FOLEY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the twenty-third day-- excuse me, the thirty-third day of the One Hundred Seventh Legislature Second Session. Our chaplain for today is Senator Blood. Please rise.

BLOOD: Friends, in light of the suffering we are seeing in the Ukraine today, I offer the peace prayer of St. Francis in support of peaceful resolution and ask you to join me in prayer and reflection, remembering the words of our Pope who said war is a failure of politics and of humanity, a shameful capitulation, a stinging defeat before the forces of evil. Let's bow in prayer. Lord, make me an instrument of your peace. Where there is hatred, let me so love. Where there is injury, pardon. Where there is doubt, faith. Where there is despair, hope. Where there is darkness, light. And where there is sadness, joy. Oh, divine master, grant that I may not so much seek to be consoled as to console, to be understood as to understand, to be loved as to love for it is in giving that we receive, it is in pardoning that we are pardoned, and it is in dying that we are born to eternal life. In the name of the Father and the Son and the Holy Spirit, amen.

FOLEY: Thank you, Senator Blood. Senator Arch, could you lead us in the Pledge of Allegiance, please?

ARCH: Please join me. I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

FOLEY: Thank you, Senator Arch. I call to order the thirty-third day of the One Hundred Seventh Legislature Second Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

ASSISTANT CLERK: There is a quorum present, Mr. President.

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

ASSISTANT CLERK: Mr. President, there are. On the thirty-second day, strike "Thursday, February 24" and insert "Friday, February 25." In addition, on page 647, line 18, strike "1137A" and insert "1173A."

FOLEY: Thank you, Mr. Clerk. Are there any messages, reports or announcements?
ASSISTANT CLERK: There are, Mr. President. Your Committee on Enrollment and Review Reports LB939, LB925, and LB925A to Select File. An Attorney General's Opinion [re LB711] addressed to Senator Walz. Amendment to be printed to LB767A from Senator Kolterman. Your Committee on Natural Resources reports LB1015 to General File and LB1023 to General File with committee amendments attached. That's all I have at this time.

FOLEY: Thank you, Mr. Clerk. While legislation is in session and capable of transacting business, I propose to sign and do hereby sign the following four legislative resolutions: LR297, LR298, LR299, and LR300. Senator Tony Vargas would like us to recognize Dr. Theresa Hatcher of Omaha, Nebraska, who's serving us today as family physician of the day. Dr. Hatcher is with us under the north balcony. Doctor, if you could please, we'd like to welcome you to the Nebraska Legislature. Moving right to the agenda, legislative confirmation reports. Mr. Clerk.

ASSISTANT CLERK: Mr. President, the first report this morning from the Judiciary Committee is for the appointment of Gerald Hansen to the Crime Victim's Reparation Committee.

FOLEY: Senator Lathrop, you're recognized to open on the confirmation report of the Judiciary Committee.

LATHROP: Thank you, Mr. President. Colleagues, good morning, Gerald Rand Hansen is a reappointment to the Crime Victim's Reparation Committee who was originally appointed in 2009. His current reappointment is to serve a term from July 17, 2021, until July 16, 2025. He serves as a member of the public as the business representative on the committee. Mr. Hansen is from Omaha. He is a retired CPA who practiced for over 35 years. He was out of the country and unable to attend the hearing in person, but did submit a letter on his own behalf to the Judiciary Committee. The committee voted to advance his confirmation without any dissenting votes and I would encourage your support of this nominee with a green vote. Thank you.


ERDMAN: Thank you, Mr. President. Good morning. I am in support of this nomination, but I have an important statement to make. I was going to use a point of personal privilege, but I thought I’d use this one. Whoever painted the numbers in the parking lot, I do appreciate it. I was accused this morning of doing that and I just want you to know that I did not do that. But if I shamed somebody else into doing
it, I sure appreciate it. Those numbers are nice. I can read them and the new people will appreciate them as well. So that's one of-- that's part of it. The other thing I want to make sure that you understand: March 1, tomorrow, is the deadline for filing your C-1 form with Accountability and Disclosure. So if you haven't filed your form, please do so because the deadline is quickly approaching, OK? Thank you.

FOLEY: Thank you, Senator Erdman. Any further discussion? I see none. Senator Lathrop, you're recognized to close.

LATHROP: Thank you. I just want to tell Senator Erdman that when I rolled into the parking lot and I saw those bright lines and the bright numbers, he was the first person I thought of. I wondered if he hadn't been busy yesterday during the nice weather and I also appreciate his public service announcement. And with that, I would encourage your support of this confirmation. Thank you.

FOLEY: Thank you, Senator Lathrop. The question before the body is the adoption of the confirmation report from the Judiciary Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 41 ayes, 0 nays on the adoption of the report.

FOLEY: The confirmation report has been adopted. Now the first of five reports from the Natural Resources Committee, Mr. Clerk.

ASSISTANT CLERK: Mr. President, the Natural Resources Committee would report favorably on Scott Cassels to the Game and Parks Commission.

FOLEY: Senator Bostelman, you're recognized to open on the report.

BOSTELMAN: Good morning, Nebraska. Good morning, colleagues. Mr. President, members of the Legislature, I present for your approval the reappointment of Scott Cassels to the Nebraska Game and Parks Commission. He came before the committee for his confirmation hearing on February 16. Mr. Cassels is seeking reappointment for a second and final term on the Nebraska Game and Parks Commission as the at-large member. Mr. Cassels currently works as a vice president of Kiewit Corporation and president of the Kiewit infrastructure group. His work in a leadership role transitions into his role in the commission as he serves the entirety of the state in working to improve the outdoor recreation experiences for all Nebraskans. During his time on the commission, Mr. Cassels has worked to care for the state's fish, wildlife, park, and outdoor recreation sites in the best long-term
interests of the people and those resources. Nebraska Game and Parks is governed by a board of nine commissioners, each member of which is appointed by the Governor to a four-year term. Eight commissioners serve each of the eight districts across the state. The ninth serves at-- an at-large role. Commissioners serve in a volunteer capacity and meet in various locations across the state according-- approximately every two months. They conduct public education programs for hunting and boating safety and also provides other resources for those who wish to learn to enjoy the outdoors. Committee advanced Mr. Cassels' reappointment by an 8-0 vote. I ask for the confirmation of Scott Cassels to the Nebraska Game and Parks Commission.


ERDMAN: Thank you again, Mr. President. I appreciate that. So this will be no shock to anyone that this is relating to the Game and Parks and so I need to take an opportunity to explain to you why these commissioners should not be reappointed. First and foremost, first and foremost, I want to say that this agency is probably the poorest-managed, managed agency of the state or I should say it used to be until the Department of Education came to my attention so now they're second worst. But over the years, the commissioner has had an opportunity to manage this in a different way. By that, I mean they should have appointed a director that had the best interest of those people in the state of Nebraska who pay for all the damages these wildlife make. And so they continue to have the director that they had and they knew that the agency was going in the wrong direction. And they also knew that you can't manage something unless you can measure it and they have no idea how many animals they have, but yet they continue to move forward as if they do know. And the commissioners knew that the agency was poorly managed and chose to do nothing. Now they have a new director and I've met with the new director and I believe that Mr. McCoy, if given the chance, will make a difference. I don't know that this current body of commissioners has the ability to give him the authority to do what needs to be done. And so I think that the best procedure going forward is to replace the commissioners as they come up for reappointment. And we need to get someone appointed to this commission that actually is involved in agriculture. And I know some of them have touted the fact that they own land and they're in farming, but-- in agriculture, but they really don't make their livelihood from farming or agriculture. And we used to have people representing the landowners that were on the commission from my district that were very much agricultural producers and they had a different opinion. And so I won't be voting for Mr. Cassels'
reappointment and until we start making a decision where the buck stops, we won't make any changes on some of these appointments and so I will be voting no and I would encourage you do the same. Thank you.

**FOLEY:** Thank you, Senator Erdman. Any further discussion? I see none. Senator Bostelman waives closing. The question before the body is adoption of the first of five confirmation reports from the Natural Resources Committee. Those in favor aye; those opposed vote nay. Have you all voted who care to? Record, please.

