the bank had the protections offered under LB853 to use its discretion to intervene. Under LB853 financial institutions would be able to essentially call for a timeout. That would end at the sooner of 30 business days, or

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when a financial institution is satisfied that the transaction will not result in financial exploitation. The actions a financial institutions could take include delaying or refusing a transaction, delaying or refusing to permit the withdrawal, preventing a change of ownership on an account. Further, a financial institution would be able to notify a third party reasonably associated with the senior or vulnerable adult if there is a suspicion of financial exploitation. Of course, the financial institution may choose not to notify a third party if there is a belief that the third party may be involved with the financial exploitation. Ten-- ten states have passed legislation similar to what we are considering today. They are Delaware, Kentucky, Louisiana, Montana, North Dakota, Oregon, Tennessee, Texas, Virginia and Washington. There are provisions in the committee amendment that amend LB853, as it was introduced. These provisions clarify that a reference to department means the Department of Health and Human Services and add a definition for law enforcement agency. Further, the standard for which a grant of immunity from liability is allowed for delaying or refusing a transaction is changed from a good faith belief to a reasonable belief. In addition, the committee amendment adds that the financial institution may not notify a third party at the request of law enforcement when there is a belief that the third party might be a person engaged in the financial exploitation because it could interfere with the investigation. The committee amendment also clarifies that a financial institution is not prevented from notifying the Department of Health and Human Services or a law enforcement agency if a reasonable belief of financial exploitation is occurring or is being attempted. Again, LB853, as amended, was advanced on an 8-0 vote with no opposition testimony. The next bill is LB854, which I introduced at the request of the Nebraska Bankers Association related to the Public Funds Deposit Security Act and pooled collateral. Last year we passed LB622, which established the single bank pool form of collateralization for public funds. LB854 cleans up a few of those provisions. The Public Funds Deposit Security Act is complex with many moving parts, but its overriding purpose is to require a depository financial institution to secure the deposit of public funds in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation by either furnishing securities or providing a deposit guarantee bond. LB854 clarifies that a bank has a limited period of time within which to bring itself into conformity with the security requirements in the event that there should be a shortfall of securities pledged, and clarifies that the statements containing information relating to public funds and pledging--

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LINDSTROM: One minute.

WILLIAMS: --environments relate to governmental units. Rather than custodial officials, the governmental unit is defined as a state or political subdivision. The bill also clarifies that the reports to be provided to the governmental units by the administrator are to be provided within 20 days after the deadline for receiving reporting statements from the participating financial institutions. Finally, it clarifies that the requirement for reports to be provided to governmental units may be satisfied by posting the report on the administrator's website for access by the participating government units. I will wait, Mr. President, to the next time on the mike to finish the introduction of the additional bills. Thank you, Mr. President.

LINDSTROM: Thank you, Senator Williams. Turning to debate, Senator La Grone you are recognized.

La GRONE: Thank you, Mr. President. I rise in support of this bill and this amendment, but I'll speak on that in a second. So he can finish his opening, I'll yield the remainder of my time to Senator Williams.

LINDSTROM: Senator Willlliams, 4:50.

WILLIAMS: Thank you, Senator La Grone. There are provisions in the committee amendment applicable to LB854 that were recommended by the Department of Banking. Those provisions include the insertion of an inadvertently omitted occurrence of the words, or administrator, and clarification that giving participating governmental units electronic access to reports posted on the administration website satisfies the reporting requirement only if the participating government unit agrees in advance to receive reports by accessing the administrator's website. LB854, as amended, was advanced 8-0 with no opposition. The last two bills, LB908 and LB939, both of which I introduced, relate to the nationwide mortgage licensing system and registry or NMLS. The NMLS is a licensing system developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage-- Mortgage Regulators for the licensing and registration of state-regulated financial services entities and industries. I introduced LB908 on behalf of the Nebraska Department of Banking and Finance to modernize how the department provides for insurance and renewal of licenses for-- excuse me, issuance and renewal of licenses for delayed deposit services commonly known as payday lenders. Under these provisions, beginning in 2000-- 2021, delayed deposit services

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will be required to be relicensed and registered through the NMLS. NMLS is not new to our banking department. It already is used in the regulation of mortgage loan bankers, originators and registrants, installment sales licensees, installment loan licenses and mortgage transmitters. Under the new provisions, the department is authorized to contract with the NMLS to collect and maintain records and process fees related to applicants, licensees and other persons subject to the Delayed Deposit Services Act. And it authorizes NMLS to collect a processing fee for and its services directly to each applicant or licensee. In addition, the director is authorized to use the NMLS as a channeling agent for requesting information from and distributing information to the United States Department of Justice. There are no changes in the underlying powers or restrictions on delayed deposit services in LB908. LB908 was advanced on a 7-0-1 vote with no opposition. The final bill, I introduced LB939 on behalf of the Secretary of State to modernize how the Collection Agency Licensing Board provides for issuance and renewal of collection agency licenses. The provisions provide that effective October 1, 2020, the board may require licensees to be licensed and registered through the nationwide mortgage licensing system or registry or NMLS. The board would also be authorized to contract with the NMLS to collect and maintain records and process fees related to licensees and other persons subject to the Collection Agency Act, and the NMLS would collect licensing fees on behalf of the board and collect a processing fee for its services directly from each licensee or applicant for a license. There is no change in the underlying powers or the restrictions on collection agencies. LB939 was advanced 7-0-1 with no opposition testimony.

LINDSTROM: One minute.

WILLIAMS: LB909 and all six bills attached were advanced with no dissenting votes and no opposition testimony. That is the opening. I would encourage your green vote on the amendment, AM2312, and the underlying bill, LB909. Thank you, Mr. President.

LINDSTROM: Thank you, Senators William-- Williams and La Grone. Senator Kolterman, you're recognized.

KOLTERMAN: Good morning, colleagues. I rise in support of LB909, as well as the AM2312 amendment. We've listened to a lot of debate in the hearings. These are six really good bills that have advanced at the request of many state agencies. Senator Williams has done a good job of merging them all together. I'd encourage you to support them. And

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with that, I'd yield the rest of my time to Senator Williams, if he'd like it.

LINDSTROM: Senator Williams, 4:30.

WILLIAMS: Thank you, Senator Kolterman, and I-- I know that most everybody's eyes glazed over dur-- during that lengthy opening, and I am sorry about that, but it is important that we-- we testify and list those things that are in the bills. All of these pieces of legislation are necessary government moving forward with doing the right things. I am passionate about the elder exploitation bill and that is something that continues to be a major problem and a growing problem. It was interesting to me that the day I introduced that bill in committee, there was an article in the World-Herald that very day about phone calls that were being delivered to people in our state that were falsified and showing up and people thinking they were talking to the FBI. And they were requesting information, bank account information, Social Security account information. In our little bank in Gothenburg, Nebraska, and in Ansley, in Brady a week does not go by anymore that we do not have somebody coming in thinking they are a winner of a lottery. The Publisher's Clearing House scam is around. The Nigerian lottery continues to-- to follow people. And this legislation will basically give a bank the ability to call a time out and help those people in those situations. So I would encourage your, your green votes all the way through on this. Thank you, Mr. President. And thank you, Senator Kolterman, for allowing me that time.

LINDSTROM: Thank you, Senators Williams and Kolterman. Senator Clements, you're recognized.

CLEMENTS: Thank you, Mr. President. I did read through-- skim through these bills yesterday, and I think I'm in support of all of them, but I have some questions. Would Senator Williams yield to a question.

LINDSTROM: Senator Williams, would you yield, please?

WILLIAMS: Yes, I would.

CLEMENTS: I wasn't very familiar with LB764 about trust companies being able to invest funds they manage. Was there-- what problem was this solving?

WILLIAMS: That was actually Senator Lindstrom's bill. He would be better to answer that question, but he's sitting in the Chair. But

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what we have happening is we were only able to have-- correct me if I'm wrong, Senator Lindstrom-- out-of-state trust companies were the only ones that were able to make these type of investments and they were then, our own trust companies in our state were not competitive, and there could be specific instructions in a will or a trust agreement that it was difficult for our trust companies that were licensed in Nebraska to follow those instructions.

CLEMENTS: Thank you. So it was to equalize in-state trust companies with out-of-state companies that already have this ability. OK, that's good to know. I was--

WILLIAMS: That's correct.

CLEMENTS: All right. Thank you. That's it for questions at the moment. I wanted to also get into the vulnerable adult situation. Just sitting here the last few minutes, I wrote down a few of the examples that I've had in my banking experience. We had a-- an asphalt driveway company from Oklahoma, I think they were, put a very thin layer of asphalt on a guy's driveway and came in with a check for \$10,000. They wanted to cash and we had-- we'd already asked if they could asphalt our driveway and we had checked them out a little bit and thought they weren't very reputable, but that one we weren't able to really go back and check very much. We had another tree trimmer. Said he tree-- trimmed the trees on an elderly person's yard where-- had a check for \$12,000. We knew this lady's yard didn't have that many trees, didn't have \$12,000 worth of trees to be trimmed. Had a lady who had a scam about her grandson was in jail in Canada and would they wire 7-- \$6,000 to this supposedly grandson in Canada, and we were able to talk her out of that by having her double-check with her family and found out that her grandson was not in Canada. We weren't able to directly, it would be really nice if we would be able to be directly contact some family members ourselves. I had one with the Nigerian lottery scam, another \$6,000 they wanted to send to some guy in California that was going to send them a million dollars if they sent this \$6,000. And we just talked and talked and talked and told them it's a scam, but they insisted they wanted to send the \$6,000. Oh, we had an elderly man, had a power of attorney. A fella came in and said he was power of attorney for an elderly fella and he was transferring \$90,000 from the elderly gentleman's name into the power of attorney's name jointly. And we knew that there were other siblings and we didn't know this power of attorney person, but he was changing the ownership of the money from--

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LINDSTROM: One minute.

CLEMENTS: --the elderly person to the elderly person and himself. So when the 90-year-old fella died, it was just going to go to the one person who had the power of attorney. And that was the suspicious thing but if the power of attorney appeared to be legitimate, but it was hard for us to be able to investigate. And this bill would really help us in that regard to do some double-checking, put a hold on that money for I think it's up to 30 days in the-- in the bill. Senator Williams, is that correct? Yeah, he's busy. We'll get to that later, but in my little town, the small town bank, very small, 650 people and people know people, but we still even in my situation, we have had--

LINDSTROM: Time, Senator.

CLEMENTS: --numerous cases of this. Thank you, Mr. President.

LINDSTROM: Thank you. Senators Clements and Williams. Senator Lowe, you're recognized.

LOWE: Thank you, Mr. President. You know, as I read this amendment it says vulnerable and senior adult. Senator Williams, would you yield to a question?

LINDSTROM: Senator Williams, would you yield?

WILLIAMS: Yes, I would.

LOWE: I noticed in your amendment that it says vulnerable or vulnerable and senior adult. Would I be qualified as either one of those two?

WILLIAMS: Well, let me give you the definition and then you determine if you're you're qualified for those. Both of those terms are defined in statute. Senior adult is defined as anyone 65 and older. Vulnerable adult is any person 18 years of age or older who has a substantial mental or functional impairment and for whom a guardian or conservator has been appointed under the Nebraska probate code.

LOWE: All right. Could you explain a little more about the problems you may have had at your bank with some of this situation?

