

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate April 23, 2025

**ARCH:** Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the sixty-sixth day of the One Hundred Ninth Legislature, First Session. Our chaplain for today is Chaplain Bob Gannon from Pleasant View Bible Church in Aurora, Nebraska, in Senator Lippincott's district. Please rise.

**BOB GANNON:** Let's pray. Dear Heavenly Father, Son, Holy Spirit, one God, author of all creation, full of grace and truth, thank you for each of these men and women elected as senators to serve the people of this great state of Nebraska, servants ordained by you, Lord, who are to be vessels of restraint against all evil. For your word says in Proverbs 14:34: "Righteousness exalts a nation, but sin is a reproach to any people." Lord, you are sovereign over all your creation, and there is nothing that slips by without your notice. Therefore, grant humility to each public servant of this state, and especially these senators, for Romans 13:1 reads: "For there is no authority except from God, and those that exist have been instituted by God." You, Lord, have instituted the Unicameral as a part of the governing authority of this great state. And may the citizens of this state not resist the authorities that you, Lord, have appointed. Father, I pray that you would give each senator a measure of your grace and mercy as they introduce legislation and debate back and forth. May they retain respect for one another and embrace each other, for each one is a precious creation of yours created after your own image. Would you by your spirit lead, guide, and direct them. I pray that you would grant them your wisdom, because as Proverbs 11:14 says, where there is no guidance, a people falls, but in an abundance of counselors, there is safety. May that be true of these senators, not only today, but even the remainder of this session. For all of us are ultimately responsible to surrender to and obey your truth. So may the legislation that is passed reflect your truth for the sake of all the people of Nebraska. And may we first love you, the Lord our God, and love our fellow neighbor as ourselves. For your glory, in Jesus' name. Amen.

**ARCH:** I recognize Senator Andersen for the Pledge of Allegiance.

**ANDERSEN:** Thank you, Mr. President. Colleagues, 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.

**ARCH:** Thank you. I call to order the sixty-sixth day of the One Hundred Ninth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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**CLERK:** There's a quorum present, Mr. President.

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

**CLERK:** I have no corrections this morning.

**ARCH:** Thank you. Are there messages, reports, or announcements?

**CLERK:** I have no messages, reports, nor announcements, Mr. President.

**ARCH:** While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR125. Mr. Clerk, you may proceed to the first item on the agenda.

**CLERK:** Mr. President, the Transportation and Telecommunications Committee would report favorably on the gubernatorial appointment of Kyle Anderson and Nathan Sorben to the Board of Public Roads Classifications and Standards.

**ARCH:** Senator Moser, you're recognized to open on your report.

**MOSER:** Good morning, colleagues. Thank you, Mr. Speaker. The Telecommunications and Transportation Committee recommends the advancement of two candidates to the State Board of Public Roads Classifications and Standards. The mission of the board is to develop reasonable standards for each classification of road to meet the needs of increasing mobile, mobile society. The committee considered and recommended the advancement of two individuals, Kyle Anderson and Nathan Sorben. Kyle Anderson served on the board of Sanitary and Improvement Districts 111 and 547. He currently is the Executive Vice President for Felsburg, Holt and Ullevig, and has advanced major transportation improvement projects with various institutions, including the Kansas Department of Transportation. Nathan Sorben has worked with the Nebraska Department of Transportation since 2009, has a degree from the South Dakota School of Mines, and his past work with the board gives him additional experience in monitoring current minimum design standards in Nebraska. And I appreciate your consideration and hope that you would vote green for the advancement of these two qualified appointees. Thank you.

**ARCH:** Turning to the queue, Senator Hunt, you're recognized to speak.

**HUNT:** Thank you, Mr. President. Colleagues. I just have one thing to share with all of you this morning. And it might take me 6 minutes. It's not a filibuster. I'm not trying to take a bunch of time, but I just wanted to share something with all of you. And I rise in support

of these appointments on Transportation and Telecommunications. This morning, I was reading the news before I came in. And I didn't realize yesterday, on April 22, the U.S. Supreme Court heard oral arguments in *Mahmoud v. McKnight*, a case brought by a group of religious parents who sued the Montgomery County Public Schools in Maryland. I had heard a little bit about this on the radio. But this morning, I was reading about those oral arguments. These parents argued that public schools violated their First Amendment religious freedom rights by refusing to allow them to opt their children out of reading story books that feature LGBTQ characters. The school district had adopted a literary curricula that reflected the diversity and experiences of the community, including books with characters who might be LGBTQ-plus or who might have families with same-sex parents. The parents objected not to the academic content of the curriculum, but to LGBTQ people being acknowledged in the classroom. So that was the basis of the case. During oral arguments, Justice Ketanji Brown Jackson asked a crucial hypothetical, and this is what got my interest. She asked, if a gay teacher has a photo of their same-sex spouse on their desk, just like any straight teacher might, does the logic of the parent's argument mean that they could opt their children out of that classroom, too? The attorney representing the parents said yes, that that was their intention, that under their legal theory, even that would be considered exposure to something they found objectionable. So under their theory, under this case, this decision, potentially, even a same-sex teacher having a photo of their spouse on their desk would not be allowed. So what Justice Jackson exposed is the real agenda behind so many of these legal and legislative efforts. It's not about curriculum or safety or age-appropriate material. At the end of the day, the architects of these bills are about erasing LGBTQ identity from public life. It's pretending they don't exist and it's creating a legal framework that treats their very presence-- having a photo on their desk, being mentioned in a book, using a restroom-- as something threatening or dangerous or offensive. Justice Brown Jackson's question made clear: if you accept this argument, then you are not just regulating materials, you are endorsing a worldview where LGBTQ people are considered inappropriate for children to even see. That's what's at stake. I'm speaking to the moderates in this body, including Senator Riepe, specifically. That is exactly what legislation like LB89 is trying to do, not solve real problems, but institutionalize the idea that queer people are dangerous to be around, that they don't belong in schools, on teams, in bathrooms or in public life. Her question-- Justice Jackson's question, in that moment, was a reminder of what's really being asked of us when we vote on bills like this. Are we going to tell their kids that their teacher's family photo is a threat? Are we gonna

treat basic human visibility as something to be shielded from, or are we going to reflect our real values and stand for dignity and truth and freedom and reality? But what we're seeing in our state and across our country with bills like the ones that have come before us here, it's not just legislation-- it's not just a wave of legislation. It's the slow but deliberate construction of an infrastructure of discrimination. This is why when you say, you know, but this bill doesn't have anything to do with if you can have a photo of your spouse on your desk, you're building an infrastructure of discrimination. The pretext will change. One day it's about books, the next it's about bathrooms, or sports, or speech, or signage, or marriage, or adoption, but the through line is always the same: to reduce queer and trans people's visibility, to make them disappear, to strip them of the ordinary ways that people live in public, whether that's a photo of your spouse on your desk, or your name in a yearbook, or a story in a library. And I'll yield my time back and start on my second time here, so I can finish this thought.

**ARCH:** You're next in the queue, Senator Hunt.

**HUNT:** Thank you. Just as Ketanji Brown Jackson posed this scenario, if religious parents claim that their children shouldn't be exposed to a gay teacher's wedding photos, does that justify removing them from the class? And the lawyer said, yes. That's where the logic takes us. It's not about protecting anyone from harm. It's about shielding people from having to acknowledge that LGBTQ people exist at all. That's what these bills are about. They're protecting a world view that refuses to coexist with people who are different. And let's talk about the harm that does. Senator Storm read a letter yesterday, from a parent who seemed outraged by a trans kid at their child's high school, more outraged about that than by the fact that that very student's existence has become a political flashpoint. They act as if just identifying as trans is a scandal, not a person's right, and that should be where parenting comes in. That's a failure of parenting. When a child comes home and says to you, there's a trans kid in my class, the response isn't, let me email Senator Kauth and make sure we pass a bill banning it. The adult response should be, OK. And? That's something you're gonna have to deal with. Because they're going to meet transgender people in life. The only response to that is, OK, well, you need to accept it or ignore it, because what we're not gonna do is discriminate or make their life harder-- be mean to them. It's our job as adults to teach them how to live alongside other people with decency and respect, not to teach them that people don't belong. We shouldn't be accommodating the discomfort of children who haven't yet learned empathy by targeting the kids who have done nothing wrong. This is how

the creep of discrimination happens. The state keeps building more legal foundations, more scaffolding, and more room for bureaucracy and bias to flourish. It's a coordinated effort to normalize the belief that some identities are dangerous and don't belong. Senator Riepe, this won't end if your amendment gets adopted. It won't end if some of us compromise on part of a bill to make it more palatable, because the whole project is about erasure, and every concession that we make just builds more scaffolding in the system for that erasure to climb higher and higher and higher. We should not be doing gymnastics and bending over backwards and hurting ourselves to help these policies make sense. They don't make sense. They aren't good-faith policies, and the architects of these policies do not mean well. Justice Jackson reminded us that these fights are not about policies. They're not about specific laws. They're about whose identity we believe deserves the protection of the law and whose existence we believe needs to be hidden. And colleagues, that's not a question for us. That's not a question for the law. It's just bigots seeing how much more they can get away with, chipping away, year after year, policy after policy, building the scaffolding for more and more discrimination. I want Senator Riepe and other colleagues, especially those of you who claim to be moderate, who claim to be compassionate and thoughtful about policy, to wake up and stop tightening the screws on the machinery of discrimination. Stop giving political cover to bad actors who smile while they build these systems of exclusion. The only way to react to bills like this is to kill them on site, not to negotiate, to kill it on site, because we see it for what it really is. Thank you, Mr. President.

**ARCH:** Senator Machaela Cavanaugh, you're recognized to speak.

**M. CAVANAUGH:** Thank you, Mr. President. Good morning, Nebraska. Just kind of following up on some of the thoughts that Senator Hunt was sharing this morning. I, in 2023, talked a lot about transgender youth, transgender people, discrimination, genocide. And at that time, I brought up the 10 stages of genocide. And people acted like-- I think the term used once by Senator Bosn was panic porn, and-- that this was-- that this kind of thing is panic porn. So in 2023, I talked about the 10 stages of genocide. And I looked back at the comments and how Senator Kauth framed the debate on gender-affirming care in 2023, and it was all about just caring about the children and that she wanted to make sure that they were old enough to make these healthcare decisions, and that they were-- you know, that this wasn't happening to children and when they're adults and they can make their own decisions and on and on and on. And the shift we saw yesterday was a complete and utter double down, digging in, saying that trans women don't exist. Repeatedly, Senator Kauth and others got on the microphone and said

trans women don't exist. They are men. So I'm gonna go back to those 10 stages of genocide. The first stage is classification, then symbol--symbolization, then discrimination, then dehumanization. I think we're at stage 4 after yesterday, in the stages of genocide. We are at the stage of dehumanizing and not even acknowledging the existence of trans men and women. So when Senator Hunt talks about how this isn't going to stop, we were at stage 3, and now we're at stage 4. And I mean, I think we were at stage 4 back in 2023, but now we are openly at stage 4. We are opening saying that you don't exist. We're not trying to protect anybody anymore. We're just trying to erase a population of people from existence. And that's what genocide is, and that is the trajectory we are on. And when we are silent, we are complacent. And when we push our green button, we are complacent. I've never had a problem in a bathroom, not in my grade school, not in my high school, not in my university, not at the movie theater, not at church, not here, not in an airport. I've never had a problem in the bathroom with somebody being genetically male, exposing their genitals to me or making me feel uncomfortable. Not a once in my 46 years has that ever happened, and I haven't heard that that's happened to anybody else in this body. I haven't heard it from anybody. So we're not solving a problem, we're eradicating a population of people. We are "othering" them and we are marginalizing them out of existence. And it hurts my heart so much that this is what you all have chosen to do with your power in this state, is to harm people, and you use the sports as this, like, crutch. There's, like, less than 10 athletes in the state that want to play sports as a gender other than assigned at birth. And you're willing to harm thousands in the name of protecting girls in sports. Mind you, none of them were in the balcony yesterday, unless they are all over 70, because there was a lot of elderly people in the balcony supporting this bill, but not a single young person in sports that felt like they needed to show up after school and sit up there because you were doing their work. You were just discriminating and being harmful and generally just awful to the families that were sitting up there, to the people, the trans women and the trans men that were setting up there.

**ARCH:** Time, Senator.

**M. CAVANAUGH:** Thank you, Mr. President.

**ARCH:** Seeing no one in the queue, Senator Moser, you're welcome to close. Senator Moser waives close. Question before the body is the adoption of the confirmation report from Transportation and Telecommunications. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

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**CLERK:** 31 ayes, 0 nays on adoption of the report, Mr. President.

**ARCH:** The report is adopted. Mr. Clerk, next item.

**CLERK:** Mr. President, the Education Committee would report favorably on the gubernatorial appointment of Duane Kime to the Board of Educational Lands and Funds.

**ARCH:** Senator Murman, you're recognized to open.

**MURMAN:** Thank you, Mr. Speaker. Duane Kime is a reappointment to the Board of Educational Lands and Funds. He's been in ranching work for the last 60 years in Cherry County. He is knowledgeable about the BELF system and was passionate about working hard to support our schools in the hearing. He was voted out of committee unanimously, with one absence, and I ask for your green vote. Thank you.

**ARCH:** Seeing no one in the queue, Senator Murman, you're recognized to close. Senator Murman waives close. Colleagues, the question before the body is the adoption of the confirmation report from the Education Committee. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

**CLERK:** 33 ayes, 0 nays on adoption of the committee report, Mr. President.

**ARCH:** The report is adopted. Mr. Clerk, next item.

**CLERK:** Mr. President, LB613A, General File, introduced by Senator Andersen. It's a bill for an act relating to appropriations; appropriates funds to aid in the carrying out of the provisions of LB613. The bill was read for the first time on April 8 of this year and placed directly on General File.

**ARCH:** Senator Andersen, you're recognized to open.

**ANDERSEN:** Thank you, Mr. President. LB613 [SIC] would appropriate \$88,000 from the General Fund to implement LB613. \$88,000 for '27-28. It's \$90,000 for '25-26. As a reminder, LB613 is a bill that will increase the local option sales and use tax transparency for local municipalities. This bill allows cities to audit the tax-- local tax receipts remitted by the state. This access allows the municipalities to actually create their budgets, conduct sound fiscal planning, and ensure they are receiving the correct amount of tax revenue. I appreciate your support of LB613 and appreciate support of the

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appropriations bill. Please vote green on LB613A. Thank you, Mr. President.

**ARCH:** Seeing no one in the queue, you're recognized to close. Senator Andersen waives close. Question before the body is the advancement of LB613A to E&R Initial. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

**CLERK:** 30 ayes, 0 nays on advancement of the bill, Mr. President.

**ARCH:** LB613A advances. Mr. Clerk, next item.

**CLERK:** Mr. President, Select File, LB78-- LB78A. There are no E&R amendments. Senator Bostar would move to amend with AM931.

**ARCH:** Senator Bostar, you're recognized to open on your amendment.

**BOSTAR:** Thank you, Mr. President. And good morning, colleagues. If you recall on LB78 on Select File, there was an amendment to correct a continuity error within the language of the bill itself. We had two different names of the same fund in the language. It was a simple error that, that occurred during the drafting process. AM931 fixes the, the same error that we addressed in the underlying bill, but addresses it here on the A bill. So I would encourage your green vote on AM931. Thank you very much.

**ARCH:** Seeing no one in the queue, you're recognized to close. Senator Bostar waives close. Question before the body is the adoption of AM931 to LB78A. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

**CLERK:** 29 ayes, 0 nays, Mr. President, on adoption of the amendment.

**ARCH:** AM931 is adopted.

**CLERK:** I have nothing further on the bill, Senator.

**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Thank you, Mr. President. I move that, that LB78A advance to E&R for engrossing.

**ARCH:** Colleagues, you've heard the motion. All those in favor, say aye. Opposed, nay. Does advance. Mr. Clerk, next item.

**CLERK:** Mr. President, Select File, LB177A. I have nothing on the bill, Senator.



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**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Pres-- Mr. President, I move that LB177A be advanced to E&R for engrossing.

**ARCH:** Colleagues, you've heard the motion. All those in favor, say aye. Opposed, nay. It does advance. Mr. Clerk, next item.

**CLERK:** Mr. President, Select File, LB230A. Senator, I have nothing on the bill.

**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Mr. President, move that LB230A be advanced to E&R for engrossing.

**ARCH:** Colleagues, you've heard the motion. All those in favor, say aye. Opposed, nay. LB230A does advance. Mr. Clerk, ne-- Mr. Clerk, for items.

**CLERK:** Thank you, Mr. President. Amendments to be printed from Senator von Gillern to LB650, as well as Senator Hallstrom to LB650. New LR, LR131, introduced by Senator Dover, and LR132, LR133, and LR134, all introduced by Senator Dover. Those will all be laid over. That's all I have at this time, Mr. President.

**ARCH:** Mr. Clerk, please proceed to the next item.

**CLERK:** Mr. President, Senator McKinney would move to return LB287 to Select File for a specific amendment, that being AM1000.

**ARCH:** Senator McKinney, you're recognized to open on your motion.

**McKINNEY:** Thank you, Mr. President. And thank you, colleagues. AM1000 corrects a drafting error that would have occurred with the merging of AM961 and AM990, the two amendments, amendments that were adopted on Select File. These two amendments, as a reminder, were a result of a deal and a compromise with the city of Omaha and the Omaha Housing Authority. AM1000 makes no additional changes. It just simply corrects a section related to a drafting error that would have occurred if we left this untouched. Thank you, and I appreciate your green vote.

**ARCH:** Turning to the queue, Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. Could I ask Senator McKinley [SIC] a question?

**ARCH:** Senator McKinney, will you yield?

**McKINNEY:** Yes.

**KAUTH:** So, Senator McKinney, with this amendment, tell me exactly what was changed. Because the, the city of Omaha had significant concerns with the bill, a lot of parts of it.

**McKINNEY:** They, they had concerns, but we worked out an agreement with them on Select. What this changes is when we made the amendments on Select, Drafting acc-- it accidentally cut out a section that needed to make sure the language was in the bill to make it effective essentially, because we gave them additional powers, which was "may." They may use them, they may not. With the, with the amendment, it only left a little piece of it, and we're just making sure that's in there so once the law is passed, it's all clear.

**KAUTH:** OK. And so, why was this only cities of the metropolitan class?

**McKINNEY:** Because currently, the housing authority in the city of a metropolitan class is the only housing authority that I know is having these issues. I haven't heard of any other issues with any other housing authority across the state.

**KAUTH:** Do you think this bill, though, will, if we put this in place now, the other housing authorities won't have to do this? Shouldn't we hold them all to the same standard?

**McKINNEY:** No, I don't think they would have to do it because the issues are different. And nobody-- and I've talked to representatives from other housing authorities, and they don't have these same issues.

**KAUTH:** And the issues were specifically what? The, the bedbugs were a big part of it. Was there anything else?

**McKINNEY:** It's bed bugs, it's a lack of maintenance, it's a, it's a bunch of things. They're currently under 2 class-action lawsuits for bed bugs. Also, sending people to eviction court that did not need to be sent there, not keeping up proper maintenance, not responding to residents' concerns, and those type of things.

**KAUTH:** So the lawsuits that they have on the bedbug, who, who filed it, members of which building? All of them, or how widespread is this, I guess?

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**McKINNEY:** I forget what exactly-- it's tenants, it is on behalf of the tenants, I don't know exactly which buildings they come from. I think maybe Underwood or some other ones.

**KAUTH:** Underwood. And Underwood has had significant problems. I know you guys have been working on that for a long time.

**McKINNEY:** Yep.

**KAUTH:** OK. And what is, what is the eviction lawsuit?

**McKINNEY:** So OHA was evicting people without going through the proper legal channels to evict them and not notifying tenants of their legal rights for about a decade. And it was found out through, through, through the courts, through eviction court, actually. And because of that, residents had come together, and a, a class-action lawsuit was filed on behalf of the residents.

**KAUTH:** OK. So how are-- how is this going to be regulated? I know we'll be putting this into place--

**McKINNEY:** So this--

**KAUTH:** --but what's the regulation?

**McKINNEY:** So one piece of it is OHA would be restricted from renting a property without making sure that there is no presence of bed bugs, and if there is, they-- to make sure they-- make sure the presence is gone prior to renting or leasing a space. The other piece of this is it gives the city of Omaha additional powers that they may or may not take. And they don't have to; it, it doesn't have shall language that they should take it. It just gives them the option. They never had the option, and that's what we're, that's what we're giving them.

**KAUTH:** So, so back to the-- they check each apartment for bed bugs before they rent it to the next person?

**McKINNEY:** Yes.

**KAUTH:** And then they have to mitigate it. And so, how, how does that work? I mean, if, if they have no ability to control who is coming in and how they're taking care of their home, are they constantly going to be on the hook for mitigating bed bugs?

**McKINNEY:** It's, it's only pertaining to the presence of bed bugs if you're trying to lease or rent a space. So-- but they also have set up,

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in, in some buildings, not all as of yet, but they have set up like heating-- I don't know what to call them, but they're like heating shelters, where people who are moving in, they can leave their property for some time, to make sure that if there possibly would be a presence, it, it would be hopefully resolved.

**KAUTH:** Oh-- OK. That's actually really cool, because to kill bedbugs is a hugely intense, high heat. Correct?

**McKINNEY:** Right.

**KAUTH:** OK. So they, they are putting in place these methods to basically pre-screen everybody's stuff before they move into their home. Is that kind of correct?

**McKINNEY:** To try as much as possible.

**KAUTH:** OK.

**McKINNEY:** Yeah.

**KAUTH:** All right. I'm going to have a few more questions for you, but I appreciate the dia-- dialogue. I'm just-- I'm-- when I get back on the mic, I want to ask, like, how is this going to be enforced?

**ARCH:** Time, Senator.

**KAUTH:** Thank you.

**ARCH:** Senator Conrad, you're recognized to speak.

**CONRAD:** Thank you, Mr. President. I was hope-- and good morning, colleagues. I was hoping that my friend, Senator McKinney, might respond to a question or two.

**ARCH:** Senator McKinney, will you respond?

**McKINNEY:** Yes.

**CONRAD:** Thank you, Senator. So I'm just having an opportunity to review your amendment, and it looks like it's, in essence, a three-sentence amendment that basically asks the housing authority to comply with existing law. Is that the general essence of AM1000?

**McKINNEY:** AM1000 just corrects a drafting error that we-- because we combined two amendments, but when we did it, a section had got left out that wasn't supposed to get left out.

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**CONRAD:** OK. So the language here in lines, I guess, 10-13, in the amendment, the underlined, the new section, again, it's pretty straightforward and pretty simple. It just reaffirms that the housing authority needs to adhere to current law. Is that, is that correct?

**McKINNEY:** Yes.

**CONRAD:** So it's, it's not really groundbreaking in terms of scope or application here, but it has been negotiated with all of the relevant parties and--

**McKINNEY:** Yeah. I mean, on-- as I would state again, you know, OHA came to my office with some suggestions to improve the bill. City of Omaha came to my office with suggestions to improve the bill. We talked to them and we reached an agreement on the amendment, so there is no issue, currently.

**CONRAD:** Yes, very good. That, that seemed to be the case as I was reviewing the amendment and remembering the prior debate. So I was just trying to-- I was trying to ascertain what Senator Kauth's confusion might be, in regards to the procedural or substantive process here. And of course, each of us has an opportunity to relitigate or reopen up or use our, our voice and our vote as we see fit to touch upon any issue and-- including past issues that have, have worked their way through here. But, you know, and I, I think that it's a rather limited measure that looks to housing authorities in a city of the metropolitan class. It asks them to comply with existing rental inspection codes, city ordinances that have already been promulgated and adopted and in place in the city of Omaha for some time, and it helps to address key areas in long-standing issues with inhabitable, inhabitable conditions in some of our, our housing authority, which have then prompted, after painstaking advocacy and negotiation, finally, litigation to address bed bugs, due process violations, unjust enrichment in terms of financial issues that were in play between the tenant and the Housing Authority. So it seemed to me like that case was just filed, I think, maybe, fairly recently, maybe in December or January of this year. So I'm guessing it, it has yet to move its way through, through the courts. But I appreciate your taking time to respond to some questions. Thank you, Senator.

**ARCH:** Senator Bosn, you're recognized to speak.

**BOSN:** Good morning. Thank you, Mr. President. I rise in opposition to LB287. I've been a no vote on this the entire time, and that is in part, due to the bill that was included, LB321. Colleagues, this allows

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SIDs to tax property outside the SID. We are levying taxes against properties outside of the boundary. And this is on the amendment, page 17. It says, or may be paid from the collection of special assessments levied against all lots, parcels, or pieces of real property located outside of the corporate boundary of the district. I, I guess I would just continue to raise a red flag. I also am curious, if you look at the committee statement, it says that there were two no votes. I'm wondering if Mr.-- or if-- excuse me-- if Senator McKinney would yield to a question as to who those two no votes were, if he knows.

**ARCH:** Senator McKinney, will you yield?

**McKINNEY:** Sure.

**BOSN:** Senator McKinney, do you know, on the-- page 2 of the committee statement that came out, it says the committee vote to attach LB321 was a vote of 5-2. Do you know who the 2 no votes were and do you know-- can you tell me about the discussion?

**McKINNEY:** I don't remember much of a discussion, honestly. The 2 no votes-- I'm trying to remember correctly. It possibly was either Senator Clouse, Andersen, or Sorrentino. I can't think of which of the three.

**BOSN:** I can follow up with them myself. I guess-- I, I know this is Senator Sanders' bill that was added into the package. I just think everyone should be wide-eyed about the fact that we are granting taxing authority to an SID to tax people outside of the SID, and I think that's a red flag for me. So, I will remain a no on this bill. Thank you, Mr. President.

**ARCH:** Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. Would Senator McKinney yield to just one more question?

**ARCH:** Senator McKinney, will you yield?

**McKINNEY:** Sure.

**KAUTH:** Can you go through how this is going to be enforced? What is the mechanism? So if, if bedbugs are found in-- and I'm actually really concerned about the LB321 also, but if bed bugs are found in an apartment after they've moved in, after they cleared it, is the city still responsible for the mitigation? And how, how is that reported out? How does that work?

**McKINNEY:** The city would-- unless they adopted ord-- they would never be responsible for the mit-- mitigation. OHA is responsible for all costs of mitig--

**KAUTH:** OK, so this will never fall back on the city of Omaha--

**McKINNEY:** No.

**KAUTH:** --unless they choose to get involved with it.

**McKINNEY:** Even if they choose to adopt the ordinance, they would never be responsible for the cost of re-mitigation.

**KAUTH:** OK. And then I did have a question about what Senator Bosn raised with LB321. Does that apply to just SIDs are able to now tax outside their boundaries, or are there other entities that are able to do that?

**McKINNEY:** I believe this is just related to SIDs.

**KAUTH:** OK. Thank you very much. I yield my time.

**ARCH:** Senator Clouse, you're recognized to speak.

**CLOUSE:** Yes. Thank you, Mr. President. I rise, as I were--I were-- I was a no vote on both of those issues as we went through the committee. And the reason I was no on the Omaha Housing Authority was simply because I, I didn't think that they had the, the power to control that, because the Housing Authority is really managed by HUD. That's where all the funding comes from, and so I thought it was just something that was a waste of time. And-- but then when it was presented that they had the choice-- the city of Omaha has the choice. If they want to do that, they can. Why they would ever do that, I don't know, because as it states in the bill that they become responsible-- the liability becomes their responsibility and that can be pretty significant if they have to take that on and, and handle the bed bug issue. And so, when we left it, that it was an option for the city, then I, I backed off on my opinion on that, thinking, well, they have the choice. I don't ever see them exercising that choice, but certainly that's their call if they want to. Then with regards to the SID, the premise behind that is that if you have an SID and you're developing an area, and it's all developed. And then someone comes in-- and I'm just going to use a convenience store for an example. They go right on the outskirts of that SID. They would get all the benefits and not have to pay for any of the, the water and sewer and all those infrastructure costs, and they would get the benefit to it, simply by connecting to that system.

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And so the thought behind that is that, well, you have the ability to, to charge them some of those costs because they received a lot of the benefits. The but-for test: they wouldn't be there but for the SID. So, those were the thinking-- that was the thinking behind my no votes, and I would go ahead and support this bill as it's written. My concerns were addressed. And I yield the rest of my time. Thank you.

**ARCH:** Senator Hallstrom, you're recognized to speak.

**HALLSTROM:** Thank you, Mr. Speaker and members. Senator McKinney, would you yield to a question?

**ARCH:** Senator McKinney, will you yield?

**McKINNEY:** Yes, I will.

**HALLSTROM:** With regard to the provisions of the bill, as amended, that Senator Bosn has raised, are you aware of any other situation in which an SID is allowed to assess properties that are outside the boundaries of the SID?

**McKINNEY:** No, I'm not. But this bill deals with specific situations where, as I understand it from Senator Sanders, that it deals with improvements that were made kind of by the SID, but they are not able to bene-- like, benefit from those improvements. So it's not-- so that's how I'm reading it, and that's what I'm understanding. So no, I don't know of any other situation. But it's basically-- LB321 additionally provides for levying assessment on real property located outside of an SID that is not accessible or that has been specifically-- yeah. So.

**HALLSTROM:** Thank you, and another question, if you would, please. The statute already talks about special benefits that are conferred, and this is expanding those special benefits to lots outside of the SID. Do you have any knowledge of what special benefits-- what constitutes special benefits?

**McKINNEY:** Not exactly. You would have to talk to Senator Sanders.

**HALLSTROM:** OK. Thank you.

**ARCH:** Senator Clements would like to recognize some special guests today. They are 48 fourth grade students from Elmwood Murdock Elementary in Elmwood, and they are located in the north balcony. Students, if you would rise and be recognized by your Nebraska



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Legislature. Returning to the queue, Senator John Cavanaugh, you're recognized to speak.

**J. CAVANAUGH:** Thank you, Mr. President. Well, I'm on the committee and I was there for the hearing on the SID portion, as well as the other parts. So my understanding is what happened-- SIDs have historically been able to assess a fee on adjacent properties that received a benefit from the SID. So if there's something that's right outside the SID and the, the SID widens-- the example that was given to us at the hearing was something like way in west Omaha and Pacific or one of those-- or Center, when they need to widen the street and the SID is paying for that and there's a business right outside, they historically have been able to a, a, a-- assess against those properties. But then, the Nebraska Supreme Court had a case where they reinterpreted that statute and were not-- SIDs were no longer able to do that. So Senator Sanders brought this bill to put clarification into the statute, to ensure that SIDs were able to do that. So this is my understanding, not being-- I don't represent a district that has any SIDs, so you all SID folk could probably weigh in on this a little bit better. But my understanding is historically, that was what was done. Senator Sanders' bill was brought to the committee as a clarification of that, which is why it was included in, in the committee. I agree with you that people who don't have a say should probably not be assessed a tax against them. But like I said, I don't represent SID people, so I haven't heard from any of my constituents that are interested in this. As to the rest of the bill, the, the-- one of the big parts of the housing authority portion is to do with housing authority towers, and I don't know if a lot of other housing authorities have towers in the same way that the city of the metropolitan class does. I don't think other ones have the problems that the city of the metropolitan class does. And what the bill does is it strikes a balance that Senator McKinney worked with the city of Omaha to alleviate their concerns about this, and has come to the compromise. And all of this does, right now, we're talking about, is clarifying that compromise to make sure that it actually goes into effect. So serving-- this, this AM is in the service of the requests that the city of Omaha and the housing authority put, put to Senator McKinney, and he acquiesced. Sorry. It's a, it's a busy place on the floor. So anyway, I encourage your green vote on AM1000, and to return LB287 back to Final, and so we can get a little bit more control over housing authorities-- or we can give the cities a little bit more options as they deal with the housing authorities, and to allow SIDs to continue developing in the way that they have historically developed. So thank you, Mr. President. Why am I defending his--

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**ARCH:** Seeing no one in the queue, Senator McKinney, you're recognized to close on your motion.

**McKINNEY:** Thank you, Mr. President. Again, AM1000 is just correcting an error that happened once we amended two amendments on Select File, and just trying to clean it up and make sure that we pass something that actually works and is effective for the residents. So with that, I hope for your green vote. Thank you.

**ARCH:** Colleagues, the question before the body is the motion to return to Select File. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

**CLERK:** 34 ayes, 5 nays on the motion, Mr. President.

**ARCH:** The motion is successful. Senator McKinney, you're recognized to open on AM1000.

**McKINNEY:** This is AM1000 that we have been discussing. It corrects the drafting errors I stated, and I just hope for your green vote. Thank you.

**ARCH:** Seeing no one in the queue, Senator McKinney, you're recognized to close. Senator McKinney waives close. Colleagues, the question before the body is the adoption of AM1000 to LB287. All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. Question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

**CLERK:** 34 ayes, 0 nays on the call of the house, Mr. President.

**ARCH:** The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Dover, please return to the Chamber. The house is under call. All unexcused members are now present. There was a vote open. Senator McKinney, will you accept call-ins? Mr. Clerk.

**CLERK:** Senator, Senator Ballard voting yes. Senator Juarez voting yes. Senator Andersen voting yes.

**ARCH:** Mr. Clerk, please record.

**CLERK:** 27 ayes, 7 nays on adoption of the amendment, Mr. President.

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**ARCH:** AM1000 is adopted. I raise the call.

**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Mr. President, I move that LB287 be advanced to E&R for engrossing.

**ARCH:** Colleagues, you've heard the motion. All those in favor, say aye. All those opposed, nay. Machine vote has been requested. Mr. Clerk. Excuse me. All those in favor vote aye; all opposed vote nay. Has everyone voted who wishes to vote? Mr. Clerk, please record.

**CLERK:** 25 ayes, 10 nays on advancement of the bill, Mr. President.

**ARCH:** The bill does advance. Mr. Clerk, next item.

**CLERK:** Mr. President, Select File, LB257. First of all, Senator, there are E&R amendments.

**ARCH:** Senate Guereca, for a motion.

**GUERECA:** Mr. President, I move that the E&R amendments to LB257 be adopted.

**ARCH:** You've heard the motion. All those in favor, say aye. Opposed, nay. The E&R amendments are adopted.

**CLERK:** Mr. President, Senator Hunt would move to amend with AM947.

**ARCH:** Senator Hunt, you're recognized to open on your amendment.

**HUNT:** Thank you, Mr. President. Good afternoon, colleagues. I rise to introduce AM947, which would add my bill, LB274, to Senator Quick's bill. LB274, my original bill, is intended to strengthen liability insurance requirements for licensed childcares. This amendment represents the bill with the committee amendment. It came out of committee 6-0, with 1 present, not voting from Senator Hansen. There was no opposition testimony and no neutral testimony, and there is no fiscal note. The reason I'm trying to amend this bill onto Senator Quick's bill, which I appreciate him so much, is this bill was recently advanced by committee after I had selected my personal priority for the year, and the Speaker priority deadline had also passed. But it's a commonsense bill for good government oversight to ensure that families of young children have peace of mind when they're sending their babies off to daycare. I was glad to see it advanced without opposition, so this is a vehicle that worked to move it forward. I can tell you

briefly about the bill. Over the interim, a family that lives in my district reached out to me to share a story of an accident that happened to their infant child at daycare. When their six-month-old was at daycare, he was dropped by a staff person and suffered a fractured jaw and a severe concussion. Their little boy, Callaway, had suffered severe medical issues as a result, ever since that unfortunate incident. The Johnsons, the family, the parents, hired an attorney, Matt Lathrup, who has been helpful in advising us on this bill. And when the family and their attorney presented their case against the provider, they learned that the childcare provider had their liability insurance lapse many, many months before the incident. So because of that, the family was not able to get any insurance payout for all of the pain and suffering that baby Callaway endured. And he has had enormous medical expenses. He had to get back surgery. That alone was over \$120,000. And so, learning about the insurance provider lapse of this daycare facility, Callaway's father reached out to my office to see if there was something they could do about it. We dug into the statutes. We thought that we would find something that would have prevented this provider from letting their policy lapse. But we found that in our Child Care Licensing Act, applicants for child care licensure are required to provide proof of liability insurance coverage when they apply for their license. But there's nothing in statute saying that they need to maintain it. So it became clear that this bill was the way to solve that problem. This bill provides that in addition to proof of insurance for licensure, that DHHS shall also verify, as part of their regular inspection and investigation processes, that a daycare provider's liability insurance is also valid and current. So it's basically just saying, if you're running a daycare, you already have to have liability insurance in order to get your license. This just says, and you have to maintain it. You can't just get the liability insurance, get your license, and then never have liability insurance again. I appreciate DHHS taking a neutral stance on the bill. They've been a great partner in working with my office on the committee amendment. And I appreciate the support of the committee and the support of the body for its advancement. Thank you, Mr. President.