**ASSISTANT CLERK:** 37 ayes, 1 nay on the adoption of the report

**FOLEY:** The report has been adopted. Second report, Mr. Clerk.

**ASSISTANT CLERK:** Mr. President, the next report from the Natural Resources Committee is for Scott McPheeters and Taylor Nelson to the Ethanol Board.

**FOLEY:** Senator Bostelman.

**BOSTELMAN:** Thank you, Mr. President and members of the Legislature. I present for your approval the reappointment of Scott McPheeters and Taylor Nelson to the Nebraska Ethanol Board. Both came before the Natural Resources Committee for their confirmation hearing on February 10. The Nebraska Ethanol Board is a state agency created in 1971 by the Nebraska Legislature, the first and only state agency in the United States devoted solely to the development of the ethanol industry. The board focuses on four key issues: ethanol production and industry support, market development, research and technology issues, and also public policy development. First, Mr. Taylor Nelson is seeking reappointment to continue to fill the position of corn industry representative for the board. In his role the last four years, Mr. Nelson allocated the budget for multiple projects for the board. He also helped develop statewide marketing strategies to grow demand as well as to continue supply chain development. In his appointed position, he advocates for the needs of the corn and ethanol industry. He is an active member of the Nebraska Corn Growers Association, in which he helps collaborate with other board members to form local initiatives and fundraisers. He combined--his combined volunteer work with experience in the field as the vice president of Jackson Express. Second is Mr. Scott McPheeters, is seeking a reappointment to a second term and will continue to serve as a business representative. His professional background includes experience on the board of managers for KAAPA Ethanol Holdings, board of directors for the American Coalition for Ethanol, and as a delegate on the Nebraska Governor's agricultural trade mission to China in
2016. Mr. McPheeters serves his role on the board well by including innovative executive business operations and commitment to cost-effective management of resources and quality performance. There was no opposition to either of these reappointments. The committee advanced the reappointment by an 8-0 vote. I ask for the confirmation of Mr. Taylor Nelson and Scott McPheeters to the Nebraska Ethanol Board.

FOLEY: Thank you, Senator Bostelman. Any discussion? I see none. Senator Bostelman waives closing. The question before the body is the adoption of the second confirmation report from the Natural Resources Committee. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

ASSISTANT CLERK: 41 ayes, 0 nays on the adoption of the report.

FOLEY: The second confirmation report from the Natural Resources Committee has been adopted. Moving to the third report, Mr. Clerk.

ASSISTANT CLERK: Mr. President, Natural Resources would report favorably on Bridget Troxel Peck to the Power Review Board.

FOLEY: Senator Bostelman.

BOSTELMAN: Thank you, Mr. President and members of the Legislature. I present for your approval an appointment— an appointment of Bridget Troxel Peck to the Nebraska Power Review Board who came before the committee on February 17. Bridget Troxel Peck is coming into the Nebraska Power Review Board to serve her first term to fill the role of accountant. For the past seven years, Mrs. Peck has been working as a senior vice president of director of audit and risk management at Platte Valley Companies. Her work as a financial professional has given her the ability to drive results across a large organization and organize complex business problems for resolution. Bridget Troxel Peck has previous experience auditing public accounting for industries and one area she found particularly interesting was public power. Combining her interests with a belief in the duty to give back to her community, Mrs. Peck is excited to begin her first term serving on the Nebraska Power Review Board. The Nebraska Power Review Board is comprised of five members, all appointed by the Governor. The board must include an engineer, an attorney, an accountant, and two laypersons with no geographic boundary restrictions. The Nebraska Power Review Board is a state agency created in 1963 to regulate Nebraska's public-owned electric utility industry. As we know, Nebraska is the only state in the country served entirely by consumer-owned power entities. These utilities include
public power districts, cooperatives, and municipalities. The board's duties and responsibilities are set out in Chapter 70, Article 10 of the Nebraska Revised Statutes. The committee advanced Mrs. Peck's appointment 7-0, unanimously. There was no opposition and I ask for your confirmation of Bridget Troxel Peck to the Nebraska Power Review Board.

FOLEY: Thank you, Senator Bostelman. Any discussion? I see none. Senator Bostelman waives closing. The question before the body is the adoption of the third confirmation report from Natural Resources Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 41 ayes, 0 nays on the adoption of the report.

FOLEY: The third confirmation report from Natural Resources has been adopted. Moving to the fourth report, Mr. Clerk.

ASSISTANT CLERK: Mr. President, Natural Resources Committee would report favorably on Paul Strommen to the Oil and Gas Conservation Commission.

FOLEY: Senator Bostelman.

BOSTELMAN: Mr. President, members Legislature, I present for your approval the appointment of Paul Strommen to Nebraska Oil and Gas Conservation Commission. He came before the committee on February 23. Mr. Strommen is seeking his first term on the Oil and Gas Conservation Commission. Mr. Strommen was sought, was sought out by the board because of experience and knowledge of ethanol industry and carbon sequestration. Since the introduction of LB650 brought to the body by Senator Flood last year, the commission has been seeking out a member with vast knowledge of how to best utilize Nebraska's geological storage of carbon dioxide. He was asked to work with the Nebraska public-- with Nebraska Public Power in researching carbon sequestration and continues that work now on the commission. Mr. Strommen's knowledge and experience with oil and gas industry, combined with his recent work in CO2 sequestration permits-- makes him an excellent nomination to the commission. The Oil and Gas Commission was founded in 1959. Its mission is to promote and develop of Nebraska's oil and natural gas resources up to the maximum efficient rate of production while promoting the health, safety, and environment of the residents of Nebraska. The commission consists of three members, all appointed by the Governor. At least one member of the commission shall have had experience in the production of oil or gas and shall reside in the state in Nebraska for at least one year and
each of the members shall have resided in the state for at least three years. The committee voted to advance Mr. Strommen's appointment with 5 yeses, 1 no-- 1 nay and 1 present not voting. I ask for your confirmation of Mr. Strommen to the Nebraska Oil and Gas Conservation.

FOLEY: Thank you, Senator Bostelman. Any discussion of the report? I see none. Senator Bostelman waives closing. The question before the body is the adoption of the fourth confirmation report from the Natural Resources Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 40 ayes, 0 nays on the adoption of the report.

FOLEY: The fourth confirmation report has been adopted. Moving to the fifth and final confirmation report of Natural Resources. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Natural Resources Committee would report favorably on Dallen Juelfs to the Nebraska Oil and Conservation Commission.

FOLEY: Senator Bostelman.

BOSTELMAN: Thank you, Mr. President. Members of the Legislature, I present for your approval the reappointment of Dallen Juelfs to the Nebraska Oil and Gas Conservation Commission. He came before the committee on February 23. Mr. Juelfs is seeking his second term on the Oil and Gas Conservation Commission. He serves the commission-- he's serving the commission after spending his college summers in the oil fields in Wyoming and a long career in the oil and gas business, which included oil well maintenance, leasing and drilling operations, plugging and abandonment of production facilities, overseeing an oil field retail store and construction crew. Mr. Juelfs was promoted to president of ANB Casper in 2001. In seven years, he grew the company from $8 million to assets of $7 million. During his time on the commission, Dallen Juelfs has helped the recovery of oil and natural gas within the state while protecting the environment. Mr. Juelfs is now retired and living with his wife in Lincoln. The committee voted the advancement of Mr. Juelfs' appointment with an 8-0 vote. There was no opposition to his reappointment and I ask for the confirmation of Dallen Juelfs to the Nebraska Oil and Gas Conservation Commission.


ERDMAN: Thank you, Mr. President, and good morning again. I rise in support of Mr. Juelfs. Mr. Juelfs is a cousin to a commissioner I
served with in Bridgeport, Bill Juelfs. His family is well-respected in that area. Mr. Juelfs is very much astute to what happens in the oil industry. We are, we are fortunate to have people like this that are willing to stand up and volunteer their time for the Oil and Gas Commission board. That, that committee meets in Sidney, Nebraska. And up until a couple of years ago, Senator Hughes and I had gotten together and raised the per diem. It was $50 dollars a year since 1954 until a couple of years ago and we've now adjusted that per diem to $400 a day, which in 1950 dollars probably wasn't quite enough, but they don't do it for the money and I would ask you to vote green on Mr. Juelfs. Thank you.