WILLIAMS: Yes. The-- the examples that Senator Clements was giving, we have had those same types of things in our bank. The one that was in my legislative district that amounted to a \$900,000 loss was not in

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our financial institution, but that particular case was the Jamaican lottery scam. Three banks were involved. The FBI was involved. The State Department of Banking, the FDIC, they were all involved and could not convince this lady until she had spent \$900,000 that it was a scam. We have had a number of them. One of the most recent ones was a former-elected official in our community, came in and started withdrawing cash. And generally it was in the three to five thousand dollar range, which was out of the norm for that person to do. When questioned about it, he was convinced that he had won the Publisher's Clearing House contest and they were requiring him to send in this cash. And he was absolutely convinced that he was the winner. He had already through a couple of situations, sent in \$10,000 and was trying to send in another 10,000 because they also told him, we're gonna bring a brand new car for your wife, and we have to do the licensing and all of that for it and that cost you \$10,000. It's hard to believe that people continue to fall for these scams. But I would tell you, they are oftentimes not incompetent people. They are people that just believe that person on the end of the phone and the person on the end of the phone, if you would talk to our Attorney General's Office about the case in my legislative district that they're very involved with, they have told me that's the most sophisticated scam that they have been involved with. So it's happening. It's happening regularly.

LOWE: Thank you, Senator Williams. I stand in favor of AM2312, and the underlying bill, LB909. Thank you, Mr. President.

LINDSTROM: Thank you. Senators Lowe and Williams. Senator Bostelman would to welcome 80 fourth graders from Wahoo Elementary seated in the north balcony. Please stand and be recognized by your Nebraska Legislature. Items, Mr. Clerk.

CLERK: Very quickly, Mr. President. First of all, the Executive Board will meet under the south balcony at 10:00. Exec Board, 10:00, south balcony. Mr. President, priority bill designation. Senator DeBoer, LB1073, Senator Murman, LB147, and Senator Dorn, LB1014. In addition, Mr. President, amendment, Senator Bostelman to LB944. A series of resolutions, LR320, LR321, LR322 offered by Speaker Scheer. Those will be laid over. That's all that I have. Thank you.

LINDSTROM: Thank you, Mr. Clerk. Returning to debate, Senator La Grone, you're recognized.

La GRONE: Thank you, Mr. President. As I said my first time, I do want to speak in favor of this and then I, will then have one question for

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Senator Williams about practically how it works. Senator Williams did a great job, I think, in his discussion with Senator Lowe describing how important the elder abuse portion of this is. So I just want to speak to that, because I don't think it's something we should gloss over. And he made the point that I want to emphasize that this could really happen to anyone. And so it's really important to ensure that financial institutions have the ability they need to protect their customers if they suspect something like this is going on. So I won't belabor that point, but I did want to get slightly-- do a quick overview of exactly how that works. Would Senator Williams yield to a question.

LINDSTROM: Senator Williams, would you yield, please?

WILLIAMS: Yes, I would.

La GRONE: Thank you, Senator Williams, and thank you for for bringing this. My question is simply, since we've covered I think that-- the high level of it, could you just walk us through the practical effects of how something like this would work?

WILLIAMS: Certainly. The problem we have right today is even though from a banker's perspective, the red flags go up immediately because of federal, state and contractual regulations, the bank and privacy regulations, the bank is precluded from acting. And so what LB-- get my right number, LB853 does, is allows the banker that sees these transaction and has a reasonable belief that there is fraud going on, to call a time out. Slow the transaction down so that the person that is withdrawing the cash, or is being subject to infringement by their children or grandchildren, has to take some time to think it through. It also allows the bank to contact the Department of Health and Human Services if they feel that it would be helpful and necessary. It also allows the bank at their option to contact law enforcement, which oftentimes could intervene. And maybe more importantly, it allows the bank to contact a third party that would be related to the person, a spouse, a son, daughter that could also intervene so that they would have the opportunity to-- to slow the transaction down so that the red flags go off for the individual.

La GRONE: Thank you, Senator Williams. And I just think it's so important that we ensure that we empower our financial institutions to take the steps that Senator Williams has laid out, and so we can protect these vulnerable population. So I would encourage your

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support, both the amendment and the advancement of the bill. Thank you, Mr. President.

LINDSTROM: Thank you, Senators La Grone and Williams. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, Senator Lindstrom, and good morning, colleagues. I just rise to-- in support of LB909 and AM2312. What I really want to talk, just as everyone else is, about this elder exploitation. We have-- I've had since I've been down here the past three years, had some questions from county attorneys who have questions about how do we handle this? I mean, if they now have a tool that I'm excited about, that they can actually find out who's doing what and, but more importantly, I would just like to entertain a few questions with Senator Williams if that would be OK.

LINDSTROM: Senator Williams, would you yield, please?

LINDSTROM: Certainly.

ALBRECHT: OK. I appreciate again all the work that your-- your office has done in putting this bill together and the committee. I applaud you for that. But my-- my concern is you can call in law enforcement at this point and let them know that you think there's something going on that needs to be investigated, right?

WILLIAMS: You certainly can. Banks are required to file suspicious activity reports if they believe there is something going on.

ALBRECHT: OK. So--

WILLIAMS: But they are not able to slow down or stop a transaction.

ALBRECHT: OK. So with that said, if a parent is going into a nursing home and-- and they might be going from the Medicare portion into Medi-- Medicaid, and they have to, you know, make sure that, you know. I mean, I feel like that's a time that the bankers are definitely involved in what's going on. And I just have a question. If-- if you turn this over to law enforcement and they figure out what they want to have figured out, what happens when somebody is in a situation that they need-- they need some-- if they're going to court over it, would-- would a banker become a witness to what happened with their account? If their monies were squandered and not-- would the bankers come in and actually testify?

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WILLIAMS: The bankers are-- nothing in this law would change any legal obligations in a situation like you just mentioned. Bankers currently could be subpoenaed to talk about what their-- what information was there, tracking the accounts, the ins and outs of the accounts, who was signing checks, who was-- based on who was authorized to sign those checks.

ALBRECHT: OK, I think that's important because there are situations where-- that I'm aware of that even if it's in a trust situation, at least you'd already have an attorney connected with that trust that you could also call because it's generally the people that are in charge of the trust that are-- are the ones that are taking-- getting a lot of the funding out of the accounts and such. So with that said, I'm happy to hear that you, in fact, would go before the court and testify that there was a problem. And there are situations out there that people need to understand that-- that they can drain a family-- their parents completely dry and ask the state to bury them. And I just am so grateful that this is now becoming law that the-- not only that the-- that the-- the families get some-- some sense of calm over it, but more importantly, that the attorneys and the county attorneys have the ability to prosecute. And it just needs to be stopped because there's just too much of this going on with the elderly and I appreciate this bill. So thank you very much.

LINDSTROM: Thank you, Senators Albrecht and Williams. Senator Friesen, you're recognized.

FRIESEN: Thank you, Mr. President. Senator Williams, would you yield to some questions.

LINDSTROM: Senator Williams, would you yield, please?

WILLIAMS: Certainly.

FRIESEN: So I know that your-- your main kind of focus of the bill is to keep senior citizens from being defrauded, and I think there's a lot of that going on and I think it's-- it's needed. What my question more is, is what if, you know, I'm starting to reach the age where I've worked hard and I want to go spend my money foolishly and maybe I'm wanting to spend it on some things that are-- my kids don't agree with or someone else, is that any restrictions on-- how can I-- what do I have to go through suddenly if somebody says, hey, that looks like you shouldn't be spending your money that way, it looks like

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fraud. Can I still do that or is there people that can stop me from doing that?

WILLIAMS: Thank you for that question, because I I think Senator Friesian that's an important part to-- to look at this. There is no intent in stopping a person from making prudent and sometimes imprudent decisions. The attempt with LB853 is to look at those specific fraud situations where you have a senior adult or a vulnerable adult that is being taken advantage of by someone else in the situation. So normal type of business examples don't raise a red flag to-- to a banker. These are the situations where somebody is dealing with cash as opposed to writing a check to someone that is a legitimate operator.

FRIESEN: But what's the definition of, you know, a vulnerable adult? Cause I mean, if I-- let's say if I want to take--

WILLIAMS: A vulnerable adult as I answer--

FRIESEN: --a huge junk of cash and go to Vegas and go gambling, it's pretty foolish, but it's what I want to do.

WILLIAMS: The definition of a vulnerable adult is in Nebraska statute, as I read to Senator Lowe. It is a vulnerable adult means any person 18 years of age or older who has a substantial mental or functional impairment, or for whom a guardian or conservator has been appointed under the Nebraska probate code.

FRIESEN: So like an elder citizen too, the same definition, it's--

WILLIAMS: A senior adult which is also covered is anyone 65 and over.

FRIESEN: OK, so it meets those criteria.

WILLIAMS: And that's-- that's also in Nebraska statute.

FRIESEN: OK. Thank you, Senator Williams. So I do stand in support of this. I think it's needed, but I do think also that there are adults out there who maybe do want to spend their money foolishly and we shouldn't be putting restrictions on them. They may be having their second childhood and need to have a little fun. Thank you, Mr. President.

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LINDSTROM: Thank you, Senators Friesen and Williams. Senator Bostelman, you're recognized. I am not seeing Senator Bostelman. We will move to Senator Erdman, you are recognized.

ERDMAN: Thank you, Mr. President. Good morning. I listened to the conversation between Senator Williams and Senator Friesen, and I thought Senator Friesen's final statement was amusing. An adult that wants to just have a little fun and I thought that was peculiar. Let me-- let me say this about Senator Williams' comments at the beginning when he did the point of personal privilege. Senator Williams, want you to know that I appreciate that information that you shared with us, because there are people that banked at that bank that had-- that have concerns and were worried about the stability of the bank, and I appreciate that you took the time this morning to share with us that-- that institution is going to be open today. Going to be transacting business like they always have, and I appreciate that. So thank you for doing that. And I was wondering if you would yield a question.

LINDSTROM: Senator Williams, would you yield, please?

WILLIAMS: Certainly.

ERDMAN: Senator Williams, I heard the discussion between you and Senator Friesen. So just so I'm clear on that, so in-- in the case of Senator Friesen suggested that this person wants to go gambling or whatever he wants to do, what is the provision now if someone comes in, the money is going to be held for 30 days, is that right? Can you explain that procedure?

WILLIAMS: Under LB853, the bank could call a timeout and that timeout could last 30 days or for-- or up till when they determined it was financial exploitation. Taking money and going to Las Vegas and wasting it there is not elder exploitation. Buying a brand new red Mustang that you are buying is not elder exploitation. Believing you won the Jamaican lottery and sending \$10,000 in cash in an envelope to a foreign country raises red flags that you could say, we think this is financial exploitation, let's slow this transaction down and make that determination before we let the money go.

ERDMAN: OK, so then if I was one of those people that came in and wanted to do that, cash a large check to do the gambling or whatever, would that bank then check with somebody to see if I had the wherewithal to do that or had-- was maybe not all there as far as

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making that decision? How does that work? Who determines whether it's something that we need to investigate or not?

WILLIAMS: The definition of a vulnerable adult that I read that is in statute--

ERDMAN: I heard that, yes.

WILLIAMS: --shows-- shows where-- where that is and that's-- that's fairly distinct. We have people consistently that want to take cash and do certain things with it. It is-- when the red flags go up is when you see the attachment of-- they got a call and found-- and it was said that their grand-- their grandson was in trouble--

ERDMAN: OK.

WILLIAMS: --and they needed to send \$10,000 in cash. Those are the kind of situations we're talking about.

ERDMAN: OK. So in your banking career, have you seen that happen in your institution?

WILLIAMS: Multiple times. Nearly every week--

ERDMAN: And so--

WILLIAMS: --there is a request for this.