**ARCH:** Turning to the queue, Senator Quick, you're recognized to speak.

**QUICK:** Thank you, Mr. President. And good morning, colleagues. I rise in support of AM947. We had this bill in, in our HHS Committee, and I voted for it coming out of committee. I think this is an important piece to-- and I think it'll be good fit for adding onto my bill. And so, I would encourage your green vote on AM947 and passing on LB257. Thank you, colleagues.

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**ARCH:** Senator Sorrentino would like to recognize some special guests today. There are 20 members of Nebraska manufacturers from the Nebraska Chamber of Commerce and Industry. They are located in the north balcony. Members, if you would rise and be recognized by your Nebraska Legislature. Returning to the queue, Senator von Gillern, you're recognized to speak.

**von GILLERN:** Thank you, Mr. President. I wonder if Senator Hunt would yield to a question.

**ARCH:** Senator Hunt, would you yield?

**HUNT:** Certainly.

**von GILLERN:** Thank you. I'm sorry. I was, I was trying to play catch up here and listening while I was looking online and other things, so I'm, I'm sure you said these things. What was the original bill number again?

**HUNT:** The original bill number was LB274.

**von GILLERN:** LB274. And it came out of HHS with, with-- what was the vote?

**HUNT:** It was 6-0, one present, not voting from Senator Hansen. There was no opposition, no neutral, and no fiscal note.

**von GILLERN:** OK. And again, I've, I've not had a chance to dig in. It's germane to the original bill because of what?

**HUNT:** Because they both deal with licensure--

**von GILLERN:** OK.

**HUNT:** --through DHHS.

**von GILLERN:** OK. All right. I'm, I'm looking at the bill. It-- we used to do the same thing in my business where peop-- where they had to maintain-- subcontractors had to maintain liability insurance, and keep us notified, and let us know if it lapsed, and so on. So on, on the-- at a 100-- at a 30,000 foot quick look, it seems to make sense. But I just wanted to do a little bit more digging. Thank you.

**HUNT:** Sure.

**von GILLERN:** Appreciate that.

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**HUNT:** I, I own a shop where I sell pens, and I have to have liability insurance.

**von GILLERN:** Right. No. Yeah.

**HUNT:** I don't even have infants around, so.

**von GILLERN:** Recommend that we all do. So.

**HUNT:** Yeah. Thank you.

**von GILLERN:** Thank you.

**ARCH:** Senator Clouse, you're recognized to speak.

**CLOUSE:** Yes. Thank you, Mr. President. Would Senator Hunt yield a question, please?

**ARCH:** Senator Hunt, would you yield?

**HUNT:** Yes.

**CLOUSE:** OK. Thank you, Senator. Senator Hansen isn't here, but do you know why he had the, the no vote, what his concern was?

**HUNT:** I don't remember his concern. I can get back to you with that. That, that would honestly be a question for him. You know, I gotta venture to guess it might have been personal, but--

**CLOUSE:** Oh, OK.

**HUNT:** I don't know. You'd have to ask him.

**CLOUSE:** Well, that's fine. I have not gotten any calls on this, and I think it looks like a good bill.

**HUNT:** Thank you.

**CLOUSE:** I was just, I was just curious. Thank you. I'll yield the rest of my time.

**ARCH:** Senator Hallstrom, you're recognized to speak.

**HALLSTROM:** Mr. Speaker, colleagues. And Senator Hunt, would you yield to a question?

**HUNT:** Yes.

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**ARCH:** Senator Hunt, would you yield?

**HALLSTROM:** And I apologize. I didn't find the original bill either, but my recollection was that you did make an amendment. Did the original bill have a higher level of insurance coverage and your amendment now has reduced that? I think that's a positive change.

**HUNT:** That's correct.

**HALLSTROM:** OK. Thank you very much.

**HUNT:** Thank you, Senator.

**ARCH:** Senator Ibach, you're recognized to speak.

**IBACH:** Thank you very much, Mr. President. I, too-- thank you, Senator Hunt. I, too, am just looking at the intent of the bill and the, the statement. It says LB274 is intended to ensure that licensed childcare facilities have adequate liability insurance coverage at all times that children are in their care. Is there a-- can you-- can Senator Hunt please answer a question for me-- or would you yield to a que-- to a question?

**ARCH:** Senator Hunt, would you yield?

**HUNT:** Yes.

**IBACH:** Do you have any statistics, as far as how often this might occur in licensed daycares across the state?

**HUNT:** I don't. I don't have information about how many daycares currently don't have insurance. But under this bill, if this is adopted, DHHS, when they do their routine checks of daycares, they would just also now be checking to make sure they still have liability coverage, as they had to have when they originally got licensed.

**IBACH:** OK. Thank you very much. Thank you, Mr. President.

**ARCH:** Senator Storer, you're recognized to speak.

**STORER:** Thank you, Mr. President. Senator Hunt, would you yield to a question?

**ARCH:** Senator Hunt, would you yield?

**HUNT:** Yes.

**STORER:** Thank you. I guess-- and just to follow-up on Senator Ibach's question, what, what would occur if a daycare was lapsing? Would they, would they have to close until they could prove they had the insurance, or would there be a grace period, or is there a provision there that there would be no interruption to service?

**HUNT:** There is a grace period of three business days for them to provide proof that they have renewed their liability coverage. If they can share proof of coverage, then they're fine, no problem. If they don't, then the department temporarily suspends their provider license, and that can be restored at any time once they can show proof of coverage.

**STORER:** OK. I appreciate that. And I have to think about if three days is a realistic time frame for a, a provider to get insurance. Just some concern about the kids and if there was a lapse and what would occur if there were a week or two or three before that provider could get-- sometimes it may be funding-- for them to be able to get their insurance back in place. Thank you.

**ARCH:** Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. I'd like to ask Senator Hunt a question.

**ARCH:** Senator Hunt, would you yield?

**HUNT:** Yes.

**KAUTH:** So in the debate last night, you were very upset about using the term, common sense. I actually like your bill. I think this is-- it is common sense, and I think we can agree on that. But to hear you use that phrase today, assuming that your common sense is exactly the same as everyone else's, after you railed against it last night, is really interesting. Can you explain that?

**HUNT:** Not all sense is common.

**KAUTH:** And some people have completely lost theirs. Thank you.

**ARCH:** Seeing no one in the queue, Senator Hunt, you're recognized to close. Senator Hunt waives close. Colleagues, the question before the body is the adoption of AM947 to LB257. All those in favor vote aye; all those opposed vote nay. There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.



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**CLERK:** 27 ayes, 1 nay to place the house under call.

**ARCH:** The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators McKinney, Armendariz, and Dover, please return to the Chamber. The house is under call. Senator Dover, please return to the Chamber. The house is under call. Senator Hunt, Senator Dover is absent. Would you like to proceed? The vote was open at the time of the house call. Will you take call-in votes? Yes. Mr. Clerk.

**CLERK:** Senator DeBoer voting yes. Senator McKinney voting yes. Senator Bostar voting yes. Senator Spivey voting yes. Senator Armendariz voting yes. Senator Prokop voting yes. Senator Ballard voting yes. Senator Meyer voting yes. Senator Lonowski voting no. Senator Wordekemper voting yes. Senator Moser voting yes.

**ARCH:** Mr. Clerk, please record.

**CLERK:** 31 ayes, 6 nays on adoption of the amendment, Mr. President.

**ARCH:** AM947 is adopted. I raise the call.

**CLERK:** I have nothing further on the bill, Senator.

**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Mr. President, I move that LB257 be advanced to E&R for engrossing.

**ARCH:** Colleagues, you've heard the motion. All those in favor, say aye. Opposed, nay. LB257 advances. Mr. Clerk, next item.

**CLERK:** Mr. President, Select File, LB323. I have nothing on the bill, Senator.

**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Mr. President, I move that LB323 be advanced to E&R for engrossing.

**ARCH:** Colleague, you've heard the motion. All those in favor, say aye. Opposed, nay. It does advance. Mr. Clerk.

**CLERK:** Mr. President, Senator-- LB129, Select File-- excuse me, LB192. Senator, there are E&R amendments, first of all.

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**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Mr. President, I move that the E&R amendments to LB192 be adopted.

**ARCH:** Colleagues, you've heard the motion. All those in favor, say aye. Opposed, nay. The E&R amendments are adopted.

**CLERK:** Mr. President, Senator John Cavanaugh would move to amend with FA96. It's my understanding he would withdraw that amendment.

**ARCH:** So ordered.

**CLERK:** In that case, Mr. President, Senator Cavanaugh, I have FA97, with a note that he would withdraw that, as well.

**ARCH:** So ordered.

**CLERK:** In that case, Mr. President, Senator Andersen would move to amend with AM192 [SIC-- AM1131].

**ARCH:** Senator Andersen, you're recognized to open.

**ANDERSEN:** Thank you, Mr. President. Colleagues, I rise today to present AM1131 to LB192. AM1131 builds on the policy foundation of the original legislation, LB656, but includes a refined approach that eliminates the fiscal impact initially projected. This amendment addresses an ongoing issue in our public assistance system, the blanket statewide waiver of federal work requirements under the Supplemental Nutrition Assistance Program, or SNAP. Currently, approximately 19,800 able-bodied Nebraskans are exempt from work requirements. Meanwhile, our state spends over \$1 million annually on federally-funded Employment and Training, E&T, a program that only serves about 1,084 individuals, less than 5% of those eligible. Let's take a step back. The SNAP E&T program is a federal requirement designed to equip able-bodied adults of tools they need to succeed: job skills, employment experience, and ultimately, independence. It's not an optional benefit. It's part of the program's structure. Yet, states can apply for waivers in areas of high employment or rely on voluntary participation, which allows some recipients to bypass these federal expectations altogether. Nebraska [MALFUNCTION] that waiver statewide, despite our historically low unemployment rate. This undermines the very goal of SNAP, to serve as a bridge, not a destination. Removing the waiver aligns policy with [MALFUNCTION]. We have workforce needs in nearly every corner of our state and E&T offers a path forward. Research is clear. Work contributes to the physical health, mental health, and long-term

stability. Dependency, on the other hand, is correlated with higher rates of depression, substance abuse, and early mortality. Encouraging work isn't punishment, it's empowerment. There's dignity in earning a paycheck and pride in self-sufficiency. AM1131 makes 2 key statutory changes. First, it prohibits the Department of Health and Human Services from seeking or renewing any general SNAP work requirement waivers unless explicitly required under federal law. Second, it affirms the state's authority to require participation in the federal E&T program under 7 U.S.C. 215(d) [SIC], with exemptions only where federal regulations mandate. Importantly, AM1131 still allows DHHS to exercise the state option exemption under 7 U.S.C. 215 [SIC] for individuals who are physically or mentally unfit for employment, in full compliance with federal government rules. Following conversation with DHHS and the Department of Labor, the modified language of LB656 in the form of AM1131 makes this section permissible and allows the Department of Human-- Health and Human Services to implement the program in a way that minimizes the fiscal impact on the state taxpayers. This collaboration is why the amendment, unlike its original form in LB656, carries no fiscal note. It ensures both responsible governance and sustainable-- and a sustainable form. Colleagues, AM1131 is about restoring accountability, promoting opportunity, and respecting the, the generosity of the Nebraska taxpayers. It transforms our safety net into a springboard, enabling Nebraskans to gain skills, build confidence, and reenter the workforce. We are not eliminating benefits. We are activating potential. By closing the waiver loophole, we signal that in Nebraska [MALFUNCTION] respected, it is honored. I urge your green vote on AM1131 to LB192. Thank you, Mr. President.

**ARCH:** Turning to the queue, Senator Quick, you're [MALFUNCTION].

**QUICK:** Thank you, Mr. President. Good morning, colleagues. This is not a friendly amendment. I would ask for your red vote on this amendment. Senator Andersen, [MALFUNCTION] if he could [MALFUNCTION] his bill to mine. [MALFUNCTION] I told [MALFUNCTION] she would not do that and I [MALFUNCTION] may not do that. He did not [MALFUNCTION] to put it on. [MALFUNCTION] --this came to a [MALFUNCTION]-- not voted out [MALFUNCTION]. Thank you.

**ARCH:** [MALFUNCTION]

**J. CAVANAUGH:** --on this, and I would just further everybody's understanding, situational awareness, as I think some of our military friends will say. This is LB656, which has a fiscal note of, I think, \$3 million a year, and the fiscal note in that-- on the committee bill. Senator Quick's bill, LB192, doesn't have a cost, so it's not gonna

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cause us any cost. This is an unfriendly amendment that is going to create a \$3 million dollar cost to this bill. Senator Andersen has a bill, it's out of committee, he could pursue that bill himself if he wants to. Attempting to hijack Senator Quick's bill and add a \$3 million dollar cost to something that doesn't cost any money is not appropriate at this time, so I would encourage your red vote on AM1131. Thank you, Mr. President.

**ARCH:** Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. I rise in support of AM1131, and I appreciate Senator Andersen for doing the work to bring this to the floor and finding a bill to attach it. That is germane, because this is dealing with SNAP benefits. I think it's incredibly important that we ensure that people who are able to work are actually working. They need to be trying to do as much as possible to get themselves out of whatever situation they're in where they need SNAP benefits. Working is critical to people's sense of well-being. It's critical to their future. Having that safety net is really important, but learning how to get out of it is even more so. So I applaud his, his insistence that we ask those who can work to actually do the work. There are lots of jobs that can be done. We know we have one of the lowest unemployments in the country. There are jobs everywhere. And when I hear people saying well, there are jobs people wouldn't want to do, I think if you are in desperate circumstances and you need to work, you will take the jobs that are there. I-- again, I applaud Senator Andersen, and I plan on voting yes on this amendment. And I'm, I'm disappointed that Senator Quick does not see this as an important aspect. Thank you, Mr. President.

**ARCH:** Senator Dungan, you're recognized to speak.

**DUNGAN:** Thank you, Mr. President. Good morning, colleagues. I do rise today opposed to AM1131 and for LB192. I think at the heart of what we're talking about here is-- well, we're talking about process and content and delineating those two things. Process-wise, this is obviously not something that Senator Quick is wanting on this bill. This is Senator John Cavanaugh's priority bill, I believe. And this is, I believe, a-- an attempt to hijack LB192 in an effort to add a bill that otherwise had a lot of opposition. I think it came out of committee, it looks like, 4-3. So AM1131 does not represent any kind of compromise or any kind of agreement, and to attach it to Senator Quick's bill, which has been prioritized by another member, is generally something that I think would be frowned upon. Obviously, we can do it, but the question is should we do it? My concerns around

AM1131 essentially center on the fact that what this seeks to do is to further demonize or essentially stigmatize individuals who are on SNAP. There are currently a number of protections and a number of red tape hoops that individuals have to jump through in order to get certain benefits, and it's not as though these, these benefits are being handed out willy-nilly. I think there is this recurring theme that we hear about from members in this body and from politics at large of individuals who are simply taking a handout and not working. And frankly, I find it offensive. I find it offensive to the individuals who are working hard, day in and day out, who need certain benefits that are being provided to them and who statistically speaking, colleagues, remain on these benefits for a short period of time. We know that the vast majority of people get off of SNAP benefits or are no longer benefit-- utilizing SNAP benefits under 2 years. We know that people do not simply just sit at home and utilize these, these benefits from the government in order to not work. And my concern is that by passing AM1131, we continue to stigmatize the individuals who need this help the most. I know people who are on certain benefits and they are hard-working people who are seeking to simply make ends meet and make sure they can feed their family. And to, I think, create these additional burdens and these additional hoops to jump through simply kicks them while they're trying to get back up. And so, I do think this is problematic. I think it's a little bit disappointing that we would see this come up on a bill that otherwise had passed through General File, I believe with no real questions or concerns, and I believe it passed through General File with some pretty vast support. And so, I'm pulling it up here because I want to double check what exactly the vote was on this. And I'm looking now. The vote from General File to advance, it was 33-0. There were 13 present, not voting. But this was one of the bills that had advanced quickly and there was no call of the house, and so you see a smattering of people who were present, not voting who likely weren't in the room or paying attention, but you have 33 senators who have voted in favor of this bill. And so I just want to highlight that I think this is an unfriendly amendment and it seeks to upend an otherwise universally supported idea. What I also think is important to note is the fiscal note. The original fiscal note on this bill was upwards of \$5 million. I understand that Senator Andersen had made comments in his opening about the fiscal note being taken care of. My read of the bill is that simply isn't possible. I believe that this amendment puts a fiscal note into effect by virtue of what it would cost DHHS. I don't have an amount on that. And I'm speaking with some other individuals that I think would be able to maybe get that information, but by virtue the fact that the original bill had a \$5 million fiscal note-- \$2 million, I believe, in the first year, \$3

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million in the next year-- it's concerning to me in a fiscal situation that we find ourselves in, where a bill with \$500,000 attached to it on the fiscal note is a non-starter. And here, we are contemplating an amendment on the board, colleagues, with a fiscal note before us of almost \$5 million. So I'm happy to listen to more conversation about what this does or does not do fiscally. But colleagues, this is a problematic amendment for a number of reasons. And I would encourage my colleagues to think long and hard before supporting this, as I do think it upends a bill that was universally supported on the first round. And it seeks to undermine the intention of that bill by further stigmatizing the individuals on these programs. With that, I would appreciate your red vote on AM1131 and a green vote on LB192 as is. Thank you, Mr. President.

**ARCH:** Senator Conrad, you're recognized to speak.

**CONRAD:** Thank you, Mr. President. Good morning, colleagues. I rise in opposition to Senator Andersen's amendment and remain in support of the underlying bill. I do believe I had a chance to listen or watch some of this committee hearing because I was interested in the issue. And so, it definitely sprang to mind as I was reviewing Senator Andersen's amendment and listening to his open. It goes without saying, friends, that this is a poison pill amendment. It is an attempt to hijack Senator Quick's measure that enjoyed broad support. SNAP-- the SNAP program itself has been one of the areas where we find a lot of consensus from faith leaders, from poverty advocates, for farm groups, from grocers, because we see the impact for families in need and we also see the return in the local economy. It looks like maybe Senator Andersen is having some tech support issues, so I would ask, perhaps, if he would make his way back to his microphone, if he might be able to yield to a question or two.

**ARCH:** Senator Andersen, will you yield?

**CONRAD:** Sorry. I know-- I could tell you're having tech issues. And we all had the same update on our computers this week, so maybe you just got hit with it, Senator. But Senator, my understanding from looking at the materials and then also listening to your hearing was the fact that is it your understanding that the only work requirement waiver that HHS has sought in Nebraska in recent years applies to the tribes in Thurston County, due to unique circumstances?

**ANDERSEN:** There is a distinction based on what the employment rate is.

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**CONRAD:** That's right. So you're seeking to undo that specific exemption for the tribes?

**ANDERSEN:** No, I don't believe that we qualify for that because of our historically un-- historically low unemployment.

**CONRAD:** OK. Have you had-- but you're, you're seeking to prevent any sort of additional waivers. That's the only waiver that HHS has utilized in regards to the work requirement because of the economic conditions in that area of our state. So are you seeking to undo that?

**ANDERSEN:** No, what I'm seeking to undo is the blanket waiver that was issued by the state to the federal work requirement for recipients of SNAP. That's it. If you want to get, if you want to get welfare, if you want to get free handouts, you have to have a job. You have to get educated and trained to get a job

**CONRAD:** OK. And Senator, have you had a chance to-- I appreciate you regurgitating your talking points demonizing the working poor. But I'm wanting to know if you had a chance to get an updated assessment from HHS as to what the fiscal note would be for implementing these components of your measures. The original measure you brought forward had a significant fiscal note. And my understanding is HHS does not have the infrastructure to absorb these costs with existing resources. So could you tell us what your estimate is for the fiscal note in regards to your amendment?

**ANDERSEN:** Yes, Senator Conrad. Thank you very much for the question. I, I couldn't have staged any better than if I had passed you the question myself. In response to Senator Cavanaugh, who said the fiscal note was \$2-3 million, that was for LB656 in its original form. Senator Dungan said it was \$5 million. That's not accurate either. We worked directly with the DHHS staff and Department of Labor, and their response back with the updated word verbiage was that the fiscal note is zero.

**CONRAD:** OK. Well, we'll have to see if that does come to fruition with updated fiscal notes, but I-- if you could share documentation in that regard with the body, that would be deeply appreciated. Just to reaffirm a few things while I have you on the record here. So some of the existing exemptions in regards to work requirements apply to SNAP household members 16 years and younger. Would your measure impact that in any way?

**ANDERSEN:** No, it does not.

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**CONRAD:** Would your measure impact an exemption for individuals who are unable to work 20 hours or more due to physical or mental health reasons?

**ANDERSEN:** No, it does not. There are a number of different stipulations in the, in the statute that says people that are incapacitated, caring for somebody that can't care for themselves, caring for someone underage, that they are-- they still have the waiver in place. We've done nothing to do that. We realize that there's some people that have the impossibility of work because their current life situation, caring for others.

**CONRAD:** Same for pregnancy, caregiving, employment, unemployment benefits, correlations. And have you had a chance to talk specifically with tribal leaders, about how this may impact their current exemption?

**ANDERSEN:** I have not spoken to tribal leaders.

**CONRAD:** They did come forward at the committee hearing, though, and expressed some concerns, I believe.

**ANDERSEN:** I'd have to go back and look.

**ARCH:** Time, Senator.

**CONRAD:** Very good. Thank you.

**ARCH:** Senator Fredrickson, you're recognized to speak.

**FREDRICKSON:** Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. I wanted to just hop in and chime in a little bit as a member of the HHS Committee about-- a little bit about this bill and some considerations for us to have. So I think there's a couple important factors to realize about the Nebraska SNAP program. So Nebraska, we, we do not have any statewide waivers for able-bodied adults without dependents. So those waivers don't currently exist in our state. The state does use these discretionarily-- exemptions for individuals in specific counties that are due to job scarcity or lack of transportation. So anyone who would be primarily affected by this is going to be in the rural parts of the state, and that's what the department really came into. If you actually read the fiscal note, the fiscal component of this is primarily due to building that infrastructure in the rural parts of the state. So, cities like Omaha and Lincoln have this in place. We have these job training programs in place already. The, the thing that's driving Senator Andersen's fiscal note is that the more rural parts of the state don't have that current



infrastructure. So in the fiscal year of 2024, there were 359 participants in the state of Nebraska that benefited from a, a waiver that this would remove, and those were-- majority of folks were in the parts of the state where there was either job scarcity, so again, rural areas, lack of transportation, or ability to get to the-- to their places of employment. And I would draw folks' attention to the fiscal note. DHHS said, and I quote, without the discretionary exemption, serving the highly rural areas of Nebraska would be very challenging. So for folks who are from the urban areas of the state, this is unlikely to have as strong of an impact on our constituencies because we have that infrastructure in place. We have transportation options for people. What Senator Andersen's bill will do ultimately-- the folks that benefit most from these waivers are folks that are living in places where they are unable to have transportation options to get to work or there are not the job training programs accessible to them within a reasonable amount of space, so just things to consider about implications of this. I would also encourage folks to read a bit more about our SNAP requirements, about different work requirements out there, and, and kind of to get up to speed with that. But if anyone has any further questions about that, I would encourage you to reach out to the Department of Health and Human Services or refer to their fiscal note about the specific uses of the waivers that this would eliminate in our state. Thank you, Mr. President.

**ARCH:** Senator Spivey, you're recognized to speak.

**SPIVEY:** Thank you, Mr. President. And good morning, colleagues, and folks that are watching on home and, and joining us in the Rotunda. I am really disappointed in AM1131 and am in support of LB192 and just wanted to reiterate, from Senator Quick's perspective, that this is not a friendly amendment and that there was quite opposition to what is LB652-- or LB6 [SIC], I think is the original bill number, now AM1131. There was 147 people that submitted in opposition to the bill online. There were 7 testifiers in opposition, only 2 in support in person, as well, so this does not have broad support. It came out of committee 4-3, which is also interesting that this made it out of committee, knowing that it had a fiscal note attached. As stated numerous times to me by the chair, items were not moving out of committee that had a fiscal note, items that related to federal waivers or grant programs and what's happening at the federal administration were going to be held. But yet, here this is on the floor that has a, a \$3 million fiscal note as is. As a member of the Appropriations Committee, we are making intentional, deliberate, and hard decisions about what we prioritize and what bills are passed and what those fiscal notes and impact look like. And if you look outside of this biennium, our deficit

is even bigger. And so with this having a \$3 million fiscal note, I think, one, it's not workable. Our deficit is going to be even bigger once the Forecasting Board comes with their numbers, as we are anticipating. And there's going to be lots more conversation in front of us around what we prioritize. And so from just a functional standpoint, and looking at the facts again, from the chair of HHS and what bills he was prioritizing and looking at moving, and then what is now in front of us, there seems to be misalignment in that space. And, and then lastly, I think, from a, a policymaking in our approach in our work as a body, there has been a consistent theme and approach around dehumanizing and demonizing the working poor and working class folks. This bill is a patriarchal approach to assume that folks that are in this circumstance that are abled-body and able to work are choosing not to. When people are needing assistance, there are numerous reasons why they are needing that assistance and what they need to navigate in order to change their economic trajectory. I think all people would want to ensure that they are able to manage their families, their households in a way that allows them to do it with dignity and support, and sometimes you need a safety net. If you have never been on SNAP benefits, I think it's really difficult for you and inappropriate to try to mandate and say what it looks like for someone that is navigating that circumstance. I grew up on food stamps. We had it. And my mom was able-bodied, and she worked, and she had to figure it out. And there were times where we needed support. And so, I think the assumptions that we make about people through our policies and what we introduce are harmful. Our goal as elected officials to represent all Nebraskans are to really ensure that people have access to the good life. And that means sometimes that they are going to need our social safety nets, whether that is CHIP, whether that is using Medicaid, whether that is SNAP benefits, whether that accessing support through TANF, there are a number of things that we have to ensure that people are able to get the access to resources that they need and then continue to mobilize to self-sufficiency. But I, I, I do think it is patriarchal and disappointing that this type of bill is in front of us to try to mandate what that looks like for some of our most vulnerable neighbors who need us to really advocate on their behalf and provide empathy and support and love as they are navigating hard decisions and situations to provide for their families and themselves. Thank you, Mr. President.

**ARCH:** Senator Rountree, you're recognized to speak.

**ROUNTREE:** Good morning, and thank you, Mr. President. And good morning, colleagues. And good morning to all of those who are watching online this morning. I just rise to express my opposition to this hostile

amendment, AM1131, and my support for LB192. For my own bill, LB319, I was approached by Senator Andersen and asked if he could catch a ride on that particular bill. He also approached Senator Quick and asked if he could ride on that bill. We can look at the numbers of opposition that testified and also the online comments, as Senator Spivey stated, and you can see that this is a bad bill. But now he attempts a hostile takeover of this particular good bill, so that if we want to pass the good bill, we have to include his, as well. So I just want to state that although it might be lawful, sometimes things that are lawful might not be the right thing to do. And don't do it just because we can do it, but do it because it's going to be a benefit to all of our people. So with that, Mr. Speaker, Mr. President, I yield the rest of my time. Thank you.

**ARCH:** Senator DeBoer, you're recognized to speak.

**DeBOER:** Thank you, Mr. President. Colleagues, one of the hardest things for me to learn when I got here was how to choose amongst my bill what I was going to-- my bills for the year, what I was going to prioritize. And one of things that helped me in that decision was talking to my colleagues and figuring out if they would allow other bills of mine to have homes on their bills, or if they were going to prioritize things, or if I could get my bills in a committee package, but that was a decision that I had to make. And there were a lot of times where I had to decide to prioritize a bill because there wasn't another home for it, and maybe I couldn't prioritize all the bills that I wanted to. In fact, I've never been able to prioritize all the bills I wanted to in a year. So basically, I learned that if you-- what is the song? If you like it, put a ring on it, where the ring is, where the ring is the priority on it. So here, we have a hostile amendment. And you know, if you like it, you should have put a ring on it. And I'm sorry that this is not going to work out, but there is a priority designation for Quick. He prioritized the bill. He does not want this amendment. In addition, there is a fiscal note. You can't add a fiscal note to another bill against somebody's-- I mean, especially in the climate we're in right now. Senator Dorn, would you yield to a question?

**ARCH:** Senator Dorn, will you yield?

**DORN:** Yes.

**DeBOER:** Senator Dorn, you and I were talking a minute ago about this bill, and you had the fiscal note up, so thank you for--

**DORN:** Yeah.

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**DeBOER:** --having done my homework for me. What's the fiscal note on this bill?

**DORN:** I don't have it up anymore, it was a, a, it was a little over \$1 million the first year and I think \$1.5 million the second year. But there was also some federal funds that were going to be pulled down. And later on, maybe, I was going to get on the mic, unless Senator Clements did, and ask why this type of fiscal note, I guess. I-- but that was what the fiscal note said on LB656, Senator Andersen's bill.

**DeBOER:** OK. So you've got a 6-figure-- is that right? 7-figure? 7.

**DORN:** 7-figure. Yeah.

**DeBOER:** 7-figure fiscal note-- multi-7-figure fiscal note on a bill that is already on Select File. And you know, I'm sorry, Senator Andersen. If you, if you wanted this bill to pass, you probably should have found your own priority bill for it. And I am going to vote against this just on procedure alone, without talking about the merits of the bill, because of the fiscal note, on Select File, against the introducer's wishes, you know. You know, if you want to prioritize it next year, Senator Andersen, I think that might be a good, good idea if you, if you care about it this much. It is a, a carryover bill. Thank you, Mr. President.

**ARCH:** Senator Clements, you're recognized to speak.

**CLEMENTS:** Thank you, Mr. President. Would Senator Andersen yield to a question?

**ARCH:** Senator Andersen, will you yield?

**ANDERSEN:** Yes, Mr. President.

**CLEMENTS:** Thank you, Senator. There's been discussion about the fiscal note, and you're telling me that there is no fiscal note. And could you explain how that happened?

**ANDERSEN:** Yes, sir. The fiscal note originally for LB656 was, in 2025, was put at \$2.2 million. And then for '26-27, it was posted at \$3.2 million. We had subsequent conversations with Department of Labor and the Department of Health and Human Services. And by adjusting the language in the bill, now the amendment, it took the fiscal note down to zero. So you can call DHHS and ask them and they'll tell you the fiscal note on AM1131 is zero dollars.

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**CLEMENTS:** Is that because they're able to absorb that in their just daily operations?

**ANDERSEN:** Yes sir. That's their, that's their assessment.

**CLEMENTS:** Very good. Well, thank you Senator Andersen. With no fiscal note, I'm able to support AM1131. Thank you, Mr. President.

**ARCH:** Senator Juarez, you're recognized to speak.

**JUAREZ:** Thank you very much. I just wanted to state that I am in opposition to AM1131. And I think that it's frustrating, because today I've been having technology problems and I couldn't even access this amendment. And if something is done like this that it wasn't planned, I wish that we would get these amendments handed out like we get other documents, because the lack of information really is concerning to me. And sometimes, I really question the procedures that go on when trying to make decisions on, on our bills. We're trying to make important decisions here, and it took forever before the technology would even work for me that I could finally even read this. And I think that it's important that we all be informed of the topic that is under consideration, and I just wanted to express my frustration about this. And I feel that people who are able to work, that's what they want to do. Remember, we had the discussion of how working is so great for our mental health. Well, why would that be different today? I think that everyone who can work does try to work, that being on SNAP surely isn't something that's, you know, provides such great advantages to you in trying to survive in this economy. I think it's an insult to think that people want to receive a benefit like this and not try to pursue work. And I yield the rest of my time to Senator Conrad. Thank you.

**ARCH:** Senator Conrad, 2 minutes, 50.

**CONRAD:** Thank you, Mr. President. And thank you to my friend, Senator Juarez. If Senator Andersen maybe make his way back to the mic, I have some questions. And while he's doing that, I just want to reaffirm the fact that SNAP is the most effective program for addressing hunger in the United States. It is also a temporary program where the average recipient participates for just 12 months. The majority of SNAP participants that can work do work. And the USDA estimates for every \$1 in SNAP benefits, that generates \$1.50 in the local economic activity. This measure, this program, impacts about 152,000 Nebraskans, or about 75,000 households, and about 1,400 SNAP retailers in districts all across Nebraska. Senator, looking at the committee statement, there was one person who testified in support of your measure, and it looks to me

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it was an out-of-state lobbyist for a right-wing think tank known as the Foundation for Government Accountability. When did they bring this bill to you and why?

**ARCH:** Senator Andersen, will you yield to a question?

**ANDERSEN:** Yes, Mr. President. They did not bring the bill to me. This actually came from me looking at some of the regulations and actually reading the SNAP regulation. And I asked the question and said, why do we have a statewide blanket waiver to the federal requirement for work for qualifications for SNAP? And nobody could answer the question of why do we have a blanket waiver? I understand the individual waivers for people in hardships and incapacitated children and things like that. I get that. But the blanket waiver, I didn't understand, and that's why I started asking the questions. That's ultimately what came in to be LB656 and now AM1131.

**CONRAD:** So you drafted that measure yourself with no assistance from that out-of-state think tank?

**ANDERSEN:** Not that I'm aware of. It's all with the--

**CONRAD:** OK.

**ANDERSEN:** --Bill Drafters. We have consulted with Department of Labor and DHHS.

**CONRAD:** And when did they contact your office to arrange support and to fly in to testify at the hearing?

**ANDERSEN:** That I don't know.

**CONRAD:** OK. Can you talk about your subsequent communications with the think tank, and do you know who funds them?

**ANDERSEN:** I don't know anything about them.

**CONRAD:** OK.

**ANDERSEN:** Who was it, you said?

**CONRAD:** But you've been working closely with them, but you don't know anything about them.

**ANDERSEN:** I didn't say I was working closely with you. I just told you I was working with DHHS, Department of Labor, Bill Drafters. That's who I told you I was working with.

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**CONRAD:** OK. So you've had no contact with the individual that came-- flew in to testify in support of your measure?

**ANDERSEN:** I, I can check to see if there was any, any communication with my office. But as you know, by running your office, there's a lot of people contact your office--

**CONRAD:** Sure.

**ANDERSEN:** --that you may or may not work with.

**CONRAD:** Sure. But it, it is conspicuous that there's only one person who testified in support of this measure, and it's-- it-- from an out-of-state--

**ARCH:** Time, Senator.

**CONRAD:** --right-wing think tank.

**ARCH:** And Senator Conrad, you're next in the queue.

**CONRAD:** Thank you. Again, I'd like to continue discussion with my friend, Senator Andersen, if he'd be kind enough to yield to some questions.

**ARCH:** Senator Andersen, will you yield?

**ANDERSEN:** I'd love to.

**CONRAD:** Thank you, Senator. So you heard at the hearing that the sole recipients of SNAP area waivers in Nebraska have been the Omaha, Winnebago, and Santee tribes, and peoples in and around Thurston and Arthur Counties, over most recently in 2013, and then there were also waivers sought in the '90s and the early part of the 2000s, et cetera. And this ban that you're moving forward would effectively single out these tribes and other rural areas, areas and residents for options for future support. But you noted that you haven't had a chance to talk to tribal leaders that made the trip to, to Lincoln to testify in opposition to your bill. Why did you not follow up and extend respect to those tribal leaders to allay their concerns?

**ANDERSEN:** Senator Conrad, as you know, I don't control who comes as proponents or opponents for a bill at a hearing. Everybody's welcome to come and give their, their opinions. This is not--

**CONRAD:** So you just didn't care about their opinion, then?

**ANDERSEN:** I'm sorry?

**CONRAD:** You just simply did not care about their opinion or find their perspective persuasive?

**ANDERSEN:** Well, that's your words, not mine.

**CONRAD:** No, I'm asking you why you didn't follow up with them, if they made the trouble and trip to Lincoln, but you said you can't control who testifies, but, you yourself said that you didn't extend any additional communication to allay their concern or opposition. Why?

**ANDERSEN:** There's a couple of things. You talk about it being targeted and everything else, and I've talked about it being a blanket waiver, not targeting anybody. If there's additional concerns from the tribes, happy to entertain that.

**CONRAD:** Senator Andersen, that was part of the committee hearing on your bill. That was the discussion on your bill. It's reflected on the committee statement and in the transcript. This is not my opinion. I'm reviewing the response to your measure at the committee level.

**ANDERSEN:** OK. To answer your question, I have not had follow-on communication with them.

**CONRAD:** Because you don't care about their perspective and you just want to move forward? You don't care about the impacts?

**ANDERSEN:** That's not true and that's not fair of you to say that.

**CONRAD:** OK, then why--

**ANDERSEN:** You don't know that. You're making assumptions, and, and you're--

**CONRAD:** That's why I'm trying to glean, Senator. They brought forward concerns about how your bill would impact their community, you did not follow up to address said concerns, and I'm asking you why. Did you not care, or have, have you been able to ascertain the impacts to that community?