**FOLEY:** Thank you, Senator Erdman. Any further discussion? I see none. Senator Bostelman waives closing. The question before the body is the adoption of the fifth and final confirmation report from the Natural Resources Committee. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

**ASSISTANT CLERK:** 41 ayes, 0 nays on the adoption of the report.

**FOLEY:** The fifth and final confirmation report from Natural Resources has been adopted. Members, we're going to move now to Final Reading pursuant to the rules. If you could all please be at your desks. Final Reading, first bill, Mr. Clerk.

**ASSISTANT CLERK:** [Read LB592 on Final Reading]

**FOLEY:** All provisions of law relative to procedure have been complied with, the question is, shall LB592 pass? Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.


**FOLEY:** LB592 passes. Proceeding to LB708, Mr. Clerk.
ASSISTANT CLERK: Mr. President, with respect to LB708, Senator Machaela Cavanaugh had filed a motion to bracket. However, I have a note that she wishes to withdraw.

FOLEY: Motion withdrawn.

ASSISTANT CLERK: [Read LB708 on Final Reading]

FOLEY: All provisions of law relative to procedure having been complied with, the question is, shall LB708 pass? Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.


ASSISTANT CLERK: [Read LB754 on Final Reading]

FOLEY: All provisions of law relative to procedure having been complied with, the question is, shall LB754 pass? Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.


FOLEY: LB754 passes. Proceeding to LB758.
FOLEY: All provisions of law relative to procedure having been complied with, the question is, shall LB758 pass? Those in favor vote aye; those opposed vote nay. Record, please.


FOLEY: LB758 passes. Last bill, LB892.

ASSISTANT CLERK: [Read LB892 on Final Reading]

FOLEY: All provisions of law relative to procedure having been complied with, the question is, shall LB892 pass? Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.


FOLEY: LB892 passes. That will conclude Final Reading. We'll now move to General File consent calendar.

ASSISTANT CLERK: Mr. President, the first bill this morning on General File, LB91, offered by Senator Brandt. It's a bill for an act relating to the Nebraska Seed Law; to define and redefine terms; change provisions relating-- for seed relating to labeling, germination testing, tetrazolium (TZ) testing; harmonize provisions; repeal the original sections. The bill was read on January 7, 2021, referred to
the Agriculture Committee. That committee reports the bill to General File with committee amendments attached.

**FOLEY:** Thank you, Mr. Clerk. Senator Brandt, you're recognized to open on LB91.

**BRANDT:** Thank you, Mr. Lieutenant Governor. Good morning, colleagues. Today, I bring you LB91, an act relating, relating to Nebraska Seed Law, a bill over two years in the making. A version of this bill was introduced in 2020 and passed out of committee without opposition, but was not heard on the floor due to the interruption of COVID-19 so we brought it back last year. It has been on General File since the beginning of last session, awaiting to be heard on the floor and was first up in worksheet order this session. As it does not look like we are going to get to worksheet order, I want to thank Speaker Hilgers and his office for putting it on consent calendar. LB91 is a bill to allow for a 12-month testing period for the germination of native seeds, as opposed to the current nine-month period. It also allows tetrazolium (TZ) testing in lieu of germination percentage testing in applicable cases. Dr. Kay Kottas, president of Prairie Legacy, brought me this bill because of the cost associated with these tests. Today, germination testing for native seeds is set at a nine-month interval. The frequency of testing becomes expensive for businesses, especially for smaller and specialty seed producers. Seed tests can range from $128 for native grasses to $175 for other species for each lot submitted. It is common to deal with 150 species each year and typically have two or three lots of each so it can cost in the tens of thousands of dollars. The current way seeds are tested is to try and germinate them in a moist, wet environment for two to six weeks, depending on the species. By allowing TZ instead of germination testing, we can get results faster within two days and forgo the added expense of germinating seed that has a long dormancy factor. This type of testing is already allowed on most grasses with dormancies and would now include Forbes as well. Germination testing is not as imperative to native seeds as it is for crop-producing seeds and often they have been found to be viable even after three years. To be clear, this bill does not affect any seed that is non-native, including corn and soybean seeds. The bill, originally introduced in the Ag Committee, called for a 15-month testing interval, but we worked with the Nebraska Seed Trade Association, who initially opposed the bill at the hearing, to compromise on a 12-month testing interval. This also addressed senator concerns about rolling over into another planting season. It was subsequently voted out of committee unanimously. The Ag Committee has an amendment including this change and others. I would like to thank the Nebraska Seed Trade Association and Dr. Kottas for
working together on the amendments with my staff to move this bill forward. Senator Halloran will tell you more about the committee amendment. With that, I ask for your green vote on the amendment and the bill.

**FOLEY:** Thank you, Senator Brandt. Senator Halloran, you're recognized to open on the committee amendment.

**HALLORAN:** Thank you, Mr. Lieutenant Governor. Colleagues, good morning. The committee amendment strikes the expansion of the definition of agricultural seeds contained in the original bill that is unnecessary and in conflict with the remainder of the existing definition. The amendment further clarifies the definitions of new terms for native and non-native plant species to mean species native to North America prior to European settlement. The revision adopts more commonly used terminology to refer to those species utilized in habitat restoration and to distinguish from crop and other types of seeds. As introduced, LB91 amended a provision of the seed law that prescribes a requirement for seed germination or viability labeling disclosure for a list of native seeds—grass species. The list currently includes yellow bluestem, which is not a native species, and is considered invasive in many states designating non—a noxious species. The bill, as introduced, would apply this section to all native plant species, but added yellow bluestem to be inclusive of seeds currently covered by the provision. The committee amendment strikes the inclusion of yellow bluestem. The primary change is in item 4 of AM96. Current law requires that for agriculture and vegetable or flower seeds, that the seed may not be sold more than nine months after the date of germination testing to verify the germination claims on the label, except for (1) seeds, which by rule and regulation of the department allows to be sold for up to 12 months without retesting, and (2) hermetically sealed seeds, which may be sold for up to 36 months without retesting. LB91 sets out a different rule for native seeds to allow the seed to be sold for up to 15 months from the date of germination or viability test date. LB91 also adds the option of viability testing in lieu of germination, germination testing for retesting hermetically sealed native seeds sold more than 36 months after the initial testing. The committee amendment reduces the period during which native seeds may be lawfully sold from the date of germination testing or viability testing from 15 months to 12 months. As introduced, LB91 has also added an option for non-native agricultural seeds to utilize seed viability testing in lieu of germination testing for retesting required of hermetically sealed seeds sold more than 36 months after the initial germination test. The committee amendment strikes the viability testing option for
non-native seeds. The committee amendment was drafted in consultation with the Nebraska Agribusiness Association, which appeared in opposition to the bill, and the Nebraska Seed Trade Association, which provided a letter for the record in opposition. The amendment would remove the opposition to the bill. The bill advanced as amended as amended from the committee 8-0. I encourage your green light on LB91 as amended by AM96. Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Halloran. Any discussion on LB91 or the pending Agriculture Committee amendment? I see none. Senator Halloran, you're recognized to close on the committee amendment. He waives closing. The question before the body is the adoption of AM96, the committee amendment. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 41 ayes, 0 nays on the adoption of committee amendments.

FOLEY: The committee amendment has been adopted. Any further discussion of LB91 as amended? I see none. Senate Brandt, you're recognized to close. He waives closing. The question before the body is the advance of LB91 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 43 ayes, 0 nays on the motion to advance the bill.

FOLEY: LB91 advances. We'll pause now for items for the record.