ERDMAN: Currently, you try to do whatever you can to bring some rationale to that decision, but because your hands are tied, you only can go so far and sometimes they go ahead and do what they shouldn't do, is that correct?

WILLIAMS: That's certainly the case. I think there are banks that have been willing and certainly I would suggest in our bank we have been willing to make a contact with somebody that was even outside of the current financial privilege laws that we have, just so--

LINDSTROM: One minute.

WILLIAMS: --that we try to stop that transaction, but it happens regularly.

ERDMAN: I appreciate that, and I appreciate the fact that-- that an institution like yours and other banks are concerned about the well-being of people my age because you said, talked about senior

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citizens and I'm falling in that category. So thank you for bringing this and I appreciate it. Thank you.

WILLIAMS: Thank you, Senators Erdman and Williams. Senator Bostelman, you're recognized.

BOSTELMAN: Thank you, Mr. President. I apologize for not being here before. I was out-- I had-- school kids from Wahoo were today, so I was out talking with them and I-- and I missed my line in the queue, so I apologize for that. I would ask-- like to ask Senator Williams a couple questions if he'd-- if he'd answer. Senator Williams.

LINDSTROM: Senator Williams, would you yield, please?

WILLIAMS: Yes, I would.

BOSTELMAN: Senator Williams, I'm specifically want to speak to the portion on-- and ask you questions on the banking area where the bankers can withhold a transfer in the case of a-- of a scam or something that's identified along those lines. I've got two questions along those lines. Two situations that I know of happened with family members or close family members. The most recent one, and I don't know if this would apply to this or not, is a lost checkbook. Someone's elderly, they have a checkbook and they've got significant amount of money in, all of a sudden they realize their checkbook is gone, they've lost checkbook. How does that process happen right now? Would this enable the bank if someone would walk in and say, I lost my checkbook, I don't know when I lost it, would this allow them to take action or will they still have to go a different route or contact someone else to-- to stop those checks being processed potentially?

WILLIAMS: The specific transaction or that circumstance that you're talking about is not addressed by this legislation. However, if a customer believes they have lost their checkbook, what they can do is come into the bank and inform the bank, we think we lost our checkbook. It's number such and such. The bank can put a hold on that account or a stop payment on those number of checks and protect for that. That-- that's not an issue of elder exploitation at that point, if just a lost checkbook.

BOSTELMAN: Yeah. And they're just not for sure whether it was stolen or lost. So there is-- so within that scenario then there is discretion on the banking side to-- to put like a stop process, stop hold or awareness on that account. So they-- they check those, if you

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will. They monitor the checks as they come in to ensure someone's not fraudulently-- maybe stole that check, now writing checks off that checkbook, right-- account?

WILLIAMS: That's-- that's certainly the way the current law is, and then if there is a suspected forgery or that-- with that, that is not covered here either, that's under our current fraud statutes and all of those things. So a bank could engage law enforcement if they thought it would be necessary in a case like that. But more importantly, the banks duty is to protect the customer's money, if at all possible, and be sure that only an authorized signor on the check would be signing those checks.

BOSTELMAN: And they can do that for a specific number of days or at their discretion.

WILLIAMS: At their-- well, if you put a stop payment on, it lasts until--

BOSTELMAN: OK, thank you.

WILLIAMS: --until it's over.

BOSTELMAN: All right, right. The next question I have, I think may be more to the point and this happened with my family this last, oh, probably a couple of years ago where my father got a phone call from an individual saying, don't call your son, me, but your grandson's in trouble. Your grandson's in the hospital. He was in an accident. The police are there. They're going to arrest him, but you give me X amount of dollars and we'll take care of the situation. Don't call your son. Don't let him know. If you do, then he's going to go to jail. So when I got the call from my dad, he's pretty upset, obviously. He's like, I don't know what to do, Bruce. And I'm like, what do you mean? He says its about your son. I said, what do you mean? And so he was able to tell me, and I said, no, this is the scam, dad, don't do that. Don't, you know, pay those people that-- that type of money they're asking for. Is that what this then is targeted to?

WILLIAMS: Absolutely. That's a very good example. That exact example happened to--

LINDSTROM: One minute.

WILLIAMS: --an employee of our bank didn't-- with his-- with their parents that don't live in Gothenburg, but lives somewhere else, the

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exact same thing. They put \$10,000 in an envelope, stuck it in the mail, then called and found out that their grandson was just fine. They were able to, in that particular case, call the police. The police were able to track the post office and captured the money before it actually got beyond that, but that is rare that it would ever get caught. So this-- this is exactly what you're talking about.

BOSTELMAN: OK. Thank you. I-- I do want to continue on. I can yield the rest my time back to the Chair if I'm next in the queue. I just want to finish my conversation. Am I next to the queue?

LINDSTROM: You're not.

BOSTELMAN: OK.

LINDSTROM: That's time, Senators.

BOSTELMAN: OK, thank you.

LINDSTROM: Thank you, Senators Bostelman and Williams. Senator Groene would like to welcome 30 members of the Leadership Lincoln County from North Platte in the north balcony. Please stand and be recognized by your Nebraska Legislature. Senator Clements, you are recognized.

CLEMENTS: Thank you, Mr. President. I-- would Senator Williams yield to a question.

LINDSTROM: Senator Williams, would you yield, please?

WILLIAMS: Certainly.

CLEMENTS: Thank you, Senator Williams. I have-- got a son who listens to this regularly and sent me a message, here's the question. Does the elder bill have an age requirement? I had a friend younger than me, which would be somebody in their 30s, almost wired thousands of dollars to a scam. I'd support a wider definition than a vulnerable adult or senior adult. Was there consideration for including younger people, or does the bill maybe permit this to be protection for someone younger, say, in their 30s who is not identified as vulnerable?

WILLIAMS: The bill only includes those two definitions and no other definition was talked about.

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CLEMENTS: That was what the proponents were mainly worrying about was seniors or vulnerable people then, is that it?

WILLIAMS: And there was no testimony like you're talking about at the hearing. Nobody testified in any manner about changing that definition.

CLEMENTS: All right. Well-- well, I guess we'll see how this goes. And if there do arise problems, I think probably the bankers in Nebraska will probably let you know and bring forward gaps in this. I also was reviewing LB852, adding goats and hemp for effective financing statements. And does this-- question again for Senator Williams. Does this put those farm products in central reporting system?

WILLIAMS: Yes, it does. There is a rather lengthy list, as you are certainly aware of items that are in that and goats and hemp are not presently included on that item. Secretary of State brought that to my office and asked that we introduce legislation to add goats and hemp to the central filing system.

CLEMENTS: Yes, I am aware of the effective financing system, and especially wanted to support this because the buyer of these products of a goat or-- or some hemp, just like corn, hogs, beef could be from far away from where the county of the grower where it was grown and might have difficulty tracking down really where that-- what bank has a lien on that commodity. And by using the central reporting system, a buyer can look up and see what the lien-- what lien holders are on those commodities. And if they put the bank's name on the check, then they're protected, and we've been-- the bankers like that because that makes makes us not have to go litigate the situation where the money didn't come back where it was supposed to. And I just did want to talk in support of that and make a comment that it is solving a problem. It's not a restriction, in my opinion, especially for buyers of commodities, that that would protect them by being able to look at the central registry. And if there is no lien on it, they can write a check just directly to the producer without worrying. There had been situations where a producer says there is no lien on my product and the buyer gets a surprise when he gets a letter from a banker--

LINDSTROM: One minute.

CLEMENTS: --that there was a lien and the money is gone. The-- let's see. Just make a brief comment about the last two bills, LB908, LB939-- that was all the questions I had for Senator Williams

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--requiring NMLS registration for payday lending and collection agency. I support those. Also, I was licensed by the NMLS and I had to get fingerprints and a picture taken, a background check to be a loan officer to make home loans. And it protects the consumer, I believe, by making sure we have reliable people that you can trust that you're doing financial transactions with, and with that, yield the rest of my time. Thank you.

LINDSTROM: Thank you, Senators Clements and Williams. Senator Morford, you're recognized.

MORFELD: Question.

LINDSTROM: The question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. Have you all voted that care to? There has been a request to place out the house on call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 18 ayes, 2 nays to place the house under call, Mr. President.

LINDSTROM: The house is under call. Senators, record your presence. Those unexcused senators outside the Chamber please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators Hughes and Stinner, please check in. Senators Geist, McDonnell, Wishart, Senator Matt Hansen, Senator Chambers, please return to the floor. The house is under call. Senator Morfeld, we are waiting for Senator Chambers. Would you like us to proceed or wait?

MORFELD: We will wait.

LINDSTROM: Senator Morfeld, did you request a roll call vote in reverse order?

MORFELD: Yes. Thank you,.

LINDSTROM: Mr. Clerk. The motion before us is to cease debate.

CLERK: Senator Wishart.

WISHART: Yes.

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CLERK: Voting yes. Senator Williams.

WILLIAMS: Yes.

CLERK: Voting yes. Senator Wayne.

WAYNE: Yes.

CLERK: Voting yes. Senator Walz.

WALZ: Yes.

CLERK: Voting yes. Senator Vargas.

VARGAS: Yes.

CLERK: Voting yes. Senator Stinner.

STINNER: Yes.

CLERK: Voting yes. Senator Slama.

SLAMA: Yes.

CLERK: Voting yes. Senator Scheer. Senator Quick.

QUICK: Yes.

CLERK: Voting yes. Senator Pansing Brooks.

PANSING BROOKS: Yes.

CLERK: Voting yes. Senator Murman.

MURMAN: Yes.

CLERK: Voting yes, Senator Moser.

MOSER: Yes.

CLERK: Voting yes. Senator Morfeld.

MORFELD: Yes.

CLERK: Voting yes. Senator McDonnell.

McDONNELL: Yes.

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CLERK: Voting yes. Senator McCollister.

McCOLLISTER: Yes.

CLERK: Voting yes. Senator Lowe.

LOWE: No.

CLERK: Voting no. Senator Linehan.

LINEHAN: Yes.

CLERK: Voting yes. Senator Lindstrom.

LINDSTROM: Yes.

CLERK: Voting yes. Senator Lathrop.

LATHROP: Yes.

CLERK: Voting yes. Senator La Grone.

La GRONE: Yes.

CLERK: Voting yes. Senator Kolterman.

KOLTERMAN: Yes.

CLERK: Voting yes. Senator Kolowski.

KOLOWSKI: Yes.

CLERK: Voting yes. Senator Hunt.

HUNT: Yes.

CLERK: Voting yes. Senator Hughes.

HUGHES: Yes.

CLERK: Voting yes. Senator Howard.

HOWARD: Yes.

CLERK: Voting yes. Senator Hilkemann.

HILKEMANN: Yes.

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CLERK: Voting yes. Senator Hilgers.

HILGERS: Yes.

CLERK: Voting yes. Senator Matt Hansen.

M. HANSEN: Yes.

CLERK: Voting yes. Senator Ben Hansen.

B. HANSEN: Yes.

CLERK: Voting yes. Senator Halloran.

HALLORAN: Yes.

CLERK: Voting yes. Senator Groene. Senator Gragert.

GRAGERT: Yes.

CLERK: Voting yes. Senator Geist.

GEIST: Yes.

CLERK: Voting yes. Senator Friesen.

FRIESEN: Yes.

CLERK: Voting yes. Senator Erdman.

ERDMAN: Yes.

CLERK: Voting yes. Senator Dorn.

DORN: Yes.

CLERK: Voting yes. Senator DeBoer.