**ANDERSEN:** I do not know the impact to community. I have not talked to them specifically, and it's all-- it's your words, not mine, saying I don't care. So--

**CONRAD:** So, so why didn't you follow up?



**ANDERSEN:** --don't try to twist my words and put words in my mouth--

**CONRAD:** Put words in your own words, Senator.

**ANDERSEN:** --because that's, that's wrong.

**CONRAD:** Why didn't you follow up? Put it in your own words.

**ANDERSEN:** I haven't.

**CONRAD:** Too busy? Didn't get around to it?

**ANDERSEN:** Mr. President, I answered her question.

**CONRAD:** The record speaks for itself in that regard, Senator. I see that there are a host of other opponents who testified on your measure. Did you have the care or respect or due diligence to visit with any other opponents?

**ANDERSEN:** I visited with everybody-- all the opponents that reached out to my office.

**CONRAD:** OK. And were you able to address any of their concerns?

**ANDERSEN:** None of them reached out to my office.

**CONRAD:** OK, I'm not quite following. You touched base with opponents who reached out to your office, but no one reached out to your office?

**ANDERSEN:** I'm saying they came and they, they testified at the hearing, but they've not contacted me personally. They're the ones we talked about, again, is Department of Labor and DHHS.

**CONRAD:** So you only worked with officials in the Pillen administration to move your bill forward.

**ANDERSEN:** That's not true.

**CONRAD:** Oh. That's what-- I'm sorry. Who else did you work with, Senator? You said you just worked with HHS and the Department of Labor.

**ANDERSEN:** Right. I did. I'm not working with the, the Pillen Administration just because I happen to work in the executive branch. Don't start drawing affiliations that aren't there.

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**CONRAD:** That, that-- they are code agencies in the Pillen administration. And I know you're new to state government, Senator, but that, that is synonymous.

**ANDERSEN:** It's not being new to the state government.

**CONRAD:** It's not my opinion. Department of Labor and HHS are code agencies that serve at the pleasure of the governor--

**ANDERSEN:** Sure.

**CONRAD:** --[INAUDIBLE] their leadership.

**ANDERSEN:** But that-- but don't try to stretch it to say that there's me collaborating with the Pillen administration. That's not true. I'm talking to the people responsible for--

**CONRAD:** No, Senator. That, that is true, actually. That's not a point of contention.

**ANDERSEN:** Well, that's good.

**ARCH:** Time, Senator.

**CONRAD:** Yeah, I can follow up and get you a list of code agencies so we can get on the same page with that. Thank you.

**ARCH:** Senator Dungan, you're recognized to speak.

**DUNGAN:** Thank you, Mr. President. Colleagues, I rise again, opposed to AM1131 and in favor of LB192. I wanna shift focus, as well, to the fiscal note, because I'm trying to understand what makes this a zero dollar fiscal note. So Senator Andersen, I was wondering if you'd yield to just a couple of questions about the differences between the bill and the amendment.

**ARCH:** Senator Andersen, will you yield?

**ANDERSEN:** I'd love to.

**DUNGAN:** Thank you, Mr. President. Thank you, Senator Andersen. So Senator Andersen, my understanding is the original bill here that was proposed that has the fiscal note of the \$5 million between the two, says, the department shall not exercise the state's option to provide an exemption from work requirements, correct?

**ANDERSEN:** Correct.

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**DUNGAN:** So the original bill said that work requirements have to be put into place, correct?

**ANDERSEN:** No, what it says is that they shall not submit exemptions-- blanket exemptions like, like currently exist now, to the federal government's requirements.

**DUNGAN:** Because I was, I was-- OK. So I'm reading the fiscal note, and it specifically says that it does not have the capacity for all of the work requirements of all the individuals that are required, and that that-- specifically, it says, expanding the capacity for the E&T, the Employment and Training, expanding that capacity to include the additional 800 participants across the state in all 93 counties would require additional staff to manage referrals, recruit third-party partners, and develop new processes. So, in order to actually implement the Employment and Training standards contemplated by the original bill, that's where we get the large part of this fiscal note, correct?

**ANDERSEN:** So are you looking at the fiscal note from February 25th [SIC] of this year? Is that true?

**DUNGAN:** I'm looking at whichever one was on the, the site. Yes, February 25th.

**ANDERSEN:** OK. So as I've said 3 times so far, that fiscal note is outdated, and there's an updated assessment by DHHS and Department of Labor, saying that there is no fiscal note required of this--

**DUNGAN:** Right. And I'm trying to understand what changes were made to the bill to get to that new fiscal note. So my reading of the amendment that we have here before us today, it says the department may, at its discretion, exercise its authority with regards to Employment and Training programs. And so, is what gets the number down to zero that the department doesn't have to now enforce Employment and Training for individuals?

**ANDERSEN:** Are you asking me?

**DUNGAN:** Yeah.

**ANDERSEN:** OK.

**DUNGAN:** I'm trying to, I'm trying to understand what change was made to get the number to zero.

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**ANDERSEN:** So just to give you the history since you weren't in the room, we had a meeting with DHHS and Department of Labor. We talked about what the amendment is, what the bill was, and how do we get the fiscal note down from \$2-3 million down to something more practical, right? So DHHS, DHHS and Department Labor went back and they had adjustments to verbiage that they said that if, if we didn't put these in there, they would actually-- the fiscal would be zero. So it was just the fact that--

**DUNGAN:** And do you remember-- sorry. Go ahead. Go ahead. I apologize. Go ahead.

**ANDERSEN:** No, it's just the fact that they came back, and I don't question DHHS. If they tell me that with this verbiage, the fiscal note is zero, I'm not going to question them. I take what they tell me and, and assume it's gospel.

**DUNGAN:** And I, and I assume that the-- I'm trying to figure out then, I guess, what the verbiage is that changed. And my reading of the bill compared to the amendment is that now the Employment and Training work requirements are optional for DHHS to implement instead of required. Is that, I think, the change that happened there?

**ANDERSEN:** I can go back and look, or you can contact DHHS and ask them.

**DUNGAN:** OK. Thank you, Senator Andersen. I appreciate that.

**ANDERSEN:** Sure.

**DUNGAN:** Colleagues, the reason I bring this up is my reading of the bill versus the amendment is the only way the fiscal note is zero is the verbiage has been changed. Spec-- specifically on lines 9-13 in the amendment, it's been changed to make the Employment and Training requirements optional, which means it will cost no money if DHHS doesn't do this. So, the only way that this amendment doesn't cost us money is if the Employment and Training doesn't go into effect. If, as I believe is contemplated by Senator Andersen as well as the people who are supporting this, the Employment and Training requirements are implemented, I believe it will still cost \$2 to \$3 million on the fiscal year because the fiscal note specifically says, in order to implement those programs, they have to expand those programs to accommodate upwards of 800 new Nebraskans across 93 counties. So I, I, I think that, you know, Senator Andersen is being correct with us that the fiscal note could be reduced to zero, but my reading of this and the changes between the bill and the amendment is it's only zero

because the new language says they don't have to do it. And so, I guess it, it undercuts the intent of the amendment. So colleagues, if your goal is to implement the Employment and Training requirements under the original contemplation of this bill, there is no way that that can be done for zero dollars. Thank you, Mr. President.

**ARCH:** Senator Hansen, you're recognized to speak.

**HANSEN:** Thank you, Mr. Speaker. I want to talk a little bit about Senator Andersen's amendment. This amendment is about helping able-bodied welfare recipients get back to work. Our economy, our budget, and tax revenues, and most importantly, those who find themselves in difficult situations will benefit from the changes this amendment will make for those who receive SNAP. We can help those who are ages 16-59 that are able-bodied and capable of successfully holding employment attain the power of self-sufficiency. This amendment also ensures our welfare programs are thriving and effective. This is a commonsense bill with 3 parts, and none of them are all that new. In fact, Idaho passed a bill almost identical to this one a few years ago because they are dealing with a lot of the same workforce issues that we are seeing here. The 3 parts that make sure Nebraska has a statewide work requirement for able-bodied adults on food stamps who can and should be working-- first, it codifies our state-- state's across-the-board work requirement for able-bodied adults without dependents. We already have a statewide work requirement for that group now, but this ensures that we keep one. Other agencies in other states have waived the work requirement without the legislature ever knowing. We should prevent that in Nebraska, and this bill does just that. States like Kansas, Missouri, Arkansas, and Florida have also codified this practice into law, so this is not something new. Second, even if the department doesn't waive the work requirements under federal law, they're allowed to use discretionary exemptions or no-good-cause exemptions that let able-bodied adults get out of work free. They don't qualify for an exemption. They don't have a good cause to not comply. That's its own exemption. The department can exempt them anyway. The department has a stockpile of more than 85,000 such exemptions that could be used to exempt the entire population of able-bodied adults without dependents in Nebraska from their work requirements for months, if it wants to. This bill closes that loophole. And again, not a new reform. Other states have done this, such as Arkansas, which passed a bill to this effect a few years ago, and Kansas already has that provision in their statutes. Third, and most importantly, it expands Nebraska's work requirement to include more able-bodied adults. We already fund an Employment and Training program to get folks back to work, but we don't make it mandatory. Instead, participation is

voluntary. And of the 17,000 people who would be eligible, the department has 186 participants for the year. Let me repeat, 186 participants out of 17,000. This is important because that is the only way we can require able-bodied adults between 15-60 and able-bodied adults with school-aged kids to work, train, or volunteer part-time. Otherwise, there is no requirement for them. Even with the first 2 parts of this bill, the bill makes participation mandatory for all able-bodied adults on food stamps who don't have small kids. They've either got to, got to go to work or participate in this program. And, by the way, participation will still be low, because people will work instead. Texas already does this, and out of the folks required to participate or work, only some of them participate. The rest either work or end up leaving the program because their income goes up, which is a good thing. We need these reforms. Nebraska has a workforce shortage crisis. There are help wanted signs everywhere. There are 61,000 open jobs in Nebraska, and there are around 30,000 able-bodied adults without young dependents on food stamps. And this goes back to the, the theme that I've mentioned before, multiple times on the microphone. I think as the federal government moves along with being more efficient, I think we need to as well. Likewise, we expect the local governments to do the same thing. We're doing our part with this bill. When the federal government starts turning that carrot into a stick, we need to be ready. This is one way we can do that. All of us are here because we worked. We know our communities are built around work. None of this, including spending on welfare programs, can happen without work. This legislation taps into Nebraska's natural work ethic and makes sure these programs prioritize the truly needy. And I want to talk with the little bit of time I have remaining here about procedure. I know we've been talking about procedure and whether this is commonplace to attach an amendment onto a bill. If I remember, for about 4 hours yesterday, we talked about removing funding for the canal, which is an unfriendly amendment, on Senator Brandt's bill. We just did the exact same thing yesterday. And now when Senator Andersen tries to do it, it's like the worst thing we could ever do here in the Legislature. This is not uncommon to attach an amendment on a bill. Gives us a chance to discuss it. We see what the body thinks. If we like it, we pass it. This is a good compromise. I know some people say it's not compromise. But compromise is also Senator Quick's bill, because we had-- this is all because of COVID. We had the, the eligibility requirement--

**ARCH:** Time, Senator.

**HANSEN:** Thank you, Mr. President.

**ARCH:** Senator Rountree would like to recognize some special guests. They are 50 fourth grade students from Rumsey Station Elementary in Papillion. They are located in the north balcony. Students-- they're waving at the door. Please rise. Senator Prokop would also like to recognize some guests. They are Community College Phi Theta Kappa Awardees and Aksarben Scholars from all six Nebraska Community Colleges. They are located in the north and south balconies. Please rise and be recognized by your Legislature. Returning to the queue, Senator Hardin, you're recognized to speak.

**HARDIN:** Thank you, Mr. President. I spent some time on the phone in the last several minutes, chatting with people from the Fiscal Office, as well as from the department. And the fiscal note on AM1131 is essentially absorbed. It will not be the several million dollars that many of you have been referencing over the last many minutes. You would not have known that because that doesn't appear there yet, but we all are familiar with the phenomenon of it takes some time for such things to filter through the system. And so, ditto with Senator Hansen, and appreciate what he is sharing with us. And Mr. President, if Senator Hansen would like, I would yield the rest of my time to him.

**ARCH:** Senator Hansen, it's 4 minute, 20.

**HANSEN:** Thank you, Senator Hardin. Let me remind you that Employment and Training options provided by the collaboration between the Department of Labor and DHHS are proven to be helpful. Why wouldn't we want to help people in this aspect? Of the last 1,082 individuals who have received training, 46% have made visible advancements in, in their life. 227 of them were able to get off SNAP entirely and get back on their feet, while 194 of them were able to lower the SNAP reliance. On average, they are able to increase their annual income by \$15,000. That's a substantial amount. The training and employment options provided through this amendment would help people with bus passes, background checks, car repairs, driver's licenses, uniforms, childcare, skills training, tuition, books, the list continues. This is valuable for not only those who enroll, but also an advantage to their families. To ignore this resource and to say this bill is problematic is to say that you don't want actions to be taken that will promote growth, success, and productive options for those who can benefit from our help. Let's give Nebraskans this assistance and vote for this amendment. And this is probably one of the first times, I think from the opposition standpoint, where we're saying let's take taxpayer money, government money and help individuals get training for free, along with a whole list of other things that I mentioned, to help them get back to work. This is a good thing. We want people to get back to

work. We want to be able to help them in this aspect. We don't want to give them money for free. The hand up/hand out analogy applies here. There are certain times where people do need this help. People do need SNAP benefits. People do need food stamps. I totally get that. I'm not against that. But to say we can't be more efficient with how we do this and effective is missing the point of what we're trying to accomplish here. This has been proven to work. Other states have done it. This is not uncommon. We're expanding the eligibility with Senator Quick's bill. We expanded it because of COVID in the first place. We put a sunset on there for a reason. I was here when we did it. I think at that time, when a lot of people couldn't go to work because of what the government told them who was essential and who wasn't-- that's a different story-- we were able to be there to help them. I was the only one in committee who did not vote for LB192. COVID is over. People can get back to work. That was the reason we had that in the first place. But if we're gonna expand this again and get rid of this sunset, this amendment that Senator Andersen is trying to do is a good compromise. We're expanding the eligibility, but also making sure those who have no children, who are able to work, we can help them, give them training, give them a whole list of other things to help them get back to work. I think that's good governance. And to say that it's not, I'm, I'm-- maybe I'm missing the point. And Senator Conrad, I know, mentioned to Senator Andersen about somebody who came and testified in favor of this bill. Again, not uncommon. I'm sure she's had it on some of her bills the time she's been here. People from out of the state have come and testified in favor of her bills. And so to-- I don't want to say attack Senator Andersen, but to mention it like that's the reason why we shouldn't vote for this bill, again, is ludicrous. I think we're grasping at straws here. So colleagues, again, these 2 bills work well together. They work well together. This is good, effective governance. We can help people, help them get back to work.

**ARCH:** Time, Senator.

**HANSEN:** Thank you.

**ARCH:** Senator Andersen, you're recognized to speak.

**ANDERSEN:** Thank you, Mr. President. I just wanted to go through a couple of different things in the legislation and what it doesn't cover. What this bill does-- this amendment does, it says that if you want to take and get and receive SNAP, you will have to adhere to the E&T, the federal government's requirement for work. That's all it says. There are provisions of people who are exempt from that, and I'll read that for them: People that are subject to or comply with a work



registration already; a parent or other member of a household who's responsible for the care of a dependent child under the age of six, they would continue to be covered; a student enrolled in at least half time in a recognized school training program or institution of higher education, they would be waived; an inpatient participant in a drug addiction or alcohol treatment or rehabilitation program, they would be waived; a person that's employed at a minimum of 30 hours a week and receiving weekly earning equivalent, they would be waived; a person that's at least 16 years of, at least 16 years of age or younger than 18-- between 16 and 18 who is not the head of a household, who is attending school or enrolled in employment training, they would not be part of this. What this comes back to really is common sense, saying that if you want to take money from your friends and family, you have a hard time and you need some help, we all get it. But that does mean that you have to give something back. And in this case, it's enrollment and working with the education and training. So, this isn't anything that's miraculous. It just says, if you want to get unemployment, then you have to have a job. You have to get trained. Thank you, Mr. President.

**ARCH:** Senator Storer, you're recognized to speak.

**STORER:** Thank you, Mr. President. And I just lost my page. But I have been listening, trying to understand what the intent of Senator Andersen's amendment is, and I have lost the data on my computer. I think we're all having computer problems, so I'm going to go off the cuff here. But what I was going back and trying to, to gather the, the information on, as many of you will remember, when Ricketts was Governor Ricketts, he instituted a Next Step program associated with the SNAP. It was a pilot program that was worked through DHHS and was very successful. And it falls very much in line with what Senator Andersen is asking to be done across the board in AM1131. And in fact, now Senator Ricketts is trying to get those provisions implemented, based on Nebraska's very successful model, at the federal level. And so, you know, I think we need to take a serious look at, at this. At the end of the day, the average income of those before I lost my page was an increase of almost \$2,000 a month for the folks that went through that Next Step program here in Nebraska that was work training requirements and back to work. If I recall, I believe almost 60% of the people eventually ended up getting off of SNAP benefits entirely, which is ultimately good for those families. And so I do appreciate the information that Senator Andersen has provided with those who would still be eligible, would not fall under those work requirements, that this is not an across-the-board, rip the rug out from under everyone. We're one of the, one of the few states, I believe, that actually

provides for this waiver. And so, I, I do appreciate the conversation, the debate on the floor. I would also, I would also reiterate what Senator Hansen said a moment ago, which is a little bit frustrating, about the notion that because this is an unfriendly amendment that the world, the sky is falling and this is unprecedented, as Senator Hansen mentioned. We've seen unfriendly amendments be deliberated here on the floor in the last few days. And so, this is, this is just part of the process. So with that, I yield the rest of my time. Senator Hansen, if you would-- maybe he's not at his, at his desk-- if he would like it. Otherwise, I would yield the rest of my time to the chair.

**ARCH:** Seeing no one in the queue, Senator Andersen, you are recognized to close on your amendment.

**ANDERSEN:** Thank you, Mr. President. AM1131 is a commonsense amendment. It's compassionate for people. It identifies those who have an impossible life situation where they don't have the ability to participate in the E&T program and, and work. It identifies that. We all understand that, that people have a very difficult time in life sometimes. What it does say is that the blanket waiver across the state saying that you don't have to participate in a work program is fundamentally wrong. This is a federal requirement that everybody that receives, receives SNAP benefits, that they have to work. Why Nebraska has a waiver in place that says that nobody has to work, they just get free SNAP benefits, I don't understand that. And people will say, well, that is money coming from D.C. and things like that, and I, I think that's wrong-- fundamentally wrong as well, because we all pay tax dollars. The money that's being paid here comes from, from me, from you, from your parents, brothers, sisters, it's all of our money. And if we're going to charitably give it to somebody who's having a difficult time, I think it's only fair that we have-- we keep the-- have the requirement in place that they actually-- they go to work. It's about giving a hand up, not a hand out. As I said before, it's about creating successes for people. There's dignity in work. This program will help with the workforce problems we have in the state, which also lead to the economic development challenges that we have in the state. I think this is all sorts of a good amendment. I think it's good for Nebraska and good for the people, and I would ask that you give me a green vote on AM1131. Thank you, Mr. President.

**ARCH:** Colleagues, the question before the body is the adoption of AM1131. All those in favor vote aye; all those opposed vote nay. There has been a request for a roll call vote. Mr. Clerk, please call the roll.

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**CLERK:** Senator Andersen voting yes. Senator Arch not voting. Senator Armendariz, Senator Ballard voting yes. Senator Bosn voting yes. Senator Bostar not voting. Senator Brandt not voting. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh not voting. Senator Clements voting yes. Senator Clouse--

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

**CLERK:** 39 ayes, 3 nays to place the house under call.

**ARCH:** The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house under call. Senator Dover, please return to the Chamber. The house is under call. All unexcused members are now present. There has been a request for a roll call vote. Mr. Clerk, please call the roll.

**CLERK:** Senator Andersen voting yes. Senator Arch not voting. Senator Armendariz voting yes. Senator Ballard voting yes. Senator Bosn voting yes. Senator Bostar not voting. Senator Brandt not voting. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh not voting. Senator Clements voting yes. Senator Clouse voting no. Senator Conrad voting no. Senator DeBoer voting no. Senator DeKay voting yes. Senator Dorn not voting. Senator Dover not voting. Senator Dungan voting no. Senator Fredrickson voting no. Senator Guereca not voting. Senator Hallstrom not voting. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes voting no. Senator Hunt voting no. Senator Ibach voting yes. Senator Jacobson. Senator Juarez voting no. Senator Kauth voting yes. Senator Lippincott voting yes. Senator Lonowski voting yes. Senator McKeon voting yes. Senator McKinney voting no. Senator Meyer voting yes. Senator Moser voting yes. Senator Murman voting yes. Senor Prokop not voting. Senator Quick voting no. Senator Raybould voting no. Senator Riepe not voting. Senator Rountree voting no. Senator Sorrentino voting yes. Senator Spivey voting no. Senator Storer voting yes. Senator Storm voting yes. Senator Strommen voting yes. Senator von Gillern voting yes. Senator Wordekemper not voting. Vote is 22 ayes, 14 nays. Mr. President, on adoption of the amendment.

**ARCH:** AM1131 is not adopted. I raise the call.

**CLERK:** I have nothing further on the bill, Senator.

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**ARCH:** Senator Guereca, for a motion.

**GUERECA:** Mr. President, I move that LB192 be advanced to E&R for engrossing.

**ARCH:** There has been a request for a machine vote. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

**CLERK:** 29 ayes, 9 nays on advancement of the bill, Mr. President.

**ARCH:** LB192 does advance. Mr. Clerk, next item.

**CLERK:** Mr. President, Select File, LR20CA. Senator von Gillern would move to bracket LR20CA.

**ARCH:** Senator von Gillern, you're recognized open on your bracket motion.

**VON GILLERN:** Thank you, Mr. President. I rise this morning in opposition to LR20CA, which would legalize online sports gambling in Nebraska, in support of my bracket motion. I've shared with Senator Bostar that I intend to filibuster the bill today and will take it the full 4 hours, so if you need to get some, some work done in your office or start lunch early, feel free. But we're going to go ahead and we're gonna share quite a bit of information today that's important, so I-- if you're out of the-- if you're off the floor, I do encourage you to listen, because this is an important bill. It's an important impact on Nebraskans and, and potentially, a severe negative impact, particularly to, to young, male Nebraskans. There will be a social impact to this bill. I know that I've talked with a number of you on the floor that are-- I've heard comments ranging from like, I hate to give up the tax revenue, to it does apply to property tax relief. All of those things are true. But my question for you is at what cost are you willing to, to achieve that additional tax revenue? And nothing comes without a cost, and this will come with the social cost and there will be a financial cost associated with that social cost, through increased bad debts, through gambling addiction, through impact to families, through abuse to families. The implications and the evidence tied to addictive gambling is, is substantial. And we'll share quite a bit about that today. I have a number of handouts that you all should have received on your desks and I have folders full of additional information if you're so interested to, to hear that. So punch in. We'll-- we got lots to talk about today, but I'll go ahead and, and finish with my opening. Is this a 5-minute opening, Mr. President, or a 10?

**ARCH:** 10.

**von GILLERN:** 10-minute. Thank you. Again, if you're opposed to the bill and, and would like to jump in, please do so. There are a number of handouts, as I mentioned, that are provided. I do want to-- I would ask you to take note of some things in the handouts and of the information that I share with you today. It's real easy to Google information and find out different facts and share those and-- but quite often, we never hear what the sources are, but I want you to hear what the sources of the information that I will share with you today are. And I believe they're highly credible. The sources include the Atlantic Magazine, University of Southern California, University of California at Los Angeles, UCLA, The Journal of American Medicine, JAMA, NBC News, Forbes, The Guardian, The Wall Street Journal, The Washington Post, Sports Illustrated, The Washington Examiner, ESPN, MSN, and our own Legislative Research Office. There's a page that's been handed out. The title at the top of the sheet is Online Sports Gambling. That's a segment from our own Legislative Research Office report that was issued earlier in the year. It's a red cover. You all should have received it in your, in your offices. And I have a copy here of the full report if anyone wants to see that. My iss-- my opposition to LR20CA is not from a moral position against gambling as a whole. I do feel that gambling, by its very nature, is predatory, but it is an entertainment choice for the people of Nebraska and one that should be taken in moderation. Like alcohol, tobacco, or numerous other activities, moderation is the key. And therefore, guardrails should be applied to encourage folks to make good decisions that will not harm themselves, their families, or place an undue burden on their communities. And we've all seen the negative outcomes, whether it's drug addiction, gambling addiction, alcohol addiction, whatever it is. There is, again, a social cost to that. As I read some information here shortly, you'll learn that this type of gambling is marketed to and predated-- predatory to, in particular, young men. A long time ago, I was a young man, and I can attest that many men in their 20s do not have the wisdom to abstain from things that are harmful to themselves. I'm impugning myself along-- myself along with others. In my younger days, placing a bet involved a physical transaction with another person. And by the way, that was also illegal. But you had to find a route to a bookie, you had to have cash, you had to give them your cash, and you had to collect the cash after the game. There were physical actions involved with that. This is very difficult from what we're talking about today. For those who have ever sat with their phone on Facebook or Instagram or played a video game, it's called doom-scrolling. You can sit there and scroll till the end of time, and you never run out of posts to read, and that's basically what we are talking about. The same thing can be done with placing online sports bets. I remember a time I was a young man when I was

invited into a friendly poker game at a friend's house in south Lincoln. That game went late into the night. It didn't go well for me. And I remember I walked home to our apartment near East Campus. I remember the sun rising as I arrived home. But that was to avoid calling my new bride for a ride home after losing \$50, which was a major part of our budget at that time. Created a memory for me about being a good steward about what clearly were entertainment dollars and it did help me to temper my participation in gambling over the years. I do enjoy a good poker game occasionally. There's at least one person in the room that I've won money from, and you can vet that out on your own, but there's a clear delineation between me as an old man versus a young man who's given a very nearly unlimited opportunity to part with dollars that are well beyond discretionary or well beyond an entertainment budget. Again, for those who can spend hours scrolling on your phone on social media and occasionally receive that dopamine hit when somebody likes your posts or your comments, imagine that same hit coming from winning an occasional bet. I looked up what-- I looked up a little bit of research on that dopamine hit, and a dopamine hit from social media like is a-- is defined as a small surge of pleasure or satisfaction your brain experiences when you receive positive feedback online. Dopamine, which is a feel-good neurotransmitter, is released in response to this validation, reinforcing the behavior and encouraging you to seek it again, like checking for more likes or posting more often. It's a quick, rewarding loop that can become habit-forming. A dopamine hit from a gambling win is a powerful rush of excitement and pleasure triggered by an unexpected reward. When you win, especially after a streak of losses, your brain releases a surge of dopamine, reinforcing the thrill and encouraging you to keep playing. The unpredictability of the win heightens the effect, making the reward feel more intense and addictive, which is why gambling can be so compelling and risky. Now listen to this third definition. The dopamine hit from narcotic use, like opioids or stimulants, is an intense surge of euphoria and pleasure caused by a flood of dopamine in the brain's reward system. These substances hijack the brain's natural reward pathways, producing a high that's much stronger and faster than natural rewards, like food or social connection. This overwhelming dopamine spike can quickly create a cycle of craving and dependence, as the brain starts to associate the drug with extreme pleasure and seeks to repeat the experience. If you listen closely, all three of those descriptions sound similar. Whether it's cocaine, whether it's a social media feedback, or whether it is a dopamine hit from gambling, all three of those have the same effect in the mind, and all three of them create an addictive environment. Imagine the ability to merge these experiences together. If you can enjoy the activity on your phone with

the pleasure and reward of gambling wins, how incredibly addictive that, that is. And I'll share more information about that as we go on today. Imagine in your hand, the device that we all carry with us, you can make bet after bet after bet. Winning, losing, doesn't matter. Load up more money, make another bet. Just keep hitting the buttons and loading cash up onto the app. SMU, Southern Methodist University's study examined 700,000 sports bettors and found that less than 5% of them withdrew more money from their gambling apps than they deposited. The bottom 3% lost money to make up half of the net revenue of the betting apps. It also showed that those who were really, really good were exited from the apps, which, by the way, you agree to when you punch that long document at the beginning of downloading any app. The relationship between online sports gambling, gambling addiction, and financial struggles is well documented and increasingly concerning, especially with the rapid growth of legal online betting platforms. And I see I'm out of time, so I'll continue on my next time on the mic. Thank you, Mr. President.

**ARCH:** Senator Holdcroft, you're recognized to speak.

**HOLDCROFT:** Thank you, Mr. President. The last time we had this debate on General File, I read a letter from the Honorable Tom Osborne, also State Audit-- Auditor Mike Foley, the Honorable Kay Orr, former-- the 30-- I'm sorry-- 36th Governor of Nebraska, and currently, Senator Pete Ricketts and also the 40th Governor of Nebraska. I'm not going to read the whole letter again, but I, I think there's some few parts I'd like to, to read for the record. The, the letter was dated April 10, which was the day that we actually debated this, this bill or-- on, on General File, April 10, 2025. Members of the Nebraska Legislature: Online sports betting has expanded rapidly since the 2018 Supreme Court decision paved the way for its leg-- legalization. As access to mobile sports betting continues to rise, the negative impact of having instant access to a gambling device 24 hours a day has become abundantly clear. In the past few years, the popularity of mobile sports betting apps from out-of-state operators like DraftKings, FanDuel, Caesars, and even ESPN has exploded. These apps attract an influx of new gamblers who never otherwise would have placed bets with a bookie or even spent time in a casino. Legalizing online sports betting in Nebraska would turn every cell phone, laptop, and tablet into a gambling device available 24/7. Online sports betting can lead to new people developing gambling disorders, puts young men in the addiction bullseye, and will take money away from Main Street Nebraska businesses. We urge members of the Nebraska Unicameral to reject these bills. Since sports betting started to become more widely legalized, the National Council on Problem Gambling reports the risk of gambling addiction has grown by 30%. The

NCPG has also seen a 150% increase in calls to their gum-- gambling helpline, a staggering increase directly attributable to the dangers of having such instantaneous access to sports books. The main driver behind these calls? Young people. Online sports betting puts Americans' young people in the addiction bullseye. Young people, particularly young men, are at high risk of becoming addicted to gambling. A Rutgers University study published last year found that individuals, aged 18-44, were most likely to be high-risk problem gamblers, with an alarming 6% of college students having lost more than \$500 in a single day as a result of online sports betting. In addition to leading to higher addiction rates and harming consumer financial health, online betting will, will also cannibalize economic activity for Main Street Nebraska businesses. If the predictions by the proponents of online gambling are correct, Nebraskans would have to lose \$160 million they would otherwise spend boosting Nebraska's economy and supporting our Main Street businesses. This would result in roughly \$11 million lost in sales tax revenues and a negative impact on lottery revenues. Sales-- states like Texas and even California have held off on legalizing online sports betting. California recently rejected online sports betting with more than 80% of voters voting no. Reports call-- reports called it an epic repudiation of online gaming and online sports betting. Nebraska recently legalized casinos at racetracks for the promise of property tax reduction, which has not been realized in any significant way. We encourage legislators to reject LR20CA and protect our youth and families from the suffering that comes with the addiction that online gambling brings. And again, that was from the Honorable Tom Osborne, the Honorable Kay Orr, State Auditor Mike Foley, and Senator Pete Ricketts. Thank you, Mr. President.

**ARCH:** Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. I rise in support of the bracket motion. I, I think Senator von Gillern's point about how social costs eventually become financial burdens on the state is very, very well made, and it's something that we don't think about that often. When we have things like addition-- addictions to drugs, alcohol, gambling, poor health, obesity, poor nutrition, inaccurate medicalization, all of these things eventually, the state winds up paying for part of it. We have higher healthcare costs. We have higher rates of incarceration. All of these things feed into our, our bottom line here in this state, so I think that point is very, very well made. And I'd like to ask Senator von Gillern some questions about the process.

**ARCH:** Senator von Gillern, will you yield to a question?



**von GILLERN:** Yes, I will.

**KAUTH:** Thank you, Senator von Gillern. So you've talked a lot about how online gambling is much more addictive. And one of the things that struck me was the fact that people can bet multiple times within, within as many seconds as they can push the button. Is that correct?

**von GILLERN:** I don't know that as many times as they can push the button. But there are-- it's very different than what betting was-- again, and I keep going back to when I was a young man decades ago. But back in the day, you would, you would bet on a game. You would bet on the outcome of a, of a football game or a basketball game or a baseball game, whatever, and you would bet on the score, and there'd be an over and under and, and you would bet that my team is going to win by at least 7 points or 6 1/2 points, whatever it happened to be. That-- that's the way that it was for many, many years. But now, with technology, it's very different. And, and now, we're dealing with what are called prop bets, and I'll talk a lot about this as the day goes on. And prop bets are bets within a game. And literally, during the course of a game, it can come up that you can bet on what the score will be quarter by quarter. You can bet on whether a quarterback will throw-- how many passes a quarterback will throw. You can bet on whether a field goal will be made or whether a-- how many punts there will be in a game. And this comes constantly, and it-- it's, it's very much like if you're on Facebook or Instagram and you-- or even you're on Amazon and you look up a particular product, and then all of a sudden, you go to a different app and you find-- and you see an ad for it. It-- it's very predictive, the, the, the mathematics, the, the, the, the programs are all set up to, to feed you additional bets in order to keep you engaged and keep you betting throughout the course of a day or a game or a night, or whatever it happens to be.

**KAUTH:** So the predictive modeling, so basically, if it sees that you are the kind of gambler who likes to bet on whether or not a snap is caught or whether or not somebody gets tackled, it will actually start feeding those potential bets to you--

**von GILLERN:** Correct.

**KAUTH:** --in real time?

**von GILLERN:** Yes, correct.

**KAUTH:** So-- go ahead.

**von GILLERN:** No, you are, you are correct.

**KAUTH:** OK, so people will be watching the game-- ostensibly watching the game, but also have their, their phones right there, and it's feeding them constantly things that they could bet on. What's the disassociation with that? I mean, is there any sense of reality, when you are sitting in your living room and pushing the button that you're so used to pushing, about betting?

**von GILLERN:** Yeah. I, I don't know the-- this-- the, this sense of detachment or to, to reality. I mean the reality comes when, when you run out of money. And the reality comes when your credit card will no longer put money on the app. That-- that's when the reality is going to come. I presume-- I mean I've got a mental picture of this. And then-- and this may not be fair, but I got a, I got an mental picture of young men sitting on a couch and making these bets and then they want to order food to be delivered and all of a sudden, the, the, the, the app says we can't do that because your credit card's maxed out. So, so it's just a-- it-- again, it takes you into a spiral, it draws you in, it continues to feed you what you have already told the program that you, that you desire to do, and it gives you more and more and more of it.

**KAUTH:** And then, one more question. Do they have-- do any of these online betting have limits on how much you can put in? Is there a way to set your own limits and say, don't let me bet more than this? The fact that they take a credit card, or I'm sure, a debit card is a little alarming.