ASSISTANT CLERK: Thank you, Mr. President. A communication from the Governor: LB906e was received in the Governor's Office on February 25 and delivered to the Secretary of State on February 28. Committee on Health and Human Services reports LB1091 to General File with amendments and LB856 to General File. In addition to that, three separate confirmation reports all from Health and Human Services. New resolution, LR309 by Senator Murman. It would congratulate Grady Johnson for being designated the American Star Farmer. In addition, LB-- LR308 offered by Senator McDonnell. It would express appreciation to Nebraska's healthcare workers. And finally, a potential conflict of interest statement from Senator Wishart. That's all I have at that--this time. I do have an announcement that Performance Audit will meet under the south balcony at 11:00. That's Performance Audit, 11:00, under the south balcony.

FOLEY: Thank you, Mr. Clerk. One additional item. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign the following five legislative

**ASSISTANT CLERK:** Mr. President, LB59, offered by Senator Stinner. It's a bill for an act relating to the Nebraska Tourism Commission; to provide powers and duties regarding tourism promotional products; provide and change provisions regarding revenue received by the commission; harmonize provisions; and repeal the original sections. The bill was introduced on January 7, 2021, referred to the Government, Military and Veterans Affairs Committee. That committee report the bill to General File with no committee amendments.

**FOLEY:** Senator Stinner, you're recognized to open on LB59.

**STINNER:** Thank you, Mr. President. Members of the Legislature, LB59 authorizes Nebraska Tourism Commission to contract directly with retailers to sell tourism merchandise. Payments received by the commission for the sale of merchandizing would be credited to the Nebraska Tourism Promotional Cash Fund. Currently, the commission sells merchandise through GROW Nebraska, History Nebraska stores across the state, and has plans to sell product through the Game and Parks, but current statues do not allow the commission to sell wholesale to retailers. Due to a massive spike in demand for the commission's merchandise and subsequent interest expressed by retailers, LB59 will be needed if the state is to build upon the commission's recent success in promoting Nebraska tourism as a destination. Back in 2019, I introduced LB637 now enacted into law. LB637 authorized the commission to make merchandise available for sale directly to the public. This was accomplished through GROW Nebraska and History Nebraska stores. At that time, we created the Nebraska Tourism Commission Promotional Cash Fund, which is being utilized by LB59. My legislation from 2000 [SIC] followed on the heels of the state's successful marketing campaign developed and approved by the commission to promote Nebraska as the ideal tourism destination. The state can expect to receive continuing momentum from the commission's marketing efforts. That's why LB59 will further the mission enabling LB637 back in 2019. LB59 is an essential tool for the commission to further, to further growth in our tourism industry. Finally, I want to note that the bill was advanced on a 7-0 vote and no one testified in opposition. Thank you, colleagues, for your consideration. I urge your green vote on LB59.

**FOLEY:** Thank you, Senator Stinner. Any discussion on the bill? I see none. Senator Stinner waives closing. The question before the body is the advance of LB59 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.
ASSISTANT CLERK: 43 ayes, 0 nays on the motion to advance the bill, Mr. President.

FOLEY: LB59 advances. Next consent calendar bill, LB75. Mr. Clerk.

ASSISTANT CLERK: LB75, offered by Senator Gragert. It's a bill for an act relating to county government; change provisions relating to discontinuance of township organizations in a county with a township library; change provisions relating to the levying and collection tax for certain libraries; and to repeal the original section. The bill was introduced on January 7, referred to the General Affairs Committee. That committee placed the bill on General File with committee amendments.

FOLEY: Thank you, Mr. Clerk. Senator Gragert, you're recognized to open on LB75.

GRAGERT: Thank you, Mr. President and members of the Legislature. LB75 pertains to township libraries. First, I'll give you some background information on county government structure as either a commissioner, commissioner form of government or supervisor form. In 22 counties with supervisor form, separate townships make up a level of government below counties. Each township has a separate elected board and deals primarily with roads within the township. Some also have township libraries and cemeteries. Counties can change from one form to another and within the last dozen years, five counties with the supervisor form of government have converted to commissioner counties. Kearney County's conversion to the commissioner form will take effective in 2023. One of the questions that has come up when the county boards and public are discussing what happens to the township if the form of government is discontinued is what happens to the township library? LB75 would create some general guidelines to assure that the public has input on the future of the library if voters discontinue the township form of government. It would require that the county board hold a public hearing to determine whether the township library should be disposed of, merged with the city, village, or county library, or continue operation. Notice of the hearing shall be published in the newspaper of general circulation of the county for two consecutive weeks. The hearing would have to be held within one year after the voters approved the discontinuance. Within 60 days after the hearing, the board would have to adopt a resolution stating the disposition of the library and the effective date. I introduced LB75 at the request of NACO. No one testified against LB75 at the public hearing and the General Affairs Committee voted to advance it as amended by the committee amendments on an 8-0 vote. No fiscal impact is anticipated. The committee amendments include language suggested by the Nebraska
Library Association inserting a requirement that the county board give notice to the public hearing-- of the public hearing to the Nebraska Library Commission and the regional library system in which the township library is located. This would make sure the entities are aware of the public hearings and allow them to offer comment if so desired. I urge your favorable vote on the committee amendment of AM341 and a green vote on the advancement of LB75. Thank you.

FOLEY: Thank you, Senator Gragert. Senator Briese, you're recognized to open on the committee amendment.

BRIESE: Thank you, Mr. President. Good morning, colleagues. I rise to introduce AM341 to LB75, AM340 done-- AM341 does two things. First, it adds language to the bill to require a county board to provide a notice of hearing to the Nebraska Library Commission and the regional library system when the county is going to hold a hearing to determine the outcome of a township library after the county has voted to discontinue townships within that county. Secondly, AM341 strikes Section 2 of the bill, which was problematic because it proposed to freeze a tax levy to the amount levied on the date the vote was taken to pay for the continuation of the library within what was formerly the township's boundaries. After speaking with the Tax Equalization Commission, it was determined that this language should be removed from the bill. This amendment was advanced 8-0 and the bill was advanced 8-0 and I would appreciate your adoption of this amendment, AM341. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Debate is now open on, open on LB75 and the pending committee amendment. Senator Erdman.

ERDMAN: Thank you, Mr. President. Good morning again. Following up on a comment my friend Senator Wayne has made in the past, we're moving way too fast, way too fast, and so maybe we need to slow it down a little bit, whatever that means, OK? But I was wondering if Senator Gragert would yield to a question.

FOLEY: Senator Gragert, will you yield, please?

GRAGERT: Absolutely.

ERDMAN: Senator Gragert, you may or may not know, but how many of these township libraries might there be?

GRAGERT: I don't know the exact number of how many, but I would guess-- you know, if there's 22 commissioners form of government, then
the, the other has a potential for township libraries with supervisor form of government.

ERDMAN: OK, because I have never, I never heard-- I've never heard of a township library. Maybe Senator Briese would know. Would Senator Briese yield to a question?

BRIESE: Yes.

ERDMAN: So how many is there, do you know?

BRIESE: According to the Nebraska Library Commission, there are 19 libraries receiving township funding currently.

ERDMAN: I see. So your bill is-- maybe I could ask you this question, too, Senator Briese, if we continue. So, so what you're saying in your amendment is you want the board of commissioners that's going to be formed to make sure they have a notice and a hearing of transferring, transferring this library to, to-- who do you transfer it to?

BRIESE: It will be the-- well, depending what you decide to do with the library. And I think Senator Gragert can probably answer those questions, but they have different options. They can discontinue the township library or, or choose to continue it, but if they choose to continue it, it'll be the responsibility of the county to ensure that it is funded.

ERDMAN: OK. OK, thank you. I appreciate that. Let me, let me take a little-- go down a little rabbit trail here. We need to eliminate the township form of government in the state of Nebraska. That's, that's where we need to go and then we don't have to answer all these questions about what happens to the library. It's a waste of taxpayers' money and some time and some place soon, someone needs to bring legislation to eliminate this form of government. It may have worked quite well back in the first part of the last century, but I don't believe it serves any particular purpose going forward and so maybe NACO needs to bring a, a bill that eliminates townships. So I'll support this bill because I think we need to eliminate those, but I think there's a better way and that's eliminating all the township forms of government. Thank you.