DeBOER: Yes.

CLERK: Voting yes. Senator Crawford.

CRAWFORD: Yes.

CLERK: Voting yes. Senator Clements.

CLEMENTS: No.

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CLERK: Voting no. Senator Chambers. Senator Cavanaugh.

CAVANAUGH: Yes.

CLERK: Voting yes. Senator Briese.

BRIESE: Yes.

CLERK: Voting yes. Senator Brewer.

BREWER: Yes.

CLERK: Voting yes. Senator Brandt.

BRANDT: Yes.

CLERK: Voting yes. Senator Bostelman.

BOSTELMAN: Yes.

CLERK: Voting yes. Senator Bolz.

BOLZ: Yes.

CLERK: Voting yes. Senator Blood.

BLOOD: Yes.

CLERK: Voting yes. Senator Arch.

ARCH: Yes.

CLERK: Voting yes. Senator Albrecht.

ALBRECHT: Yes.

CLERK: Voting yes.

CHAMBERS: Yes.

CLERK: Senator Chambers voting yes. 45 ayes, 2 nays to cease debate.

LINDSTROM: Debate does cease. Senator Williams, you're recognized to close on AM2312.

WILLIAMS: Thank you, Mr. President, and good morning again, colleagues. I was wondering after I prayed this morning and asked for

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wisdom, imagination and compassion as to what's been going on in this body for the last hour. I would question that each of you think about what you have been engaging in and why you have been engaging in it. And at this point, I would ask for your green vote on AM2312. The Banking Committee has worked very hard to put these bills together to bring good legislation that correct situations and makes a difference for our state. Thank you, Mr. President.

LINDSTROM: Thank you, Senator Williams. The question before us is the adoption of AM2312. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk, .

CLERK: 47 ayes, 0 nays on the adoption of committee amendments.

LINDSTROM: The amendment is adopted. I raise the call. Returning to debate on LB909, Senator Bostelman, you're recognized.

BOSTELMAN: Thank you, Mr. President. I just want to finish my train of thought with the discussion I had with Senator Williams. This has happened to my family several times already. So the importance of this bill is that this is happening on a more frequent area, within my family, I've seen it. I actually had the incident that Senator Williams was talking about. I had a family member actually put the cash in an envelope, walk it to the post office. Fortunately, the postmaster was known and we were able to work with the postmaster in order to find that envelope that was full of cash and retrieve it so that-- that \$10,000 wasn't lost. That's completely separate from what Senator Williams had said, so on that specific portion of the bill I strongly support it and ask for your green vote on LB909. Thank you.

LINDSTROM: Thank you. Senator Bostelman. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, President. Senator Williams, while I appreciate this bill more than you know, I certainly don't appreciate the comment that you just made that it took a prayer for us to come together for this bill. I'm here to tell you that this is very personal to me. It's very personal to my district, and it was very important for me to get on this mike and ask questions. So I do rise in favor of LB909, but I did not appreciate the comment. Thank you.

LINDSTROM: Thank you, Senator Albrecht. Senator Slama, you're recognized.

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SLAMA: Thank you, Mr. President. I've been following along debate this morning, and I do think it is important. I do rise in strong support of LB909. I think it's a very important bill, but I think it is important that in this body we take time to discuss issues, especially within committee Christmas tree bills to flush out any issues we may see and to better understand the impact that these bills will have on their district. This was not a filibuster in any sense of the word. We're going to get to a debate-- I mean, a vote here in the next few minutes. And I do appreciate this discussion because it truly brought to light some real issues that our constituents are facing. So I'd like to thank Senator Williams for his work on this bill and encourage a green light vote on LB909.

LINDSTROM: Thank you, Senator Slama. Seeing no one else in the queue, Senator Williams, you're welcome to close on LB909.

WILLIAMS: Thank you, Mr. President. And thank you all for the discussion this morning, of LB909 is a bill that was put together with a lot of work of staff. Also, I would like to thank committee legal counsel, Bill Marienau, and clerk, Natalie Schunk, for all of their specific work on putting this bill together. And I would encourage your green vote. Thank you.

LINDSTROM: Thanks, Senator Williams. The question is the advancement of LB909 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have you all voted that care to? Reccord, Mr. Clerk.

CLERK: 42 ayes, 0 nays on the advancement of the bill.

LINDSTROM: LB909 advances. We will now move to General File, 2020 Senator priority bills, LB966.

CLERK: LB996, by Senator Brandt. A bill for an act relating to the Nebraska Telecommunications Regulation Act. Creates a broadband data improvement program, provides powers and duties for the Public Service Commission. Introduced on January 14. Referred to the Transportation Committee, advanced to General File. I have no amendments to the bill, Mr. President.

LINDSTROM: Senator Brandt, you're welcome to open on LB996.

BRANDT: Thank you, Mr. President. Good morning, colleagues. Today, I have the pleasure of introducing LB996. LB996 is my personal priority bill for this session. I have circulated some information on LB996 to

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aid in this discussion. I would like to thank Senator Friesen and members of the Transportation and Telecommunications Committee for voting this out of the committee, eight to zero. This bill does not have a fiscal impact and had zero opposition testimony during the hearing. In August, the Federal Communications Commission began a new process for collecting accurate broadband coverage data by adopting the Digital Opportunity and Data Collection Program. The data collected will now be used to determine how and where federal broadband funding is allocated. LB996 is written to ensure that the state of Nebraska can maximize the benefits of this program. The old approach to data collection, form 477, enabled providers to claim homes and businesses had broadband coverage when, in fact, they did not. When this claim is made, those addresses become ineligible for state and federal broadband funding. The new program will use crowdsourcing to verify whether those households would in fact be eligible. Crowdsourcing will allow customers to perform their own speed test. Crowdsourcing is the most cost-effective way to verify data, but it cannot-- it can be unreliable. That is why the FCC asks state, local and tribal governments to compile and submit results. LB996 gives the Public Service Commission wide discretion to determine when state action is appropriate and how the program should be managed. On January 30, the Federal Communications Commission established the new Rural Digital Opportunity Fund. This fund will direct up to 20.4 billion to finance broadband expansion to unserved rural areas. LB996 will make Nebraska eligible for a larger portion of these funds. The first phase begins later this year and will target 16 billion to census blocks with no broadband service at all. Eligibility for this first phase is determined using form 477. Of the six million locations across the United States identified as eligible, only 54,000 or 0.9 percent are in Nebraska. The second phase is based on data gathered from the Digital Opportunity Data Collection Program. This funding will target unserved households and census blocks that are partially served. These households will be discovered through improved data submitted by providers and the results of crowdsourcing efforts implemented at the state level. Senators voted 48 to zero to create a Rural Broadband Task Force in 2018. The findings and recommendations of that task force were released this past October. LB996 is written to implement two of the three key recommendations made under the broadband data and mapping section of the October report. The first, request that the state leverage the Digital Opportunity and Data Collection Program to improve Nebraska's broadband map. The report explains that states are limited in their authority to compel providers to submit data and that leveraging federal efforts can

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overcome this obstacle. Doing so can also minimize costs. The second request is that Nebraskans will be encouraged to participate in the crowdsourcing efforts developed to enhance federal broadband mapping. The Digital Opportunity and Data Collection Program is one such effort. The report suggests that the Public Service Commission and other stakeholders work together to encourage program participation. Thank you for your consideration and I would appreciate your green vote on LB996. Thank you.

LINDSTROM: Thank you, Senator Brandt. Turning to debate on LB996. Senator Hilgers, you're recognized.

HILGERS: Thank you, Mr. President. Good morning, colleagues. I rise in support of LB996. I voted for it in committee. I just want to say a couple brief words. Thank-- first, thank you to Senator Brandt for bringing the bill. He's brought a number of bills in our committee over the last two years trying to expand access to broadband in rural areas in Nebraska, which I think is one of the most important issues that we face as a Legislature. And I think when you're talking about making any good decisions, whether it's your personal life or your family life or your business, certainly when you're in policymaking, getting good data allows us to make good, informed decisions. And that is no more, I think, important than in the broadband context. And I think Senator Brandt talked about it on the floor this morning, as well as in the materials he's passed out, that in the broad-- rural broadband context are-- the data that we have is really insufficient when we're talking about census blocks. And understanding where the most acute needs are, where those dollars, resources and focus should be and should go is one of the challenges that we face. And so I think LB996 is one step forward to try to help get us something that we really need to address this issue, which is good data. So I support the bill. I support the concept. I support Senator Brandt's efforts to help improve broadband access here in Nebraska and I would encourage your green vote on this bill. Thank you, Mr. President.

LINDSTROM: Thank you, Senator Hilgers. Senator Friesen, you're recognized.

FRIESEN: Thank you, Mr. President. I, too, want to thank Senator Brandt for bringing this bill. This is an issue that we've talked about in the broadband task force and it's an issue that down the road will need to be addressed. Currently, under the FCC rules, you're deemed served if one person in the census block is served. And so we do know that the telecommunications companies know exactly where they

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have service and where they don't. They do have that data. It's just not available to the FCC and it's not necessarily available to us. So we have some real issues with unserved and underserved areas in this state. And we've all talked about how important it is in economic development in rural Nebraska to have broadband access. We have a huge issue and it's going to be addressed over time because it is a very costly issue to get broadband out into some of the more remote areas of the state. But we have a lot of work to do and we have a lot of areas that are, I would say, that are-- are densely enough populated that you can make a business case to go out there and provide that broadband, and it just hasn't been done by some companies. We've had some companies out there in the district where I live, or in the telephone district they have put fiber to the home. I've had that probably five or six years. In neighboring community, they're under their third or fourth year of putting broadband and getting fiber to the home in rural areas. We have a lot of small telephone companies who have done a great job of providing high-speed broadband, and yet we have large swaths of the state who have little or no access. And sometimes it can be really close to-- to Lincoln, for instance, there are areas that do not have high-speed broadband. So what the FCC is proposing down the road and they have not developed their rules and regs yet, is to define how they deem that you have service. Instead of using census blocks, they're going to narrow it down to an actual physical address or a GPS location. And so for us to go out and start trying to determine which those areas are, is kind of a-- we-- we may end up developing a mapping program that doesn't tie in with the FCC. So we really do need to make sure that we're in tune with what they're gonna bring forward, and we don't get a jump on-- on where we might be headed because we do need to have a single mapping program that works with the FCC and with what we're doing. So I think this legislation gives the, you know, the Public Service Commission the ability to, if during the off-session, the FCC comes out with its rules and regs, the Public Service Commission can immediately start working on a plan to implement gathering that data that meets the FCC requirements and that will put us a jump ahead of anyone else. There are currently a lot of discussion in the federal Legislatures, the Senate and the House, about creating more dollars going to broadband development in rural areas. So I think in-- in future years there could be more federal funding and we do desperately need to leverage that federal funding with our funding. We have the Nebraska Universal Service Fund that is going to help with that. But when you look at the total cost of what we need to do, we need to find a way to leverage our dollars with any federal dollars that we can get. And that's what this bill does, is

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get us ready to leverage those dollars. And I think for the rural areas and-- and even we're finding that there are some municipalities out there that don't have sometimes great service, but I think we have established already that all the schools and hospitals are hooked up. So there is kind of a backbone out there. We just need to get it out into the rural areas and that-- when I'm saying rural is outside of the city or village limits. And so that--

LINDSTROM: One minute.

FRIESEN: --definition is-- is extremely important also because that's where the task force was focused on. So I think we do have a lot of work to do ahead. We have to look at any available funds that we can possibly get ahold of. And I know the federal government has talked extensively about doing more in helping build that infrastructure. So this is just one piece of that. Thank you, Mr. President.