**von GILLERN:** Yeah, my understanding is that you can set your own limits. But, of course, if you can set your limits, you can likely change your own limits. So that might be a better question for Senator Bostar, if he would be available

**KAUTH:** Would Senator Bostar be available?

**ARCH:** Senator Bostar, will you yield to a question?

**KAUTH:** I don't know where he is. OK. I'm almost out of time. I will ask him on my next time on the mic. Thank you.

**ARCH:** Senator Clements, you're recognized to speak.

**CLEMENTS:** Thank you, Mr. President. I stand in opposed to LR20CA and support the bracket motion. I'm, I'm-- I've not been a friend of gambling of any sort. I'm wanting to read from the testimony by Les Bernal, the National Director of Stop Predatory Gambling, who he gave this testimony to the General Affairs Committee this year. There is no citizens' grassroots movements for online gambling in Nebraska or in

any other state. The lobbying effort in Nebraska is being driven by powerful financial interests who stand to reap hundreds of millions of dollars in profits at the expense of your constituents. Online gambling operators, their partners in government, and gambling industry lobbyists like to call it regulated gaming, but the only term that accurately describes it is predatory gambling. No form of commercialized gambling is more predatory and dangerous than online gambling, which this bill would permit if passed. The reason is because it offers unlimited access and action to hardcore forms of gambling. It's the equivalent of opening a Las Vegas casino in every bedroom, dorm room, office, smartphone and computer with Internet access, across Nebraska, 24 hours a day. At the same time, the online gambling operator uses the latest data tracking and marketing techniques to induce citizens to gamble relentlessly with tactics such as free gambling wagers and a barrage of text messages offering bonus bets. The amount of illegal gambling has increased since states endorsed online gambling, the complete opposite of what gambling operators claimed would happen. I was surprised to hear about that. The Sunday New York Times series in November of 2022, on the national lobbying campaign to push online gambling revealed that the American Gambling Association orchestrated they're already doing it will reduce illegal gambling narrative, yet at the same time it was peddling its will-reduce illegal gambling message to state legislators across the U.S. A vast illegal sports betting market continues to exist through offshore websites. 52% of gamblers continue to utilize illegal bookmakers. Internet searches for illegal betting sites increased by 38 percent last year, faster than the rate of searches for legal betting sites. Citizens who use illegal sports books into Massachusetts jumped from 4% in 2022, to 18% in '23, after sports betting was legalized. States that have allowed online gambling are experiencing an epidemic of gambling addiction among young adults and teens, because of the exploitation and manipulation by gambling operators. Young adults, especially young males, are being targeted by online gambling apps and exposed to barrage of gambling marketing to incentivize them to gamble. It's a key reason why states are reporting the number of-- number one demographic calling gambling addiction hotlines today are young adults and teens. The American Psychiatric Association now recognizes commercialized gambling as addic-- as addictive as cocaine, opioids, and heroin. Despite its status as a known dangerous addictive product, the corporate online gambling industry currently markets its offering as harmless fun, making itself attractive to young people by offering free bets and normalizing the activity with massing advertising. In addition, a recent major national study found that online sports gambling has decreased the consumer financial health of everyday

Americans. According to this study, states with online sports gambling saw a significant drop in average credit score, significant increases in the amount of money and debt collections and bankruptcy filings, and the amount of money in debts' collections. Allowing online sports gambling in Nebraska will dramatically worsen the massive financial losses citizens already suffering. So the-- I have--

**ARCH:** Time, Senator.

**CLEMENTS:** Thank you, Mr. Pres--

**ARCH:** Senator Hardin, you're recognized to speak.

**HARDIN:** Thank you, Mr. President. I rise today with a deep respect for our great state and the values we hold: responsibility and integrity and a commitment to protecting our communities. As we debate the proposal to legalize online sports gambling in Nebraska, I urge you to consider not just what we could do, but what we should do. We're not just lawmakers, we're caretakers of the public good. This legislation, while disguised as economic opportunity, presents a direct threat to the financial, mental, and moral well-being of Nebraskans across 93 counties. Let's begin with the real-world consequences. Legalizing online sports gambling would open the floodgates, allowing anyone with a smartphone from Scotts Bluff to Omaha to place bets 24-7. What once required a trip to a casino will now live in every pocket, every living room, and possibly even every high school locker room. In rural areas where economic hardship is already too common, we could be placing a dangerous temptation just one click away. Colleagues, we don't have to guess at the results. States that have legalized online betting have seen skyrocketing rates of problem gambling. The convenience and anonymity of online platforms fuel compulsive behavior. And the very algorithms behind these apps are designed to keep people betting and losing. In the Health and Human Services Committee, we heard almost daily how Nebraska's mental health and addiction services are already under extreme strain. This legislation would push those to a breaking point. Now I've heard the argument, we're leaving money on the table. But let's be honest, this isn't free money. The so-called revenue from online sports gambling is built on the losses of working Nebraskans. For every dollar the state might gain, families will lose far more to debt, addiction, despair. We'd be balancing the budget on the backs of our most vulnerable. Let's also not ignore the threat to sports integrity. Nebraska is a state that lives and breathes sports. We're like Alabama. We don't have a pro team. From Friday night lights to Saturdays at Memorial Stadium, sports are a part of our identity. But with legalized online gambling comes increased risk of match fixing,

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athlete coercion, and damage to the trust we place in our teams. That risk is not theoretical, it's happening across the country. And perhaps most importantly, we're Nebraska. We lead with common sense and conscience. Other states may chase short-term profit, but we have a responsibility to protect the long-term health of the state. I ask you to imagine a Nebraska where young people are pulled into gambling through flashy apps, where families suffer in silence, and where government profits off the pain of its citizens. That's not the Nebraska I know. That is not the future we should build. Let's stand for what's right, let's protect our people, and let's reject the legalization of online sports gambling in Nebraska. Thank you, Mr. President.

**ARCH:** Mr. Clerk, for items.

**CLERK:** Mr. President, your Committee on Enrollment and Review reports LB246 to Final Read-- as correctly engrossed and placed on Final Reading. Additionally, amendments to be printed from Senator Rountree to LB319. New LR, LR135 from Senator Storm. That will be laid over. Notice that the Appropriations Committee will have an executive session in room 1003 at noon. Appropriations, 1003, at noon. Finally, Mr. President, Senator Rountree would move to recess the body until 1:00 p.m.

**ARCH:** Colleagues, you've heard the motion to recess. All those in favor, say aye. Opposed, nay. We are in recess.

[RECESS]

**DeBOER:** Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber. The afternoon session is about to reconvene. Senators, please record your presence. Roll call. Mr. Clerk, please record.

**CLERK:** There's a quorum present, Madam President.

**DeBOER:** Thank you, Mr. Clerk. Do you have any items for the record?

**CLERK:** I do. Amendment to be printed from Senator Holdcroft to LB677. That's all I have at this time.

**DeBOER:** Thank you, Mr. Clerk. We'll proceed-- there is an announcement from Speaker Arch we will proceed to.

**ARCH:** Thank you, Madam President. I have a few announcements before we begin our debate this afternoon. First, I want to remind everyone that

today's dinner break will be from approximately 6 to 6:30. And going forward, beginning tomorrow, the dinner break will be approximately 5:30 to 6. And we're going to change that-- I, I think that this earlier time will better break up our afternoon session and, and our evening session. Additionally, a reminder that the menu each day will be posted by each of the two back doors to the Chamber. Today's menu has already been posted in case you haven't seen it. Second, I want to remind senators and staff that the Norris Legislative Chamber is a working environment and certain conditions dictate when staff are or are not permitted in the Chamber. Staff are permitted on the floor when their presence supports a specific need for their senator. The Chamber should not be treated as a general workstation for staff or place to observe for general purposes. And I would ask each senator to monitor the time their staff is, is in the Chamber and li-- limit their presence to the time when you require them to be here for a specific need. Finally, I want to give a couple of bill scheduling announcements. Tomorrow, I plan to schedule the Select File debate on LB650, the Revenue Committee priority bill, which-- among other things-- postpones certain tax credits; and LB645, the Retirement Committee priority bill, which proposes changes to the School Retirement Fund. It is my intention to complete the debate of these two bills prior to our General File debate of the biennial budget, which will begin on May 6. Thank you, Madam President.

**DeBOER:** Thank you, Speaker Arch. Mr. Clerk, we will proceed to the first item on this afternoon's agenda.

**CLERK:** Madam President: Select File, LR20CA. When the Legislature left, pending was the resolution itself as well as a motion from Senator von Gillern to bracket that LR.

**DeBOER:** Returning to the queue. Senator Lippincott, you are recognized.

**LIPPINCOTT:** Thank you, ma'am. This article's from The Atlantic, and it's dated six months ago, "Legalizing Sports Gambling Was a Huge Mistake." Over the weekend, millions of Americans watched football. They cheered, they ate, and-- more than ever-- they gambled. The American Gaming Association expects \$35 billion in bets to be placed on NFL games in 2024-- last year-- about one-third more than the year previous, 2023. If you follow sports, gambling's everywhere. Ads for it are all over the broadcast. More than one in three Americans now bet on sports, according to a Seton Hall poll. Before 2018, sports gambling was prohibited almost everywhere. Now it's legal in 38 states. And readers may be quick to dismiss these developments as harmless. Many sports fans enjoy betting on the game. They say it's such a big deal if

they do it with company rather than with their friends. A growing body of social science literature suggests that, yes, this is a fact quite different. The rise of sports gambling has caused a wave of financial and family misery, one that falls disproportionately on the most economically precarious households. Six years into the experiment, the evidence is convincing: legalizing sports gambling was a huge mistake. Starting in 1992, sports betting was generally banned throughout most of the United States under the Professional and Amateur Sports Protection Act, PAS-- PASPA. It forbade running gambling schemes tied to competitive sports. Americans could still make bets with one another about Super Bowl results, but neither government nor businesses could get a cut of the action. That approach was held until 2012 when New Jersey, facing that Atlantic City was losing its competitive edge, legalized sports gambling. The NCAA brought suit alleging a violation of PASPA. A state responded that PASPA itself was an infringement on its sovereignty. The case came before the Supreme Court, which in 2018 ruled that PASPA violated the Tenth Amendment prohibition on the federal government exercising powers reserved for the states. With PASPA gone, states were eager to let sportsbooks set up shop. Within a year and a half, Goldman Sachs estimated Americans were betting about \$50 million a month. By late 2023, that figure exceeded \$1 billion a month-- a twentyfold increase. Because different states legalized sports gambling at different times, total-- social scientists can compare different measures of well-being in states that did legalize with those that did not, before and after legalization. Alarming patterns have started to emerge. Two recent working papers looked at the economic impacts of legalization. One by Northwestern University's Scott Baker and colleagues finds that local sports gambling depletes households' savings. Specifically, for every \$1 bet-- spent on betting, households put \$2 less into investment accounts. States see big increases in the risk of overdrafting a bank account or maxing out a credit card. These effects are strongest among already precarious households. A second paper from the economist Brett Hollenbeck of UCLA-- of the University of Southern California tells a similar story. Looking specifically at online sports gambling, they find that legalization increased the risk of a household goes bankrupt by 25% to 30% and increases debt delinquency. These problems seem to concentrate among young men living in low-income counties-- further evidence that these most hurt by sports gambling are the least well-off. I yield my time.

**DeBOER:** Thank you, Senator. Now let's go to Senator Clouse, who's next in the queue.

**CLOUSE:** Thank you, Madam President. I stand here in opposition to the bracketing and in support of the LR20CA for really one reason and one reason only, and that is, if we don't take care of it, somebody else will. And we've seen it this session. How many times have we had-- how many hours, actually, have we spent in discussion on paid sick leave, minimum wage, medical cannabis? Constantly receiving emails and hearing from people: you're not listening to the voters, you're not listening to your people. And the reason that we're making these changes and we're working on this is because what the voters voted on, there are some unintended consequences and maybe it wasn't workable. So we have to sit down and try to figure out how we're going to make it work. And in many cases, that goes against what the will of the people were as it was written in the ballot initiatives. So my reasoning for this is we've seen it. We've been there, done that, and I think it should be on us to put it on the ballot. All the arguments that were-- are laid out here, you can't question those. And you can't underestimate the negativity that gambling can have on a certain percentage of people. But the reality is it will get on the ballot. And I will sit here and tell you that, if we don't do it, the casinos in this state now that they have the free rein and the power, how long do you think it would take for them to get petition signatures if someone's standing at the door of each of those casinos? The number I think would-- they could do that in two or three short months. I think that the numbers will be there. And what will they put on it? Will they put the same restrictions, the same guidelines, the same regulations that we would have? Don't know. But if it gets on there and then we're faced with it, we'll be back here again trying to do something that's not the will of the people. So if it gets defeated at the ballot box, so be it. You know, that's, that's the way it goes. And then, then we would know what the will of the people is. They don't want expanded gambling. I have a bill that's sitting in committee that tells us exactly how we're going to do it. And it's sitting in committee because, if this gets approved, then that bill's sitting there saying, now this is how we plan to, to move forward with this if it's approved. If it doesn't get approved and doesn't get on the ballot, then the bill that we had drafted under my name is irrelevant and it'll just sit there. So the keys to me is we need to take the initiative and we need to make this happen and draft it in a way that we can live with, the way that we feel that can be responsible but yet at the same time work with those that will have needs-- and we know that there will be. So that's why when you look at the funding allocations you make sure you have a lot of money put away to help with those addictions. And you can't be ignorant of that fact that it will be there, it will increase, and we just need to be able to stand in front of our constituents and



say, look, we're putting some money aside to take care of this. And I would also submit that not everyone has problems. Some of them might place one or two bets a weekend or whatever and they're fine with it. So to me, it's not about the lost revenue-- although that could be a, a significant benefit. To me, it's about let's take control and let's do it in something that we can live with and put it on the ballot. And then it-- if it gets defeated, that's fine. If it doesn't, then we've set a path going forward. So with that, I will yield my time. Thank you, Madam President.

**DeBOER:** Thank you, Senator Clouse. Senator Lonowski, you're recognized.

**LONOWSKI:** Thank you, Madam President. Although it boasts with some of the biggest domestic sports league in the world, sports gambling and online sports betting has become a recent phenomenon. In the last three years, it's gone up exponentially. Problem gambling is worst among teens and young adults, mostly men. And teenagers, they're likely to see gambling as an activity that will not harm them or that is not an addiction. They do not see it as a problem. Mostly, we're talking about the ages of 18 to 24. It is considered the most risky group for a gambling addiction or this behavior. Problem gambling also deals with our cultural backgrounds. According to statistics from [responsiblegambling.org](https://responsiblegambling.org), the biggest problems are in urban, Indigenous areas where people are more likely to gamble or more likely partake in online sports gambling. Socioeconomics is also a problem. People who cannot read or have issues reading are more likely to partake in this risky behavior. Immigration gambling. Our immigrants are also considered as a target group for these online companies. And first-generation immigrants have higher gambling severity than do their parents or second-generation. And finally, drug and alcohol abuse. Frequency of alcohol abuse, cannabis abuse, depression symptoms, illicit drug use, and tobacco all tend to go up when people have problems with gambling. I yield the rest of my time.

**DeBOER:** Thank you, Senator Lonowski. Senator Raybould, you're recognized.

**RAYBOULD:** Thank you, Madam President. Good afternoon, colleagues. Good afternoon, folks watching us on TV. You know, I wasn't even going to talk on this subject, but I feel really compelled to talk about gambling. And like Senator Clouse stated, there is no way we can dispute the evidence you are providing on how gambling is addictive. It can do detrimental harm to families. You-- your evidence is irrefutable. You know, we, we can't deny that. But I think what we need to look at-- a few things. Number one, this gives the voters in

our state of Nebraska an opportunity to weigh in, and I think that's really what we're discussing and debating here right now. We're giving the voters of Nebraska a chance to state how they feel about adding gambling. I support that very much to give them an opportunity to have a vote on this. The other thing I support in a huge way is looking at alternative, net new revenue sources for our state of Nebraska. I'm passionate about that, and there are a number of reasons why. I feel that we need to be looking at that in a very critical way for a number of reasons. Number one, the handout that I just passed out to you, it, it goes back to an issue that I feel strongly about. So back in 2022, we passed LB873, and that was an ex-- it was an income tax rate reduction. I've knocked on thousands of doors all these years, and not one person has complained to me like, oh, our income taxes are so high. They're killing me. They're harming my family. I've heard every other door it's our property taxes. So back in 2022, we did an income tax rate reduction in order to be competitive with all of our surrounding states. And then in 2023, we did an accelerated income tax reduction so that we would get down to 3.99%. And I want to be really clear: this type of accelerated income tax rate reduction, it benefited the top two tiers of the wealthiest Nebraskans and our Nebraska corporations. And throughout the whole debate on, on this bill that we discussed in 2022-- which is LB754-- I kept asking, how are we gonna backfill that loss of revenue? How are we going to increase our tax base to be able to sustain a significant income tax rate reduction that nobody was clamoring for? And I said, how many wealthy people are going to be moving to our state of Nebraska? How many more net new corporations are going want to be in our state of Nebraska? I have never to this date heard any type of data analysis that shows exactly how many new companies they've forecasted, how many new wealthy people are moving to our state. So I want to spend some time-- if you could look at LB754-- that's what we passed in 2023. And if you go down to the bottom of the page, if you look at the tax year of 2025 to 2026 in the middle of that chart, it shows that we have a loss of revenue of \$423 million. The next year, in 2026-2027, we have a loss of revenue of \$575 million. The following year, in the next biennium of 2027 to 2028, 2028 to 2029, our loss of revenue deficit that's not sustainable is \$734 million lost. This is not sustainable. Senator Clements in his handout that he provided on March 5 of 2025 shows that, in the next biennium, we're going to be at a loss of \$866 million. This is why it's important that we look at alternative revenues. Is gambling the ticket out there? No. I think Senator Bostar indicated maybe \$35 million in revenue. But if we're not looking at net new revenue generators for our state of Nebraska, we're gonna still be digging ourselves out of a deficit not only this year but next year and the next biennium and the be-- next

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biennium after that. And so that's why I say let's have this go to a vote of the people. Even our state auditor has raised some flags about all the economic incentives that we've been giving to businesses and the return on investment that we have not yet seen. On some of them, yes. Thank you, Madam President.

**DeBOER:** Thank you, Senator Raybould. Senator Prokop, you're recognized.

**PROKOP:** Thank you, Madam President. And good afternoon, colleagues. I rise this afternoon in support of LR20CA, which is my personal priority this session, and, and ask for your green vote-- or, ask for you to vote against the, the motion and for LR20CA. As discussed during our General File debate on this issue, I believe it's critical for the Legislature to act on this issues for, for two key reasons. The first is that continued lack of access to online sports betting in Nebraska does not stop Nebraskans from participating in the betting market. As we talked about around-- on first round of debate, according to GeoComply, from September of 2024 to March of 2025, Nebraskans logged into a sports betting account in the state and were blocked from placing a wager only then to travel across the border and their bets more than 49,000 times. That's up from 21,000 during the first half of 2024-- last year. What is more is that these numbers only account for those Nebraskans using regulated, legal books in those border states to place their bets and does not include those who are readily available-- readily available offshore books that Nebraskans have had illegal access to for years. We're losing millions of dollars in taxpayer money. And as Nebraskans participate in the market, we get saddled with all the negative implications anyway. Second point I'd like to make at thi-- on this is that allowing Nebraskan to vote on the issue is the best way to ensure that sports betting is appropriately considered and that the Legislature mai-- maintains control of the authorization and regulation of it. If a ballot petition gets circulated-- and, and it will-- and specifically a ballot petition for a constitutional amendment, the Legislature cedes control. I think as some others have, have mentioned, do we want to be in the driver's seat or do we want to be in the back seat? Passing LR20CA does nothing more than allow for the people to decide if they want it and to ensure the Legislature has the ability to appropriately regulate it. You know, I do want to say-- and, and, you know, I know there have been legitimate concerns that have been raised as we-- as we've taken this bill up, both, both this round and, and the previous round. And I, I do appreciate all the, the thoughtful conversations I've, I've gotten to have with folks about this issue and trying to answer questions. The one thing I do kind of want to point out, though, is I imagine, you know, about five years ago when the topic of, of casinos in and of themselves were being

discussed, probably some of the same fears and concerns were raised about what's gonna happen now that we have casinos. I guess I would ask yourself, has the state since we've, since we've added casinos and made those allowed here in the state, has it changed significantly in terms of what we see? And, and, and the fears-- probably similar to what have been expressed-- have those real-- actually been realized? And I think definitively we can, we can say no. I'd look forward to continuing the conversation on LR20CA. I hope that you'll vote for the CA and against the bracket motion. And I would yield back my time.

**DeBOER:** Thank you very much, Senator. Senator Storm, you're recognized.

**STORM:** Thank you mu-- thank you very much, Madam President. Good mor-- or, go-- good afternoon, colleagues. I stand opposed to LR20CA. And I support the bracket motion. I firmly believe that online mobile sports betting is taxation by exploitation. At every turn, these gambling companies advocate for themselves, promising states that, that doing this will bring in millions of tax revenue while at the same time opposing any additional restrictions on regulations. A recent report from the Campaign for Accountability detailed some of the proposed rules that large gambling companies and corporations pushed back on. For example, in 2022, DraftKings-- who owns one of the largest mobile sports betting platforms-- and they're based out of Boston, Massachusetts-- opposed a proposed Arizona rule that stated promotions should only be described as free if they are generally free. In 2021, Caesars and DraftKings both opposed a rule in Virginia that required these platforms to include game designs that promote breaks in play and avoidance of excessive play. What this says to me is that these platforms know they are exploiting people with gambling problems and actively opposing any attempts to reduce that exploitation. In 2024, a study performed by the Connecticut Department of Mental Health and Addiction Services released a study that found that addictive gamblers contribute to 51% of the state's sports gambling revenue while only making up 4.9% of the legal gambling age, further providing that these services are exploitive. Not only are these companies targeting adults, they have actively opposed rules restricting marketing to minors. DraftKings wrote a letter to the Connecticut Department of Consumer Protection requesting them to remove a proposed rule that stipulated play-for-free versions of internet games shall not be marketed to individuals under the legal age permitted to place wagers on the corresponding play-for-money games. They also opposed age verification requirements for the free-to-play games. Essentially, these companies know kids and teens are getting hooked on these free-to-play games, hoping they-- that they will eventually move on to play for money games once of age. So the whole idea is to get young kids addicted on

internet games knowing they're eventually gonna do online gambling. In some instances, they have even lobbied for lowering the age for daily fantasy sports contests from 21 to 18. Overall, the industry is predatory and designed to extract as much wealth from individuals as possible. Nebraskans will lose millions of dollars to these companies, and for what reason? And I kee-- you know, I kee-- keep hearing that, that, you know, if we don't do something now-- this is the standard line I hear-- if we don't do something now, they're going to bring their own ballot initiative in. It'll be voted on. People stand at the casinos. Everybody will vote for it. And I would remind everybody there's not a grassroots effort right now in this state to promote online gambling. Do you see people out there beating the, the doors down and standing on corners trying to collect signatures for anything like that? It's not happening. What you have is large companies, large gambling agencies coming into the state wanting 49 people in this body to put this on the ballot for them because they know they can't go out there and probably get the, the, the names on the ballot. And they don't want to spend the money to do it. So they want 49 people in here to do that. So-- and I'll also say we're, we're never going to balance our budget. You know, we talk about this ballot-- this-- or, budget deficit-- and we'll talk about this more as we get into taxes-- but thinking that we're going to have a long-term solution for this state to balance our budget off of gambling, marijuana, taxing candy, taxing cigarettes is really pretty, pretty foolish. We have to have much more structured idea how we're gonna balance this budget for the state. I yield back the rest of my time. Thank you.

**DeBOER:** Thank you, Senator Storm. Senator Guereca, you're next in the queue.

**GUERECA:** Thank you, Madam President. Good afternoon, colleagues. Good afternoon, Nebraskans watching at home. This is about two numbers: 20% and 6.5%. 20 and 6.5. You know, I-- listening to the conversation-- and there are a lot of legitimate concerns. We are in the middle of a mental health crisis, and, you know, we definitely need to do something about it. But 20 and 6.5. There may not be a large grassroots movement clamoring for this, but you put in \$2, \$3 million-- the polling's there, colleagues. The polling is there. This will pass. This will be on the ballot at the next general election, and it will most likely pass. So we have the opportunity right here, right now to either impose a 20% tax on these corporations to give our state more resources to address what are very legitimate concerns that are being brought up on this floor. No one is denying that. But either we act now or we're essentially giving them a 13.5% tax break. And let me tell you something: let's add up what the loss of revenue's gonna be versus the

\$2, \$3 million it's gonna cost them to put this on the ballot-- it's a pretty good deal. Like I said, we do-- I'd take that deal. People are gambling. Like I said in General File is-- I could sit down and in a minute place bets on a variety of different ways. This is already happening. I-- we have the data. They're going to Iowa. They're going to other states to place this bet. They're using VPNs. They using bookies. This is already happening. So we either right now act to bring in those extra millions of dollars into our coffers so we can do something about it or we give them a tax break. This is gonna be on the ballot, folks, and it's most likely gonna pass. And people my age will find ways to place bets. They are finding ways to place bets. And trust me, it cuts across socioeconomic and racial lines. This is happening. So let's take a step right now to-- we say, hey, if these bets are already taking place, we wanna make sure we're putting a tax on you so we have more resources to, again, deal with very serious and very legitimate concerns. But colleagues, don't fool yourself. People my age, folks younger than me, are absolutely already placing bets. So let's not give them a 13.5% tax break and take a step to make sure, again, we have those resources. Thank you.

**DeBOER:** Thank you, Senator Guereca. Senator Dover, you're recognized.

**DOVER:** Thank you. You know, just because you can doesn't mean you should. And, and just because people are doing it doesn't mean we need to encourage other people to do it. And I think there's probably-- I don't know if there'd be anybody necessarily in, in the Chamber-- I don't want to speak for anybody else-- that would say that gambling's a, a good thing and it doesn't cause, really, social, social pain, [INAUDIBLE] pain to families and those kind of things. And while you can go out and get a VPN and those kind of things, I don't think we need to make it really any easier. And I think probably you start going down-- as, as we're kind of on a slippery slope and kind of-- going down more and more and more. I don't know that-- as Senator Guereca had said, that I don't know it's going to bring billions of dollars into our coffers. And I know it's also, we need to do this now before someone else does it and we lose control. Well, we're not gonna lose control. We're the Legislature. The worst-case scenario is we're gonna be one year behind collecting, collecting fees. I really wish that there was some kind of reliable data out there where we could actually see how many people that would consider gambling are currently-- are gambling and what percentage that would be gambling if we did this would pick up gambling and, and how much social costs there would be. But unluckily, I don't know that. I know the information is out there. Someone could probably come up with it, but I don't know how accurate it would be. But on-- but online sports betting, while offering

convenience and, and excitement, carries several potential downsides. Obviously, financial risks, debt accumulation. It's easy to wager more than one can afford, leading to significant debt. The accessibility of online platforms are going to exacerbate impulsive betting, as has been stated here earlier. We have decreased savings and investments. I'd hate to think-- I think back to my college years when I was down here at the UNL and-- I would hate to think if I would have had a phone watching the game and had-- and a few beers how much money I could have lost. And maybe I would've been lucky, but who knows? And, and, obviously, it's out there for a reason. I mean, let's not fool ourselves. Gambling's there to make, make them money, not to-- really to do any-- it's not really any benefit except you're paying for some excitement. And I think as Senator von Gillern had pointed out, if we're looking at a system when, when, when someone actually is good at winning it and then they decide, well, I guess we're going to not allow you to, to play anymore because we're not making money off you and they, and they, they really feed off the, the, the people who are going to lose the most amount of money, I think socially there's something wrong with that. And I don't know if-- unluckily, you probably can't legislate-- well, you probably could legislate that. It'd be-- if we do have-- that's a-- there's an idea. If we have legalized gambling that we do in the state of Nebraska, they can't get rid of anybody. I think that would be a nice potential thing if we couldn't get it rid of it altogether. You know, there's an increased financial distress. You know, there's just going to be-- there's just going to be people that were going to gamble away their student aid, the money mom and dad sent down to them, and those kind of things. And then the question is, where-- what are they going to start to sell, right? I mean, go to a pawn shop. And I'm sure that's an old story for some gamblers. So I think there's just a lot of reasons not to support this bill. You know, once-- you're gonna have reduced credit availability. Online betting can lead to disc-- de-- des-- decreased credit scores, reduced credit card limits, increased reliance on debt consolidation loans, addiction, and mental health. You know, we, we deal with this kind of thing. And, and I, I think I can say pretty, pretty much without any doubt that the more peop-- if, if we would increase gambling in the state of Nebraska, we're going to inclease-- include suicide rates. I mean, there are just-- there's been a history of people who-- they-- I mean, they, they lose all this money and they lose the money, lose the money. They're not telling anybody they borrow money to make up the money they lost. They don't have to tell their spouse or whatever. And then eventually there comes a point where they think they're worthless and they can't tell their spouse that they lost this money and there's only one way out-- a very selfish way out-- but there's only one way out. So I, I

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don't doubt that, that bills on gambling and the more we have is actually going to cause more deaths in the state of Nebraska. There's an increased risk in gambling disorder, which is the rate of gambling problems among sports bettors, especially online bettors. It's significantly higher than among gamblers in general. The accessibility and the fast-paced nature of online betting can fuel addiction. And, and I, you know, I sometimes wonder-- and I'm sure perhaps it's already been spoken to on the floor, but I, I, I don't doubt that there's apps for kids that are teaching them this right now. And-- I mean, it's-- it is a science. Let's not kid ourselves. You, you go into some casino, whatever, and the, the colors, the sounds, everything is actually designed to lure you in to, to take your money. You know, we have normalization and early exposure. The widespread advertising and normalization of sports betting online can lead to--

**DeBOER:** Time, Senator.

**DOVER:** Thank you.

**DeBOER:** Thank you, Senator Dover. Senator von Gillern, you're recognized.

**von GILLERN:** Thank you, Madam President. I was wondering if Senator Bostar would yield to a question.

**DeBOER:** Senator Bostar, will you yield?

**BOSTAR:** Absolutely.

**von GILLERN:** Thank you, Senator Bostar. There was a question that was asked earlier about whether limits-- you could place limits on the amount that you can bet at a specific period of time. And I thought maybe you would be better-- I'm not qualified to answer that because I'm not familiar with the apps. Could-- wondering if you might be able to share a little bit of information about that.

**BOSTAR:** Yeah, absolutely. And so I didn't know the answer when-- I had heard that the question was asked, and so I, I went and I, I found that information. And you can place limits on how much you essentially permit yourself to wager, how much you permit yourself to deposit. Because those could be different things. You know, maybe you say, I-- I'm gonna take \$100 and I'm gonna use-- that-- you know, that's my budget for this, for this entertainment. And I'm going to-- until it's gone, I'm going to place as many bets as I want. But when it's gone, it's gone. So you're not limiting necessarily how much you can wager or how often you can bet, but you're going to limit how much you're going



to deposit. Whereas sometimes you really want to control, you know, the frequen-- the frequency of your betting or the-- maybe you're-- you want to put caps on, on how much you're going to put on a, on a particular wager. But all of those things are possible and, and are easily accessible tools available.

**von GILLERN:** Thank you. And, and again, I'm not-- don't know if you know how in-depth you know the function of the apps, but if I can place a limit on, I suppose I could probably take that limit off also. Is it-- do you know that to be true?

**BOSTAR:** So there are certainly limits that you can take on and, and off. But there are absolutely actions you can do that you cannot undo. So you could, for example, in one of the apps, you could set, like, a, a cooldown period for yourself, where you say, you know what? I, I-- maybe I got a little ahead of myself. I, I shouldn't bet for the next week. You set that in, you cannot remove it. They will not allow you to, to place a wager for that week. You can also set your own ban. So if you, if you really get ahead of yourself and you think, you know, I'm just-- I don't have the right kind of maybe personality for this or I'm, I'm going to dive in too deep, too far, too fast, I-- I'd better not deal with this, you can push the button that says you, you are never going to be permitted to place a wager on that platform ever again. And you cannot remove it.

**von GILLERN:** OK. Thank you. Are-- so I'm familiar with other-- I know of other individuals that have dealt with addictions of other kinds. And there are apps that would-- that allow a third-party-- maybe it's an accountability partner, maybe it's a spouse or somebody else-- to, to place limits or to track where you go on-- and the-- and these are in place, obviously, for kids from the parents also. Do you know, are there any-- are there any third-party applications that, that would apply to these apps?

**BOSTAR:** I, I-- to be honest, I'm not sure.

**von GILLERN:** OK.

**BOSTAR:** It-- it's a good question. I suppose-- you know, we're-- now, granted, right, with this kind of thing, we're not talking about kids. Right? So there, there would be no need for sort of parental controls in that regard because, because kids are not permitted to participate in this activity to begin with. But as far as, you know-- let's say you want to give someone else some authority over your spending abilities

in this regard-- it's a good question, if, if there is a tool that's available for that. I'm not sure.

**von GILLERN:** OK. Thank you. Yeah. I'm not-- obviously, kids, kids don't apply, but I'm, I'm, I'm familiar with individuals that have used apps that-- I want to say this tactfully-- allow others to track where they may go on the internet to keep them from going places that are unhealthy and to deal with other types of addictions. So hopefully that's a feature that exists on the apps, so. Anyway, I've got some other comments that I'll share. See my time is about up, so I'll yield back the remainder of my time. Thank you, Madam Pre--

**DeBOER:** Thank you, Senator von Gillern and Bostar. Senator Storer, you're recognized.

**STORER:** Thank you, Madam President. I'm going to kind of stay on the same vein of discussion as Senator von Gillern and Senator Bostar. We're talking about-- as many of you know, I feel quite passionately about protecting our youth in particular from online activity that is harmful to their mental health, that is addictive. And appreciate Senator, Senator Bostar's comments about the inability to, as I understand, access these legal gambling apps if you are underage. But a few things that I wanted to, to share statistically. States that have allowed online gambling are experiencing a mes-- metastasizing epidemic of gambling addictions among young adults and teens because of the exploitation and manipulation by gambling operators. Young adults, especially young males, are being targeted by online gambling apps and exposed to a barrage of gambling marketing to incentivize them to gamble. It's a key reason why states are reporting the number one demographic calling gambling addiction hotlines today are young adults and teens. So yet one more, one more target. Obviously, Senator Bosn has a bill to limit the use of algorithms with our underage social media users that, that I certainly hope is on target to pass. And I'm very appreciative of her leadership there and hopefully would stymie some of this targeted activity in the event that we do end up with legalized gambling here in Nebraska-- online gambling. But again, yet one more target for, for our youth. In addition to the, the targeting piece of the, of the algorithms and the gambling apps, the American Psychiatric Association's DSM-V-- considered the mental health bible by hospitals, health insurance companies, and other health care professionals-- now recognizes commercialized gambling-- and this is a bit shocking to me-- as addictive as cocaine, opioids, and heroin. So if we start to talk about the legalization of online gambling, I guess I encourage you-- and I'm not trying to, to, to throw out hyperbole or, you know, be-- exaggerate things. But when, when you really understand

the addictive nature, I think most of us can put that in perspective when we think about the addictive nature of these things, like cocaine, opioids, or heroin and the devastating effects that we have seen those addictive behaviors have on people's lives. So we do have to keep it all in perspective. So while we're making all of these strides to protect our, our youth in particular from addictive behaviors, we're-- recognize the rise in mental health problems, suicide, depression, anxiety. We spend a lot of time talking about how to make sure we come alongside those in need, financially and otherwise. It seems to be counterproductive to me that we would be also encouraging or deliberating the legalization of an activity that is going to come counter to those efforts based on the data. I do hear the argument a lot-- as many of you have heard-- well, people are doing it anyway, so we might as well legal it and generate some revenue off of it. And, and while there is an interesting argument to the revenue generation, I, I think we just need to be cognizant of what-- whose backs are we generating that revenue off of. With that, I will yield the rest of my time. Thank you.

**DeBOER:** Thank you, Senator Storer. Senator Holdcroft, you're next in the queue.

**HOLDCROFT:** Thank you, Madam President. Well, as the chair of the General Affairs Committee, I thought I would review, you know, what happened during the hearing for LR2-- LR20CA, which was held on the-- on March the 10th of 2025. And we had proponents-- of course, Senator Bostar was there, and then WarHorse gambling was there, Sports Betting Alliance, DraftKings, BetMGM, Caesars-- they were all proponents. Keep in mind some of those names when we, when we talk in just a moment about where all the money's going. And then opponents, we had Stop Predatory Gambling, the Nebraska Family Alliance, Gambling with the Good Life, and several self-testifiers, some of whom were-- had a history of gambling addiction, so that was worthwhile. And then we had neutral testimony. We had GeoComply, which talked about geofencing, and Choices Treatment Center, which is another gambling treatment facility. And what was interesting, I asked-- I think it was the Stop Predatory gentleman who testified. I said, since the casinos started operating-- which is just two years ago-- I said, have you seen any increase in the amount of people that are calling into these bets off or gambling addicted phone numbers? And he said that the, the volume has doubled, has doubled in the last two years. So we are seeing-- even with the limited number of casinos that we have-- we're up to four, one that's fully operational-- we're already seeing double the number of calls to the gambling addiction call line. The bill itself came out of committee 6-2, with Senator Holdcroft and Senator Storm being the two "no" votes

on that-- on the bill getting to the floor. It is-- I forget whose priority bill it is. I'm not sure if it's Senator Bostar's or Senator Quick's. But I would just like to read something. This-- I got this note from a person who did some analysis on the expected revenues and how much is eventually going to make it to property tax relief. I thought that was very interesting. He said, the big online gambling houses, FanDuel, DraftKings, BetMGM have one thing common: there is a lot of overhead required to continually improve and maintain the sophisticated computer software to continually make the, the betting more and more exciting. And a lot of advertising in the sportsbooks, as in any business, requires profit. We can estimate Nebraska's hard-earned money that would leave our state. As reported by Senator Bostar, the estimated value of the gross gaming revenue money lost by gamblers for online sports betting in Nebraska is \$160 million. That's how much in one year, per year, \$160 million. Using the same tax rate as casinos now pay-- 20% of the gross gaming revenue-- the tax revenue for Nebraska would be \$32 million. So out of the \$160 million that is grossed, Nebraska would get \$32 million for tax relief in taxes. This allevia-- this leaves \$128-- \$128 million for the gaming providers. And again, those are FanDuel, DraftKings, BetMGM, all those who came and spoke as proponents of this bill. Nebraska's casinos may get a cut of the gross gaming revenue. We could estimate their cut at 10% of the \$160 million. This leaves \$112 million for the electronic platform provider: sportsbooks such as DraftKings, FanDuel, and BetMGM. So here's how it would work out: gross gaming revenue, \$160 million; less tax revenue to Nebraska, \$32 million; less estimated revenue for the casinos will be another \$60 million, with the gross income to sportsbook being \$112 million. Since the online sportsbook is unlikely to be located in Nebraska, \$112 million will be sent out of Nebraska, probably to the East or West Coast. In order for Nebraska to get \$32 million in ta-- revenue, we would lose \$112 million dollars to another state. We'll never see that money again.