FOLEY: Thank you, Senator Erdman. Any further discussion? Senator Briese, you're recognized to close. He waives closing on the committee amendment. Those in favor of the committee amendment, AM341, vote aye; those opposed vote nay. Have you all voted who care to? Record, please.
ASSISTANT CLERK: 41 ayes, 0 nays on the adoption of committee amendments.

FOLEY: AM341 has been adopted. Any further discussion on LB75 as amended? I see none. Senator Gragert, if you wish to close. He waives closing. The question before the body is the advance of LB75 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 45 ayes, 0 nays on the motion to advance the bill.

FOLEY: LB5 advances. Next consent calendar bill, LB705. Mr. Clerk.

ASSISTANT CLERK: LB705, introduced by Senator Williams. It's a bill for an act relating to the Barber Act; to eliminate provisions related to booth rental permits; change requirements for registration as a barber instructor or assistant barber instructor; harmonize provisions; repeal the original sections; outright repeal section 71-219.05. The bill was introduced on January 25 of this year, referred to the Health and Human Services Committee, placed on General File with committee amendments.

FOLEY: Thank you, Mr. Clerk. Senator Williams, you're recognized to open on LB705.

WILLIAMS: Thank you, Mr. President. Good morning, colleagues, and welcome to LB705. I'd, first of all, like to thank Speaker Hilgers for recognizing that this barber bill is a cut above most of the other bills that we're hearing today. This bill was heard in front of the HHS Committee on the 21st of January. It was voted out unanimously. There was no opposition testimony and it was sort of a hair-raising experience for the members of the committee. LB705 is a straightforward bill relating to the Barber Act and was brought to me by the Board of Barber Examiners, the regulating entity overseeing barber, barbers practicing in the state of Nebraska. I will comb through the details and hit a few of the highlights. The first change in the bill, and there are two, eliminates the requirement that barbers who rent a space in a shop have a booth permit. The booth permit requirement was enacted in 2009 to track barbers that rent booths or chairs in barbershops for inspection purposes. The board no longer tracks those barbers who rent booths and chairs so the board has determined the permit is unnecessary and voted unanimously to request the Legislature to eliminate that requirement, much like we eliminated the flat tops except for State Patrolmen. The second change in LB705 deals with the requirement of becoming a registered barber instructor. A person can be eligible for registration as a barber
instructor if (1) they have completed 18 college credit hours, (2) they have been actively practicing barber for one year immediately preceding application, and (3) they have served as a registered barber assistant for one year. LB705 reduces the one-year requirement to nine months, mainly because the old rule just didn't cut it anymore. There is currently a shortage of barber examiners. The barber board voted to make this change. The board feels that nine months is an adequate period of time for an assistant to work and this just simply trims that amount. LB705 was passed unanimously, as I mentioned. There is a committee amendment adding the E clause due to a timing issue with the booth permits. With that, I encourage your green vote on LB705. Thank you, Mr. President.

FOLEY: Thank you, Senator Williams. Committee amendment, Senator Arch.

ARCH: Good morning, colleagues. AM1653 to LB705 simply adds an emergency clause to the bill. In the hearing, the committee heard testimony that the booth rental permits, which this bill eliminates, are scheduled to be renewed at the beginning of the fiscal year this summer. The committee therefore added the emergency clause to ensure that the booth rental permits would not need to be renewed if they would simply be eliminated when this law goes into effect. I encourage your green vote on both the amendment and the underlying bill. Thank you.

FOLEY: Thank you, Senator Arch. Any discussion on the bill or the pending committee amendment? Senator Erdman.

ERDMAN: Thank you, Mr. President. I wonder if Senator Williams would yield to a question.

FOLEY: Senator Williams, will you yield, please?

WILLIAMS: Absolutely.

ERDMAN: Senator Williams, in your comments. I heard you say something about, we want to trim this bill a little. Did you, did you refer to that?

WILLIAMS: There is a provision in this bill that reduces the amount of time to be a barber assistant trainee for the instructor from 12 months to nine months.

ERDMAN: OK.

WILLIAMS: So it trimmed that from 12 months to nine months.
ERDMAN: OK, so, so what you're saying is you want to trim this bill or shave a little off, would that be correct?

WILLIAMS: Shave a little off would be a great comment.

ERDMAN: Senator Clements--

WILLIAMS: I'm sorry that I didn't think of that one.

ERDMAN: Senator Clements is the one that thought of that, so I'll just-- thank you.

FOLEY: Thank you, Senators Erdman and Williams. Any further discussion? I see none. Senator Arch, close on the committee amendment? He waives closing. The question before the body is the adoption of the committee amendment, AM1653. Those in favor vote aye; those opposed vote nay. Have you all voted on the committee amendment? Record, please.

ASSISTANT CLERK: 41 ayes, 0 nays on the adoption of committee amendments.

FOLEY: AM10-- excuse me, AM1653, committee amendment has been adopted. Any further discussion of the bill as amended? I see none. Senator Williams waives closing. The question before the body is the advance of LB705 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 43 ayes, 0 nays on the motion to advance the bill.

FOLEY: LB705 advances. Next consent calendar bill, LB1148. Mr. Clerk.

ASSISTANT CLERK: LB1148, introduced by Senator Friesen, is a bill for an act relating to Motor Vehicle Industry Licensing Board; provide for the employment of a hearing officer; and repeal the original sections. The bill was introduced on January 19 of this year, referred to the Committee on Transportation and Telecommunications. That committee bill-- the committee placed the bill on General File with no committee amendments.

FOLEY: Senator Friesen, you're recognized to open on LB1148.

FRIESEN: Thank you, Mr. President. Colleagues, last year and in 2020, the Motor Vehicle Industry Licensing Board found that it was-- be prudent during the pandemic to utilize a hearing officer. That helped avoid the ten-person board from having to conduct multiple-day hearings with large numbers of people in a hearing room, some who had
to travel from out of state. The board wishes to continue utilizing a hearing officer when it makes sense, but has been advised by the Attorney General that it lacks the express statutory authority to utilize that hearing officer in this manner. This is all that LB1148 does. It authorizes the board to use and retain a hearing officer. The hearing officer may conduct preliminary hearings on the board's behalf. The hearing officer will make recommendations to the full board. The board will be the entity that makes all the final decisions. I thank you for your attention, would request that you support advancing LB1148. Thank you, Mr. President.

FOLEY: Thank you, Senator Friesen. Any discussion on LB1148? I see none. Senator Friesen, you're recognized to close. He waives closing. The question before the body is the advance of LB1148 to E&R Initial. Those in favor vote aye; those opposed vote nay. Record, please.

ASSISTANT CLERK: 41 ayes, 0 nays on the motion to advance the bill, Mr. President.

FOLEY: LB1148 advances. Next consent calendar bill, please.

ASSISTANT CLERK: LB971, offered by Senator McDonnell, is a bill for an act relating to public health and welfare; to change the name of the Brain Injury Trust Fund Act to the Brain Injury Assistance Act; change provisions relating to the Brain Injury Trust Fund and change the name of the Brain Injury Trust Fund to the Brain Injury Assistance Program; to harmonize provisions; repeal the original sections. The bill was introduced on January 11 of this year, referred to the Appropriations Committee. That committee placed the bill on General File with no committee amendments.

FOLEY: Senator McDonnell, you're recognized to open on LB971.

McDONNELL: Thank you, Mr. President. Good morning, colleagues. I'd like to thank the Speaker for putting this on consent. Also for the--my colleagues on Appropriations Committee for voting this out 9-0. This is a cleanup bill. Legislative-- LB971 was introduced to address a technical issue related to the passage and enactment of the Brain Injury Trust Fund Act in 2019. This bill is purely technical and was provided to me by the Legislative Fiscal Office to fix this oversight. Appropriations for this act are made directly from the Health Care Cash Fund so the separate fund, known as the Brain Injury Trust Fund, is not needed. Therefore, LB971 proposes to eliminate the Brain Injury Trust Fund itself and rename these provisions accordingly to-- as the Brain Injury Assistance Act and the Brain Injury Assistance Program. The overall scope, practice, and amazing work that is being
accomplished as a result of this original act and subsequent funding will not be affected by this legislation, will not be affected by this legislation. LB971 will address the funding process issue and will, will provide efficiency for the program and the Brain Injury Oversight Committee as a whole. There is no fiscal impact associated with this bill and I would reiterate there are no changes to the proposed or--purpose or the use of this fund. The bill is purely technical. I know some of you have received emails and it's-- that had some-- caused some problems with this bill and we addressed those in Appropriations, and we wanted to make sure that we were accurate so we brought in our fiscal staff and discussed it a second time and made sure that this does not make any changes except it's a cleanup, it's clerical, and it basically changes it from Brain Injury Trust Fund to the idea of the Brain Injury Assistance Act. That's all this bill does. Thank you, Mr. President.