HILGERS: Thank you, Senator Friesen. Senator Dorn, you're recognized.

DORN: Thank you, Mr. Speaker. Good morning, colleagues. I stand in support of LB996. Sitting on a county board city-- and as we run a campaign throughout the state, you often run into or meet citizens that they always like to talk about the issues in front of them and some of the concerns they have. And this was one of the-- the issues that was brought up quite often. But I had a comment about everybody thinks this is a rural-- rural issue mainly. I stopped in at Hickman at a Quick Stop there and was visiting with some people there, and there was a guy came up to me and he said, when are you going to get me rural broadband? And I says, what do you mean broadband? I said, where do you live? He says, I live nine miles east of Hickman, which is about 10 miles southeast of Lincoln, and he could not get cell phone adequate coverage. He did not have broadband. And he wanted to know when in Lancaster County we were going to get rural broadband. There-- I know there was a location five miles southeast of Beatrice that they started an online selling, I call it knick-knacks. This company started there about seven to 10 years ago. That company started with one store. The reason they located in that small little town was because it had broadband. Three years ago, they were up to five buildings, not one, five, just because of, they had the ability and had the information, the broadband that they could use and-- and run their business. As you visit with people out in the country, as you visit with people in rural areas, as you visit with farmers and the technology and the data that's coming, or is there and is coming there, you know, unless we have that ability to have that source and

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use that, we are hindering economic development. You know, Senator Wayne talked about, the other day when we were here in the Legislature, he talked about we didn't have Wi-Fi and what a challenge that was. We had a day or two without that. When you're at some of these locations out in these rural areas, that is part of what life is. They don't have that and don't have that ability, and you constantly hear about or visit with people that are facing that situation. So, but I do have one question for Senator Brandt, if he would take a question, .

HILGERS: Senator Brandt, would you yield?

BRANDT: Yes, I would.

DORN: OK. Reading the bill, this then is allowing the Public Service Commission to go ahead and implement this program. Why-- if it would allow them, why can't they do it without it? I guess that's my question.

BRANDT: OK. Let's-- let's go backwards a little bit. The FCC has not come out with their final rules yet on what kind of validation method they want. We had hoped by this time they would have that. That has not come out. So the bill makes the PSC the lead agency on this and gives them the flexibility to use vendor maps, crowdsourcing or whatever data the FCC requires to validate where we're at in Nebraska. We talked with them the other day, very supportive of this. I do think crowdsourcing will be a large component of this. I don't know if other people have done this, but I know in-- personally in my house, we've run this. We have DSL and we have 0.62. The definition of broadband is 25,000 megabyte download, three megabyte upload. And the people in town can't believe it's that slow and the people in the country would kill for one meg.

DORN: Thank you. Like I said, I stand in support of this bill and thank you. I yield my time back.

HILGERS: Thank you, Senator Brandt and Senator Dorn. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, President, and colleagues, I just rise again to take a look at this table and that Senator Brandt has provided. I do sit on the Transportation and Telecommunications Committee as well and voted this particular bill out for many reasons. There are several of us that serve on that committee that are subject to our communities

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with lack of broadband. So I'm just going to talk about the task force and how they're understanding that there's a gap with the education of our students. So the children all have computers that they get to take home and do homework on, and most of the ones in my district, and you can go to Dakota, Thurston or Wayne counties, most of them will end up at the library after school, the McDonald's in Wayne, I mean, anywhere that they can get online to help get their homework done before they head home, or get up early in the morning and do the same thing, go to the-- sit outside of the library, sit in the McDonald's and try to get their homework done. But let's talk about the farmer that's at home trying to buy cattle and all the sudden is he's ready to buy a pod of cattle and-- and-- and his screen freezes up. Let's talk about the ones that have-- would like to have maybe something newer that has some-- some computers on their tractors, combines or whatever, but can't have access to the Internet. So, again, what we're doing here is just getting ready for it so that when-- when they decide that they can can validate that we have the information and the grant funding, that we're gonna be ready for it. You know, I personally at our house, we were out of Internet last year for four months, four months. You know, I had to wait until they decided to purchase some new equipment to put on top of the water tower so that we can access it once again. Now I pay \$30 more a month and it isn't any better than it was before they got the new equipment. Kind of liked it the way it was before they had the equipment exchanged. So there truly is a problem in the rural communities. Again, Dakota County, 90 percent have it, but if you get outside of the area, only about 75 percent do. In Thurston County, it's 46 percent, 46 percent overall, 46 percent in the rural, and our tribal areas are also at the 50 percent level. Wayne is at 72 percent and 45 of those in the surrounding areas. So I'd like to give my time to Senator Brandt, if he'd like to discuss any more about this particular table. Thank you.

HILGERS: 2:15.

BRANDT: Mr. Speaker. Thank you, Senator Albrecht. There are a lot of stories when you live in rural communities about what's happening out there. And one of our farm magazines recently had a story, and this is in western Kansas, but it could be in rural Nebraska. People would drive into town, sit in the parking lot at the library all night because they didn't hot-- have any broadband or Internet outside of that in that village. And there are stories in this community, and I'm sorry I cannot name the community, where people completed their online degree in the parking lot of the library, when, you know, the library

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left their Wi-Fi on 24 hours a day as a service to the community, I think if you live in an urban area, it's really tough to imagine what difficulties are faced by our rural population. We want our young people to come back to rural Nebraska. If you're 30 or 35 and you've started a family and you're living in Kansas City or Omaha or Lincoln, and you want to move back to a small town where you grew up because your family's there and we've got great schools, if we do not have a viable, robust broadband system, you're not going to have much for rural development.

HILGERS: One minute.

BRANDT: The young people need this so that they can telecommute to work. They can be competitive with anybody in the world if we have good broadband. Their kids can do their homework. Their kids can be entertained, our old people in the-- all our people in the rural areas can use telehealth. This is the way the world's going and where you might have 100 meg here in Lincoln, we are-- or we aren't even close to the 25/3 out in a lot of our rural areas. So that's just some-- some things to think about. I know a lot of my colleagues, when you come out to my farm or travel to the outer parts of the state and you lose your cell phone service, you're just amazed. That happens to us all the time. So this is-- this is one of the things we're trying to solve with this bill. Thank you.

HILGERS: Thank you, Senator Brandt and Senator Albrecht. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. President. Good morning again. Listening to the conversation this morning, it reminds me of when we started the rural electrification program in Nebraska, there were places in the state that didn't have electricity and we figured out a way to get electricity to those locations, even if they were at the end of the line. So I would tell you this, that broadband is probably as important today as getting electricity was 50, 60, 70 years ago. Senator Brandt handed out a document, a table that showed broadband in all and in rural and then tribal areas, and I was wondering if Senator Brandt would maybe explain that to me, if he would. Would you yield to a question, Senator Brandt?

SCHEER: Senator Brandt, would you yield?

BRANDT: Yes, I would.

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ERDMAN: Senator Brandt, you know the document you sent out what I'm referring to, table four there?

BRANDT: Yes, right here.

ERDMAN: OK, so let's go on the second page, if you would and look under Morrill County, that happens to be the county where I live. And you will see there that it says the-- All is 33-- 80.3 percent and then Rural is 80.3. Can you explain what that means?

BRANDT: OK. You're very fortunate in Morrill County. The All column includes all of the incorporated areas and all of the unincorporated-- unincorporated areas and that indicates that 80.3 percent of the population in Morrill County have access to broadband. And in the rural areas, it is 80.3, and if you look at some of our other counties, that number varies quite a bit.

ERDMAN: So then can I conclude from that that nearly 20 percent of those people that live in a community or town and 20 percent of those who live in rural have no broadband?

BRANDT: They do not-- I would-- I would say that's a-- that's a fair assumption that their broadband is less than the 25/3 standard.

ERDMAN: OK. So then this bill that you've introduced, how does that help solve that 20 percent not having broadband problem?

BRANDT: Part of the problem we have today is we really do not know where that 20.3 in Morrill County is at or in the case of my county, it's much greater than that. And what we're trying to do is to provide an accurate map of hopefully by address of who is underserved with broadband so that when we submit that to the Federal Communications, FCC, we can access those fed funds and they would come to the PSC and then the PSC would award them based on our mapping.

ERDMAN: OK. All right. That's helpful. I noticed there are a lot of my counties that there's a significant percentage of people who don't have broadband. Take, for example, Banner County on the first page, about the fourth one from the top, 11.6. That is not much. That is a situation that we need to deal with. But in your-- in your bill it talks about a data-- let me see if I can say that. Broadband Data Improvement Program. OK. And it's going to be administrated by the PSC Commission, PSC, and I understand that. Can you explain what that is-- that improvement program?

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BRANDT: Yeah. That is this bill. And it is-- the Broadband Data Improvement Program is the effort to accurately map in Nebraska our underserved areas for broadband. And historically, these are in the rural areas, but not exclusively. It's like Senator Dorn said, Hickman is a-- is a big community--

HILGERS: One minute.

BRANDT: --and in a lot of our-- our communities, we're lacking broadband also. It just sort of depends where you're at and how you're served.

ERDMAN: OK. So someone will check out Banner County and see why these people don't have any broadband at all?

BRANDT: Banner County will have an opportunity to participate if-- if and when the PSC does the crowdsourcing, they will be able to verify on their device whether that's a tablet or a desktop or whatever, and send that information to the PSC. And if you-- if you don't have any Internet, you may have to send them a stamped envelope.

ERDMAN: OK.

BRANDT: I'm not sure yet.

ERDMAN: OK. So looking at your chart, if I lived in Garfield County and it's 0.6, 0.6, if that was electricity there wouldn't be any lights on in that county, would that be a fair assumption?

BRANDT: I think that would be a fair assumption.

ERDMAN: OK. Thank you for your help.

HILGERS: Thank you, Senator Brandt and Senator Erdman. Senator Bostelman, you're recognized.

BOSTELMAN: Thank you, Mr. President. Good morning, Nebraska. Good morning, constituents. I will take time on this bill, and the reason why I'll take time on this bill is very important across the state of Nebraska. And I want to talk to you about things that I've heard and things we've dealt with-- dealt with. I'm on the broadband task force. I'm on Transportation and Telecommunications Committee. This is something that's been important to me for the last four years. This is something that has to get solved and it needs to be done now because we will not grow this state without connectivity. Rural Nebraska,

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outside of the city limits, even inside-- even within Omaha city limits, there's broadband gaps. There's no broadband. So this isn't just rural Nebraska, this is across the state. And why do I say that is 25/3 is-- is quite frankly, is a nonstarter for me. I don't know why the federal FCC looks at 25/3. That's a nonstarter. I've talked with looking at agriculture, looking in the future. I've talked to the IT experts and large corporations in ag industry, and I said, where do we need to be? Where do we need to start? What's minimum? What's the minimum we need to be looking at on connectivity for our agriculture or ranching opportunities-- businesses out there and they say it's a 100/100. Hundred down, hundred up. That's where we start. We're talking about 25/3. We're at the stage coach level right now. And what's frustrating about this for me is I live 32 miles from where we sit, where we stand today, and I cannot get broadband at my loca-- at my house. I have to have a satellite connection. What's the problem with that? Well, if you tried to run a business with satellite connection and you've got any size files you want to upload or download, might as well forget it, because it ain't gonna happen. Fixed wireless is now being talked about in my district, in my area. I hear horror stories about fixed wireless. That ain't the answer either. There's only one answer that we need to be working at and we need to be solving in the state of Nebraska as far as broadband and that's-- broadband and that's fiber. So why do I say that and why are we at that point? And I'll go back to table four that has been handed out. We all have on your desk and it has percentages with 25/3 fixed broadband availability. Quite frankly, I appreciate you putting this together where it come from, but I-- I call this a joke. And I don't mean it in a disparaging way for those who put it together, but I know over the years the 477, how that's been done, how that's reported, the inaccuracies. My, where I'm at, my census block is 100 percent covered. Guess what? We don't have it. We don't have it, period. So what we're talking about here is getting granular information, information at the local level. What Senator Brandt is after, what he's looking, there's the two levels FCC working on, is a granular level. So when we look at something in Butler County shows that it's 83 and 75 rural. 75 percent of the people in Butler County don't have a 25/3. I guarantee you that. The towns in Butler County don't have 25/3, all of them. Some of them do, but not all of them. So, and the reason why I say that is because the reporting on the 477, the FCC means that you can easily provide service to that census block. Not that you're there, not that you're providing it. So when they say a percentage that is covered, I call them on questions on that every

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time because that's what's being reported, but that's not what's being verified. That's something that--

HILGERS: One minute.