**DeBOER:** Time, Senator.

**HOLDCROFT:** Thank you, Ma--

**DeBOER:** Thank you, Senator Holdcroft. Senator Kauth, you're recognized.

**KAUTH:** Thank you, Madam President. I was going to ask Senator Bostar a question, but I don't see him. So-- oh, there he is. Can I ask Senator Bostar a question, please?

**DeBOER:** Senator Bostar, will you yield?

**BOSTAR:** Yes, I will.

**KAUTH:** Thank you. So Senator Bostar, I had asked Senator von Gillern about setting your limits on the gambling app and whether or not that's possible, first off. And then secondly, if you can set your limits, are you able to turn them off? So if you're gambling and an addict and you're able to turn it off, is it kind of a moot point to have those limits there?

**BOSTAR:** That's a good question. And actually, Senator von Gillern asked me the exact same question maybe ten minutes ago, but I think it's worth going through again. So absolutely you can set limits. And, and the-- you can set different kinds of limits. So you can set limits related to how much you're wagering, your maximum individual bets, how often you're betting, how much you're depositing into your, you know, account. You can set all kinds of limits like that. Now, a lot of those kind of things you, you can then change or remove. So that's absolutely right. But there's other limits that you-- there's other things you can do that you cannot undo. So if you want to take a break from sports betting for a week or a day or a month or a year, you can set that. And you can't undo it. If you want to prohibit yourself from doing it at all ever, you can set that and, and you can't undo it. So while some of these tools are available, I think, to-- just provide that check on yourself so that, you know, you-- let's say you hit a limit and you go, OK. Well, that might be enough. Or maybe you decide you want to undo it. Fine. But there are absolutely things you can do to exclude yourself. Similar to like in a casino. You know, you can place yourself on an exclusion list at a casino for certain amounts of time or for the rest of your life. And that's available to you. And you can't come back then and, and, and undo that action, so.

**KAUTH:** And then I have a couple follow-ups. So if the online sports platforms are able to identify those people who have gambling addictions or who are problem gamblers because they then target them, is it possible for states to pass a law that says if they identify a problem gambler they put restrictions on them?

**BOSTAR:** Well, I don't-- I'm not going to say that I'm an expert on how they, how they target and what they target. As far as the state placing restrictions on how somebody engages with a legal activity, with-- without their par-- that individual's participation in that, it-- it's-- there are probably some legal challenges to just having us make that decision for them.

**KAUTH:** We do it with alcohol.

**BOSTAR:** We do have laws related to liability for that, but, but we don't, we don't stop someone from drinking as much as they want in their own home, right? We don't-- and so I guess-- like, there-- there's some of those questions. Now, we have restrictions on, on serving individuals, right, and being safe. But the apps currently do-- I, I understand the, the idea that they're looking to, to take advantage of, of everybody. But they don't-- there isn't an incentive for everybody to lose their money. And so if there are behaviors that these applications identify as potentially out of the ordinary for the user or, or maybe dangerous, there are occasions where they will put a hold on the betting activity until they've had a conversation with the individual to understand and determine what's going on.

**KAUTH:** OK. Thank you. And I think the point that you made that online gambling is done at home whereas you can stop somebody from being overserved at a bar, they're out in a social setting. This is driving that addiction into the home where there are very little restrictions, very little safeguards available for it. So thank you, Senator Bostar. I appreciate it.

**DeBOER:** That's time, Senator. Thank you, Senator Kauth and Senator Bostar. Senator Hardin, you're recognized.

**HARDIN:** Thank you, Mrs. President. This proposal to legalize online sports gambling in Nebraska may seem like a modern update to our laws and an easy path to new revenue. I'm here to say not all revenue is good revenue and not all modernizations are progress. In Nebraska, we pride ourselves on being a family-first state. We value hard work, honesty, and personal responsibility. We don't just legislate for what makes money. We legislate for what make sense, for what strengthens homes and neighborhoods in our rural communities. Legalizing online sports gambling would undermine that. Think about this: we're not talking about a few new betting windows at the racetrack. We're talking about turning every smartphone into a casino. We're taking about betting available 24/7 in the privacy of a bedroom with no face-to-face interaction, little oversight. We're creating the conditions for addiction-- quiet, hidden, and deeply destructive addiction-- to take root in households across our state. And it won't just be the urban areas that feel the impact. Rural Nebraska will be hit just as hard, maybe harder. Small towns already struggle with access to mental health and addiction support. When gambling problems arise in those communities, help is not around the corner. It's typically hours away. And who will pay for that gap in services? The very taxpayers this bill promises to benefit. Now, I want to speak about generational consequences. We know that early exposure to gambling increases the

risk of lifelong addiction. If we normalize this behavior, if we say through our laws that gambling's just another form of entertainment, we're setting up future generations to struggle in ways that we could prevent today. This is not about being anti-sports or anti-freedom. I love Husker football just as much as the next person. But we must draw a line between enjoying sports and commercializing risk in a way that targets impulse, exploits kids, and feeds corporate profits off of personal losses. Let's be honest about who really benefits from online sports gambling. It's not local businesses. It's not our communities. It's national gambling companies with slick apps and deep pockets. Companies who care about profit, not Nebraska. And I urge you to consider something else: when we pass laws, we're not just solving today's problems. We're shaping the next 50 years. Do we want to be remembered as the Legislature that opened the door to this, that traded away caution and care for quick cash? Senators, this isn't a bill about freedom. It is a bill about temptation and about putting that temptation in every living room, every dorm, every cafe with Wi-Fi. Let's not pretend that that is good governance. I urge you to vote no on the legalization of online sports gambling. Let's protect our values, our families, and our future. Thank you, Mrs. President.

**DeBOER:** Senator Hunt, you're recognized. Senator McKinney, you're recognized.

**McKINNEY:** Thank you, Madam President. I rise against the bracket motion on LR20CA and in support of LR20CA. You know, been listening to the conversation today, as I always do, and it's very interesting. You know, we talk about large companies coming in and doing ballot initiatives or recruiting people for things like this, but where was that conversation on the Uber bill? A large conver-- a, a large corporation convinced y'all to vote for that, but, you know, nobody cares about that. Stop-- and, and then we talk about predatory gambling and, and stopping it. Well, if we really care about predatory gambling and poor people not getting caught up in gambling and all those words that I heard, why does gas stations have slot machines? So if, if we really care about problem gambling, why do we have slot machines at gas stations? I'm, I'm really confused that if, if we care about this and, and we're so strong in, in, in our words about, you know, making sure poor people don't get caught up in, in a cycle of gambling addiction, why does gas stations have slot machines? I-- I'm, I'm really, you know, just trying to understand this, you know? I think people pick and choose what issues they, they care about and how much they care about people and what large companies they choose to and to not support. Also, I think people pick and choose what senators they, they want to ask questions of on the mic, you know? Every time I have a bill up, I

get, I get a bunch of questions. This, this is my first year where, you know, every time I get bill on the floor, I get 50,000 questions that I answered before, but I still get the questions. It-- it's really interesting how that happens. But I notice who don't get those questions and what people are asking those questions and what other senators are not required to ask questions for bills that are way more complicated than the bills that I've introduced. It's very interesting. But on to LR20CA. You know, I was thinking, the opposition don't want the people to vote on this. Then, potentially, a lar-- potentially, the, the people will bring a ballot initiative, get it on the ballot in '26, pass it, and then we'll have to deal with that. But does that even matter? Honestly speaking. Because the theme of this Legislature is to strip away what the people passed on ball-- on, on the ballot. So I don't even know if it matters that a ballot initiative passed because the theme of this Legislature is, if the people did something on paid sick leave, let's water that down. If the people did something on minimum wage, let's water that down. If the people did something on medical marijuana, let's water that down. So the people are probably going to do something. I mean, this Legislature could step up and do something, as they could have with those other three other, other initiatives but elected not to do so and then I guess kind of got upset with what the people decided to do. So it's, it's just interesting. So I really just wanted to get on the mic and just speak to the hypocrisy in this place more so than anything. You know, which large companies we, we care to address and which large companies that bring things forward that you support, what predatory gambling you care or care not about. It's, it's just-- I just be-- I, I go home baffled every day, I swear. I, I just ride home and I just think about the words that are said on the mic in this place and what people say. And I'm just-- I just be in a-- in amazement about the hypocrisy of place and what has been going on all session. It's really sad. And, you know, people probably don't care, but I think it's a sad state of affairs for the state of Nebraska and I think for state-- for the United States of America the, the state we're in as well, especially at the federal level. But, you know, I just wanted to say those words. Stop the hypocrisy. Thank you.

**DeBOER:** Thank you, Senator McKinney. Senator Raybould, you're recognized.

**RAYBOULD:** Thank you, Madam President. You know, I stand in, in opposition to the bracket motion and in support of LB20CA [SIC-- LR20CA]. I do feel strongly that we should allow it to go out to a vote of the people because I think when it goes out to vote of people and it comes back to the Legislature to flesh out all the regulations and



details, I think it has better outcomes. You know, we, we have a fiscal crisis issue on our hand. We have a deficit. And I think we are not being fiscally responsible if we don't look at alternative revenue streams, particularly in light of some of the transformative things that we've done. And we've funded our property tax relief, but we also have looked at shifting the burden onto the state of Nebraska for funding our public education, doing a \$1 billion in our Educational Trust Fund to help us live up to that co-- fiscal commitment. And so when it comes to property tax relief, you know, if this can-- sports wagering can offer up \$32 million that Senator Holdcroft had mentioned towards property, that's living up to our fiscal commitment to that. And I think-- Senator Holdcroft, I'm using your numbers. You mentioned \$60 million from the casinos. That's something that we-- went out to a vote of the people and it's something that they supported. And so hopefully that's \$60 million more towards property tax relief. As long as I've been an elected official, we have had lottery. And lottery goes-- the funding from that goes to our Environmental Trust Fund that funds so many projects that really keeps the-- our environment and our state and those recreational facilities that focus on that lively. And also, you know, kino. I mean, I-- as a Lincoln City councilperson in-- on the county board, you know, we use kino for Lincoln parks and recreation. And we used it to help fund our library initiatives. And then, of course, a good chunk of that went to gambling addiction programs. The, the whole point is sometimes we do these things to help fund entities or activities or just-- really just government initiatives that we can no longer afford to do or have the budget for. And the one thing that I want to jump back to is, on my handout, I showed you that, you know, we're, we're going to have a fiscal hole this biennium and next biennium. And are we-- and I'm going to just turn that phrase around. Are we really gambling with the good life by not being fiscally responsible and looking at ways where perhaps we can stop that accelerated income tax rate reduction, where we could probably contribute \$100 million this year and maybe \$398 million next year if we stopped that additional accelerated loss of revenue? If we're going to continue to do transformative things like property tax relief-- which is what our taxpayers have been asking of us and asking for relief on. So we have to be fiscally responsible. And it-- and I feel like we are gambling with the good life if we aren't holding ourselves accountable by asking businesses to chip in as well, particularly when our state auditor has noticed that some of the incentives that we've offered businesses haven't reached fruition in terms of additional net new employment or net new businesses coming to our state. And I think we need to review all of those. But also when it comes to income tax rate reductions is something that should always be

on the table because I think failure to do that is we're really gambling with all the great things about our state of Nebraska by not delving into all of those things and looking how we can be fiscally responsible on that end. And on the other end, looking how can we generate net new revenue. Is it from our casinos? Yes. Is it from sports wagering? Yes. Is it looking at coming up with guidelines on medical marijuana? Yes. These are the type of net new revenues that we desperately need. We can't keep cutting, cutting, cutting, cutting, because these are services that our fellow Nebraskans depend on. So for these reasons, I stand in support of LR-- LR20CA. And let's, let's see what our voters in Nebraska feel. If they think it's, it's an initiative that we should be embracing as a net new revenue stream, let's do it. Thank you, Madam President.

**DeBOER:** Thank you, Senator Raybould. Senator Prokop, you're recognized.

**PROKOP:** Thank you, Madam President. And I, I appreciate it being point out-- being pointed out that this bill, if it were to move forward, does not legalize mobile sports betting. It simply allows people of Nebraska to make that decision at the ballot box if they want to vote for or against that issue in the fall of 2026, much like we did for casinos a handful of years ago, where Nebraska voters did decide to support that. I, I want to speak to the issue of the unregulated versus regulated market because I think some points have been made over the course of, of debate here this afternoon, and just, just point a few things out because, in all reality, there is a unregulated market that is operating in Nebraska, and, and pretty substantially. And so just the distinctions between what we have with an unregulated market and what we would have with a, with a regulated market if, if the voters were to vote to approve mobile sports betting in, in the fall of 2026 if this moves forward. I think first and foremost is anyone with a, with a credit card or cryptocurrency and a basic internet connection in an unregulated system can be gambling on an illegal offshore site within minutes under that structure. There's several popular illegal sites that-- they don't, they don't verify your identity or location. There's no real barrier to entry. With regulated sites, there is. We've, we've heard some discussion around VPNs. With a free VPN app, users can spoof their location to appear as if they're in another country or, or state and, and get on these ill-- on these illegal sites. And these VPNs are widely available. They're, they're legal to download. And, and you can install them on, on a smartphone or on a computer really in just a matter of, of minutes. And the offshore illegal sportsbooks, they actively promote those VPNs in the, the restricted areas or in restricted states. And you don't have to be particularly tech savvy in order to figure this out. A google search

would, would lead you to that-- to those offshore sites. The other thing is that the illegal sportsbooks, in unregulated market, they do not do any type of real age verica-- verification. As with some of the, the good dialogue over the questions that are asked, there's no betting limits, there's no spending caps, and no self-exclusion options in an unregulated market. These apps that are unregulated allow betting on credit, which is banned in the U.S. regulated markets because of the valid points that have been made by those with concerns around addiction and, and potentially doing financial harm. And right now, it, quite frankly, is, is easier to open an illegal sportsbook account with a VPN than it would be to simply drive over to a Nebraska casino. We've talked a little bit about young people as well and, and I think some valid concerns around access for young people, especially in that 18- to 34-year-old age group. And to be frank, they-- people of that age demographic are extremely knowledgeable on technology, how VPNs work, and, and how crypto works. So on social media platforms, they can look at how to access these unregulated markets and are not protected like they would be with a regulated market. So I would, I would say that Nebraska's youth are actually more vulnerable, not less, because online sports betting is unregulated. Anyone can access these offshore websites, which don't erify-- don't verify age or, or identity and don't care who's placing the bet. The illegal sites in unregulated market, they don't check IDs. They don't-- they allow bets on credit. And they don't promote responsible gaming like the regulated industry does. That's, that's a danger both for minors and for adults. In a regulated market, every app must verify age through strict know-your-customer protocols. That means things like Social Security numbers, government-issued IDs, and, and two-factor au-- authentication. And they are more secure, really, than, than opening a bank account or applying for a mar-- a, a mortgage. If they can't prove that they're not over 21 on the regulated market, they, they cannot bet, period. I'd also like to--

**DeBOER:** That's time, Senator.

**PROKOP:** Thank you, Madam President.

**DeBOER:** Thank you, Senator Prokop. Senator Clements, you're recognized.

**CLEMENTS:** Thank you, Madam President. I again stand in opposition to LR20CA. And I wanted to have a couple of comments. I heard it said that this is going to be voted by the will of the people or we need to respect the will of the people. The one problem I, I think about that term is the will of the people is really driven by misleading advertisement, and the number one misleading part I think is promised

property tax relief. I think this proposal is-- claims to bring maybe \$32 million worth of revenue to the state in the gambling tax. But the property tax-- compared to \$32 million, our property tax in Nebraska is about \$5 billion. We're giving about a billion dollars of property tax relief. So the net out of pocket is \$4 billion, roughly. \$32 million out of \$4 billion is eight-tenths of 1%. So the gambling revenue might reduce your property tax bill eight-tenths of 1%, and 99.2% of the property tax is still going to be having to be paid by the property owners. So the-- it, it always has bothered me the casino advertising was property tax relief, and it just isn't really there. Next-- a previous thing I read from research says that illegal gambling increases by these studies. They claim that it'll decrease illegal gambling, but in-- it does increase illegal gambling. Just keeps people gambling more. And also a national study talked about people's credit scores will be down, debt collections will go up because they'll stop paying some of their bills, bankruptcies will increase. And when you get in debt and bankruptcy, that causes-- and that's a cause of divorce. I think the number one cause for divorce is financial problems. And earlier, I read a letter about a, a mother whose 29-year-old son commi-- committed suicide. There also is suicide related to the addiction to these-- this gambling. And for those reasons, I-- I'm still going to be opposing this. I would like to yield the rest of my time to Senator von Gillern.

**DeBOER:** Senator von Gillern, you're yielded 2 minutes.

**von GILLERN:** Thank you, Madam President. Senator McKinney raised some good questions. I wonder if he would yield to a question.

**DeBOER:** Senator McKinney, will you yield? Senator McKinney does not seem to be in the Chamber, Senator von Gillern.

**von GILLERN:** I'll wait, Madam President. Thank you.

**DeBOER:** That's time, Senator.

**von GILLERN:** Thank you.

**DeBOER:** Senator Storm, you're recognized.

**STORM:** Thank you very much, Madam President. I want to talk a little bit about spending here and talking about the budget. I keep hearing everyone saying that we, you know, we need to legalize everything and we need to find new revenue, more taxes. We cannot tax our way to prosperity. People need to realize that. This notion that we can is, is foolish. We cannot legani-- legalize enough vices to balance our

budget. And not to mention the collateral damage that will happen to our state when we do legalize all these vices will be dramatic. It's not a zero-sum game. I think people think that everybody goes to a casino or picks up their phone, plays an app, they win, everybody's happy, your property taxes go down. None of that's gonna probably happen. Also, with, with expanded gambling, it's going to bring bankruptcy to families, divorce, drug abuse, depression, increased suicide, everything else that comes with expanded gambling. And when I was elected-- I, I told this story once before-- but when I was elected, I went to Blue Valley Behavioral Health and met with them. They wanted to meet with me to talk to me as a newly elected senator. And I asked the director, what's the number one issue that you counsel with your patients? And they said gambling addiction. And they're scared to death with expanded gambling. And those are the people on the front lines that are talking to people that struggle with this. And I just don't think people realize the effect that this is going to happen to the state of Nebraska. We're not going to have added money to put towards property tax relief. We're not going to have added money to throw to more government expenses. And I just think it's kind of a-- foolish to, to think that way. And as, as our, you know, our appetite for increased government increases-- which it seems to be in the state of Nebraska-- we have to find a way to find more revenue. And it's a vicious cycle. So grow government, more programs, more revenue. Where do we get revenue? Well, let's legalize marijuana. Let's legalize more gambling. Let's raise income tax. I hear that from some people. We need to raise our income tax back up. This body lowered income taxes to attract people to this state. So when you have states like South Dakota and Wyoming that pay no state income tax-- and Iowa has dropped theirs down to 3.8%-- we have to be competitive or else people aren't gonna lo-- want to live here or locate their companies here. So I think we have get away from this notion of high taxes. And as we get more into the, the, the budget debate coming up, I'm going to speak more openly about this. But as a fiscal conservative, we can't go down the road that we are going. I yield back the rest of my time.

**DeBOER:** Thank you, Senator Storm. Senator Hughes, you're recognized.

**HUGHES:** Thank you, Madam President. Sorry. Just getting my notes. OK. This is the first time I've spoken on this LR20CA today at Select File. And I'm gonna kind of repeat a little bit of what I talked about when we first had it on General that-- I'm struggling with this concept in that, in this session, we've, we've already passed down-- I believe we're on Select for a couple other bills dealing with kind of social media and we talk about how addiction on social media and things are so, so bad for our kids and it leads to depression and things like

this. We've got a bill by Senator Storer to adopt the Parental Rights in Social Media Act. There's another bill by Senator Bosn, the Age-Appropriate Design Act. Again, all these apps are made specifically to be addictive. And both those bills I am ardently supporting. In fact, I, I was telling somebody at one point that I think, honestly, that some of those might be the most important. Another one that we're trying to get kind of-- phones and-- which-- because they're addictive and, and things like that out of our schools. And we've passed that through to have all our schools not allow these types of things during educational time. So for me to give this a green light when we're clearly talking about an app that is designed to be addictive and get you addicted so that a company makes money. Kind of like the nicotine industry where we design a pouch or something to get someone addicted and then you make money. I have a problem with that, but I also-- you know, nothing is black and white, and I understand the flip side of it that kids are doing-- or, people are doing this today. You can get a VPN-- you've heard how easy it is-- and do, you know, do those apps from other states. There's also unregulated apps that don't have the caps that they're talking about or limits or age verification, et cetera. So there's the argument of, well, it's happening, so at least let's let it happen with good actors. I also have heard the argument that, if we don't do this ourselves and put it on the ballot in 2026, there will be money spent-- and I do believe that's true, that the gambling industry will run an initiative to get signatures-- enough signatures to get it on the ballot in 2026. So then the argument is, well, why don't you just put it on yourself? Meaning our body put it on. And then part of me is like, well, why don't they just-- they can spend the money themselves and do it also. So this is something that is highly addictive. It targets a certain demographic group, which you guys have already heard. It's kind of the young men between the ages of-- well, you're supposed to be 21, but-- let's be real-- we're doing this in high school-- up to kind of the 20s and 30s. I don't-- I, I did not get a lot of-- this is not a topic that when I do my town halls or whatever that people are necessarily pining for. You can do it right now if you go to our casinos, which-- that industry is going, but it's not even fully fleshed out yet. And now we're kind of expanding to something else in addition to our casinos. So I don't know. I guess bottom line, I'd like to kind of put the brakes on this. I see both sides. I struggle with supporting some of these other bills that, you know, we're targeting groups that are addicting kids but then I give a pass to another group that is. So that's where I'm at right now. I know we've got more discussion on this, and I will be listening. So thank you. And I yield the rest of my time, Madam Pre--

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**DeBOER:** Thank you, Senator Hughes. Senator Hughes would like to recognize four special guests, members of her family: her brother-in-law, Doug Gremel; Vikki Gremel, her sister-in law, both of Seward; Blaine Brokaw and Connie Brokaw of Santa Cruz, California. Please stand and be recognized by your Nebraska Legislature. Senator Lippincott, you're recognized.

**LIPPINCOTT:** Thank you, ma'am. I support MO194 for Senator van [SIC] Gillern up on the board. While the idea of new revenue might sound appealing, the risk and consequences of this measure far outweigh any short-term benefits. Gambling, especially when made as accessible online platforms allow, can lead to addiction that devastates families and communities. Unlike a physical casino where someone must make the effort to visit, online sports betting is available 24/7 with just a smartphone. Studies from states like New Jersey, where online gambling is legal, show a sharp rise in problem gambling rates. Up to 10% of bettors in some surveys show signs of addiction. In Nebraska, where rural communities already face economic and social challenges, introducing a highly addictive activity could deepen financial hardship for vulnerable families. The convenience of online betting doesn't just make it easier to place a wager. It makes it harder for people to stop. Second, the economic argument for LR20CA is not as strong as it seems. Proponents claim it will generate tax revenue for schools or infrastructure or property tax relief, but the numbers don't always add up. In states with online sports betting, like Pennsylvania, administrative costs and promotional giveaways by betting companies often eat into the promised revenue. For example, Pennsylvania's sports betting tax revenue in 2022 was only about 0.2%, two-tenths of 1%, of the state's total budget. Hardly a game changer. Meanwhile, the societal costs of gambling addiction-- including increased demand for mental health services, law enforcement, and social welfare programs-- often offset those gains. Nebraska risks trading a small revenue stream for a much larger economic burden. Third, let's consider the impact on our youth. Online sports gambling platforms are aggressively marketed, often targeting younger audiences through social media and sports culture. With Nebraska's proud sports tradition-- think Husker football-- our young people are especially vulnerable to these ads. A 2023 study from the National Council on Problem Gambling found that 15% of teens aged 14 to 17 had placed an online bet in states where it's legal. These platforms use algorithms to keep users engaged, creating habits that can last a lifetime. Do we want to expose Nebraska's next generation to a system designed to profit off their impulsiveness? Fourth, there's the issue of fairness and oversight. Online gambling companies are often based out of state, making regulation difficult.

These platforms have been criticized for predatory practices like offering free bets that lock users into costly commitments or using data to target vulnerable individuals. In 2022, FanDuel and DraftKings faced lawsuits for misleading advertising in multiple states. If Nebraska adopts LR20CA, we're inviting these same corporations to operate here with limited local control, potentially exploiting Nebraskans while funneling profits elsewhere. And finally, Nebraskans have a strong tradition of community values and online gambling promoting a culture of instant gratification and risk-taking that can erode the sense of responsibility we cherish. We've seen what happens when states rush to legalize gambling without fully weighing the consequences. Just look at Iowa, where sports betting revenue has grown, but so have calls to gambling hotlines up to 20% since legalization in 2019. I yield my time. Thank you.

**DeBOER:** Thank you, Senator Lippincott. Senator Dover, you're recognized.

**DOVER:** Thank you. This year's Super Bowl is likely the biggest wagering event in U.S. sports betting history. It legalized gambling, hurting fans and sports. Six years ago, sports betting was illegal under federal law. Today, it's everywhere. Professional sport leagues-- the NFL, MLB, NBA included have embraced gambling and signed lucrative marketing deals with betting apps like FanDuel and DraftKings. Have you ever gambled on a sporting event, whether through an app, a betting pool, or a simple pinky bet? Have any of your friends or family? Is our prevalence of sports gambling today a problem? In a guest essay, *The Price We Pay Betting on Sports*, Carl Erik Fisher, an addiction specialist, physician and bioethicist at Columbia University, writes about the rise and the dangers of sports gambling addiction. When we think about any addiction, we tend to focus on people who are utterly consumed by it, those who live out visibly falling apart. Yet gambling challenges our usual assumptions about addiction and risk, as it harms extend far beyond most severe cases. Consider a young man from my therapy practice, a former college athlete who isn't bankrupt or in crisis but feels stuck in a cycle of unhealthy online sports betting. He repeatedly deletes the betting app from his phone only to reinstall it days later at the prompting of a well-timed email, a group bet with friends, or simply the ads plastered across every sports arena. He does fine at work and mostly keeps to the dollar limit set, but his internal preoccupation, restlessness, and chasing of losses just feel bad. He wouldn't call himself addicted, but he doesn't feel healthy either. At the very least, he has a creeping sense that he'd feel better if he put his attention and energy towards something more meaningful. Serious-- serious gambling addiction is



devastating. Beyond financial rule, it increases the risk of physical health problems, domestic violence, and family rupture. Every year, 2.5 million American adults suffer from severe gambling problems. Many suffer invisibly, silently wagering away their lives on cell phones, perhaps in the very same room as their family and friends. These severe cases demand attention, but focusing only on them obscures something important. As a physician and someone in recovery from alcohol and stimulant addiction myself, he wrote, I'm concerned by how we have been conditioned to see addiction in all-or-nothing terms. Beyond the millions of Americans who meet the criteria for gambling disorder, 5 million to 8 million more have a mild to moderate gambling problem that still affects their lives, like my patient. Since the federal ban on sports betting was struck down in 2018, sports gambling in the United States was exploded, with annual wagers now approaching \$150 billion. Today's surge of sports betting-- supercharged by technology and unfettered industry practices-- shows how everyone can struggle with self-control to varying degrees. No longer a simple matter of putting down money on which competitor will win, modern technology has transformed sports betting into a high-speed, continuous stream of wagers throughout the game. Super Bowls-- for a Sunday Super Bowl, people can place bets on things from the result of a coin toss to the yardage of the next drive, from Kendrick Lamar's halftime guests, and how many times Taylor Swift is mentioned. We desperately need more resources for the most severely affected. The National Council of Problem Gambling reports that states currently invest just 0.0009 cents in gambling addiction support services for every dollar generated from commercial gambling. Parents should educate themselves about gambling-like feature in their children's apps and games, remove gambling from shared drives, and have open conversations about risks, and, perhaps above all, be mindful of what they are modeling. We need commonsense regulation that addresses gambling as not just a financial but also a public health issue. In Europe, it is much more common to see partial limits on advertising such as restricting sports celebrity endorsements or stadium advertising. Other moderating forces could include limiting bet sizes, curbing in-game betting speed and intensity, and restricting partnership deals, for example, between gambling companies and collegiate athletic departments. Thank you.

**DeBOER:** Thank you, Senator Dover. Senator Storer, you're recognized.

**STORER:** Thank you, Madam President. I am just going to share a little bit of information from a research study on internet gambling specifically. I think-- you know, gambling's not new. It's not a real news flash to most of us that gambling in and of itself is addictive, but internet gambling has certainly changed things even more. One of

the most significant changes to the gambling environment in the last 15 years has been the increased availability of internet gambling, including mobile. Internet gambling is the fastest growing mode of gambling and is changing the way that gamblers engage with this activity. Due to the high level of accessibility-- it's just at the tip of your fingers-- immersive interface, and ease at which money can be spent, concerns have been expressed that internet gambling may increase rates of disordered gambling. The current paper that I'm reading the abstract from aims to provide an overview of the research to date as well as highlight a few in-- interesting findings relevant to internet gambling addiction. It is not hard to imagine the difference-- how, how much mobile devices and mobile gambling-- the opportunity for mobile gambling has expedited the problem of addiction. So when we, when we talk about social media-- which we've talked a lot about-- and the addictive nature of that, now we're-- now, now it's just adding fuel to that fire when we add the opportunity of the addictive nature of gambling on top of the addictive nature of social media and apps. We're looking at, again, a rise in mental health crisis in this country, particularly in our youth. We have spent hours on this floor discussing ways that we can reverse that trend with our youth in particular through the, the regulation of algorithms, adding more parental controls, limiting use of school-- phones in schools, all of which I am very supportive of and I think are very proactive, responsible things for this body to do. And so it seems to be counterculture that we would also be deliberating the ease of access to an addictive activity at the tips of our fingers on the same device. Again, I, I hear it-- it's been talked about here today. I would share some of the comments my, my dad made years ago, but they're not necessarily appropriate to say on the mic regarding his opinion of what we would do with some of these activities. And of course, in a nutshell, he would say, let's tax that stuff. I get it. I get that there's a-- is-- there's a body of thought that if, if people are doing it anyway, then let's, let's generate some revenue off of it. I don't think that makes it right. I don't think that necessarily makes it a moral thing for this body to do to take advantage of someone's addiction for the purpose of generating revenue for the state of Nebraska. So again, as we think about this-- and, and by the way, I, I understand that, that this would simply be putting it on the ballot for the people to decide. And by and large, I just want to speak to that, that issue briefly. You know, when we keep sort of kicking things out-- people elect us. We're elected to make these decisions. It is our job to be thoughtful and intentional and responsible in, in doing so. And so the, the trend we see in legislating through ballot initiatives I think is, is a little alarming

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in and of itself. That being said, I will yield any remaining time I have to Senator von Gillern if he would like it.

**DeBOER:** Senator von Gillern, you're yielded 10 seconds.

**von GILLERN:** Well, I just want to thank Senator Storer for her comments. And I'll share more when I'm on, on the mic next. Thank you, Madam President.

**DeBOER:** Thank you, Senator von Gillern. Senator Holdcroft, you're recognized. And this is your third opportunity.

**HOLDCROFT:** Thank you, Madam President DeBoer. First, a quick personal-- I mean, public service announcement from the Department of Health and Human Services. Nebraska Governor Jim Pillen signed a proclamation declaring April as the Child Abuse Prevention Month at a ceremony at the State Capitol Building. Child Abuse Prevention Month has been celebrated nationally since 1983. For more than 40 years, organizations across the country have recognized the month, providing important information regarding the prevention of child abuse and neglect. In 2008, the blue pinwheel became the national symbol for the month. Information on how to recognize signs of child abuse can be found at the Department Health and Human Services website. And if you suspect a child is being abused or neglected, please report the case to the child abuse and neglect hotline at 800-652-1999. So back to the subject at hand. Senator Clements kind of stole a little bit of my thunder, but I think it's worthwhile looking at how much of a break do we-- are we going to get in our property tax based on all this revenue, these millions of dollars that we're going to get from, from online gambling, from, from casino gambling. And Senator Raybould mentioned, as I mentioned, there'll be \$32 million revenue to, to Nebraska with the online sports betting. \$32 million. Well, there are-- I googled this-- there are 580,000 homeowner households in Nebraska, which kind of makes sense. There's 2 million of us. That comes to just under four people per household. So 580,000 households, \$32 million. That comes out to \$55.17 per household. That's how much of a break you're going to get on your \$8,000 property tax bill. \$55. Now in 2024, for our casinos, where we get 20% of the revenue there, we, we-- and right now, we have four casinos in operation. We got \$20 million in 2024. \$20 million. That came out to \$34.48 per household. I bet that really helped you out. And if-- you know, we get into full swing, we combine these two things, let's say we-- pie in the sky, we get \$100 million a year from, from revenue from the-- from gambling, that comes out to \$172 per household. Now, for me, that would cover 2% of my yearly property tax. So it's not the end-all, be-all to our property tax problem. And I'd just like to

start on, on an article, depending on how much time I have left. This is from the PsyPost. It's the "New Research Reveals How Mobile Sports Betting Fuels Riskier Gambling Behaviors." In an era where smartphones have become a-- ubiquitous as wallets, a February 2024 study in the Journal of Behavioral Addictions reveals how the convenience and privacy of mobile betting platforms might be reshaping the gambling landscape, for better or worse. Researchers have peeled back the digital curtain to show that the ease of placing a bet from anywhere at any time alongside the allure of promotional inducements is linked to riskier betting behaviors and potentially more significant harm. The digital revolution has transformed traditional gambling with smartphones, leading to the change in making betting a constant companion. This shift promoted-- prompted researchers to investigate how the structural features of gambling products and the environments they create contribute to gambling harm. Specifically, the study aimed to explore the impact of situational features like the ease of access and privacy offered by smartphones on harmful betting behaviors. To understand the complex dynamics of smartphone betting and its potential harm, the researchers used what is known as a eco-- ecological monetary assessment, an EMA. This methodological choice allowed the researchers to capture real-time data on 1,378 betting sessions directly from participants' natural environments, thus ensuring high--

**DeBOER:** Time, Senator.

**HOLDCROFT:** Thank you, Madam President.

**DeBOER:** Thank you, Senator Holdcroft. Senator von Gillern, you're recognized.

**von GILLERN:** Thank you, Madam President. I spoke briefly with Senator McKinney. And when he's back in the room, I'll address that question I had with him. I am completely aligned with him. Oh. He is in the room. Thank you. I didn't see you standing back there. Would Senator McKinney yield to a question?

**DeBOER:** Senator McKinney, will you yield?

**McKINNEY:** Yes.

**von GILLERN:** Thank you. Senator McKinney, you talked about the slot machines that are appearing in gas stations and convenience stores and, and so on. I was wondering, do you-- I know Senator Spivey had a proposal around those. Did you have any proposals this session around

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addressing that, that problem-- which I concur with you completely is a problem.

**McKINNEY:** No, I didn't, I didn't have a proposal. You know, I didn't think that, from my-- just belief, that if I would have brought a bill to outlaw them it would have passed. So I supported Senator Spivey increasing taxation to at least get some revenue from them.

**von GILLERN:** OK. Yeah. And I, and I had conversations with Senator Spivey also. And I think the, the timing on that bill for this year was not perfect because the changes on the taxation had not taken effect yet. But I did have conversations with Senator Spivey and told her that I was fully aligned with what she wanted to do there. And I'd be happy to work with you in the next session to do what we can to, to, to limit that.

**McKINNEY:** For sure, because people are camped out in gas stations at those machines.

**von GILLERN:** Yeah. I-- when we got done last night, I actually went to a, a location for a nice, greasy hamburger that has a, a setup in the back. And there were probably half a dozen folks in there coming and going from the bar that were gambling the evening away, which-- again, if that's your entertainment money, that's one thing, but-- and not to be judgmental, but not all of them looked like it was their entertainment money that they were spending there, so. Anyway, I'd love to work with you on that in the future.