CLEMENTS: Thank you, Mr. President. I rise in support of LB971 and I have had several emails from people with the Brain Injury Alliance who are concerned about this bill. And we did ask Fiscal Office to clarify what we're doing here. It's really a name change. It's not changing how the money is spent or taking money away from a program. In my opinion, it is just a technical change and I ask you to support it. Thank you, Mr. President.

FOLEY: Thank you, Senator Clements. Any further discussion? I see none. Senator McDonnell, you're recognized to close. He waives closing. The question before the body is the advance of LB971 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 45 ayes, 0 nays on the motion to advance the bill.

FOLEY: LB971 advances. Proceeding to LB691.

ASSISTANT CLERK: LB691, offered by Senator Blood. It's a bill for an act relating to the Address Confidentiality Act; to provide for enrollment eligibility on kidnapping survivors; to determine a term; and repeal the original sections. The bill was read for the first time on January 5 of this year, referred to the Government, Military and Veterans Affairs Committee. That committee placed the bill on General File with no committee amendments.

FOLEY: Senator Blood, you're recognized to open on LB691.
BLOOD: Thank you, Mr. President. Fellow senators, friends all, I bring forward LB691 to add survivors of kidnapping to the eligibility requirements for the Address Confidentiality Program to create an extra layer of protection for these victims. The ACP enables state and local agencies to respond to requests for public records without disclosing the location of a victim of abuse, sexual assault, or stalking. I thank Speaker Hilgers for placing this on consent agenda. LB691 is part of my work with the National Center for Missing and Exploited Children. Address confidentiality programs empower survivors—survivors of certain violent and abuse crimes to rebuild their lives by shielding survivors addresses from public records so that their abusers cannot use public resources to locate survivors and harass and harm them again. LB691 provides that victims of kidnapping qualify as program participants under existing ACA. The purpose of the program is to provide victims of abuse, stalking, sex trafficking, and sexual assault with a substitute address that they can use when interacting with state and local agencies. The program also provides them with a new mailing address to ensure that their actual mailing address remains confidential and does not enter the public record. This program is critical in ensuring the safety of many victims. When victims and survivors move to new— a new address that is unknown to their abuser, the ACP ensures that they can fill out any necessary applications with government departments, register to vote, and receive mail without fear that their address will become searchable to the public. If eligible for the ACP in Nebraska, an individual must be a victim of abuse, sexual assault, trafficking, or stalking who fears for his or her safety, or a parent or guardian applying on behalf of a minor or incapacitated person and a Nebraska resident who has recently relocated to a place unknown to his or her abuser or is planning to move in the future. Applications are made in-person at one of the many designated victim assistance centers located across Nebraska. These designated centers also provide counseling and sheltering services to these victims. Friends, violating Nebraskans' safety is something that we can never take lightly. I ask for your green vote to move LB691 forward. Thank you, Mr. President.

FOLEY: Thank you, Senator Blood. Any discussion on the bill? I see none. Senator Blood, you're recognized to close. She waives closing. The question before the body is the advance of LB691 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 42 ayes, 0 nays on the motion to advance the bill.

ASSISTANT CLERK: LB1178, introduced by Senator McCollister. It's a bill for an act relating to county records; to provide for withholding the residential address of a judge from the public; to define a term; and repeal the original sections. The bill was introduced on January 19, referred to the Government, Military and Veterans Affairs Committee. That committee placed the bill on General File with no committee amendments.

FOLEY: Senator McCollister, you're recognized to open on LB1178.

McCOLLISTER: Thank you, Mr. President, and good morning, colleagues. Please don't judge me on the quality on this opening, if you would. I should mention that this bill came through the Government Committee and it was unanimous, a unanimous vote of the committee. Good morning, colleagues, and thank you, Mr. President. LB1178 makes one simple change to existing Nebraska law by adding judges to the list of persons who might request county officials to refrain from publishing their home addresses online. The Nebraska Legislature overwhelmingly supported a bill in 2017 that allowed law enforcement officials to make such a request. Statistics suggest that incidents where individuals attack or threaten presiding officers of the American justice system are increasing. According to a report by NPR, the U.S. Marshals Service has confirmed that four federal judges have been killed since 2079-- I'm sorry, that's 1979. The U.S. Marshals also note that the number of threats is skyrocketing with less than 1,000 threats being made in 2015 to nearly 4,500 threats and inappropriate communications being tracked in 2019 alone. Under the bill, judges would be allowed to request that their home addresses be withheld from official online records. A person requesting the home address of a judge whose address is withheld could still obtain the address, but it would need to be-- they would need to place a request for the information in writing. Although practicality, this does not prohibit the public from access to a judge's public information, the cooling off period afforded when an individual submits a written request and appears in person provide a critical moment for them to rethink their intentions and consequences of their intended actions. Furthermore, it ensures that the record is kept of who might be seeking this information in the unfortunate event an incident occurs. LB1178 is a common-sense bill. It provides an important layer of protection for the men and women who make our justice system work and who work to ensure the general public is safe. Thank you, Mr. President.

FOLEY: Thank you, Senator McCollister. Any discussion of the bill? I see none. Senator McCollister waives closing. The question before the body is the advance of LB1178 to E&R Initial. Those in favor vote aye;
ASSISTANT CLERK: 39 ayes, 0 nays on the motion to advance the bill.

FOLEY: LB1178 advances. Item, item for the record, please.

ASSISTANT CLERK: Thank you, Mr. President. The bills that were read on Final Reading this morning [LB592, LB708, LB754, LB758, LB892] were presented to the Governor at 11:00 a.m. I have a confirmation report from the Agriculture Committee. Amendment to be printed to LB750 from Senator Friesen. Your Committee on Revenue reports LB850 and LB917 as placed on General File and LB951 and LB1272 as indefinitely postponed. That's all I have.

FOLEY: Thank you, Mr. Clerk. Members, we're now moving to Select File, which will require voice votes. Please be attentive to voice votes. LB847, Mr. Clerk.

ASSISTANT CLERK: Mr. President, with respect to LB847, I do have E&R amendments.

FOLEY: Senator McKinney, for a motion on the E&R amendments.

McKinney: Thank you, Mr. Lieutenant Governor. I move to adopt the E&R amendments to LB847.

FOLEY: Members, you're the motion to adopt the E&R amendments. Those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

ASSISTANT CLERK: Nothing further on the bill.

FOLEY: Senator McKinney.

McKinney: Mr. Lieutenant Governor, I move to advance LB847 to E&R for engrossing.

FOLEY: Members, you heard the most to advance the bill to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB847 advances. LB567, Mr. Clerk.

ASSISTANT CLERK: Mr. President, on LB567, I do have E&R amendments.

FOLEY: Senator McKinney.

McKinney: Mr. President, I move to adopt the E&R amendments to LB567.
Foley: The motion is to adopt the E&R amendments. Those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

Assistant Clerk: Mr. President, Senator Ben Hansen would move to amend with AM1958.

Foley: Senator Ben Hansen, you’re recognized to open on AM1958.

B. Hansen: Thank you, Mr. Lieutenant Governor. This is pretty much just cleanup language on LB567. During the floor debate, Senator Wayne pointed out the bill is retroactive going back to October of 2021. The Nebraska Department of Labor has been acting under a state executive order since April 30, 2020. There was no need for the legislation to be retroactive as this has been the process since 2020. The October 2021 date was because the bill was originally introduced in January of 2021. This amendment just clarifies so there’s no confusion as to what the applicable law was at the appropriate time. Thank you.