BOSTELMAN: --what Senator Brandt is talking about today with his bill is where we're going to get to is that granular level to understand house by house, location by location, what you're really receiving and I appreciate that. And again, what I say, the joke isn't that it's negative about what he's put together, it's the data that they pull from isn't accurate at all. And that's what we're getting at is, getting that accurate information so that we can get to the underserved and unserved first, but then everybody across the state, because if we don't do this or something like this, it's not going to happen because-- because those-- the providers out there have already refused to put it in, and they're going to continue to do that until we provide specific pointed information that says you're not providing it, and if you're not going to provide it, we're going to find somebody else who will. I think that's key for Nebraska.

HILGERS: Time, Senator.

BOSTELMAN: Thank you, Mr. President.

HILGERS: Thank you, Senator Bostelman. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President, and good morning, colleagues. I rise today in strong support of LB996, and would like to thank Senator Brandt for his work on this critically important issue. I'd also like to thank Senator Bostelman for going to bat on this. The Rural Broadband Task Force is doing some great work to try to close this Internet gap in rural Nebraska, and I think LB996 is a great way to allow us to leverage funding. I can't understate this enough. Broadband access is one of the biggest hurdles to rural economic development. And I'm saying this as a young person who came back to rural Nebraska after graduating from college and this complaint about broadband access is not about millennials complaining that they can't get access to Netflix or to Hulu. You oftentimes need Internet just to be a functioning professional or even an entrepreneur. And many rural communities have access to Dial-up Internet. That doesn't cut it anymore. In southeast Nebraska, outside of our larger communities, we struggle mightily with Internet access and I think we run into some of the same issues that Senator Bostelman runs into. Due to the

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topography of our region, it means that line of sight access isn't available in many of our areas, including my corner of southeast Nebraska in the bluffs along the Missouri River. Personally, for me, my family had Dial-up Internet until I was in high school. It was impossible for me to function as a student then. We're talking nearly 10 years ago now, and I can't imagine some of these kids who have that access and that access alone to the Internet at home. And Senator Albrecht's right, there is a homework gap. There are kids throughout rural Nebraska whose only access to the Internet, to a high-functioning Internet, is at the local public library. Those local public libraries are a lifeline for some of our students. I would just like to reiterate that again, in rural areas when we're talking about the urban-rural divide, we cannot grow Nebraska with expanding this access to broadband in our rural areas. It's just impossible and it's impossible to draw young people back to our communities, to our rural areas if they can't even get Internet that beats Dial-up. So thank you very much, Senator Brandt, for bringing this bill, and I'd like to yield you the remainder of my time if you'd be willing to take it.

HILGERS: Senator Brandt, 2:05.

BRANDT: Thank you. I'd like to respond to Senator Bostelman. He is absolutely correct. We've got this report that we handed out. Came from the Internet task force-- or excuse me, the Broadband Task Force and the numbers used here were the only numbers available, which are the 477 data. And I was just explaining to Senator Hansen how 477, our census block works. They take a fixed number of people. For example, they might say 200 people in a neighborhood, and so that in our urban areas, that might be four or five blocks and they draw a line around that. And if one person meets the standard, this federal standard of 25/3 they color that whole thing in and they'll say that everybody in there meets this standard and then they go to the next one. What happens in a rural state like Nebraska is when you get out to a rural area, it may be a whole township six miles square. And if one individual in there is deemed as having 25/3--

HILGERS: One minute.

BRANDT: --like where Senator Bostelman lives, then everybody else in there is colored in in that square, and the FCC says that they've been served. What has happened in Washington, D.C. is the constituents are telling their congressmen and their senators what's going on here. They say we have high speed, we don't have this high speed, and now there's a real push. The Senate and the House have just passed bills

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that are sort of in line with what the FCC has got right here. It won't change it by a lot. But there is a-- a national push to get broadband to the rural areas. This is a national issue. And LB996 is an effort by the state in Nebraska to get in line and access these funds for rural outbuild of broadband. Thank you, Mr. Speaker.

HILGERS: Thank you. Senator Brandt and Senator Slama. Senator Gragert, you are recognized.

GRAGERT: Thank you, Mr. President. I stand in support of LB966-- or LB996 also, just for the simple fact that I'd like to thank Senator Brandt for being proactive on this and the committee for being proactive. The position-- positioning Nebraska towards the top of the list, hopefully when the FCC decides the act will be a good thing for again, yes, rural Nebraska. And the economic development in our small towns, I have time and time again listened to individuals that were able to move back to some of our small communities because of the current Internet, high-speed Internet they have, but paying some big dollars for at this point. Not only in the small communities, but with the precision farming that we have going on and trying to get into more and more every day, very important that we get this high speed Internet broadband stuff going-- going for us. Over the interim and I think just like, oh, the last, well, last couple months, Senator Friesen and Scheer and I had the opportunity to go out and visit with some of the producers and/or owners of companies in northeast Nebraska, and one individual that had it and couldn't say enough about high-speed Internet. Once again, an individual that was paying out some, some major dollars to be able to have it, and visiting all the way through to the individual that was sure wishing they had it and, and couldn't afford it and/or didn't have the capabilities right now to have the high-speed Internet. The-- we have-- as I campaigned through the District 40, we have communities that are very aggressive. Community like Hartington, Nebraska, that has installed all their fiberoptics throughout their community and with-- with-- out beyond 15 miles beyond their communities. So very aggressive to some communities that just haven't had the opportunity to increase anything at this point. So I was wondering if Senator Brandt would yield to a question.

HILGERS: Senator Brandt, would you yield?

BRANDT: Yes, I would.

GRAGERT: You mentioned earlier-- thank you, Senator Brandt. You mentioned earlier that you expected the FCC to maybe act by now. Do

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you have any idea how long this may be before we see any kind of federal action on broadband?

BRANDT: Initially, they had hoped by January 30 and that has been slightly delayed. So we are at the mercy of-- of when it's going to happen.

GRAGERT: OK. Thanks a lot. Thank you. Other than that, that's all I have, and thanks again, Senator Brandt, for bringing this bill.

HILGERS: Thank you, Senator Brandt and Senator Gragert. Senator Bostelman, you are recognized.

BOSTELMAN: Thank you, Mr. President. As I said, this is a subject that's near and dear to me that needs to be talked about as much as we can because of the importance of it, and maybe not because of what we feel here on the floor, but it's those who are outside the glass and those that are at home to drive the point home of what we're talking about, because there's not a lot of us on the floor right now, but that's OK. So a couple of things I want to talk about some more is as we are-- as over the last couple of years on the Broadband Task Force, we hear-- we had hearings across the state. One specific comes to mind and this goes back to the need for broadband. And I think we were out at McCook, Nebraska. I may have the town wrong, but I think it was McCook. And there was a small business outside of McCook a few miles that does international business, worldwide business. Well, in order to do that, they needed to have broadband to-- to a level to where they could have videos played, where they could have information stream so they could take orders and be able to do business. The only way they could get fiber connectivity to their business was they had to put it in themselves. They had to pay for it to be brought to their business themselves. And that's not right. There was another individual I think we spoke with. She was a rancher and they sell cattle online and they had to call in on a different phone line because of the broadband they have didn't allow them enough data streaming in order to conduct their sales online without interference and without spooling of information as it goes up. So the need for broadband is significant. And I'm going to take the time that I want to take to talk about this, because we have to have this in-- across the state of Nebraska. And the providers, whoever they are, telecoms, cable, whoever they are, are starting to get it that we mean business. And this is gonna happen whether they want to come along screaming and hollering or whether we're going to get it done in a different way, if they work with us to make things happen. So the only way we're going

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to be able to identify, and those areas that we really need to get focused on to use the funding that we receive first to those areas that are underserved or unserved, completely unserved, is to collect data accurately. We can't do that now. Certificated carriers in the state Nebraska have to report to the 477. We already know that's inaccurate. Kansas is in a lawsuit right now with one-- one carrier down there because they falsely reported data on their 477. So information is not accurate. We know that, FCC knows that, we need to get down to specific information, specific-- specific connections with individual users as-- at the granular level as close as we can in order to identify those areas in the state that we need to put our funding to first. And unfortunately, I'm getting calls in my district for towns in my district where they're not-- the provider isn't willing to put in fiber, but we'll put in fixed-- fixed wireless for you. To me, that's a nonstarter. No, it's a community. It's a town, you should have fiber in that town. There's no reason why you shouldn't. Fixed wireless, let me tell you, when we get a snowstorm, when we get a hailstorm, when we get bad weather, it's going to get interrupted. We had wireless point to point one time and it doesn't work. We drop it whenever we get a heavy fog, whenever we get a heavy storm, those type of things, it's gone. That is just a nonstarter--

HILGERS: One minute.

BOSTELMAN: --for us. We need to have reliable, specific broadband to each and every house. And the next time I get on the mike, I want to talk about schools a little bit, because I'm going to talk one more time on this bill, at least, about schools. Senator Slama, I think, and maybe Senator Gragert touched on it a little bit, but I want to tell you about what's happening in my district, what schools, what length the schools are taking to get the kids connected because they don't have connectivity at home, because no one wants to run that fiber. No one wants to connect them. That's just not right for our students, for the people. Some of us may talk about telehealth, same thing. We need to have that fiber in the ground. We need to find out where exactly service is being provided so that we can require that service to be provided in those areas and we can provide funding for that. With that, I'll yield the rest my time back to the Chair. Thank you.

HILGERS: Thank you. Senator Bostelman. Senator Brandt, you're recognized.