**McKINNEY:** All right. Thank you.

**von GILLERN:** Great. Thank you. I'm gonna just read a little bit from the Legislative Research Office publication, "Go Big Bet: Wagering on Mobile Sports Gambling in Nebraska." Every senator should have received a copy of this in February of this year. I'll start at the, the section entitled Problem Gambling. With such easy access to wagering via cell phones, the impact of mobile sports betting on gambling addiction has been stark. Furthermore, such gambling software applications send alerts and notifications to players to get their attention and prompt them to gamble. Problem gambling is a recognized mental health disorder. And I had a good conversation with Senator Fredrickson on the floor here a little while ago, and, and he concurred that it certainly is a, a mental health issue. And that's his profession, so I trust his judgment on that. It's defined by the National Council on Problem Gambling as betting or gaming behavior that is damaging to a person or their family and is often disruptive to their daily life. NCPG

estimates that 1% of adults in the U.S.-- which is 2.0-- approximately 2.5 million people-- have a severe gambling problem while another 2% to 3%, or 5 to 8 million people, have mild or moderate gambling problems. Furthermore, they estimate that the national social cost of problem gambling, crim-- criminal justice, health care, unemployment, and bankruptcy costs is \$14 billion. In New Jersey, for example, since the state legalized all sports betting in 2018, the Council on Compulsive Gambling in New Jersey has recorded a 277% increase in calls to its problem gambling helpline. According to the council, most calls today are from young men betting on sports, and that concurs with other publications that I've shared today on the mic that indicate that, that this form of gambling is 100% targeted towards young men-- or, greatly targeted towards young men. The NCPG has reviewed over 140 studies and reports on sports betting and problem gambling. The organization has discovered that the rate of gambling problems is twice as high for sports bettors compared with gamblers in general. Furthermore, online sports bettors, one study found that 16% of the study population met the clinical criteria for a gambling disorder. An additional 13% of study participants showed some signs of gambling problems. That's 29%-- not quite a third, but close to a third of all gamblers-- online gamblers. According to a problem gambling treatment expert, gambling addiction research has shown that populations with easy access to gambling-- like those who live near a casino-- record higher rates of problem gambling than those without readily available betting opportunities. In legal online gambling states, access to sports betting simply requires an internet connection. And with that, I'm at the end of my time. Thank you, Madam President.

**DeBOER:** Thank you, Senator von Gillern. Senator Kauth, you're recognized. And this is your third opportunity.

**KAUTH:** Thank you, Madam President. I'm going to read some information. This organization, the Community for Advertisements, they, they went around and they looked at every state and how those states had campaigns to block the safeguards that the states were trying to implement. So the gambling industry is actually actively trying to prevent states from doing this, which could be why, why we're here today. Advocates have stressed the importance of protecting consumers from misleading advertisements that inflate their odds of winning or minimize the risks of addiction. In the UK-- which is years ahead of the U.S. in confronting its own sports betting epidemic-- gambling ads must follow a code for socially responsible advertising which forbids misleading language or messaging that encourages reckless gambling behavior. In its report, the Lancet Commission recommends the restriction of gambling-- gambling marketing and advertising

practices, stating that exposure to advertising and marketing is associated with increased risks of problematic gambling. Gambling companies, however, have lobbied against deceptive marketing rules in multiple states, even arguing that certain advertisements shouldn't have to include information about responsible play or help for addicted gamblers. So just to be clear, the industry that is pushing online gambling is also pushing for there to be no safeguards, no ways to help people who become addicted, and to absolutely eradicate these safeguards on advertising so that people can be conned, basically, into gambling more. The Arizona Department of Gaming decided to adopt the DraftKings' suggestion when this-- when they presented it to them. In Maryland, DraftKings objected to a rule prohibiting gambling advertisements from suggesting that certain outcomes were without risk. They're objecting to facts. In Virginia, PENN Entertainment lobbied to weaken a rule prohibiting advertising that implied players were more likely to win if they spent more time or money on sports betting. What happens when you spend more time and money on sports betting is you lose your time and you lose your money. The company also objected to a portion of the rule requiring advertisers to reflect generally accepted contemporary standards of good taste, claiming it was a vague and difficult standard for operators to comply with and for Virginia lottery to enforce. Ironically, the language regarding good taste that PENN asked the state of Virginia to reject is identical to the language of the American Gaming Association-- which is the gambling industry's chief lobbying organization-- publishes in its responsible gaming code of conduct. As a member of AGA, PENN is expected to abide by this pledge, and yet they are actively and expensively pushing states not to do so. The inconsistency between PENN's lobbying activity and the AGA's code is an example of the type of doublespeak often embraced by online gambling operators and their trade associations. Companies like PENN may agree to theoretical voluntary standards but may oppose such commitments being turned into enforceable laws. I think one of the key things we need to pay attention to is, who's lobbying for this? Who is pushing for this? How much money is being spent on these lobbying efforts? And I think we-- we've heard Senator Bostar say, well, if we don't do it, then they'll just fund a ballot initiative and spend millions of dollars because of course they'll make millions of more. That's absolutely accurate. Nebraska is a cheap state. Our votes are cheap. Outside lobbyists can come in and buy their way onto a ballot and buy their way into the marketing and convince people that something is good when it's not. Reducing the appeal of gambling to children, teens, and young adults. In addition to ensuring that gambling ads targeted at adults are not manipulative or misleading, advocates have also stressed the importance of ensuring that no gambling products are

promoted to children either directly or indirectly. Research has shown that children are particularly drawn to celebrity gambling endorsements and are susceptible to marketing that makes gambling seem like a skill-based activity rather than one of chance. And we've had that skill debate here in the Legislature. The Lancet Commission also stresses the risks posed by influencer marketing, saying that young people are routinely exposed to gambling product advertising and industry messaging in ways that were unprecedented before the digital revolution. And that's what we're really tasked with here, is trying to figure out-- again, this digital revolution, how technology's impacting things that-- we have safeguards on gambling. You go to a casino, we have safeguards there. We have rules for them. We have expectations for them. The online world is completely different.

**ARCH:** Time, Senator.

**KAUTH:** And quite frankly-- thank you, Mr. President.

**ARCH:** Senator Hardin, you're recognized to speak. This is your third opportunity.

**HARDIN:** Thank you, Mr. President. I'm in opposition not just as a legislator but as a Nebraskan deeply concerned about the world we're shaping for the next generation. While many arguments have been made today about economics and personal choice and market modernization, I want to focus on something far more important: our youth and what this legislation would expose them to. Let's be clear: this bill does not just open the door for adults to place wagers on their phones. It normalizes gambling in a way we've never seen before. It brings high-stakes behavior directly into our homes, onto school busses, into college dorm hallways, and into the hands of teenagers who are already bombarded with risky influences every day. We know this from research. Adolescents are more susceptible to addictive behavior. The adolescent brain is still developing, particularly the parts responsible for impulse control and risk management. When gambling is made easily accessible, especially through technology that youth already use constantly, it becomes far more than a harmless hobby. It becomes a potential gateway to lifelong harm. Right now, the fastest growing demographic of problem gamblers in the United States is young men aged 18 to 24. Most of them start betting long before it's legal to do it. Legalizing online sports gambling does not just enable adults. It validates and glamorizes the behavior for everyone, including kids. Let's not pretend that age verification will keep them out. We've seen that with alcohol. We've see it with tobacco. We're seeing it now with unregulated online gambling platforms that kids already know how to



access. This idea does not create order. It gives legitimacy to a practice that's already finding its way into the lives of teenagers-- teenagers. Do we really want a law that makes gambling feel as safe and normal as scrolling social media? Our schools are already under pressure from vaping and social media addiction and mental health crises. This would throw gasoline on that fire. And let me tell you, when gambling losses start piling up for young people, it doesn't just hurt their wallets. It crushes their confidence. It isolates them. And far too often it can lead to depression or self-harm. Here's the hardest truth: this is preventable. We don't have to open this door. We don't have to turn every phone into a casino. We can make a different choice, a choice to stand between billion-dollar industries and our kids. We're not Vegas. We're Nebraska. We raise our children to understand responsibility, to work hard, to play fair, not to gamble on outcomes they cannot control. If online sports gambling is legalized, we're not protecting personal liberty. We're inviting risk into the lives of our youth. We're giving them another reason to worry, another reason to carry, another addiction to fight off. And we can do better. Think the students in your districts, the college athletes, the high schoolers already struggling to find their footing in a fast-changing world. Please don't hand them another challenge. Stand with me and vote no on this resolution. Let's be the generational leaders that protects our youth, not the ones who look the other way. Thank you, Mr. President.

**ARCH:** Senator Dover would like to recognize some special guests. They are 40 fourth grade students from Norfolk Catholic in Norfolk, Nebraska. They are located in the north balcony. Please rise and be we-- recognized by your Nebraska Legislature. Returning to the queue. Senator Clements, you're recognized to speak. And this is your third opportunity.

**CLEMENTS:** Thank you, Mr. President. I'm going to start with a scripture. Proverbs 13:11 has some wisdom for us. It says, wealth gained hastily will dwindle, but whoever gathers little by little will increase it. And I know-- we've all heard a lot of stories about lottery winners, that-- the money's gone quickly. And I think thousands of years ago, people understood-- the writer of Proverbs understood that gambling was a problem. Trying to gain wealth quickly is not a good answer. I'm going to read from an NBC News article called Gambling Addiction Hotlines Say Volume is Up and Callers are Younger as Online Sports Betting Booms. This is April 5 of 2024. In state after state, centers for problem gambling are noticing an alarming rise and calls for their helplines. The circumstances reported are also getting more severe. According to the directors of five problem gambling

centers, a gambling researcher, and an addiction counselor, people are filing for bankruptcy or losing homes or relationships. At the same time, callers are skewing younger-- and often men in their 20s and 30s. The mounting call volume has coincided with legalization of sports betting and rising popularity in sports betting apps. We believe nationwide the rate and severity of gambling problems have increased across the United States since 2018, said the executive director of the National Council on Problem Gambling. The growth of online sports betting is a major contributing factor to the increase in gambling problems. Florida legalized sports betting last November, and it's since been-- seen calls to its council on compulsive gambling double. Pennsylvania's compulsive gambling saw call volume more than double from 20-- from 2020 to 2023. Calls to Ohio's gambling network increased 55% in 2023, the first year of legalized sports betting there. Sports bettors are making up that big bump in call volume, said the director. By February of 2023, sports betting was the top form of problem gambling reported to the helpline, surpassing lottery and casino slot machines, he said. The issues gained renewed attention recently after the Los Angeles Dodgers fired Shohei Ohtani's interpreter following allegations that he stole money from the star to cover gambling debts reported in the millions. Around the same time, Cleveland Cavalier's Coach Bickerstaff said he received threats from gamblers. The companies behind the apps say they're taking steps to reduce the risk of problem gambling. Experts said that, despite the company's efforts, there's still a higher risk of addiction now that sports betting is more accessible and highly advertised. Online sports betting is more addictive than traditional gambling. And unlike a casino, mobile apps allow people to wager money directly from their bank accounts. One can easily rapidly place many bets that make it more feasible to experience gambling problems, said a researcher at Yale University. Experts also said a rise in advertising for sports betting is helping to fuel the trend. U.S. sports betting operators spent around \$282 million dollars on national TV ads from September '21 to May of '22. That's six months. \$282 million, according to one report. Before 2018, there was no advertising for sports betting during events. Now you not only have sports betting ads, you can even bet on the game right in front of you. Jake, a 49-year-old member of Gamblers Anonymous, said he's not opposed to legal sports betting but worries that advertising and targeted promotions make it difficult for some people to quit. In meetings, I'm seeing people younger and younger. When I first started meeting, I was the youngest. I was in my early 40s, he said. Jake said his addiction took off when he started betting illegally online verty-- via bookies. Excuse me. I was highly competitive in sports, played a lot of high school sports. After high

school, I didn't play. I missed the competitive edge. I chased that high and I got it from gambling. In the end, I lost a marriage. I lost a business. I would get loans. I would run credit cards up. Hundreds of thousands of dollars I lost. I yield the rest of my time to Senator von Gillern.

**ARCH:** Time, Senator. Senator Jacobson, you're recognized to speak.

**JACOBSON:** Thank you, Mr. President, well, I wasn't here this morning, but I was listening diligently and-- all of the riveting debate. I came to a few conclusions along the way. I don't think there's anyone in this body that thinks that sports gambling is a good thing for the state of Nebraska. If, if you take out tax revenues, take away all the other arguments, I think everyone be in agreement that sports gambling is bad for our youth and it's a net bad thing for the state. I can tell you that we have a bank branch in Wyoming. We have a customer that owns a, a chain of convenience stores in Wyoming. And I can tell you that there are casinos in many of those towns across Wyoming. And he said, one thing I can see in the casinos-- and obviously this would be exacerbated with sports gambling-- is that it takes money out of your state. The reason they can pay the taxes they pay and the reason they make the money that they make is because they're taking money out of the economy. So when we say, well, they're all going to Iowa and betting. Well, there are a lot of people that are going to Iowa in betting. And there are a lot of that are getting around the walls, the geofencing, and, and, and betting regardless. And, yes, we do still have the problem regardless. But net-net, there's a lot of money flowing out of our economy that would be tax dollars that would be spent in local businesses if it were not but for gambling in general. So if we talk about-- what's the next step? If we don't act, it's gonna happen anyhow. It's guaranteed. They're gonna bring all that money and they're gonna invest it in Nebraska and it's gonna pass. Well, what's going to pass? I remember people were arguing that last year and said that Nebraska will fall into line with all the other states that are going to legalize abortion. But what happened when they got to Nebraska? It changed. The firewall was here in Nebraska. The same thing could happen with sports gambling. I don't think any of us can say it's a slam dunk. Now, yes, there's a lot of money that'll get spent in Nebraska. But I've also looked at the names of the people that oppose this bill outside this body, and there's a lot of money there too. Now, I would suggest, kind of in jest-- somebody run out and do this-- but you could probably go over to Iowa and bet on the over-under on how this would out-- would turn out in Nebraska who would spend the most money, but, boy, would there be a lot of money spent on this particular issue. But it would also bring a lot more knowledge about this issue

and the problems that it brings. So I'm not, I'm not convinced that you put this on the ballot that it would automatically pass. But I would tell you if the Legislature votes this bill forward and puts it on the ballot and saves them the hurdle of putting it on the ballot, we've kind of, as what's been said before-- and Senator DeKay has mentioned this-- we have basically put our stamp of approval on it when we put it on the ballot. And that's the part that I have a problem with. We talk about, well, we won't get the tax rate if it gets put on the ballot. Well, unless you can get it in the constitution, if it's not a referendum but rather a constitutional-- if it's a referendum-- we know how referendums work. We have to put the guardrails in place. And we can always tax it. So we don't have to do it now. We can do it if they pass it on their own. If it's a constitutional amendment, I think when you look at the single-subject issue, I'm not sure they're gonna put a tax rate in the constitution. I can also tell you that we could go put something out there and they could still come back later and pass something that would be to their advantage. So I don't know that there's a magic bullet there that says we, we bring this bill forward and voters vote for it, we get all the things that are in there and it's never going to be changed, because I think it would be. So I would, I would just challenge-- let's let-- let's make them prove it. Let's make them prove to us that they can get it-- a successful ballot initiative, get it on the ballot, and get it passed. And I would have yielded my time to Senator von Gillern, but I don't want to make him stand up and sit back down again, so I'm going to yield my time.

**ARCH:** Senator Lippincott, you're recognized to speak. And this is your third opportunity.

**LIPPINCOTT:** Thank you, sir. This is an article from the Institute for Family Studies published July 31, 2024. If you've watched almost any major sporting event in the past five years, you may have noticed the inescapability of sports betting. Ads for sportsbooks like FanDuel or DraftKings are everywhere-- on the sidelines, at halftime, and even the talking head commentary on ESPN. Roughly, four in ten Americans now bet on sports. And the industry is pulling in over \$10 billion per year with room still to grow. This is all a remarkable sea change from 2018 when the Supreme Court struck down a 1992 federal ban on sports gambling in all but a few states. Today, 38 states and the District of Columbia have created sports gambling markets, with other states looking to follow suit. Very little is known about the social impact of this rapidly growing industry, but two recent working papers shed new light on what the spread of sports gambling has done to American households. The picture's not pretty. The rise of a new, highly addictive, straight-to-your-smartphone commodity has caused a surge in

bankruptcies, bank overdrafts, and debt collections, concentrated among those households least able to afford them. To reach their conclusions, both papers use the same empirical strategy exploiting the staggered rollout of state-level sports gambling. In effect, residents of states where sports gambling has been legalized are, in each observed quarter, compared to residents of states where it has not been legalized or is never legalized. Because residents are observed before and after legalization across many states, one can statistically control for unobserved characteristics at the household and quarter level, allowing plausible identification for the casual effect of legalization on financial outcomes. Northwestern's Scott Baker and colleagues in their working paper apply this approach and find, unsurprisingly, that legalized sports gambling causes some people to start gambling. They estimate that about 14% of residents become bettors following legalization, with average expenditures of about \$700 per year. Expenditures grow over time from less than \$5 per quarter just after legalization to roughly \$70 per quarter four years on, suggesting that people's habits tend to grow with the industry. Sports betting legalization affects household financials in other ways. It increases credit card debt for low-saving households by about 8%, increases risk of overdrafting a bank account by 24%, and increases the risk of maxing out credit cards. It also reduces investment by about 14%. The implied effect is that each \$1 of betting reduces investment by about \$2. This spending, moreover, appears to be relatively more common among the less well-off. Households that have recently overdrafted their bank accounts spend three times as much on gambling as households that have not. And while low-income households spend less on gambling than high-income households, they spend much more as a share of their income-- 32% more, in fact. Baker explained, the propensity of financially constrained households to increase their betting activity relative to their income suggests that the legalization of sports betting may exasperate existing financial strains for these households. The other study by US-- UCLA Brett Hollenbeck and colleagues finds similarly alarming trends. They focus specifically on effects of online betting, which delivers the ability to gamble straight to a user's browsers and phone. Online betting specifically is estimated to increase the risk of bankruptcy by 25% to 30%. Household in betting states also become-- more likely to become delinquent on auto and credit card loans and have more debt in collections.

**ARCH:** Time, Senator. Senator Prokop, you're recognized to speak. And this is your third opportunity.

**PROKOP:** Thank you, Mr. President. I'd like to read a transcript from a hearing that was done over the special session. And this was the

testimony of Mike Sciandra, who-- he's the executive director for the Nebraska Council on Problem Gam-- Problem Gambling. Plus, he's an addiction counselor. So when Nebraska does a report on gambling, this is really the entity that, that does it. And I think some of the comments that he made at that hearing, again, back in July as part of the sess-- special session when there was a hearing on, on the same issue is pretty revealing. And after he was asked a question about someone on-- someone from the General Affairs Committee saying, I think you would come in opposed. Mr. Sciandra said, no, I'm, I'm 100% neutral on the stance of problem gambling-- on lingal-- on legal gambling options, because, as what Senator Bostar brought up and other people have brought up, we're not getting away from gambling. It's around us everywhere. It's in every state around us. I have a very unique perspective because I work-- I receive treatment for problem gambling but I also work in treatment now for problem gambling. And I see people who are bound by those illegal books-- the illegal books. And the difference between a legal book that has all the safeguards in place, that has limits. That has-- you can't borrow money on that. With an illegal book, you can get credit. I've seen clients who went tens of thousands of dollars into debt with credit, and that's a whole different ball game when you're dealing with illegal entities there. So it looks a lot different, the betting there. And kind of what's been brought up earlier as well too is that the fact that these illegal books are out there that can't be controlled, that cannot be-- having it legal in a lot of ways makes our jobs easier in treatment because we can do voluntary self-exclusions, whether it's mobile, whether it's in person. We can do things to keep people away from that. We can't do anything to keep people away form those options out there. Basically, gambling is all around us at the end of the day. We're not putting the lid back on that jar anymore. We need to make sure that we're providing the safeguards that are needed out there, and the way of doing that is providing adequate funding to the Gamblers Assistance Program. So I would just kind of close on, on that issue with saying, you know, I don't think anyone is saying that sports betting is risk-free. Been lots of discussion around that. The point being is regulation is a safer way forward. Just like alcohol or, or prescription medications, there are risks. But when it's regulated and monitored, we can minimize those risk and maximize protections. Keeping it i-- illegal doesn't stop the behavior. It just removes all those guardrails. So I appreciate everyone's consideration on this bill. And I would yield back my time.

**ARCH:** Senator Dover, you're recognized to speak. And this is your third opportunity.

**DOVER:** Thank you. I've just kind of been listening to everybody, and I-- I don't know if someone's brought this up, but I thought just to approach this from a different angle. When I was younger, they had a lot of just different shows about boxing. I think when I was younger, boxing was a bigger thing. And we all, there were black and white movies and stuff like that, but there was always the one where the boxer got up, and there was a big bet, and he throws-- he throw the game, right-- or, throws-- he throws the fight. And, you know, I don't think there's anyone that probably doubts that a fighter at some point or another hasn't thrown a fight because he was told to, he-- maybe they, they, they manipulated it. But I'll tell you one thing. Like, the Super Bowl-- this last Super Bowl, their estimate-- one of the articles I read was somewhere around over \$150 million was bet on the game. And when that kind of money's there, you can't tell me that things don't change. And I-- you can't tell me too-- I-- I'm-- and I don't, I don't want to say anything or disparage anyone, but I'm guessing that there's, there's players in college football, basketball that are curr-- that are, are betting. And, and if they're betting, I can't-- there has to be probably some influence by some people that probably aren't, aren't really above and beyo-- above the line as far as credibility goes. But you can't tell me that this doesn't affect the outcome. And I just have an article I found kind of interesting I looked for, "The Dark Side of Legalized Sports: Betting, Cheating, Temptation, and Integrity." The rise of legalized sports betting was-- sparked growing concerns not only about the spike in gambling addiction but also about the integrity of the sport competitions and the potential for increasing cheating. On the surface, you might not think much about gambling-- can directly influence threats to sports integrity and manipulating sports outcome. But keeping sport competition clean and away from corruption is the very reason why sports thrive in our country today. When we watch games, we expect that everyone is playing fair and that officials are calling games without bias. Today, however, legalized sports gambling may be so tempting that players, officials, and coaches artificially impact games by various means-- purposely losing, feigning an injury, et cetera. Even important team information that used to be well-guarded and private, such as an athlete hiding an injury, may somehow get out by an inside team official, thereby allowing bettors more information to work with while deciding on their picks. How can gambling lead to cheating? There's a number of unforeseen consequences that can occur when gamblers and those in the know about team information meet and share knowledge. Sadly, some of the same concerns we're seeing at college and pro level may be trickling down to interscholastic sports as well. Match-fixing and game manipulation. Legalize-- legalized betting increases the money

at stake, which could tempt players, coaches, and officials to manipulate outcomes for financial gain. Lower profile games or leagues where oversight is less rigorous may be especially vulnerable. There's pressure on-- there's pressure on athletes. Athletes may face direct or indirect pressure from bettors, organized crime, and others to influence game outcomes. Social media has made it easier for disgruntled bettors to harass and threaten athletes after games. And there's the insider, insider information. Access to insider information such as injuries, strategies can give bettors an unfair advantage and create opportunities for exploitation. Athletes and team staff might be incentivized to leak sensitive information for financial gain. And there's youth and amateur sports. The expansion of betting markets to lower levels of competition, including college or youth sports, raises concerns about exploitation and corruption of these areas. I think you're gonna have an ero-- eroding of public trust. If fans suspect that outcomes are influenced by betting rather than fair competition, it could damage the cre-- the credibility and enjoyment of sports. What's being done? While efforts are ongoing and it-- comes to curtailing gambling addiction, controlling sports cheating is an arguably even bigger hurdle because important scoop, like knowing if a player's injured, is so valued when it comes gambling success. Uncovering covert team sources and others with unique information is more difficult to do. Still, the following things are currently being done in an attempt to control for sports gambling cheating. Regulation and oversight: sport leagues and betting platforms are working to monitor suspicious betting pla-- patterns and enforce strict and corrupt-- corruption measures. Education: athletes and officials are being educated on the risk of gambling-related corruption and the importance of relating suspicious behavior. And transparency: leagues are striving to maintain transparency and integrity by part--

**ARCH:** Time, Senator.

**DOVER:** Thank you.

**ARCH:** Senator DeKay, you're recognized to speak.

**DeKAY:** Thank you, Mr. President. I yield my time to Senator Hardin.

**ARCH:** Senator Hardin, 4 minutes, 50.

**HARDIN:** Thank you, Mr. President. Today, we're considering a resolution for the legalization of online sports gambling in Nebraska. While we can argue about economics, I ask us to set that aside for a moment because, at its core, this is not just a policy decision. It's a moral



one. As elected leaders, we're stewards of more than just budgets and bylaws. We're stewards of the fabric that holds our communities together, one woven from values like honesty and moderation and self-discipline, care for the vulnerable. Legalizing online gambling threatens to unravel that fabric in profound and dangerous ways. At its heart, gambling is built on loss, not gain. For every winner, there are countless losers. It's an industry that thrives when people fail to walk away. It doesn't reward productivity or creativity or community. It rewards risk, impulse, and illusion. And when we as lawmakers choose to promote it, we're not just regulating this behavior; we're endorsing it. What message does that send? That the path to prosperity is not through hard work or personal responsibility but through chance? That it's acceptable, even admirable, for the state to profit off the financial missteps of its citizens? That we're willing to sacrifice our moral compass for the sake of tax revenue? This supposedly will fix the property tax problem in Nebraska. Let's be honest with ourselves. Sports gambling is not profitable for the gambler. It's profitable for the casino. If people were actually getting major wins from sports wagering, the casinos would stop offering the service. Any property tax relief a Nebraskan would get from this would be far outweighed by the losses in sports betting. This isn't a slippery slope. It's a leap off the ledge. We've always been a state that puts people before profit, where we try to lift people up, not exploit their weaknesses. Online sports gambling runs directly counter to that. And I want to speak to those who say it's a personal choice. It's not the government's job to interfere. I hear you. But laws don't just reflect what we allow; they reflect what we approve of. And if we give online gambling the state's blessing, we're not neutral; we're complicit. Legalization creates a false sense of safety. It wraps a dangerous habit in the language of entertainment. It says, if the state allows it, how bad can it really be? And when lives begin to unravel, when debt rises, when families fracture, when mental health spirals, will we look back and say we did all we could to prevent it? Some decisions are about opportunity. Others are about conscience. This is for the latter. We cannot build a stronger Nebraska by promoting habits that weaken character, hurt families, and feed addiction. We cannot justify enabling something we know will cause more harm than good simply because it's popular elsewhere or profitable on paper. Let's be a Legislature that has the courage to say, not here. Not our people. Not our values. So I urge you to vote no on the legalization of online sports gambling. Let's preserve not just our laws but our integrity. Thank you, Mr. President.

**ARCH:** Senator Sorrentino, you're recognized to speak.

**SORRENTINO:** Thank you, Mr. President. I rise in support of the bracket motion and in opposition to LR20CA. LR20CA certainly accomplishes the goal of the potential for additional revenue. But at what cost? I believe passage of LR20CA is an admission-- an admission that we, the Nebraska Legislature, has failed Nebraskans, an admission that we cannot as a body agree to balance our budget and agree to prioritize the needs of our state, an admission that we have given up on Nebraska and instead decided to prey on the most vulnerable in our state: youth and those with gambling addictions. Instead, we hide behind disclaimers and gambling addiction workshops. I have not yet heard anyone suggest that gambling is a harmless hobby or a virtue. I have yet heard anyone suggest that adding online gambling makes us a stronger, safer, better place to live. Let's not be cowards and give in to an urge for an easy buck or a million bucks. Instead, let's stand up on our principles, do the job we were elected to do, and say yes to the bracket motion and no to LR20CA. Mr. President, I yield the remainder of my time to Senator von Gillern.

**ARCH:** Senator von Gillern, 3 minutes, 30.

**von GILLERN:** --Mr. President. I'm going to finish reading a few comments that were-- that I started earlier in the publication from our own Legislative Research Office entitled "Go Big Bet, Wagering on Mobile Sports Gambling in Nebraska." And there are two more paragraphs here in the publication to share. It says, fewer than half of the states-- 14-- that allow sports gambling, retail or online, appropriate any of the revenue generated from such activity towards problem gambling. In general, sports betting taxes are often allocated towards education, municipalities, general funds, and workforce development. Many states send the revenue directly to general funds. Unlike at a casino, questions remain as to whether online sportsbooks can readily identify gambling addiction, underaged users, and inebriated gamblers. Mandating the data sharing of potential gambling issues would allow for the identification of the worst effects of problem gambling. I was just reading an article. I don't-- I'm not prepared to share comments on it, but I was just reading another article that talks about the-- and we all know that when we're on-- whether it's on Facebook or Amazon, Instagram, whatever site you happen to be on, that they're constantly collecting data on you and what you like, what you dislike, and, and that gets turned into advertising. And, of course, these gambling apps do the same thing, but they do it not to sell you a product. They do it to sell more gambling because that is the highest margin product that they, that they can possibly trade in. I'm going to read from an article from the Journal of American Medicine. Pretty credible outfit as far as I can tell. A U.S. Supreme Court decision, *Murphy v. Nat--*

the NCAA allowed states beyond Nevada to legalize sports betting, including online wagers. How sports betting has evolved and its association with gambling harms has not been studied. The objective is to describe how U.S. sports betting evolved after this, this Murphy v. NCAA and offer insights into the potential health effects of sportsbooks, which are platforms for wagering on sporting events. The enactment of Murphy v. NCAA nationally and the ongoing retail sportsbooks in state is considered an exposure. The design, setting, and participants in this lo-- this study aggregate, U.S. internet search trends for gambling addiction and wagers on sports were described before and after the emergence of legalized sportsbooks. The main outcomes and measures were internet searches per 10 million queries that mentioned gambling and addiction, addict, anonymous, or hotline, such as gambling addiction hotline, made to Google from January 1, 2016 through January 30, 2024. The results: the number of states with operational sportsbooks increased from 1 during 2017 to 38 during 2024. Total sports wagers increased from \$4.9 billion during 2017 to \$121 billion during 2024, with 94% of wagers during 2023 being placed online. 94% placed online. There were 23% more searches nationally for gambling addictions seek-- help seeking after Mercy-- Murphy v. the NCAA case after legalized online gambling. 23%, 23% more searches nationally. Conclusion, the results of this time series study suggested access to sportsbooks, wagers, sports wagers, and potential help seeking for gambling addiction has increased substantially and highlight the need to address--

**ARCH:** Time, Senator.

**von GILLERN:** --the health implications. Thank you, Mr. President.

**ARCH:** Senator Lonowski, you're recognized to speak.

**LONOWSKI:** Thank you, Mr. President. I'd like to start off by offering a prayer to all of our-- all of our National Guardsmen who are going west to fight wildfires. And hopefully they can all get the job done and return safely. This information comes from Gambling Research Exchange. Gambling is often perceived as a leisure activity. For some people, however, it has serious negative consequences, notably criminal behavior. The more severe a gambling problem is, the more likely it is to lead to crime. Problem gambling rates range from 0.4 to 0.75 in general population. About one-half of the people who gamble lead to another crime or they commit another crime. U.S. studies estimate that justice system costs in form of arrests and corrections range from \$2,200 to \$3,000 per individual with problem gambling. One study estimates lifetime costs of arrests to be upward \$10,000 for

individuals who have severe gambling problems. Other societal and personal consequences of the problem gambling and crime include financial, employment related, job loss, legal, and mental and physical illness. Understanding why problem gambling and crime are linked and which groups are most vulnerable can help us to alleviate and to correct these issues. Personal story: in the early 1980s, I may have had a gambling problem. I could justify my problem easily by giving, by giving blood. So I would go to the clinic twice a week, give \$10 the first time, and then I could go gamble on Husker football. And we were pretty good, so I thought I was making money. However, as I realized I needed to bet a few more times on NCAA football on the weekends, I decided I could give up to twice a week. And we're talking plasma, so there's nothing hurt. The blood would get put back into my arms after they took the plasma out. And I could get my three-teamer in by Saturday morning. At home, my mother and father were both struggling with illness. My mother had leukemia. She had an oxygen tank and walked with a walker around the kitchen. I'll, I'll relate that in a minute. So I kept going on, giving blood, giving plasma, getting my blood put back in, and I could justify my gambling because it wasn't my money from work. It wasn't my tuition money. It wasn't my National Guard reimbursement. It was my play money from giving plasma. However, one time a nurse put the blood back under my skin but not into my vein. My left forearm grew the size of Popeye's. And I called the nurse over and I said, something's wrong here, nurse. And she gently-- she kindly asked, do you work out? I'm like, well, yeah. And she said, oh, well maybe your arm is just big. I said my left arm's twice as big as my right and I'm right-handed. Then she began to panic. She pulled the needle, blood was all over. I was laughing at the same time. I thought I was gonna lose my arm. Long story short, they, they fixed everything up, put it back, and then that blood began to form a huge bruise on my arm. I went home for Thanksgiving break, wanted to see my mother and my father, and I kept a long-sleeve shirt on until one morning I came down for breakfast and forgot. My mother looked at me, screamed, dropped her oxygen tank-- thank goodness it didn't, it didn't separate-- and she thought I was doing drugs. So poor mom. I assured her I'm giving plasma. And she wants to know why. I try to explain it. I don't tell her that I have a gambling problem. She promised me not to give plasma anymore. She sent me home with a jar of peanut butter and a loaf of bread. She felt like it was her fault she wasn't feeding me. Now, this from the late Harry Reid, former Nevada U.S. Senator-- who had also served as the chairman of Nevada Gaming Commission-- told U.S. News and World Report: any state trying to follow Nevada's lead will find that the social cost for gambling far outweigh any economic benefits. Thank you, Mr. President. I yield my time to Senator von Gillern.

**ARCH:** Senator von Gillern, 20 seconds.

**von GILLERN:** Thank you. I'll, I'll simply acknowledge the story. I'm, I'm grateful I've never had that story. I did know people in college that gave blood for similar reasons, gave plasma for similar reasons. I knew people that went to a facility here in Lincoln that got paid to study drugs and side effects of drugs. They would stay for--

**ARCH:** Time, Senator.

**von GILLERN:** Time. Thank you, Mr. President.

**ARCH:** Senator Storm, you're recognized to speak. This is your third opportunity.

**STORM:** Thank you, Mr. President. I'm going to read a little bit from NBC News article. Researchers have began measuring the impact of legalized sports gambling on the American households, and the initial results paint a worr-- worrisome picture about how its expansion has affected people's finances. In separate papers released this month, academics have found that households in states where gambling was legalized saw significantly reduced savings, as well as lower investment in assets like stocks and retirement plans. Meanwhile, states that have legalized sports betting saw their residents' aggregate credit scores decrease while bankruptcies increased. The legalization is no-- not a free lunch. And that's what I was talking about earlier, is this will not be a zero-sum game. We might get \$32 million in property tax relief, like Senator Col-- Holdcroft said, and I think he said it was \$55 per house. And he just wasn't even talking about the farm ground in Nebraska. I live in a rural district. We have farmers too that pay high property tax on farm ground. That doesn't even involve them. So the amount of effect on property taxes from doing this gambling are going to be miniscule at best. And when I sat on the General Affairs Committee, we had one testifier came in from the, from the gambling industry. And he, he told all of us that gambling is entertainment for people who do it. So when college kids sit there and they bet their tuition or their rent or if a single mom rents her-- or, bets her allocation for food for her children or-- you name it, they think that that is entertainment. 96% of the people will lose, 4% will win. So you're guaranteed basically to lose your money. So when you have a, a teenage boy or a 20-year-old boy sitting there with a, with a phone, hitting a button, gambling on football games, 96% chance they're going to lose every time they hit that button. It's going to be dramatic. In New Jersey, a bill was recently introduced that would create a gambling treatment diversion court, citing that the fact that

gambling expansion has created unrestrained-- let me see-- has created unrestrained opportunity for persons with problem gambling or disordered gambling to become engulfed in destructive behaviors. That is what they're now doing in the state of New Jersey because of what gambling is going-- is doing to that state. And I also sit on Judiciary Committee, and I can't tell you how many times I heard people coming to testify about the mental health crisis in our country and our state. And I'm gonna give you three reasons why I think the mental health in our state is decreasing in the country. Number one, legalization of drugs. You know, we all wanna legalize marijuana. We wanna legalize drugs. Has a net effect-- negative effect on a society. Number two, increased legalization of gambling. It's gonna hurt our society. It's gonna hurt the mental health of people. Number three, I would say increased use of social media with younger people. That does-- all those affect our mental health. And so when people walk around and say, how can we have such a mental health crisis in our nation, look around what we're trying to do. We want more gambling. We want more, more drugs. We want more social media. All that is going to help-- hurt the mental health of this nation and this state. I yield the rest of my time.