Foley: Thank you, Senator Ben Hansen. Any discussion on Senator Hansen's amendment, AM1958? I see none. Senator Hansen, you’re recognized to close on the amendment. He waives closing. The question before the body is the adoption of AM1958. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

Assistant Clerk: 37 ayes, 0 nays on the adoption of the amendment.

Foley: AM1958 has been adopted. Mr. Clerk.

Assistant Clerk: Nothing further, Mr. President.

Foley: Senator McKinney.

McKinney: Mr. President, I move to advance LB567 to E&R for engrossing.

Foley: Members, you heard the motion to advance the bill. Those in favor say aye. Those opposed say nay. LB567 advances.

Assistant Clerk: Mr. President, next bill, LB749, no E&R amendments.

Foley: Senator McKinney.

McKinney: Mr. President, I move to advance LB749 to E&R for engrossing.
FOLEY: The motion is to advance LB749 to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB749 advances. Before proceeding, Senator Erdman would like us to recognize a friend of his, Don Lease, from Banner County. Mr. Lease is with us in the north balcony. Mr. Lease, if you could please rise, we'd like to welcome you to the Nebraska Legislature. LB704, Mr. Clerk.

ASSISTANT CLERK: LB704 does have E&R amendments.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move to adopt the E&R amendments to LB704.

FOLEY: The motion is to adopt the E&R amendments. Those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mr. Clerk.

ASSISTANT CLERK: Nothing further on the bill, Mr. President.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I moved to advance LB704 to E&R for engrossing.

FOLEY: The motion is to advance the bill to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB704 advances. Proceeding to LB786. Mr. Clerk.

ASSISTANT CLERK: LB786 has no E&R amendments.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move to advance LB786 to E&R for engrossing.

FOLEY: The motion is to advance the bill to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB786 advances. Proceeding to Select File, LB9—excuse me, LB791. Mr. Clerk.

ASSISTANT CLERK: Mr. President, on LB791, there are no E&R amendments.

FOLEY: Senator McKinney.

McKINNEY: Mr. President, I move to advance LB791 to E&R for engrossing.

FOLEY: The motion is to advance the bill to E&R for engrossing. Those in favor say aye. Those opposed say nay. LB791 advances. That will
conclude Select File consent calendar. Moving to General File 2022 committee priority bills. LB1236, Mr. Clerk.

ASSISTANT CLERK: Mr. President, LB1236, offered by Senator Lowe. It's a bill for an act relating to the Nebraska Liquor Control Act; to change provisions relating to the rights of a craft brewery licensee; and repeal the original sections. The bill was introduced on January 20 of this year, referred to the General Affairs Committee, placed on General File. There are committee amendments.

FOLEY: Senator Lowe, you're recognized to open on LB1236.

LOWE: Thank you, Lieutenant Governor. I am happy today to introduce LB1236, which is this year's vehicle for the General Affairs liquor omnibus bill. This package is made up of several pieces of legislation. I plan on talking about this bill, but also-- well, I'll just talk about this bill and I'll let Senator Briese talk about the other pieces of legislation. The language we have in this amendment or-- this is the most important piece of legislation we have this year as far as liquor is it deals in the past-- with small breweries and distributors. That's-- the struggle to find a distributor prevents growth that can even lead to a brewery going out of business. Allowing a small craft brewery to grow is important for these businesses and for the communities around our state. The concept of limited self-distribution is obvious, obviously supported by the craft breweries, but what is more interesting is that this year, the Associated Beverage Distributors of Nebraska also came out in support of limited self-distribution. This is an unprecedented stance for these businesses to take. While there was an agreement on the concept, there was, of course, disagreement on the substance of the idea. That is why I brought two bills. The first, LB1235, was narrowly written while LB1236 was far more wide open. Senator Briese allowed for these bills to be heard in a joint hearing that lasted three hours. It was very refreshing and enlightening conversation that allowed the committee to come up with a combined piece of legislation that brought in elements of both LB1235 and LB1236. That combined language is now seen in AM1960-- AM1986. All craft breweries in Nebraska would be allowed to self-distribute up to 250 barrels in a given year. There are restrictions in place, however, on these craft breweries. First, as I already mentioned, they would only be allowed to self-distribute 250 barrels of beer. Craft brewery can only distribute beer that they produce themselves. Craft brewery could only self-distribute in a vehicle that is licensed by the owners and that they could only use employees of the brewery to do so. They are further prevented from self-distributing their own brewery in a territory in which they have
agreed to contract with a distributor to deliver, to deliver the beer. I want to take a moment to explain this process a little bit. Currently, a craft brewery can only sell their product at their own locations or they can sign contracts with the beer distributors. The contract would be done with distributor A for Kearney-- let's make that as an example-- distributor B for Omaha, and distributor C for Lincoln. They do not have to contract with a distributor for Norfolk or the craft brewery cannot sell their beer in Norfolk. The way LB1236 will work in this scenario is that the brewery could not self-distribute in Kearney, Omaha, or Lincoln because they have a contract with a distributor there. But since they do not have a contract for Norfolk, they can deliver their beer there. I also want to add a little more information here so everyone can have a little more clear understanding. First of all, I want to clarify what a barrel of beer is. One barrel is two kegs. In terms of cans, one barrel equals roughly 330 12-ounce bottles or cans of beer. This means a brewery, with this bill, could self-distribute roughly 82,500 12-ounce bottles of beer or cans. There are 68 craft breweries currently operating in Nebraska. Thirty-four of the 68 craft breweries in Nebraska produce less than 200-- 250 barrels of beer, meaning half of the breweries currently in Nebraska will have the option to completely, to completely self-distribute if we pass this bill. This is a game-changer for these small breweries and will give them ample opportunities to grow, but we also need to remember that most breweries sell most of their beer inside their own taprooms. That means most breweries distribute significantly less than what they produce. In fact, 50 out of the 68 breweries currently distribute less than 250 barrels. The language that-- for this amendment took hours of negotiation and with all that, side up times that they would-- preferred to seeing in this bill. AM1986 is truly a compromise. I passed out two pieces of information, the first that was highlighted in green-- I also passed these out on Friday. I passed them out again because we had a weekend in between. The first one with the asterisks that is in green, below that is-- it's been sorted by the barrels produced by the industry. And the second one with-- that was not highlighted, but the star above barrels of sales by wholesalers, that one is sorted in that category. So in the first one that is highlighted in green, underneath Tom Brewer, it's been highlighted on the second page, all of those breweries underneath that produce less than 250 barrels. This will immensely help those brewers completely. They could double in size if they self-distribute. Now, in the second one that is not highlighted, you will see I highlighted Patty Pansing Brooks. I did not do that because she's a friend. I did it because after Patty Pansing Brooks, all of those microbreweries, they distribute less than 250 barrels of beer through distributors. So as
you can see, most of the distribute-- microbreweries don't distribute that much beer already today. So all of those little microbreweries could double their size of distribution. That would be huge for a small business, huge. And above that, that will help. That will get them into markets that they're not already in to prove to the distributors to carry their beer. So this is a small business bill that will help promote all of the microbreweries in Nebraska. And I think I did a count and 26 senators have tasting rooms or microbreweries in their districts. That's amazing. We need to work on the other 16. Thank you, Lieutenant Governor.

FOLEY: Thank you, Senator Lowe. Senator Briese, you're recognized to open on the committee amendment.