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BRANDT: Thank you, Mr. Speaker. When you look at this, this data that we passed out, the 477 data, in Lancaster County 95 percent of all the people in the county have access to broadband, only 59 percent in the unincorporate--rated areas of Lancaster County have access to broadband. And I always sort of view Lancaster County being on the edge of-- of-- of Lincoln and everything is that you would think of all the counties, this one would be at 100 percent, and it's not. It's amazing the people that work in this building that come up to me that maybe live five or 10 miles outside of-- of-- of Lincoln and have no viable broadband. And we know that those rural numbers are inflated because they use the 477 data for the census blocks. We-- it's less than that. That we know for sure. And you're looking at counties in outstate Nebraska. Garfield, 0.6. Gosper, 13 percent. Greeley, 18 percent. Harlan County, 2.6 percent of the rural people have access to broadband. And this bill is the first step in correcting that. I like to tell the story that the rural people would not have mail delivery, RFD, because they always had mail service in the towns, except Congress mandated that to go out to the rural areas so that we have rural free delivery out there. Our electric co-ops are the same story. My family didn't have electricity. My grandparents tell me, one got electricity in 1941 right before the war, one got electricity in 1946 right after the war. That wasn't that long ago. But they had electricity in the small towns at the turn of the century. Nobody's gonna go build infrastructure in these rural areas because it costs a lot of money to run-- run cable or telephone wires or electric wires or fiber. Fiber costs about \$15,000 a mile. And if you don't have a customer for two or three miles and you're gonna run \$45,000 worth of fiber for one customer, that's pretty cost-prohibitive. And that's where this FCC money comes in for rural outbuild. When people in Nebraska pay their phone bills and cell phone bills and stuff, they will see a charge on there for the Nebraska Universal Service Fund. This money is targeted for rural outbuild. This is our local version of this. And they have done a fairly good job of-- of tasking that money. So this is a good first step to identify where the problem needs to be solved. The next step is to apply for the funding, and then the step after that is to make sure that funding goes into the hands of the providers that are going to lay this cable or fiber to our homes and businesses in our rural areas. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Brandt. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President. I rise again in wholehearted support of LB996 and its intentions to expand broadband access across rural

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Nebraska. Senator Brandt has done an outstanding job with it. As we get into the waning few minutes of debate this morning, I just wanted to take a quick second to recognize why we had a recess day yesterday. As a nation, we were celebrating Presidents Day, and I found it to be fitting to quote the Gettysburg Address at this point, because I do think these words need to be put in the records of our Legislature and continue to be shared throughout history. So the Gettysburg Address delivered by Abraham Lincoln. Four score and seven years ago, our fathers brought forth on this continent a new nation conceived in liberty and dedicated to the proposition that all men are created equal. Now we are engaged in a great civil war testing whether that nation or any nation so conceived and so dedicated can long endure. We are met on a great battlefield of that war. We have come to dedicate a portion of that field as a final resting place for those who here gave their lives that that nation might live. It is altogether fitting and proper that we should do this. But in a larger sense, we cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men living and dead who struggled here have consecrated it far above our poor power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us the living, rather, to be dedicated here to the unfinished work which they, who fought here, have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us, that from these honored dead, we take increased devotion to do that cause for which they gave their last full measure of devotion, that we here highly resolve that these dead shall not have died in vain, that this nation shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth. I hope that these words stick with us, not just today, but throughout our service in the Nebraska Legislature and any service we may take on in our communities. Thank you, Mr. President.

HILGERS: Thank you, Senator Slama. Senator Friesen, you are recognized

FRIESEN: President-- thank you, Mr. President. So in our Transportation and Telecommunications Committee, we've also talked a lot about who is currently connected to high-speed broadband, and it's been brought up here several times that schools are working really hard to get students hooked up. And what we heard in a testimony on another bill was that libraries in rural areas currently are not able to offer high-speed broadband access either. And so we have been discussing that quite a bit in committee and trying to find a path

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forward, and what we've found out is that a lot of those rural libraries who said that they did not have access to broadband actually do have access if they could pay for it. And so what we've found is that there is access nearby, but they don't have the funds to apply for it. And so we are currently going to be working with libraries. The CIO's Office has been working diligently to try and get libraries to hook up to what they call the E-Rate, and that is a federally subsidized broadband at a rate that they can apply for, but they don't have, I guess, the ability and the staffing to do the paperwork. And so what we're looking for is, down the road is a method to where a-- someone to help with that, whether it's working with ESUs or working with University of Nebraska extension to get these libraries the expertise to get hooked up to this broadband and at least offer it at libraries. And so we heard over and over that libraries didn't have access to this, but the truth is they-- most of them do have access if they have the dollars and if they had the expertise for the IT people to actually implement the program. So I-- I know that there is an issue out there with students who cannot access high-speed broadband in order to do their homework. We have schools out there who have gone to all the work of buying their students laptops and now they go home and they have no hookup, so what they're doing is driving into the libraries and sometimes accessing that public wireless that's available there. But even that is slow, but it turns out more and more that they have not been able to file for this E-Rate. And so once libraries do hook up and file for the E-Rate application, their costs drop substantially and they can purchase a lot more bandwidth and really offer extended broadband, high-speed broadband service to that community. That isn't to say we still don't need to work on the rural areas, but that is part of the problems that are out there in small communities that do have libraries that currently say that they don't have access to broadband. And so, I just wanted to make sure is this was talked about on the floor that we do realize currently that access is generally there. It's just they either don't have the funds or the expertise to do that. With that, thank you, Mr. President.

HILGERS: Thank you, Senator Friesen. Mr. Clerk, for items.

CLERK: Thank you, Mr. President. Before we proceed, Senator Moser, LB899, priority bill designation, Senator Stinner, LB424. Enrollment and Review reports LB238 to Select File. I have notice of hearings from the Government Committee. A series of reports. Urban Affairs reports LB984 to General File, LB95, General File and LB800, General File, with amendments and LB870 to General File with amendments.

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Health, LB849, General File with amendments, and LB1061, and Banking, LB997, to General File. Amendment to be printed, Senator Slama to LB790, and Resolution, Senator Lindstrom offers LR323. That will be laid over. Mr. President, Senator Hunt has a priority motion. She would move to recommit LB996.

HILGERS: Senator Hunt, you're welcome to open on your motion.

HUNT: Thank you, Mr. President. I think LB996 is a very important bill for Nebraskans. I grew up in a smaller town and we had a lot of struggles having access to broadband there. So I can imagine what it's like today in 2020, having those same problems. And I also agree with Senator Bostelman that this bill perhaps doesn't go far enough and there's more that we can do, but I think it's better that we do something than nothing. And we've heard a lot of support for this bill on the floor today. I share that support. I was wondering if Senator Pansing Brooks would yield to a question.

HILGERS: Senator Pansing Brooks, would you yield?

PANSING BROOKS: I'd be happy to.

HUNT: Senator Pansing Brooks, what do you think is going on here today?

PANSING BROOKS: Well, unfortunately, Nebraskans, I think that this is more of the issue of just trying to love a bill to death and avoid some of the-- you know, telecom and broadband across our state is one of the key most important issues. And I think everyone in this-- in this body agrees with that 100 percent. So there are questions being asked and Gettysburg Address is being mentioned, you know, I'm-- I think the next person is going to stand up and read the Constitution. And I just think it's-- it's disingenuous. I heard that people thought that we wouldn't catch on to what was going on today. And the clear effort is to avoid the bills on-- on prison reform that are following. And I think it's really a-- a disingenuous way to move forward. Part of the Gettysburg Address said, we will never forget what they did here. So I will echo those words from the Gettysburg Address, we will never forget what they did here. So you all have bills that you think are important and I've had people come up to me and say, like Senator Moser came up and said, oh, if you're all talking about this, we're not going to get to the important bills. Well, this is an important bill, and it was brilliant to do this on this bill, because there are very few bills as important as telecom and broadband across our state.

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But another really-- another number of important bills deal with-- brought with prison reform with sentencing reform, with issues regarding programing in the prisons, dealing with our parole system, but to avoid it and to act as if that's not what happening, is totally disingenuous. So I just wanted to let you all know we know what's happening. And we understand what you are doing, how to love a bill to death or how to have, oh, I just have some questions or, oh, I like this one part of the bill. Could you explain some more about that? So that's disingenuous. It's not truthful. It's not dealing with a situation appropriately. And, you know, again, we will never forget what they did here. So I appreciate your time and your question. I think we have so many important things to talk about, and when we get to your important bills to talk about, that you all think are so important, do not come to us and say, quit asking questions. We need to move forward. We need to get to other important bills. Thank you, Senator Hunt.

HUNT: Thank you, Senator Pansing Brooks. This is a great bill. Sounds like we all like it. Let's move on and get to work. This is a short session. Let's get some things done. I withdraw the motion.

HILGERS: Without objection, the motion is withdrawn. Continuing debate on LB996. Senator Bostelman, you are recognized.

BOSTELMAN: Thank you, Mr. President. As I started out on my time, I said that I was going to take time. I will take time on this because of-- I've been at this as other bills, other things have been-- people have-- senators have been after a subject matter themselves, which they feel very important about. This, I feel very important about as well, because this is-- is very important for what we're doing in rural Nebraska, in urban Nebraska, both. So there's a couple of things were brought up for-- and I'm going to talk about them because it's not necessarily whether you're going to vote for or against this bill. In a sense, right now, it's to make sure the people out there outside in the Rotunda, the providers, those people understand that this body means business and that they need to get broadband out, fiber out into all of Nebraska, not just where it makes the most money for them. So let's talk about a couple of things that have been mentioned before. And I want to talk about schools. So schools have connectivity. Most of the schools have connectivity to the school itself, fiber. However, when those students go home at night, they don't have any connectivity at their house or very poor connectivity, if at all, at their house. So they've got their device, whatever it is, that has her homework on

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it. So one of the schools in my district, David City, specifically put Wi-Fi in their buses. And why did they put Wi-Fi in their buses? So that when the schools-- when the kids are going home, they can download the information they need in order to do their homework at home overnight. But also for those students who are going to a sporting event, a music event, one act, whatever it is, a school activity that they go to that school activity, on their way back home from that activity, whatever it is, they can get online and they can do their homework, because when they get home, guess what? They're not connected. Same thing goes with our-- with our libraries in the state. The number of libraries that aren't connected is significant. The E-Rate program that's out there will help, but again, we have to identify those areas that don't have it. So if we have fiber that comes into a town and goes to a school and we have fiber that comes into town that connects to that library, why aren't they connecting everybody else in that town? What's the reason for that? There should be no reason for that. Every individual who has-- that wants that connectivity should have that. And that should be provided to them. And it should be provided to them at a cost that is competitive with everyone else. Not to price them out. I've heard that from some of the constituents from my district, is they have fiber, but they can't afford it. Part of it is that because of kids get online and they're-- they're streaming things that you or I may not agree with as far as games or videos or things, they need to do it in a more specific area, but that's a parenting thing. But the parent then has a business in that household, now does not have enough data in order to conduct that business, and if they do buy or purchase that data, they can't afford it. It costs them too much money. I can tell you at my house with our phone and with our cell, our cell phone, our Internet and our television, we're at almost \$400 a month. That's what it costs for us to be connected.

HILGERS: One minute.

BOSTELMAN: And that-- and that is not at high-speed broadband. That's not acceptable. I said when I started this that I was going to take the time. I'll continue to take the time if need be, to make my point, to make the point to the providers out there that we're not going to allow this to go on any longer. We need to have specific information, granular information. We need to provide it to those specific homes so that businesses can flourish, so their kids can flourish, and so that we have that activity that you have a gigabyte in Lincoln, why can't I get 100 meg in Brainard? Doesn't make sense, it shouldn't make sense,

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we all should be on board on this. Here again, this is to-- to continue to drive the point home with our providers. You need to get on board with the state. You need to get on board with the people in your communities and let's get fiber out--

HILGERS: Time, Senator.

BOSTELMAN: -- to everybody in the state. Thank you, Mr. President.

HILGERS: Thank you, Senator Bostelman. That was your third opportunity. Senator McCollister, you are recognized.

McCOLLISTER: Thank you, Mr. President. Good morning, colleagues. I haven't spoken on this issue yet this morning, but I just wanted to tell my rural senate friends that I favor this bill and I appreciate Senator Brandt bringing it. But in the meantime, would Senator Friesen yield to a few questions?

HILGERS: Senator Friesen, would you yield?