**ARCH:** Senator Storer, you're recognized to speak. This is your third opportunity.

**STORER:** Thank you, Mr. President. Some of us-- we've heard a lot of discussion about facts and figures. And I'm just going to share a story-- which is sometimes a bit more impactful-- about the realities of addiction in relationship to gambling. After carefully unlocking the back door, I quickly pushed it open in an effort to minimize the noise I knew it would make. I crept upstairs toward my bedroom in silent panic and continuously glanced at the phone whose ringer I silenced hours before. Despite my promises to be home by midnight, it was now 3 a.m. At least she hadn't called or texted "where are you?" as she had done so many times before. Of course I would-- this is kind of starting to feel like a love story, right? I would, I would swear I had no chance but to work late at the office. Being married to an attorney for over 30 years, my wife was all too familiar with the adage, the law is a jealous mistress. When I finally reached the bed, my fi-- my mind was racing as I started blank-- stared blankly at the ceiling, what am I doing? Why am I risking my home, my life, my relationship with my family and my career? I was not unlike any man involved in an extramarital affair, except my motel room was a casino. Not where you thought this was going, was it? And my lover was a slot machine. Like most gamblers, I started as a social gambler. Gambling was a form of entertainment and a great way to relive-- relieve life's stresses. It

was both acceptable and accessible. Unfortunately, the more I gambled, the more I lost. The more I lost, the more I chased. Chasing losses only led me to gamble with more frequency and with more money than I wanted or could afford to lose. Paradoxically, winning was almost worse than losing. A win caused me to want to gamble more. I would not only give back my winnings, but I'd lose additional money chasing another win. As my gambling continued to increase and my losses continued to mount, I experienced almost unbearable shame. This caused me to hide my gambling from family and friends. Additionally, the type of gambling I engaged in changed. Blackjack, roulette, and poker had been my games of choice, but I grew bored with each of these games, as they didn't move quickly enough. And they required me to gamble with other people, which I wanted to avoid. Then I discovered high-stakes slot machines. These machines seduced me for a number of reasons. First, playing in the high-stakes slot area made me feel privileged, as it was reserved for high rollers. Second, this type of gambling was not dependent upon the skill or luck of any other player but me. And third, the speed is-- of play is faster, as slot players don't have to wait for another player to place bets in order to see whether they won or lost. And there are no wheels to spin or cards to shuffle. And fourth, the adrenaline rush is much greater, as a win typically results in a jackpot in thousands of dollars. My escape into gambling damaged all aspects of my personal life. Family dinners, birthday parties, and evenings with friends were missed. Time spent with my wife and children was scarce. And when I was with family and friends, my focus was getting away so I could return to the casino as soon as possible. If my schedule permitted, I would leave work and go to the casino. Some days, I would miss work entirely. I became physically exhausted, financially ruined, and emotionally bankrupt. I knew I was destroying myself, but I couldn't stop gambling. I will end there and just leave you with the thought that that's a story about an individual with an addiction to gambling with a-- going to the casino, going to the slot machine. Now expedite the level of addiction and frequency when it's right in your hand, when it's in-- at the tip of your fingers. I just ask as senators deliberate and consider their vote that you take the full picture into consideration of the lives that will be changed and ask yourself if that is where it is responsible to generate revenue on the backs of those families. I yield the rest of my time to Senator von Gillern.

**ARCH:** Senator von Gillern, 4 seconds.

**von GILLERN:** Thank you, Senator Stor--

**ARCH:** Time, Senator. Senator Armendariz, you're recognized to speak.

**ARMENDARIZ:** Thank you, Mr. President. I weighed in on this on General File. I thought I'd weigh in again on Select that my position is-- because of the addictive component to gambling, I would prefer that this go to the ballot the traditional way and have folks that want that on the ballot collect signatures, put in the effort to go around and collect all the signatures necessary to get it on the ballot. I still stand by that. If, if Nebraskans really want this, I, I would prefer that they put in that extra effort to get it on the ballot instead of circumventing that effort and having the Legislature do it. And with that, I would yield the rest of my time to Senator Holdcroft if he'd like it.

**ARCH:** Senator Holdcroft, 4 minutes, 15.

**HOLDCROFT:** Thank you, Mr. President. I know the people out there have been waiting for the results of the survey that I started on. And again, this came from the-- let's see-- the Journal of Behavioral Addictions. And they were-- they did a, a study of 1,378 betting sessions directly from participants' natural environments, thus ensuring a high ecological validity. The par-- the, the participants were young adults aged between 18 and 29 residing in New South Wales, Australia who engaged in betting on sports, e-sports, or daily fantasy sports at least once every two weeks. The study spanned several months in 2021 with participants responding to a series of surveys that asked about their betting habits, the platforms used, and their experiences of gambling harm. The analysis revealed that the ability to bet from anywhere at any time and the privacy afforded by smartphone betting emerged as significant predictors of impulsive betting and increased short-term betting harm. This suggests that the very features that make smartphone betting appealing-- its convenience and discreteness-- may also lead to riskier gambling behaviors. Additionally, the study found that greater access to promotions and betting options was linked to higher engagement with-- with promotional incentives-- inducements and betting with more operators, further indicating a pathway to potential gambling harm. Interestingly, quick and easy access from home was associated with more betting activity but correlated with lower short-term betting harm, indicating that not all aspects of accessibility have a uniform impact on gambling outcomes. The study also shed light on how the choice of betting platform plays a role in gambling behavior, albeit to a lesser extent than the situational features themselves. Specifically, betting with a smartphone was associated with a higher likelihood of impulsive betting compared to using a computer or a laptop. This finding underscores the unique risks associated with mobile betting platforms, which combine high accessibility with private-- privacy and



a wide array of betting options and inducements. This study has expanded our understanding of smartphone betting since previous research has mainly involved small interview studies. The researchers concluded the-- however, nu-- numerous research questions remain unanswered about the prevalence of smartphone-related gambling harm, who are most at risk, protective and risk factors, and the ideology of smartphone gambling behavior and harm. Looking ahead, the researchers suggested directions for future research, including a deeper dive into the differences by betting form and a longitudinal-- longitudinal approach to better understand how situational features and betting behaviors evolve. They also highlighted the potential for regulatory and educational interventions to mitigate gambling harm, particularly focusing on the modification of betting inducements and promoting safer betting practices. And with that, I yield the remainder of my time to Senator von Gillern.

**ARCH:** Mr. Clerk.

**CLERK:** Mr. President, it's my understanding that Senator Bostar has requested to pass over the bill.

**ARCH:** That is correct. Mr. Clerk for items.

**CLERK:** Mr. President: LB80A, new A bill from Senator Hallstrom. It's bill for an act relating to appropriations; appropriates funds to aid in the carrying out the provisions of LB80. Amendments to be printed from Senator Andersen to LB243. New LR: LR136 from Senator Dungan. That will be laid over. That's all I have at this time.

**ARCH:** Mr. Clerk, you may proceed to the next item on the agenda.

**CLERK:** Mr. President, next item: Select File, LB80. First of all, Senator, there are E&R amendments.

**ARCH:** Senator Ballard for a motion.

**BALLARD:** Mr. President, I move the E&R amendments to LB80 be adopted.

**ARCH:** Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. They are adopted.

**CLERK:** Mr. President, Senator Dungan would move to amend with FA98. It's my understanding that he would withdraw FA98.

**ARCH:** So ordered.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Floor Debate April 23, 2025

**CLERK:** Senator Dungan, I also have FA99 with a note that you would withdraw that as well.

**ARCH:** So ordered.

**CLERK:** In that case, Mr. President, I have nothing further on the bill.

**ARCH:** Senator Ballard for a motion.

**BALLARD:** Mr. President, I move that LB80 be advanced to E&R for engrossing.

**ARCH:** Colleagues, you've heard the motion. All those in favor say aye. Opposed, nay. It is advanced. Mr. Clerk.

**CLERK:** Mr. President: Select File, LB559. First of all, no E&R. Senator Dungan would move to amend with FA114. Senator Dungan, my understanding is you would withdraw FA114.

**ARCH:** So ordered.

**CLERK:** Senator Dungan, FA115. Senator Dungan, I have FA115 with a note you would withdraw that one.

**ARCH:** So ordered.

**CLERK:** In that case, Mr. President, Senator Dungan would move to amend with FA126.

**ARCH:** Senator Dungan, you're recognized to open on FA126.

**DUNGAN:** Thank you, Mr. President. Good afternoon, colleagues. I apologize. I was caught off guard by that bill moving very quickly. And I think a number of people are getting caught up here, as they were not anticipating this coming up quite as soon. Colleagues, my floor amendment on Senator Bosn's LB559 is pretty simple. It eliminates a portion of this bill that creates a new felony for the installation of a skimmer device. So LB559 has a number of components. We talked on General File about some of the issues that I think I and maybe some others have with regards to the creation of some of the felonies that we've seen in the Legislature as a whole. And this bill specifically seeks to deal with the implementation or the usage of skimmers as it pertains to ATMs and things such as that. The bill contemplates at its core this general concern of kingpins and people who are sort of these larger crime bosses using other people in order to effectuate these crimes. And there are entire conversations we can have about whether or

not I think the bill is written in ways that accomplish that goal. But the bill itself assumes that there are people being taken advantage of in the context of these skimmers. And so I think we can all agree an individual who is at the po-- the bottom of the totem pole who's being taken advantage of as it pertains to the skimmers is not the one that this bill is trying to, I guess, catch or criminalize. And so the-- this floor amendment eliminates the particular section that creates a new felony for the installation of the skimmer device. And the reason for that is twofold. First of all, as I said, I don't believe that it's in line with what the rest of the bill is seeking to do. The organized retail crime portion and the, quote, unquote, kingpin portion I think seek to punish the sort of big person in charge. This portion of the bill-- Section 3, I believe, that's being eliminated by the floor amendment-- is criminalizing the low person on the totem pole who then is being used by the other individuals to install the skimmer device. So that's one part of it. The other issue that I have is I believe the behavior that is contemplated by this section is currently covered under the possession of a criminal forgery device statute, which is also a Class IV felony. So I know of cases-- I have documentation of cases of people who have been charged with the installation or with the possession of these criminal forgery devices. And it is the same level of offense as the new charge that this seeks to implement. So generally speaking, I think that Section 3, floor amend-- which this floor amendment seeks to get rid of-- is duplicative. I think it doesn't necessarily speak to the underlying goal of the legislation. And I would encourage my colleagues to vote green on this. It does not change the other parts of the bill which do have the criminalization for the kingpin statute. It does not change the rest of the bill that has the organized retail crime statute. It simply removes the creation of the new felony for the installation of the skimmer. This bill still makes it a felony to use the skimmer if the amount is over a certain amount. This still makes it a crime to get other people to install the skimmer. It's just this part would remove a section that I believe criminalizes individuals who are likely, in this circumstance, being taken advantage of. Thank you, Mr. President.

**ARCH:** Senator Storer would like to recognize some special guests. They are 13 fourth grade students from Arnold Elementary in Arnold, Nebraska. They are located in the north balcony. Students, if you would rise and be recognized by your Nebraska Legislature. Turning to the queue. Senator Bosn, you're recognized to speak.

**BOSN:** Thank you, Mr. President. And good afternoon, colleagues. I recognize we're all catching up. But to be clear, I had conversations with Senator Dungan yesterday regarding a potential floor amendment,

which was discussed with me as being-- addressing the conspiracy concerns he raised on General File. This is not that floor amendment. And so this is-- has never been discussed with me. I have strong opposition to the floor amendment, FA126. The supporters of the bill who I worked with to bring the bill also have those same exact concerns. I will be voting red on FA126. I would ask all of you to vote red on FA126. That guts the entire intentions of the bill. And with that, I will submit it. As it relates to LB559, I would certainly ask for your green vote on LB559. Thank you, Mr. President.

**ARCH:** Senator Dungan, you are recognized to speak.

**DUNGAN:** Thank you, Mr. President. Colleagues, just to speak briefly to that, I did speak with Senator Bosn about potential amendments that were on this. So for those who were paying attention, I had two floor amendments that were on this originally that were for all intents and purposes placeholder amendments. Those were in that place in order to continue to have some conversations about various amendments. And I did speak with Senator Bosn about what one of those amendments might look like. Ultimately, after mulling it over overnight and kind of trying to figure out whether or not some of those ideas were going to work, ultimately they did not, I think, makes sense for me right now to bring as a floor amendment. This floor amendment-- I guess I was reviewing the bill again today and it came up on relatively short notice. This just got filed recently. And so I did not have a chance to speak with Senator Bosn about it prior to my filing. Happy to talk with her more about it off the mic. I did speak with individuals that work for some of the organizations that I know had been proponents of this bill and had sought this legislation. And so in speaking with some of those representatives, it was my understanding that they were respectfully, I would imagine, opposed to this idea. And so I guess it was my belief that they had spoken with Senator Bosn, given that it was my understanding they'd helped her with the crafting of this legislation. So I will speak more with them and Senator Bosn moving forward. Colleagues, I don't believe this guts the bill. The bill as it stands still, if you adopted this floor amendment, criminalizes the kingpin aspect of whether or not somebody is going to be in charge of other people when it comes to the installation of the skimmers. It still has the criminalization of the use of the skimmer device. And it still has the criminalization of the organized retail crime. It still has a portion about the collection of assets utilized or otherwise gained in the commission of these crimes. The only thing this eliminates is a portion of the statute that I believe is duplicative. There's nothing in this bill or in this portion in particular that this floor amendment eliminates-- eliminates that is not currently covered by the possession of a

criminal transaction forgery device statute, which is also a Class IV felony. So I think that the section that would be eliminated or contemplated under FA126 is already covered by law. There is not currently, I believe, anybody that would be installing a skimmer device that could not be charged under that Class IV felony. And so this would prevent a duplicative statute from being put in place and potentially being charged for exactly the same kind of behavior. So colleagues, again, I, I don't think this guts the bill. I think it seeks to preserve the, the bulk of what is being sought by both the proponents of this bill and Senator Bosn. And I would encourage your green vote on FA126.

**ARCH:** Senator Jacobson, you're recognized to speak.

**JACOBSON:** Thank you, Mr. President. The skimmer devices are a serious issue. It continues to grow. People are being ripped off, whether that be through ATMs, whether that be through gas pumps. You name it. If it takes a card, you can install a skimmer device. And so banks, for example, are replacing cards when they get compromised from a skimmer device. Peop-- consumers are being rip off from the dollars that are getting stolen from the skimmer devices. So if we end up with belt and suspenders on this bill, I'm just fine with that. But people need to understand it should be a felony and you will be prosecuted under the felony statutes if you do this kind of damage. This isn't something simple that you go install the skimmer device. There are many, many people that, that are taken advantage of financially. Plus the institutions that issue the cards to have to reissue the cards, deal with all the problems that you deal with with customers in terms of making sure that they feel safe. And many times, they of course blame the financial institution for what happened because they think we should control it. We don't control it. That's one of the risks that goes with this. We should not give any-- an-- anyone an indication that we're going to lessen the penalty for installing a skimmer device. Don't do it at all. Do not install a skimmer device. People that put these in aren't idiots. We're not dealing with people that, that don't know anything about how to do this. Let's keep that in mind. They know what they're doing, but they are trusting on the idea that no one's going do anything about it. So I would support-- I would, I would-- I'd be opposed to FA120 [SIC-- FA126]. Vote for LB559 as it stands. Thank you, Mr. President.

**ARCH:** Senator Hallstrom, you're recognized to speak.

**HALLSTROM:** Thank you, Mr. Speaker, members. Senator Jacobson put-- stole most of my thunder, but I do want to get up and oppose FA126 and

support LB559. We clearly have situations where financial institutions and the issuance of cards and, and other activities are doing everything that they can to avoid losses by their cu-- customers. Legislation involving elder financial exploitation or elder financial abuse is on the books-- has gone a long ways towards minimizing the losses that our elderly or vulnerable adults experience. This is just another example of those who would do bad things to our customers in the financial insitutions industry, that this is a, a law that says we're serious, we mean business, and those that are placing the skimmers in the ATMs and with the other aspect of the bill exercising or en-- endeavoring to be involved in retail-- organized retail theft that we mean businesses and that there are serious consequences for violating the law. And again, I would just encourage you to support LB559 and oppose FA126. Thank you.

**ARCH:** Senator Conrad, you're recognized to speak.

**CONRAD:** Thank you, Mr. President. Good afternoon, colleagues. I had a chance to review the measure and kind of refresh for debate. And I had just a few questions, as this is kind of a, a new area as I'm getting up to speed on. I did have a chance here to review the committee-level deliberations. And I was hoping that my friend, Senator Bosn, as chair of the committee might yield to some questions, please.

**ARCH:** Senator Bosn, will you yield?

**BOSN:** Yes.

**CONRAD:** Thank you so much, Senator Bosn. So-- and I gave you, like, a five-second heads-up. And I appreciate your willingness to en-- engage on the issue. But I guess my concerns really are-- call-- kind of fall in three general areas in re-- maybe four in this, in this-- on this bill. One kind of why we need the new crime and why existing laws on the books regarding conspiracy are ineffective or inefficient for this application. Trying to get a better clarity on how this would work with federal jurisdiction. And then I'm not understanding perhaps the components in regards to asset forfeiture and how that relates to things like, say, for example, restitution that we're more familiar with and I think is the goal of the asset forfeiture component here. But seems to be a-- just a little bit wonky in my mind. And then, of course, I have a long-standing objection to new crimes and enhancements for mass incarceration purposes. So that-- that's a lot to cover in, in five minutes, but if you would maybe share some thinking from the committee's perspective or the sponsor's perspective, that, that could be appreciated-- that would be appreciated.

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**BOSN:** OK. You asked a lot of questions there. So which one would you like me to start with? And I'm happy to get back on the mic.

**CONRAD:** If you would maybe just help the body to get an understanding of why-- because I know this was a prominent issue at the committee level-- why the existing conspiracy statutes were not effective to deal with this activity that we're all concerned about.

**BOSN:** Sure. So the bill here is designed to address what is essentially a, a series of incidents that have been occurring recently that really we didn't have crimes-- that were being committed like this. Putting a skimmer device on-- and we've been using the example of a gas station pump-- and then having someone walk away from that. The concern that we have here is, is that some of the individuals who would be roped in under a conspiracy theory are not culpable to the same level that someone who is what we've been calling a kingpin in this. There is significant evidence-- and I'm happy to provide you with the pa-- the handout that correlates between individuals who are low-level, involved individuals, who are being trafficked or who are college students or homeless or drug addicts who are-- OK. I'll take \$20 to go put this on. And then they are getting roped up in a conspiracy that is not the original intent. Having this be able to aggregate all of the situations that are occurring in order to go after the kingpin is a more appropriate way to address what the concerns are that we're going on. I don't know if that answered your question.

**CONRAD:** No, I think that is helpful. And like I said, I, I do-- I did have a chance to watch most of the committee hearing. And I had no idea that you could buy skimmers and things on Amazon. So that was, that was definitely an education. And I've also had the opportunity to talk with some of our financial institutions in Nebraska and understand their interest and engagement on supporting this issue as well. And I, I know that there was a very recent case that I was reading about in the newspaper-- maybe out of Omaha-- that was charged in relation to a very similar set of circumstances. And that actually prompted my thinking, existing law has been able to perhaps address these kinds of fact patterns, and why do we need to bring forward this measure? So that, that was the first part. And I can-- we have only got a minute left, but if you want to respond to that.

**BOSN:** So I, I don't disagree. I think, I think someone used the example-- and it perhaps was Senator Dungan-- that, in the year of 2025, we have thought of all the different crimes we can create. But there is not anything that really addressed this situation and these fact patterns because it just wasn't technology that was available ten

years ago or even maybe five years ago, but it is certainly increasing. And the significant loss that it's creating--

**ARCH:** Time, Senator.

**CONRAD:** Thank you. Thank you.

**ARCH:** Senator John Cavanaugh, you're recognized to speak.

**J. CAVANAUGH:** Thank you, Mr. President. I initially pushed my light because there was conversations going on off the floor, and so I wanted to give people a little time. You know, just a service provider around here. I do think I support Senator Dungan's amendment. I know people are shocked to hear that. I-- on General, I did ask Senator Bosn about this part in particular because I was just shocked that this isn't already a crime. Senator Bosn and I did talk about that, and so I appreciate it. So that's why I'm not 100% certain. I obviously am not interested in creating new crimes, but I do think that this is conduct that people shouldn't be able to do. But I, I didn't ask Senator Bosn, but would you yield-- Senator Bosn, will you yield for a question?

**ARCH:** Senator Bosn, will you yield?

**J. CAVANAUGH:** Oh, sorry. I didn't even-- sorry. I didn't see you back-- you moved back there. I, I was just gonna follow up on what Senator Conrad was talking about on the-- I heard talking about the forfeiture portion of this. And I just wanted to make sure that-- so in criminal court, there is restitution, right? I mean, when I was-- you know, when I, I had defended people who have had a property crime, they've been ordered to pay restitution as part of their sentence.

**BOSN:** Sometimes, yes.

**J. CAVANAUGH:** Right. And so this is a separate forfeiture?

**BOSN:** Forfeiture hearings are held separate and apart from a restitution sentencing hearing, yes.

**J. CAVANAUGH:** OK. And so is the forfeiture under this pun-- punishment or punitive?

**BOSN:** It's-- no. It is a part of-- asset forfeiture is separate from a sentencing. So no. It is not a-- designed to be punitive. It is designed to reimburse victims for the loss that you have created as the defendant.



**J. CAVANAUGH:** OK. And so if somebody is ordered to pay-- or, pay under forfeiture, could they still be ordered to pay restitution as part of the punishment then?

**BOSN:** They wouldn't be able to duplicatively make the victim whole. They would be able make the victim whole either under restitution or under the Financial Fraud Victims Reimbursement Fund that's created in Section 12.

**J. CAVANAUGH:** OK. Thank you. I, I apologize for not giving you a heads-up on that. I just-- your conversation made me think of that. So again, I think I do support FA126, but it-- I also see why folks would want to clarify that this conduct is criminal. I of course think we shouldn't be creating a-- duplicative penalties. What happens when we have duplicative penalties is that somebody might be charged with both things, and so then they would just have stacked penalties for the same conduct. And I don't think that is a, a good idea. But I do think ensuring that conduct that needs to be criminalized is criminalized is a good idea. And ultimately, I said on the-- on General File that the thing I liked about this bill is that it seeks to go after those folks at the top who are exploiting people who are either homeless or in desperation or having a, you know, a drug or alcohol issue or mental health issue and they are seeking this sort of quick cash that's not in the proper way. And so I, I do appreciate the attempt to go after the-- those higher level folks and make-- to decrease the likelihood that they're going to exploit people. The part-- the reason I would generally support Senator Dungan's amendment here is, while doing that, I think we are also adding an additional penalty that can be levied against those folks who are being exploited and abused. So that's why I'm-- I think there's still some folks on the queue, so I'll, I'll maybe listen and think on this a little more. But I'm leaning towards supporting Senator Dungan's amendment at the moment. Thank you, Mr. President. Thank you, Senator Bosn.

**ARCH:** Senator Dungan, you're recognized to speak. This is your last opportunity before your close.

**DUNGAN:** Thank you, Mr. President. That came fast-- much like this bill. A lot of us weren't expecting this to come up, like I said, quite yet with the other bill being passed over. Colleagues, I, I want to just highlight, I guess, part of my concern here. So as Senator Bosn was mentioning-- and, and I think this has come up now in the couple of discussions that have happened-- there is this idea that is contemplated by this, which I think is real and I think does happen, where there might be a number of individuals who take advantage of

another person by getting them to, you know, go install one of these skimmers and paying them \$20. And what we just talked about on the mic was that somebody might be homeless or they might be mentally ill or maybe there's, like, a young person who needs the money, whatever it is, and they get taken advantage of in order to install the skimmer. And then the benefit goes towards the so-called kingpin that we keep talking about. The part of the bill that I'm asking to remove here is the newly created felony for that person. And so I guess I'm curious what the objection is to this if the point of the bill is to really get at those who are actually causing a lot of the problems as opposed to the, you know, low-level person that is the one that's being taken advantage of. I believe that if somebody is in possession of a skimmer or alleged to have been in possession of a skimmer, that is currently covered under the possession of a forgery device statute, which, like I said, is also a Class IV felony. And so if truly somebody's only involvement in any of these cases is the installation portion, to me, this bill pe-- penalizes them and it, it, it makes it-- it punishes these people that are being taken advantage of. So again, colleagues, I, I don't think this guts the bill. The intention of the bill is to really get the folks I think that are at the top of a lot of these schemes. And if you adopt FA126, what you're doing is you are not overly punishing the folks who are being taken advantage of. So again, colleagues, I would encourage your green vote on FA126. And I'm happy to answer any additional questions. I was wondering if Senator Bosn might answer a couple more questions. I know she's got a couple of conversations going on right now.

**ARCH:** Senator Bosn, will you yield to questions?

**BOSN:** Yes. I apologize if you asked it. I was-- did-- OK.

**DUNGAN:** I did not, no. I, I saw you were busy, so I apologize for interrupting your conversation. So I just wanted to clarify. You said that this portion-- or, that my amendment would gut the bill. I-- in, in the conversations that we've been having about this when we talk about these kingpins taking advantage of other people who maybe, you know, are homeless or something like that who get paid the \$20 to go install the skimmer device, do, do you und-- do you believe that the part that we're taking out here is criminalizing those people who are being taken advantage of to install the skimmer device by creating this new felony for simply the installation portion?

**BOSN:** So if I understand your question, you're asking whether or not I-- this section specifically targets the low-level individuals?

**DUNGAN:** Yeah. That's, I guess-- that's a good way of putting what I'm getting at. Because my, my intention is to remove just the portion that I think overly penalizes or punishes those low-level individuals who are being taken advantage of.

**BOSN:** Sure. So I understand your question, and my answer to that is, no, because I don't think everyone that does this activity qualifies as that, but I certainly think those that-- there are some that do qualify as low-level individuals who have been taken advantage of, but I certainly think that falls under prosecutorial discretion and not, we shouldn't have that as a crime, because some of the people who do it might be less culpable and less understanding of what they've done than others.

**DUNGAN:** OK. And so would you be open to the possibility of maybe amending the punishment for the installation portion to a misdemeanor in order to sort of capture how those folks might be taken advantage by the other people, or are you settled on the Class IV felony?

**BOSN:** So I think at this stage of the game that I haven't had enough time to actually respond to that with the level of thought that that would require. But here's what I would tell you: there's always the ability for a prosecutor to take those-- the level of culpability into account when making an offer. There's also the ability for law enforcement to take that into account when even deciding whether to charge and also the judge when determining whether or not or if sentencing how much.

**DUNGAN:** OK. Thank you, Senator Bosn. I appreciate that. And colleagues, I understand this amendment came up quickly and so we've not had a ton of time to dive into it. As I've said, the goal of the floor amendment is to just remove the portion that I believe could overcriminalize these folks who are being taken advantage of. I think the remainder, remainder of the bill continues to punish and penalize the so-called kingpins. It allows the organized retail theft to stay in place. Thank you, Mr. President.

**ARCH:** Senator Conrad, you're recognized to speak.

**CONRAD:** Thank you, Mr. President. Good afternoon, colleagues. And again, many thanks to Senator Bosn for sharing more of the thinking surrounding this measure and how it would apply and the remedies that it seeks to bring forward and how it fits within the context of existing state or federal law. One additional point which I wanted to make sure to tease out on the record since we didn't have a lot of time

on General File to talk about some of these issues is-- and perhaps we all find ways to alleviate our conscience when we're deciding how to cast our vote-- and I'm trying to look at this perhaps in a different light in terms of some new technologies and-- appreciative of the fact that the goal is to really focus on the kingpin, so to speak, and to keep the engagement or ensnarement of kind of low-level actors from additional criminal penalties. And I appreciate the, the work that the committee and Senator Bosn has done to be thoughtful in that regard, but I do just want to reiterate that every time we have a new crime or an enhancement of existing crime, that does fall out of alignment with well over a decade of recommendations from local and national think tanks in regards to criminal justice reform. And it really increases our commitment to mass incarceration rather than helps us to adopt smart justice alternatives which have better public safety outcomes and which ultimately save dollars as well. So looking at this measure in light of some other measures moving before the body and I think maybe even up in committee this afternoon-- for many years, Nebraska has not created new crimes or saw significant enhancements but made ma-- modest but meaningful criminal justice reforms. Ju-- dependent upon how you count it, just in the last couple of weeks, we've started to move forward I think almost a dozen new felonies. That-- that's, that's a lot. That-- that's lot for a biennium. A handful's a lot for a biennium. One or two is a lot for a biennium. And right now, we have, I think, 10, 12-- dependent upon how you look at it-- enhancements or felonies kind of fast-tracking through the process. And I know that there's more discussions for-- this afternoon as well in relation to increased criminal penalties or new crimes or enhancements. So I was just going to see if Senator McKinney would be available to answer a question.

**ARCH:** Senator McKinney, will you yield?

**McKINNEY:** Yes.

**CONRAD:** Senator McKinney, you have served on the Judiciary Committee, I believe, your whole time during your tenure in the Legislature. Is that right?

**McKINNEY:** Yes, it-- yes, I have.

**CONRAD:** And so how-- I should know exactly where you are in your term, but this is year five for you?

**McKINNEY:** Yeah, it's year five.

**CONRAD:** This is year five for you. Yes, exactly. Could you just provide the historical perspective from the body from that vantage point on the committee? Is it typical during your tenure any way to advance a significant amount of crim-- new crimes or criminal enhancements?

**McKINNEY:** No. We, we haven't done a bunch, honestly. I'm trying to remember what has passed, but not as much as moved forward like this year. But-- I can't remember the exact number, but I do know some have moved past under previous committee chairs-- Lathrop and Wayne-- but I can't remember the exact number. It just feels like there's abundance of them this year.

**CONRAD:** It does feel that way. It does feel like there's a lot more coming out of Judiciary. But I am not on the committee. I am an enthusiastic observer. And, and I appreciate all of our committee members on Judiciary who, wow, spend a lot of long nights in those hearing rooms taking up really challenging and important issues. So thank you for providing that perspective. I think it's helpful. And-- just to perhaps helps to contextualize how we look at this measure and other measures that are on the agenda and quite possibly will be moving through the Legislature this year. And colleagues, we'll really need to keep a careful watch on those in regards to--

**ARCH:** Time, Senator.

**CONRAD:** Thank you, Mr. President.

**ARCH:** Senator Bosn, you're recognized to speak.

**BOSN:** Thank you, Mr. President. I had talked with Senator Conrad about her question regarding asset forfeiture versus restitution, and I committed to addressing some of those concerns. So I want to explain how-- the difference between restitution, which is ordered as part of a sentencing and a criminal filing; versus asset forfeiture, which is a hearing that's held separately. Sometimes as a-- I think it's a totally different filing number. In a complaint or an information that goes to the district court against a defendant, it would list the name of the bank, the financial institution that was deprived of the finances as a result of this skimmer bill. So in my example, I'm going to use Bank of Nebraska. I don't even know if that's a real bank, but I'm just gonna make that up. Oh. Well, then I won't use it. OK. We'll use Go Big Red Bank. OK. So Go Big Red Bank, someone installs a de-- a skimmer device and Go Big Red Bank is out \$5,000 as a result of that skimmer device. They will be the named victim in the complaint or the information because they are who had to repay the cardholder for those lost funds.

They would cover that loss. OK. So let's say I'm the victim. It was my credit card. Go Big Red Bank has been made whole of their \$5,000 through restitution in the criminal case. But let's say as a result of what happened my credit score goes down, I didn't make payment on my car, and now my car has been repossessed. I'm also still a victim because my credit card information was stolen. Those other things didn't work out. But I didn't get restitution through the criminal case. I would now qualify to apply for this Financial Fraud Victims Rest-- Reimbursement Fund, and I would have to submit an application and say, as a result of this incident-- I'd have to provide that information. But then I could seek the restitution I am rightly so due for what transpired and the funds that someone took. And I was a victim in a different way separate and apart from Go Big Red Bank who did have to reimburse me for those funds. So I think that's the best way that I can articulate explaining why we have both and why they are in fact separate. Thank you, Mr. President.

**ARCH:** Senator Clouse, you're recognized to speak.

**CLOUSE:** Yes. Thank you, Mr. Speaker. I have a question for Senator Dungan if he would respond, please.

**ARCH:** Senator Dungan, will you yield?

**DUNGAN:** Yes.

**CLOUSE:** OK. Senator-- now, you're an attorney and obviously I'm not. You made a couple comments that I just have a question about. One of them is, what is-- explain to me duplicative penalties. What is-- is that like pancake or is it options or-- what does that mean?

**DUNGAN:** Well, so when I'm talking about duplicative charges, I guess what I'm trying to get at is that there is currently already a criminal statute that criminalizes the possession of a forgery device. And so I have, for example, seen cases, represented people who have been charged with that kind of thing. And so, like, if somebody is installing a skimmer on an ATM, currently they can be charged with possession of a forgery transaction device-- I forget the exact wording of it-- but that's a Class IV felony. And so in order to install something like that, you inherently have to possess it, right? So you currently can be charged with that. This bill creates an additional penalty of the installation of a skimmer, which is also a Class IV felony. To me, those contemplate the same thing. But technically now, because the elements are slightly different with the wording, you could be charged with both of them. And so it-- it's duplicative in that they both seek

to address the same problem, but it's two separate crimes now that somebody could be charged with. And so I think that this-- what this section that I'm cutting out contemplates is already addressed under statute.

**CLOUSE:** OK. Thank you. And, and one other quick question. You mentioned too that somebody mentally incompetent to do these installations. Now, I'm not familiar with what that takes, but I think it would have to be-- the, the installation process would be something a little more that somebody is mentally incompetent-- I would think they'd have to have-- be fairly sharp to, to install these types of devices. Is that-- or, do you even know what it, it takes to dev-- to install those?

**DUNGAN:** I don't know what the actual installation process looks like. And I, I, I, I want to be clear. So somebody who's mentally incompetent or not competent, that would be a, a specific legal finding. And so perhaps I was inartful in using the phrase competent. But what I'm more or less getting at are-- for example, Senator Bosn mentioned that, in a lot of these schemes or these sort of, like, kingpin sort of situations, there's a, a main organization that might take advantage of somebody else-- like a homeless person-- and say, for example, hey, I'll give you \$20 if you go and you install this thing on that ATM over there. Go slide it on. And so that's what the whole kingpin part of the statute is, is getting at, is that they want to get to the people who are truly the ones that are being nefarious and not necessarily get at the low-level people who are being taken advantage of. And so I guess that, that desire to me seems incongruent with what this part of this statute does, because this part of the statute creates a, a Class IV for the installation, which, to me, if we're trying to, you know, get to the big people, it's not the little people who are on boots on the ground doing that.

**CLOUSE:** OK.

**DUNGAN:** And for a little more color there-- I don't want to take too much of your time. The, the case that I'd been involved in in this circumstance as an attorney, I represented a 17-year-old who, by all accounts, was being told to install these devices by an adult. And so I think in that circumstance, right, that individual was charged with possession of a, of a-- possession of forgery device, which-- similar charge to this. But in that circumstance then, they could also be charged with an installation, Class IV felony that this contemplates. So maybe they're, you know, competent insofar as they're able to understand what's going on, but it's sort of-- it-- it's them being taken advantage of, which is what the rest of this bill gets at. So my,

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my belief is just that this portion is maybe potentially criminalizing the wrong people.

**CLOUSE:** And, and so those can be compounded, those charges?

**DUNGAN:** I think, under my reading of the installation charge that's created with this and then the possession of the forgery device charge that currently exists, I think that you could be charged with both of those.

**CLOUSE:** OK. Thank you. I have no more questions. Thank you. I yield the rest of my time.

**ARCH:** Senator Clements, you're recognized to speak.

**CLEMENTS:** Thank you, Mr. President. I wanted to give a real-life example of, of why this is a problem. I was at my bank on Monday and a call came in. It happened to be my sister-in-law. She said, my debit card's been compromised and I'm leaving for Florida Tuesday on a trip I've been planning for quite a while. And so she's not able to use her debit card. Currently, we don't have a-- ability to issue one instantly. And so she's going to use a different card. But now she's got to determine what, you know, what happened to that card information and what's going to happen to any charges that could be coming in. We do have fraud detection with our debit cards. And most of the time, they catch those items. But sometimes we don't catch them and we end up-- and the, the bank ends up having to reimburse the customer. But it also is a hardship. We'll issue her a new card at, at our expense. And that happens very regularly. And it's a hardship for people. And it also, especially as Senator Bosn said, can be detrimental to your credit score when people start using cards like that. And we'll, we'll be having you find out what kind of activity went on in this account. But it was interesting I had a real-life example just this week of a-- and I've-- my own cards have been compromised in the past as well. So I think it is important to make this a serious offense. And I oppose FA126. Thank you, Mr. President.

**ARCH:** Senator Jacobson, you're recognized to speak.

**JACOBSON:** Thank you, Mr. President. I'm hoping the day comes when we will care as much in this body about the innocent victims than we are about the criminals that co-- that, that create the crime. We seem to be spending a lot of time this session about defending criminals, thinking of creative ways, unique situations, one-off situations as though every situation is like that. If you're 17 years old and you're



asked to put a skimming device on something, you should be old enough to know that this is wrong. OK? And by the way, some people get convicted, suddenly word gets around that this could be a problem. We've got to start thinking about the victims. And I think Senator Bosn made it clear how the victims aren't the banks. The victims become the people who have the cards. And all the other things. They might get their money back, but what about their credit? What about-- as Senator Clements said, what about now my trip got screwed up because I can't get my card that soon? Or if it's a credit card from someplace else, they can't get it to you that fast. We got to start thinking about the victims. This is a-- this amendment should be-- should, should not be forwarded. We need to pass LB559 the way it was presented originally. I fully support LB559 and oppose LB126 [SIC-- FA126]. Thank you.