BRIESE: Thank you, Mr. President. Good morning again, colleagues. I rise to introduce AM1986 to LB1236. First, I want to thank Senator Lowe for the enormous amount of hours he put in on this legislation and the amount of compromise that he worked towards to get this done and appreciate everything he's done in this regard. AM1986 generally does three things: first, LB1236 was amended by AM1850 [SIC], which replaced the green copy of LB1236, and Senator Lowe pretty much described what this first part entails. It essentially allows the holder of a craft brewery license to directly, directly sell for resale up to 250 barrels of only their own manufactured craft beer per calendar year if the licensee only distributes that beer in a territory-- self-distributes that beer in a territory in which the craft beer does not have a distribution agreement with a licensed wholesaler. And there are some more details there, but Senator Lowe explained most of them very well. Second, AM1936-- excuse me, AM1986 amends LB899 into LB1236. LB899 is a bill that Senator Lowe introduced to create a new special designated liquor license, or SDL, which can be used by nonprofit corporations exempted from paying federal income taxes. These nonprofits can apply for up to six special designated licenses for a calendar year with one application, provided each event the licenses are needed for will all be at the same location. This lowers the cost required to obtain the six licenses from $40 per license to $40 for the initial license and $10 for each subsequent license listed on the application. There was only one testifier opposed to that bill. Third, AM1986 amends LB900 into LB1236. LB900 was another Senator Lowe bill. This is a bill to allow microdistilleries in Nebraska to have up to five separate physical locations under their license. Currently, craft breweries are allowed up to five locations where they can sell their own products. This allows the microdistillery to produce up to 100,000 gallons in the aggregate between all five locations. The combination of these bills,
reflected AM1986, really is a combination of legislation that can help some of our small businesses prosper going forward. It can be very beneficial--it will be very beneficial to our craft brewers and all of us--or many of us have craft brewers in our districts and we all know the importance of the craft brewers to our local economies and this is great legislation on their behalf, also great legislation on behalf of the microdistilleries. And lowering the costs for nonprofits to attain SDLs is again an admirable goal. So I'd like to thank Senator Lowe for bringing these bills for us and very happy to have them as the components of our one committee priority bill and I'd ask for your support of AM1986. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Debate is now open on LB1236 and the pending committee amendments. Senator Flood.

FLOOD: Thank you, Mr. President. Members, I'd like to start by just complimenting both Senator Lowe and Senator Briese for working through this. This is one of those issues that I have been contacted by business folks in my district. Craft beer and everything that surrounds it has become very popular. And as you can see on this list, Divots Brewery has--is, is listed prominently and I know they will be so pleased to know that we've worked through one of the more difficult issues when it comes to putting all the different pieces on the same page. And so I really want to commend Senator Lowe for his leadership here because this is, this is actually going in the right direction. I do want to ask Senator Lowe a question.

FOLEY: I'm sorry, Senator Flood.

FLOOD: I'd like to ask Senator Lowe a question.

FOLEY: Senator Lowe, would you yield, please?

LOWE: Yes.

FLOOD: Thank you, Mr. President. Senator Lowe, obviously, we're dealing with breweries here and this has been a lot of work. Can you talk for just a second about how you brought the groups together? And then I want to talk to you about distilleries.

LOWE: This has been a project now for several years of trying to get these groups together, the craft brewers, the distributors, and the Liquor Commission, so they all agree on, on this. And normally it comes down to a nice meeting and then ends up with knives and forks not pointed at the plate, but at each other, but this year we all came together. It may have been because the two bills were brought. It may
have been because we're just tired of fighting. Who knows what it is, but this year all three came together in this amendment.

**FLOOD:** Well, I would add this: I don't think any of us realize how much-- how good this is because this is settling a dispute that has been very ripe for some time. I'd like to just add this and, and not make any changes with this bill, but I have distillery coming in Norfolk-- into downtown Norfolk and they're asking me about this. They're asking me about everything that you've gone through on the brewery side. And I'd like to know have there-- has there been a discussion about distilleries and is that something we can work on in the future to maybe even mirror some of what we're talking about here?

**LOWE:** That's why I, I did not include distilleries in it this year was I wanted to see how well this was going to go through because we are tipping the three-tier system here, but still keeping it mostly intact. But I want to take it small steps at a time and I'm sure in the future, we will take a look at distilleries.

**FLOOD:** Well, thank you, Senator Lowe, and thank you very much for your work on this. I am, I'm, I'm excited that this has come to fruition, that all three sides are on the same page, that we have progress in what is really actually a very difficult and complicated issue. I would like to just signal that distilleries are on the horizon and I think Senator Lowe has taken a responsible approach. Let's take this step today and let's, let's take a look at how it works and have future discussions about where we can go with distilleries because I think you're going to start seeing more of those across the great state of Nebraska. Thank you, Mr. President.

**FOLEY:** Thank you, Senator Flood. Senator Hilkemann.

**HILKEMANN:** Thank you, Mr. Speaker-- Mr. President. I'd like to know if Senator Lowe would take a question from me please.

**FOLEY:** Senator Lowe, would you yield, please?

**LOWE:** Yes.

**HILKEMANN:** Yes, Senator Lowe, I, I looked at your bill here and I noted that you had ten people who spoke as, as proponents for the bill, you had eight people speak in opposition, and there was one person in a neutral position. Could you tell me what, what in-- could you summarize for me what the opponents' arguments were on this bill?
LOWE: The-- for, for the most part, the opponents of this bill were the proponents for LB1235, the opposing bill. And so that's why I brought the two bills was to get both views of where we were going to be as we bring the two bills together and for the most part, all the opponents, except for one is, is in favor of this new amendment that we're bringing. The one that probably will not be in favor of it will be Project Extra Mile, Extra Mile, but the rest of them, their fears were relieved with, with the amendment that we were bringing.

HILKEMANN: So you would say that if, if the amendment had been the bill, that we would probably be only-- it may have only had Project Extra Mile that would have been opposed to it? Why would Project Extra Mile oppose this?

LOWE: They are in opposition of any advancement in alcohol.

HILKEMANN: Tell me more about-- what do you mean by advancement of alcohol?

LOWE: Well, in any time it makes it easier for a beverage or something to, to gain a foothold, they, they come in opposition.

HILKEMANN: In other words, that they're, they're, they're opposed to how easy it is to procure alcohol, am I correct?

LOWE: Yes.

HILKEMANN: OK and so at-- would the result of passing this legislation, do you think that this is, this is another procurement issue that we, that we should be concerned about? Are we, are we going to have more persons-- more accesses, possibly more people driving under the influence with this bill?

LOWE: Not with this bill, but, but I just think they didn't like the idea of self-distribution of some of the things because it's just bringing more product into the places that will be selling it.

HILKEMANN: OK, thank you very much and thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Hilkemann and Senator Lowe. Any further discussion? Senator Briese, you're recognized to close on the committee amendment.

BRIESE: Yes, just very briefly, I think this is a great amendment. It's pro-business, pro small business, and is help-- is going to help us grow our communities across the state, going to help us grow
Nebraska going forward. Again, I thank Senator Lowe for his work on this. I'd urge your support of the amendment. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. The question before the body is the adoption of AM1986 committee amendment. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 42 ayes, 0 nays on the adoption of committee amendments.

FOLEY: AM1986 has been adopted. Any further discussion on the bill as amended? I see none. Senator Lowe, you're recognized to close.

LOWE: I would like to thank everybody for the votes on the amendment and to vote green on the bill and there's no better time to end this bill than right before lunch. Thank you.

FOLEY: Thank you, Senator Lowe. The question before the body is the advance of LB1236 to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

ASSISTANT CLERK: 39 ayes, 0 nays on the motion to advance the bill.

FOLEY: LB1236 advances. Items for the record, please.

ASSISTANT CLERK: Thank you, Mr. President. Your committee on Enrollment and Review reports LB717, LB1037, LB848, and LB767A all to Select File. New resolution, LR310 offered by Senator Lindstrom. That will be laid over. Name adds: Senator Aguilar to LB773; Senator Jacobson to LB783; Senator John Cavanaugh to LB921; Senator Matt Hansen, LB1173; Senator Blood, LB1241; Senator Bostar, LB1241; Senator Matt Hansen to LR305. Some announcements: General Affairs will hold an Executive Session following their hearing today in Room 1510, Education will hold an Executive Session following their hearings in Room 1525, and Transportation will hold an Executive Session today in 1113 at 1:30 p.m. Finally, Senator McCollister would move to adjourn until Tuesday, March 1, 2022, at 9:00 a.m.

FOLEY: Members, you heard the motion to adjourn till tomorrow at 9:00 a.m. Those in favor say aye. Those opposed say nay. We are adjourned.