FRIESEN: Yes, I would.

McCOLLISTER: I'm looking at table four, and I was distressed about some of the low levels of-- of concentration on broadband in this state. Did you reach a similar conclusion?

FRIESEN: Yes.

McCOLLISTER: When I studied these issues seven or eight years ago, I thought Nebraska overall was well over 90 percent, but these numbers would-- would dispute that understanding that I had, correct?

FRIESEN: Yes.

McCOLLISTER: Nebraska was a bit unusual in the fact that we had some of the highest USF fees in the country. At the time, 2008, I think we had the highest cell phone bills because of the 13 or 14 percent USF we had. Was my understanding correct at that time?

FRIESEN: I don't know that it was the USF funds. It was the combination of NUSF and USF.

McCOLLISTER: But we were approaching about 25 percent of tax about that point, and I think it hasn't dropped that much lately, correct?

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FRIESEN: Well, I would also say you got to remember that in those taxes, I think there's occupation taxes, which were extremely high-- or the tax levels, if you're adding those altogether, or are you just taking the USF and NUSF?

McCOLLISTER: Well, you're absolutely correct. When you add in all those fees which included 9/11 and a lot of other fees, it approached about 25 percent, and I think it's still approximately at that level. Correct?

FRIESEN: But I do think that if you take off the occupation taxes levied by municipalities, you bring us back in line with the rest of the country. And if you look at-- if I look at my phone bill, at least, it does not have that level of taxes. That is pretty consistent with metropolitan areas who levy a high occupation tax.

McCOLLISTER: Well, I do recall that in that 2008 time period, we were generating something in the neighborhood of \$40 to \$50 million a year in USF fees, which were supposedly used to extend broadband throughout the state.

FRIESEN: NUSF funds have not been used to extend broadband till the last maybe four or five years. Up until that point, they have been strictly based on landlines and they charged on intrastate phone calls, if I remember correctly. And so as people have dropped their landlines, those collections of fees dropped substantially.

McCOLLISTER: That is correct. But I think they're using the USF fees to extend broadband-- fiber broadband for both landlines and cell phones.

FRIESEN: They are currently. But like I said, they haven't used those funds until like the last three or four or five years that have not been a long term.

McCOLLISTER: Now-- now the point of this discussion is that I think a number of the rural phone companies have done a good job extending broadband, but yet there have been some that have not done a good job. And I would hope the PSC and the Transportation Committee would review how well they're doing, and I, I know you're doing that and I thank you for it. I yield the balance of my time.

HILGERS: Thank you, Senator Friesen, Senator McCollister. Senator Cavanaugh, for what purpose do you rise?

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CAVANAUGH: I rise for a point of personal privilege.

HILGERS: Please proceed.

CAVANAUGH: Thank you. Last May, May 24, to be exact, this body voted 47 to zero to pass LB532 into law, which created it to be an easier path for individuals seeking protection orders. Senator Robert Hilkemann prioritized this bill. Thank you, Senator, for doing so. During the process of the hearing for that bill and for just the evolution of that bill, a family came in to testify, the Bohm family. Amanda Bohm came because her mother couldn't. And yesterday, the news, Channel 7 in Omaha, Emily Tencer, did a story on her mother, Janet's progress. And I wanted to share it with this body. One step at a time, Janet Bohm moves forward, working hard to once again-- walk once again. She said she wants to know-- she wants to show her husband that she can't be defeated. I want to walk into that courtroom and show him I can beat him, she said. In February last year, she was covered by flames in her home near 39th Street and Himebaugh Avenue. Police said her husband of 20 years, Carl Bohm, intentionally lit the home on fire, knowing his wife and daughter, Amanda Bohm, were inside. Janet said she watched as her husband poured gasoline all over the garage and pulled out a butane torch. They got in a struggle and she attempted to stop him. He dropped it and it went up, Janet said. Amanda was near the doorway and only a few burns around her ankles, 85 percent of Janet's body was covered in burns. Her tennis shoes were melted to her feet. Amanda said it was bad. There were so many holes, I-- you see more skin than clothes. She got her mom outside and piled on snow to help ease the pain. While she was doing that, my dad actually was sitting on the couch in flames just sitting there, she said. Janet was taken to the hospital and in a medically-induced coma. She almost died multiple times. He did want to kill her and he wanted to take everything from her, and that's what he did. The mother and daughter wondering if things would be different if the protection order they filed prior to the fire wasn't denied. It was kind of devastating, said Janet. We really wanted it, Amanda said. They knew her father would react like that and that they were trying to prevent the fire from happening. We actually had put in the protection order that he has threatened to burn down the house several times, she said. The fire motivated her to testify to the Legislature in favor of LB532, which requires those filing protection orders to be seen in court. The bill was approved in May by this body. One step forward, said Janet. She works hard every day at the Ambassador Health Center in Lincoln. Every day she has physical therapy where she works and

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rolls herself around the room in a wheelchair. She's just started walking again December 28, 2019. Janet and Amanda said they want to advocate for other men and women who are in domestic violence situations and are afraid to leave. Don't do it. Don't wait too late like I did, do it. She said the love and support of her friends and children inspire her to push through the difficult days. She said she's very proud of her daughter, who is in her first year of college and getting straight A's. Amanda said no matter what, she'll be there for her mom every step of the way. I'll be with you forever, Mom. You know that, she said. I rise today as a point of personal privilege to share this with this body because we have done something really important. We-- we couldn't help Janet, but because of Janet's story and because of the bill that we passed, we are helping people every single day in the state because we as a body, 47 of us voted to help people. And I was planning to share this story regardless of the floor debate today, but I feel it's a good reminder of what we can do when we work together and have good conversations and good dialog. And, and things don't have to be partisan, things don't have to be urban-rural, things can just be what's good for Nebraskans. And I hope that we will move forward from today and focus on what's good for Nebraskans like Senator Brandt's bill and like Senator Pansing Brooks' bill, which is on this agenda. Thank you.

HILGERS: Thank you, Senator Cavanaugh. Returning to debate. Senator Pansing Brooks, you are recognized.

PANSING BROOKS: OK. Thank you, Mr. President. I just want to clarify again that I am in support of LB996. We need to do way more to get-- to get broadband across the state to keep people here. And I want to just again stand up in support of that-- of Senator Brandt's bill, and also just remind people that we will never forget what they did here. Thank you so much.

HILGERS: Thank you, Senator Pansing Brooks. Senator Wayne, you are recognized.

WAYNE: Thank you, Mr. President. I thought it was everybody push their button day, today, so I better get on here and push my button. But no, what I hear about broadband in the three years that I've been down here-- four years-- reminds me of what we heard a lot in the formation of our utilities. That it's the farmer down the line who doesn't have reliable service, that we need to be able to build redundancies, and no corporation is going to invest in that type of infrastructure to small town Nebraska or small town farmer. So what I would suggest,

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Senator Bostelman and Senator Brandt is, let's do an LR this summer and let's look at doing a statewide public utility regarding broadband. If we want to solve the farmer down the line and it works for public power and we believe in public power, we believe in the second house, then let's do a public utility for broadband across the entire state. We can have a statewide board. We can even have elections and their whole purpose is to build it out. We already have some lines that are already owned by public utilities that are sitting dark. Actually, a lot of lines that are sitting dark. So we could actually solve this problem and we can do it in an efficient way that many of you guys believe that public power is doing across the state. And the fact of the matter is, is it's already been proven to work in other states where, used to be the top utility for Internet or Internet service download to upload times was [INAUDIBLE], which was owned by the municipality. So while I hear a lot of people talking about we want to solve this rural broadband, I think it's no different than what we do with public utilities. To me, this is a critical infrastructure, we have to have throughout the state and we have to know-- look no farther than what we do right now with electricity. Let's create a public utility for broadband communication and they build it out over the next five years. It'll be creating jobs. It will create a new source of revenue for the state. And I think it'll solve some of our property tax issue because we'll have a new revenue-- a revenue stream. But at the end of the day, if the small farmer can't get reliable broadband, then why not let's-- let's make it public. Let's put a public utility that we create political subdivision to solve this issue. So I'd be curious to hear what Senator Bostelman and Senator Brandt think about that, since for years, according to Senator Friesen, we've been trying this issue and it hasn't worked. But in western Nebraska, NRDs seem to work, public utilities seem to-- anytime there is a infrastructure need, we have turned to a public utility to do it. That's what this state is built on. So why aren't we doing it for this? If it works for every other natural resource or every other major infrastructure in this state, why don't we do it for this? So I will wait to hear that discussion. When we get to property taxes, I will even bring up a little bit more of this because it is a revenue generator, but why aren't we using a public utility, Senator Erdman? Why aren't we using a public utility to solve this problem? We can broaden up public power, if that's so we don't have to create a brew-- a brand new political organi-- or subdivision. We can broaden them since NPPD has miles and miles of dead dark wire. Doesn't seem like it's hard for us to do, but are we scared to take on that

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industry? Are we scared to make the changes that are best for rural Nebraska? Here's an opportunity--

HILGERS: One minute.

WAYNE: --for us not to talk about it, but actually do something about it. So I'll wait to see where that conversation goes. Otherwise, I think while I support LB996, it's just more of us doing things that make us feel good instead of us trying to really solve the issue. I agree with the committee. I agree with what Senator Brandt is doing, but I'm saying we can control it right now. We can force political subdivisions to open up their dark wire or we can just build it ourselves. But it will solve the issue we're trying to do. And we've seen examples of this working in all other major infrastructures that use public utilities. With that, thank you, Mr. President.

HILGERS: Thank you, Senator Wayne. Senator La Grone, you're recognized. Senator La Grone waives the opportunity. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. President. Well, surprisingly were-- there were about four people in line before I was to be up and they've all closed off because it's 11:47. So I just want to say good morning, Nebraskans. Our state's unique motto is equality before the law. So know that whoever you are and wherever you are on life's journey and whomever you love, we want you here, you are loved. And that includes, we want to do things for people that attract people to the state, but we also want to fix some of our major problems. This is a feel-good bill. It's important. But as Senator Wayne just discussed, we need to do way more to help get this broadband across our state and have people come here to be able to work, to be able to use their-- their agricultural equipment and connect with the cloud, to be able to have their kids watching Netflix and living normal good lives here. So Nebraskans, as you look at us in an aggravated way and recognize that people will take time on the floor to love a bill to death so that we don't have to get to the important issues like prison reform and sentencing reform, recognize that this kind of thing will happen again and again because people understand that what was done today here, there were-- this is a bill that is excellent and needs to be supported wholeheartedly, but it didn't have to be talked about for an hour and a half. So I want to thank Senator Brandt for bringing this bill. I ask Nebraskans to understand what's going to happen and what happened today here and how it will affect how things go forward in

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the future on this floor. So I appreciate your time. Thank you very much, Mr. President.

HILGERS: Thank you. Senator Pansing Brooks. Seeing no one else in the queue, Senator Brandt, you're welcome to close. Senator Brandt waives closing. The question for the body is the advancement of LB996 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Mr. Clerk, please record.

CLERK: 37 ayes, 0 nays on the advancement of the bill.

HILGERS: The bill is advanced. Mr. Clerk, for items.

CLERK: Mr. President, hearing notices from the Revenue Committee, signed by Senator Linehan as Chair. Name adds: Senator Albrecht to LB879; Blood, LB909 and LB996; McDonnell, LB962; Hunt, LB996; Albrecht, LB998. Mr. President, Senator Hansen, Ben Hansen, would move to adjourn the body until Wednesday, February 19, at 9:00.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. Motion is adopted. We are adjourned.