**ARCH:** Senator Conrad, you're recognized to speak. And this is your third opportunity.

**CONRAD:** Thank you, Mr. President. And again, good afternoon, colleagues. I appreciate my friend, Senator Jacobson, weighing in with his perspective on the measure. And I know that he cares about these issues deeply with his rich and storied history and, and experience in our financial sector before he joined our body and ongoing. But I do just want to reset perhaps some of the frame there because I think that those of us who are working for smart justice reform-- which, by way, is not contingent on one particular part of the political spectrum, but actually smart justice reform has been a cause and an issue that has been able to generate a very broad level of support, a right-left coalition really across the political spectrum both locally and nationally for a variety of different reasons. One, the research shows very clearly that by advancing smart justice reforms you actually advance our public safety goals to keep our communities and our neighbors safe in a, a, a more effective way than doubling down on mass incarceration. Additionally, the research is crystal clear. And we have experiences from red states and the federal government, including under the leadership of President Trump, that shows that when you modernize and right-size sentences, when you have a more thoughtful approach to criminal justice reform, not only do you have better individual outcomes, but you also actually save taxpayer mo-- taxpayer dollars. We know, for example, that the corrections budget in Nebraska is growing at a pace far greater than education or human services. We know that a significant amount of the funds that we had available were committed to build a massive new prison that will be at capacity the day that it opens. And consultants have been clear that if we stay on the present path-- and that doesn't take into account all of the new felonies this body is moving forward-- we will need not one but two new prisons. Two

new prisons. And we're staring down the barrel of almost a billion-dollar budget deficit in the outyears. So I understand the tough-on-crime campaign speeches and, you know, wanting to bring forward that perspective. We all care about safe neighborhoods and safe communities. And when we're talking about smart justice reform, it's, it's really quite reductive to say that this is about not caring about victims. It's about taking a global approach as leaders to say that we need to actually look at the experience and the research. We need to lean in to right-left coalitions. And we need to have a better value and a better outcome in Nebraska as part of our current criminal justice system. We know it ensnares too many people. We know that we don't have the programs and services requisite to get better outcomes for many that are there. And we know that we have to do a better job on the front end, inside, and during reentry so that we can actually have safer communities. Reflexively creating new crimes and enhancements does not create safer communities. No matter how much we want to believe it, it just isn't backed up in the research. So I appreciate the, the, the perspective that all members bring to the debate. But again, I want to contextualize that in regards to this and other matters. Thank you, Mr. President.

**ARCH:** Senator Spivey, you're recognized to speak.

**SPIVEY:** Thank you, Mr. President. And good afternoon, colleagues and folks that are still watching with us online. I also wanted to add in-- appreciate Senator Jacobson weighing in, as I have gotten on the mic to talk on different bills and numerous situations just around our criminal punishment system and what does that look like. And I also wanted to offer a different frame to that conversation just around restorative justice. That conversation came up-- I think that was on Senator Clouse's bill around the enhanced penalties around assaults as they were expanding and looking at pharmacy folks and then folks in hospital settings. And so when you take a restorative justice approach-- which does have data to support around the framework and the implementation-- what you're seeing is that it still maintains accountability. So no one is saying that a person is not accountable for their actions. Accountability is still maintained. It does address the harm by that person that experienced whatever action happened, but it's a different approach. Right now, our system is punitive: something happens, there has to be a consequence. You have to be punished, which we know is not inherently rehabilitative. And so restorative justice still says that there's accountability for that action and that, with the person that experienced the harm, there's actually a process to achieve what we call justice. And I think there's a conversation to be had around what justice looks like. And I think what this body and what

folks are saying as it relates to this conversation is not actually justice for that victim or person that experienced that harm. And then there's an opportunity to offer rehabilitation or restoration for the person that was leading in that space of harm. And so it is a multifaceted approach that takes a, a different framework to how do we think about justice in our incarceration system. Because we know that, as we continue to incarcerate people in a punitive system, it costs taxpayers more money. I appreciate Senator Conrad for lifting up the data around what our numbers of folks that would be incarcerated would grow to in our state if we continue to enhance penalties and not take a different approach as we think about reform around sentencing, as we think about preventative programs like diversion courts and drug courts and other things that we have seen actually work and, and have a track record of making a difference. And then the last thing that I would want to say-- because I think Senator McKinney and Senator Jacobson had this conversation earlier-- and Senator McKinney asked, you know, have you ever been inside of a prison, or what does that look like? And Senator Jacobson has not had that experience, and so I wanted to bring some color to that conversation, as I have visited some of our correctional facilities before I came in this body through my work with my nonprofit. I have visiting some of our facilities, but I personally have had my father be incarcerated most of my life who has now transitioned. And I like to bring this up, and I always-- when we have these conversations about corrections-- like to talk about the, the human component of someone that is deemed to not have that sense of dignity or be locked away for rest of their life. He is still a father. He is still a commu-- community member. He is still a part and was removed from that. And so what do you-- when you talk about justice and when you talk about rehabilitation, there are ripples of not only the person that was impacted by what happened but also that person's family. And so a restorative justice frame really allows for you to think about a multifaceted approach that looks at all people that are impacted, indirectly or directly, and how do we really create thriving, vibrant communities that recognize someone is not their worst mistake, that they don't have to be locked away and forgotten about, that we can think about how do we invest in them to ensure that they are successful. The other thing that I would add as we talk about enhanced penalties is that you have seen other models of monetary investment to not even have people be system impacted. So we need to address affordable housing. We need to address quality public schools. We need to address mentoring programs. We need to address wages and benefits. These are the things that, if we invested in as a state, we would see our prison population decrease and folks not being involved-- system involved in the same way that they are now to even have a conversation

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around enhanced penalties. And so-- again, I appreciate the conversation and wanted to offer some other frameworks for dialogue and for folks to hopefully lean into to better understand the complex nature of mass incarceration and how sentencing and sentence reform really is a key component to address what we are seeing in our carceral system. Thank you, Mr. President.

**KELLY:** Thank you, Senator Spivey. Senator Fredrickson, you're recognized to speak.

**FREDRICKSON:** Thank you, Mr. President. I will yield my time to Senator Conrad.

**KELLY:** Senator Conrad, 4 minutes, 56 seconds.

**CONRAD:** Thank you, Mr. President. Thank you to my friend, Senator Fredrickson. I hadn't intended to talk three times, so I accidentally quickly hit my, hit my limit. If Senator Dungan would yield to a question, please.

**KELLY:** Senator Dungan, would you yield to a question?

**DUNGAN:** Yes.

**CONRAD:** Thank you, Senator Dungan. I know that this is kind of a key component of this debate and-- just wanted to reaffirm, based on your experience in criminal law-- you and Senator Bosn and Senator Cavanaugh's is far deeper and richer than my own, all of you having actual practical experience in the criminal justice system as public defenders and prosecutors. But these Ama-- these skimmers that people can buy on Amazon or whatever it might be-- which was news to me until I watched the committee hearing-- is the purchase or possession thereof already a crime in Nebraska?

**DUNGAN:** Yeah. So under Nebraska Revised Statute 28-626, it is currently a crime for criminal possession of a financial transaction forgery device, which specifically contemplates the possession of-- and they go into details of what that qualifies as. But under the current law in 28-626, it is a Class IV felony to possess a, a financial transition forgery, which has been applied to skimmers consistently.

**CONRAD:** OK. And then just remind me because I don't have it off the top of my head, what's the existing penalty range for Class IV felony?

**DUNGAN:** A Class IV felony is punishable by up to two years in prison or up to a \$10,000 fine or some combination of those things.

**CONRAD:** Very good. I, I appreciate you putting that in the record. I think that's another key component when we look at the creation of new crimes or the enhancement of existing crimes, is that, in many instances, we're not starting from scratch, right? We're not saying that there's no penalty for this activity that exists. But usually, as is the case, there is existing law on the book that usually carries fairly significant penalties with it for the type of behavior that we're trying to address or deter with the creation of a new crime or the enhancement of an existing one. Thank you. Thank you, Senator Dungan. I appreciate it.

**KELLY:** Thank you, Senators Dungan and Conrad. Senator Bosn, you're recognized to speak.

**BOSN:** Thank you, Mr. President. And I was following along with the conversation between Senator Conrad and Senator Dungan. I guess what I would just highlight for my colleagues is, is that this bill defines skimmer device differently than what is in Nebraska Revised Statute Chapter 28-626 and also 28-634. So there it talks about a financial transaction forgery device, but it does not define skimmer in that bill-- or, in that statute. This bill defines on page 3, line 24 a skimmer device, which is necessary for purposes of this bill. I, I would also point out that 28-634 talks about scanning devices-- which is not necessarily one in the same as a skimming device-- unless we're going to amend that statute-- and encoding machines-- which are also different than skimming devices. I would also note that all of those crimes are Class IV felonies-- felonies consistent with what we have created in the skimming device language that's here. With that said-- and I know Mis-- Senator Dungan is going to say this when he closes-- or, I anticipate he is. I shouldn't say I know-- I anticipate he's going to convey that we have agreed to continue looking at Section 3 to see if it is in fact covered under those other definitions, and I'm open to doing that. I'm still a no on the floor amendment, FA126, but open to having that further conversation. If he's right, I will be the first in line to admit it. But when I look at those quickly, I don't know that a financial transaction forgery device is-- includes a skimmer device. And so I think that is something we have to take into consideration with this bill as separate and distinct. Thank you, Mr. President.

**KELLY:** Thank you, Senator Bosn. Seeing no one else in the queue. Senator Dungan, you're recognized to close on the floor amendment.

**DUNGAN:** Thank you, Mr. President. And I, I want to say thank you to Senator Bosn for this. We do talk often about a lot of these bills, and

we've had a couple of, I think, really productive conversations off the mic here about this. She's correct that-- we-- we've spoken about this. And if my floor amendment is unsuccessful at this stage-- which, I'm hopeful it's not-- she has committed to continuing to work with me and talking between now and Final Reading about whether or not Section 3 of LB559 is duplicative or is already covered under the statutes.

Colleagues, I can tell you from, from my experience and talking with other attorneys who practice in criminal law on a daily basis and from looking at charging documents that currently exist, under the statute that we're talking about-- which is that criminal possession of a financial transaction forgery device-- that is currently being applied consistently to the usage of skimmers. That's my understanding. So under the definition that is contemplated in 28-626, skimmers are currently being charged under that statute, which is why I think that the Section 3 of the floor amendment is potentially problematic for a number of reasons, but not the least of which is that I think it is already illegal under 28-626. And if you create the additional criminal penalty of the installation of the skimming device, it could potentially result in the doubling up of charges where somebody could be charged with both because the facts alleged under each of those charges would be the same. And so I just want to make very clear that I appreciate Senator Bosn's efforts on this. We're going to dig into some of the language. And if it turns out that I, I am right on this-- which I, I would-- I hope I am, I believe I am-- then I, I think we can potentially get an amendment to bring it back from Select for the very small modification of cutting out Section 3. And I think at that point, we would both agree to it if we have that out there. So I look forward to continuing to work with her. Colleagues, I do think, though, that a green vote on the floor amendment at this stage is appropriate. It does not gut the bill. The, the bill still has in it the protections against organized retail theft. It still has in it the protections against the use of skimming devices, which currently is not clear in the statutes, it sounds like. And it definitely has contained in there the so-called kingpin portion, where we seek to criminalize then the, the person who's in charge of the entire operation or organization rather than the individual who is potentially and oftentimes being taken advantage of for the installation. So with that, colleagues, I would encourage your green vote on FA126. Thank you, Mr. President.

**KELLY:** Thank you, Senator Dungan. Members, the question is the adoption of FA126. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 8 ayes, 28 nays, Mr. President, on adoption of the amendment.

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**KELLY:** The amendment is not adopted. Mr. Clerk.

**CLERK:** Mr. President, Senator Conrad would move to amend with FA129.

**KELLY:** Senator Conrad, you're recognized to open on your floor amendment.

**CONRAD:** Thank you, Mr. President. And good afternoon, colleagues. This floor amendment seeks to strike the sections in regards to the process which creates a forfeiture under this measure that seeks to provide restitution to those that were harmed through these sort of crimes. And again, I think that is a very laudable goal. I do have some questions and concerns in terms of how this process works in regards to existing civil asset forfeiture, in regards how it works as a separate and perhaps duc-- duplicative punitive remedy in regards to what we already know and understand in terms of how restitution works. It may perhaps spark some double jeopardy concerns as written and is just something that I wanted to note for the record. Of course, I also have general concerns about continuing expansion of authority and jurisdiction and power to the Attorney General's Office for a variety of different reasons, which is contemplated in this enforcement mechanism as well. So with that, I do want to thank Senator Bosn for her incredible leadership. I think she-- even though we find ourselves with sharp disagreements on some of the issues before the body, I think that she is always credible and helpful and does a great job as chair and a great job on this floor. And I'm grateful that she's a member of the body, and I'm really, really grateful for her leadership in that with-- regard. So I understand that the parties who are looking at these issues are going to continue conversations. If we can find a meeting of the minds on some of the technical aspects from Select to, to Final, that would be dynamite. If not, at least those good faith negotiations are happening. Want to thank all of the parties that are involved in that. And with that, I'd withdraw the floor amendment. Thank you, Mr. President.

**KELLY:** Thank you, Senator Conrad. Without objection, so ordered. Mr. Clerk.

**CLERK:** In that case, Mr. President, I have nothing further on the bill.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that LB559 be advanced to E&R for engrossing.

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**KELLY:** Members, you've heard-- Mr. Clerk, request for a record vote. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 35 ayes, 2 nays on advancement of the bill, Mr. President.

**KELLY:** LB559 is advanced for E&R Engrossing. Mr. Clerk for items.

**CLERK:** Thank you, Mr. President. New A bill: LB645A, introduced by Senator Ballard. It's a bill for an act relating to appropriations; appropriates funds to aid in the carrying out the provisions of LB645; and declares an emergency. New LR: LR137 from Senator Lippincott. That will be laid over. Announcement that the Judiciary Committee will have an executive session at 5:15 in Room 2022. Judiciary, exec session, 5:15, 2022. Mr. President, next item: Select file, LB322-- LB332. First of all, Senator, there are E&R amendments.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that the E&R amendments to LB332 be adopted.

**KELLY:** Members, you've heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted.

**CLERK:** Mr. President: Senator Hardin, I have AM1117 with a note that you would withdraw.

**KELLY:** Without objection, so ordered.

**CLERK:** In that case, Mr. President, Senator Hardin would move to amend with AM1154.

**KELLY:** Senator Hardin, you're recognized to open.

**HARDIN:** Thank you, Mr. President. AM1154 is the result of a lot of hard work, discussion, and compromise by all the stakeholders involved with cleaning out earwax. This amendment clarifies what treatments hearing instrument specialists are allowed to do and ensures that future advancements for hearing instrument specialists is limited to dealing with hearing aids. I want to thank all the stakeholders for coming to the table to find a workable solution and my staff for their continued hard work. I ask for your green light on the approval of AM1154. Thank you, Mr. President.



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**KELLY:** Thank you, Senator Hardin. Senator John Cavanaugh, you're recognized to speak.

**J. CAVANAUGH:** Thank you, Mr. President. Good afternoon, colleagues. I was-- always hoping for jokes about dying to get in or things like that, which was-- Matt Williams would make whenever we had undertaker-related bills. I wonder if Senator Hardin would yield to a question.

**KELLY:** Senator Hardin, would you yield to a question?

**HARDIN:** Sure.

**J. CAVANAUGH:** Just for my recollection, LB332 has to do with the mortuary or undertakers, is that right?

**HARDIN:** It does. It creates-- it's-- LB555 from Senator Riepe is a part of the experience here and creates regulation and oversight of assistant, assistant funeral directors.

**J. CAVANAUGH:** All right. OK. That's-- I think I cosponsored a diff-- the other version of this bill that got withdrawn. And so-- well, I, I just-- the title said assistant funeral directors. And you just talked about a bill that had to do with hearing aids. So I'm just wondering, is there a, a bill that the hearing aid or-- is relevant to in this package?

**HARDIN:** It, it is. That's LB154. And it allows a licensed hearing instrument specialist to provide cerumen, or earwax, removal and dispense and fit hearing instruments-- hearing aids, in other words.

**J. CAVANAUGH:** OK. Well, I appreciate that. I just-- I thought this was only about funeral home directors or assistant funeral home directors. I just wanted to make--

**HARDIN:** I can see where there would be confusion, yes.

**J. CAVANAUGH:** I wanted to make sure it was germane. But I do have to express my disappointment that we didn't get any funeral director-related jokes on the bill. So thank you, Senator-- Chair Hardin. Thank you, Mr. President.

**KELLY:** Thank you, Senator Cavanaugh and Senator Hardin. Senator Fredrickson, you're recognized to speak.

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**FREDRICKSON:** Thank you, Mr. President. I just want to rise quickly in support of this amendment as well as the underlying bill. I think Senator Hardin briefly mentioned this in the introduction, but a lot of work went into compromise related to this. I don't know if folks remember on General File, but one of the primary concerns was related to the, the earwax bill, for lack of a better way to, to phrase it. But compromise was what-- put into it, and all parties seem to be in agreement with this. So I am in support AM1154 and LB332. Thank you, Mr. President.

**KELLY:** Thank you, Senator Fredrickson. Seeing no one else in the queue. Senator Hardin, you're recognized to close. And waive closing. Members, the question is the adoption of AM1154. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 37 ayes, 0 nays on adoption of the amendment, Mr. President.

**KELLY:** The amend-- the amendment is adopted.

**CLERK:** I have nothing further on the bill, Senator.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that LB332 be advanced to E&R for engrossing.

**KELLY:** Members, you've heard the motion. All those in favor say aye. Those opposed say nay. LB332 is advanced to E&R Engrossing. Mr. Clerk.

**CLERK:** Mr. President: Select File, LB474. First of all, Senator, there are E&R amendments.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that the E&R amendments to LB474 be adopted.

**KELLY:** Members, you've heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted.

**CLERK:** Mr. President: Senator Jacobson, I have AM1041 with a note that you would withdraw.

**KELLY:** So ordered.

**CLERK:** In that case, Mr. President, Senator Jacobson would move to amend with AM1080.

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**KELLY:** Senator Jacobson, you're recognized to open on the amendment.

**JACOBSON:** Thank you, Mr. President. LB-- or, AM1080 is a very simple amendment. First, it adds language needed to provide added flexibility to how the tax rate is set when the recently passed Medicare Access and Quality Act was passed. That bill was signed into law by the governor. And we allowed it to go up-- or, we said it would be 6% of the premium. I-- we would like to change that to say up to 6%, bring it consistent with LB1087 from last year. So very simple change. "Up to 6%" instead of "6%." I would appreciate your green vote on the amendment.

**KELLY:** Thank you, Senator Jacobson. Seeing no one else in the queue. You're recognized to, to close. And waive closing on the amendment. Members, the question is the adoption of AM1080. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 33 ayes, 0 nays on adoption of the amendment, Mr. President.

**KELLY:** AM1080 is adopted. Mr. Clerk.

**CLERK:** Senator, I have nothing further on the bill.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that LB474 be advanced to E&R for engrossing.

**KELLY:** Members, you've heard the motion. All those in favor say aye. Those opposed, nay. LB474 is advanced for E&R Engrossing. Mr. Clerk.

**CLERK:** Mr. President: Select File, LB398. First of all, Senator, I have E&R amendments.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that the E&R amendments to LB398 be adopted.

**KELLY:** Members, you've heard the motion. All those in favor say aye. Those opposed say nay. The E&R amendments are adopted. Mist--

**CLERK:** Mr. Pre-- Mr. President, Senator Machaela Cavanaugh would move to bracket the bill until May 6.

**KELLY:** Senator Machaela Cavanaugh, you're recognized to open on the motion.

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**M. CAVANAUGH:** Thank you, Mr. President. Would Senator Ballard yield to a question?

**KELLY:** Senator Ballard, would you yield to questions?

**BALLARD:** Oh, yes. I would.

**M. CAVANAUGH:** Thanks, Senator Ballard. So we ta-- we, we had a little chit-chat. And I'm sure you were like, what is she doing, as, as we all are wondering. So here are our options. I can take this bill four hours with my motions, or emotions, and my floor amendments, or we could attach nothing and let this move forward. What do you want to do, Senator Ballard?

**BALLARD:** Can-- I, I will-- if you withdraw your motions, I will talk about my amendment, and then I'll withdraw it.

**M. CAVANAUGH:** OK. Are there any-- are there any other amendments pending? Sen-- oh. Thank you, Senator Ballard. Senator Hallstrom, would you yield to a question?

**KELLY:** Senator Hallstrom, would you yield to a question?

**HALLSTROM:** Certainly.

**M. CAVANAUGH:** Basically same question. I can take this four hours or we can withdraw additional amendments.

**HALLSTROM:** I, I would assume I can do what Senator Ballard did and talk about the amendment, which I haven't even dropped in yet, but I'm planning to do so.

**M. CAVANAUGH:** Oh, just don't then. Do you wanna talk about it right now? I think I've got, like, eight minutes left.

**HALLSTROM:** I can do that.

**M. CAVANAUGH:** Yeah, go ahead. Tell us about your amendment that you don't need to drop.

**HALLSTROM:** Well, thank you. Had I not been abducted on my way up to the front of the Chamber, I would have submitted AM1162, which is designed to provide a little bit of relief for insurance producers, think insurance agents, that are currently restricted from being able to pass through the fees that they incur when they are obtaining records re-- regarding certificates of title, registrations, and driver's record

information. It's not uncommon for individual insurance agents to do so. And with the significant increase in fees proposed under LB398, I was just interested in providing them with a little bit of relief when they are incurring those costs directly and do not have capability of passing that through under current law. We were going to make an exception because of those factors.

**M. CAVANAUGH:** Well, thank you. Do you need more time, or are you--

**HALLSTROM:** Well, I, I, I guess I'd ask you if based on that description that you'd be willing to allow that amendment to be adopted.

**M. CAVANAUGH:** I appreciate that question. I-- at this time, I wouldn't, but I do think that that's something that's worthy of a hearing next year to consider to change the policy. But it sounds like if it's being passed on to the consumers, the consumer should have an opportunity to weigh in in a public forum.

**HALLSTROM:** So in a word, would that be no?

**M. CAVANAUGH:** That-- in a-- I mean, I'm not a lawyer, but, you know, I try to be one. So, yes, that would be a no.

**HALLSTROM:** Thank you for your consideration.

**M. CAVANAUGH:** Absolutely. Well, I guess-- to that end, does, does that mean you're still going to file it?

**HALLSTROM:** No.

**M. CAVANAUGH:** OK. How much time do I have left, Mr. President?

**KELLY:** 6 minutes, 25 seconds.

**M. CAVANAUGH:** Senator Ballard, would you yield to another question?

**KELLY:** Senator Ballard, would you yield?

**BALLARD:** I would.

**M. CAVANAUGH:** Senator Ballard, would you like to use this opportunity to talk about your amendment so that we can just move forward on this bill?

**BALLARD:** I will. I wi-- I will. Thank you. I appreciate the time.

**M. CAVANAUGH:** Yes. I'd love to hear about it.

**BALLARD:** Yes, so my amendment is basically just a sunset of the fees. The fees do not change until 2031. And so during that time, they would go back. They're currently-- they're at \$7.50. The increase is to \$15 to pay for a computer system, which I fully support paying for using the agencies to pay the computer system. My fear is once that computer system is paid for that these fees are not going to go away. I have fully trust-- full trust in Direct-- Director Lahm that she is a good steward of tax dollars. Because I, I agree that's what fees are, they are taxes on businesses. And so I have full faith that she's a good steward of tax dollars and will, and will return any unused dollars back to the-- back to-- not back to the General Fund, but she'll reduce any fees that she doesn't need to operate her agency. And so I think it's our duty as a Legislature and as a Transportation and Telecommunications Committee to hold her to that. And so that's why I was planning on withdrawing my amendment, because I can set my calendar notion to five years from today and, and follow up with the director to see if she still needs these fees and we can address that problem when that occurs.

**M. CAVANAUGH:** Fantastic. I think Senator Hallstrom and Senator Ballard just saved us four hours of me. So thank you, Senator Ballard. Yeah. So I put up bracket motion and another motion and some floor amendments because I would, like, go into a knife fight for Director Lahm on anything. She is the best public servant in the state of Nebraska. She is the best steward of taxpayer dollars. I agree. Fees are taxes. And I would never agree with a fee for something if, if it wasn't Rhonda Lahm asking me. I'd be questioning it so much. And even so, I still question it. And I look at it. And I-- she walks me through it. And, and it's-- she's just such a great public servant and such a-- somebody that we should all be modeling ourselves after as far as being good stewards of taxpayer dollars. So I appreciate the gentlemen answering my questions, and I also appreciate that I don't need to talk for four hours, though I could probably talk for four hours about Rhonda Lahm and her esteemed career for the state of Nebraska. With that, I will pull my bracket motion, my other motion, and my two floor amendments. Thank you, Mr. President and Mr. Clerk.

**KELLY:** So ordered. Thank you, Senator Cavanaugh.

**CLERK:** In that case, Mr. President, I have nothing further on the bill.

**KELLY:** Senator Moser. Senator Guereca for a motion.

**GUERECA:** Mr. President, I move that LB398 advance to E&R for engrossing.

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**KELLY:** That is a debatable motion. Senator Moser, you're recognized to speak.

**MOSER:** Thank you, Mr. President. Are you, are you going to let the, the two makers of the motions open on their amendments? OK. So we got two potential additions to this bill. One of them sunsets the increases in fees and the other one allows the insurance agent to charge applicants the cost of getting their drivers' records. So if you had, I assume, two people-- they pulled their amendments? Oh. Thank you. I-- if they've pulled both amendments, I'm happy as a clam. Thank you.

**KELLY:** Thank you, Senator Moser. Senator Hansen, you're recognized to speak.

**HANSEN:** Thank you, Mr. President. This is a-- I think in relation to Senator Ballard's amendment, the one that maybe Senator Cavanaugh did not approve of, was something that was similar to, I think, one that I worked on maybe about three, four years ago. And this had to do with the DMV's ability to update their infrastructure, a lot of their systems, because it is about 30, 40 years old. And a lot of times, that's why we're waiting in the line in DMV for hours on end, is because we're for some of that infrastructure to get processed. So I think taxpayers expect us to be efficient and, you know, and update our systems when we need to so we can get them moving along at the DMV line. And so I did a-- I did a-- I do appreciate the fact that we are increasing the fees to update those systems. I appreciate even more the idea that once those sypste-- systems are updated to save the taxpayer money, we can lower those back down again, which is what I think Senator Ballard was trying to do with the sunset. I think one-- maybe a solution-- I don't know if Senator Cavanaugh would be in favor of this or not-- or, Senator Ballard-- but one solution might be able to increase the fees up to \$15. Right now, they're at \$7.50, I believe. Senator Moser can correct me later. I think they're at \$7.50. [INAUDIBLE] to increase them to \$15. Then after about five years, instead of lowering them back down to \$7.50, lower them back to maybe, like, \$10. It's kind of a win-win. They still get a little bit of increase in the fees so they can kind of continue to maintain those systems, which is what they need to do. The taxpayer then saves money by us lowering their fees. And I think that's one way we can kind of come to a compromise on something like this, so. Just mentioning that Senator Ballard or-- it's something maybe we can kind of look at doing with this bill if they so choose. But just want to put it out there so everybody knows about it. Thank you, Mr. President.

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**KELLY:** Thank you, Senator Hansen. Senator Ballard, you're recognized to speak.

**BALLARD:** Mist-- thank you, Mr. President. I just want to reiterate. I thank Senator Cavanaugh for the good discussion on fees and increases. I, I just don't want-- I just don't want the body to realize that these are not faceless fees. These are small businesses that these fees are going to, small insurance companies, your local insurance companies that may not be able to pass this on to consumers. And if they do, it's a-- another additional fee and tax on consumers to pay for the function of government. With that-- again, I, I enjoy working with Director Lahm, look forward to working with Director Lahm on these issues and making sure that our, our computer systems are up to the best abil-- the best, the best functionality available. And with that, I'll return any time to the chair. Thank you, Mr. President.

**KELLY:** Thank you, Senator Ballard. Members, the previous motion was to advance LB398 to E&R Engrossing. All those in favor say aye. Those opposed say nay. It is advanced. Mr. Clerk.

**CLERK:** Mr. President: Select File, LB36. First of all, Senator, there are E&R amendments.

**KELLY:** Senator Guereca, you're recognized for a motion.

**GUERECA:** Mr. President, I move that the E&R amendments to LB36 be adopted.

**KELLY:** Members, you've heard the motion. All those in favor say aye. Those opposed say nay. They are adopted.

**CLERK:** Mr. President, Senator Brandt would move to amend with AM998.

**KELLY:** Senator Brandt, you're recognized to open on the amendment.

**BRANDT:** Thank you, Mr. President. AM998 amends LB459, which was part of LB36, provisions in the committee bill, which was originally brought by Senator Conrad. This amendment was worked on with NDEE and Senator Conrad and will eliminate the fiscal note that was attached to original LB459. With that, I would encourage you to vote green on AM998.

**KELLY:** Thank you, Senator Brandt. Seeing no one else in the queue. You're recognized to close. And waive closing. Members, the question is the adoption of AM998. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.



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**CLERK:** 36 ayes, 0 nays on adoption of the amendment, Mr. President.

**KELLY:** AM998 is adopted. Mr. Clerk.

**CLERK:** I have nothing further on the bill, Senator.

**KELLY:** Senator Guereca for a motion.

**GUERECA:** --President-- oh. Mr. President, I move that LB36 be advanced to E&R for engrossing.

**KELLY:** Members, you have heard the motion. All those in favor say aye. Those opposed say nay. LB36 is advanced to E&R Engrossing. Mr. Clerk.

**CLERK:** Mr. President: General File, LB288, introduced by the Urban Affairs Committee. It's a bill for an act relating to the Middle Income Workforce Housing Investment Act; it amends Sections 81-1237, 81-1238; redefines terms; changes provisions relating to grant funding considerations; and repeals the original section. Bill was read for the first time on January 15 of this year and referred to the Urban Affairs Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**KELLY:** Senator McKinney, you're recognized to open.

**McKINNEY:** Thank you, Mr. President. Again, LB288 is an Urban Affairs Committee package. It includes LB288, LB450, and LB626. And we are amending out LB292. Together, these measures reflect our commitment to resolving our housing, housing crisis by increasing affordability and accessibility for families across Nebraska. LB288 first makes important changes to the Middle Income Workforce Housement-- Housing Investment Act through allowing both rent-to-own and owner-occupied housing to be eligible under the act. These, these changes reflect the recent changes made in the Rural Workforce Housing Fund. Currently, small-scale and local developers have had success developing owner-occupied housing using-- using loans with the Middle Income Workforce Housing Program. However, unlike our rural counterparts, these urban developers have not been able to utilize the Middle Workforce Housing Fund to develop rental housing in their communities, creating-- creating a gap in the market. These changes align with the Middle Workforce Housing Fund-- more closely rely-- more closely align with the Rural Workforce Housing Fund to create pathways for homeownership and maintain affordability standards. Also included in this is LB450, which is Senator John Fredrickson's bill to amend property tax-- Property Assessed Clean Energy Act to define grid resilience improvements and allow for these improvements to be financed by clean energy assessment districts; and

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LB226, which is Senator Dover's bill, where-- it will refine affordable housing under the Community Development Law and, and allow for tax inc-- increment financing in redevelopment projects made to address the lack of affordable housing in the area. Senator Dung-- Dungan, would you-- I mean Senator Fredrickson. Sorry. Would you, would you answer a question?

**FREDRICKSON:** Yes.

**KELLY:** Senator Fredrickson, would you yield?

**FREDRICKSON:** Yes, I will.

**McKINNEY:** Can you clarify more on what LB450 does?

**FREDRICKSON:** Yes. So LB450 is an update to Nebraska's Property Assessed Clean Energy Act, or the PACE Act. So I don't know if folks remember this or not, but last summer, late July, there were some pretty intense storms in the eastern part of Nebraska. A lot of power outages, a lot of issues with that. And specifically in my district, there was a lot of power that was out for at least a week if not more. And so I began getting contacted by a number of constituents about this, and I started looking into this in my office on how we could possibly incentivize the improvement of grid resiliency. So one way to do this was to add grid resiliency to eligibility for PACE programs, which homeowners are able to apply for should they be making permanent investments in their property that would stay with the property to improve the resilience to the grid with that.

**McKINNEY:** Thank you, Senator Fredrickson. Senator Dover, can you describe LB626?

**KELLY:** Senator Dover, would you yield?

**DOVER:** Yes, I will. LB626 modifies the Community Development Law to allow for the use of affordable housing. The statute includes a lack of affordable housing in the area as an acceptable reason to use TIF. Currently, the Community Development Law and definitions of blighted and substandard are being stretched to accommodate this use. Currently, communities on the local level have only TIF and LB840 moneys in their toolbox to build affordable housing. To be considered for TIF, a property must be deemed blighted and substandard. So what we did is we defined affordable housing as workforce housing; two, households earning less than 103% of medium income; and three, housing under Section 42 of Internal-- Internal Revenue Code. This is used for low-income housing tax credits. We changed blighted-- definition of

blighted to include no platting. So if you have a cornfield or something, you couldn't have done that before. But now since there's no platting, it can be blighted. And also, if there is less than 20% of housing in the area is affordable-- and I just went over the definitions of affordable housing. We also changed substantial-- a substandard area-- excuse me-- to an area with less than 20% of the housing as affordable housing as the definitions I just went over. It also requires that the area is designated for TIF due to a lack of affordable housing. But when they use this part of, of the lack of affordable housing, at least 30% of the housing built must be affordable. Thank you.

**McKINNEY:** Thank you, Senator Dover. And this bill has gathered strong support from stakeholders across Nebraska. We received proponent testimony from across the state, including housing developers, community organizations, local business leaders, and advocates who all recognize the potential of LB20-- LB2-- LB288 and-- to create meaningful change. Proponents like Spark CDI, the Nebraska Housing Developers Association, the Nebraska League of Municipalities, and other local testifiers. As, as we consider this, I do urge your support. And if you do have any questions, as always, I'm always open to answering any of your questions. Thank you.

**KELLY:** Thank you, Senator McKinney. Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. Could I ask Senator McKinney a question?

**KELLY:** Senator McKinney, would you yield to a question?

**McKINNEY:** Yes.

**KAUTH:** Thank you, Senator McKinney. So I have a couple questions about the rent-to-own portion of that. So as you set it up, you're saying at least \$50 of their rent will be set aside in a savings account for them.

**McKINNEY:** Yes, in a reserve account.

**KAUTH:** In a reserve account. OK. Will the, the entity that's managing that account-- so that would be the, the housing development or the-- will they charge fees for managing that account?

**McKINNEY:** No.

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**KAUTH:** OK. And do you think that this will lead to an increase in rent costs?

**McKINNEY:** No, I don't think so.

**KAUTH:** OK. So, so is this coming from that entity's profits that they set aside, or is it some--

**McKINNEY:** The, the \$50 is coming from the, the resident. It's not coming from the, the entity's profits at all.

**KAUTH:** So-- OK. So--

**McKINNEY:** So the person is setting aside the, the \$50.

**KAUTH:** OK. So if the rent is \$500, the entity who owns the housing development does not have to take \$50 out of that \$500 for rent. The person who's renting gives them another \$50 to put into that.

**McKINNEY:** Yes.

**KAUTH:** If they can't make it, like, one-- if, if there's a month where they're short, do they have to-- are they locked into doing that? Or is it just something that's an option for them?

**McKINNEY:** It'll be a part of the agreement just because of the, the process. So-- and I've talked with them, and they'll-- they're also willing to work with residents if, if, if something like that--

**KAUTH:** Just-- stuff happens.

**McKINNEY:** Yes, for sure.

**KAUTH:** OK. And then-- OK. Oh. Is, is there a match to this?

**McKINNEY:** The Middle Income Workforce Housing Fund?

**KAUTH:** Yeah. I didn't know if there was any federal match for tapping into these funds or if there's a special program that you built this off of.

**McKINNEY:** No. So we already have the Middle Income Workforce Housing Fund, and this is just allowing for a new allowable usage. But is there a match? I want to say yes, but I could be wrong, but I know it's something. I, I just--

**KAUTH:** OK.

**McKINNEY:** I just forget it off the top of my head.

**KAUTH:** OK. And then-- so, so the Middle Income Housing Fund, what will that specifically be paying for if the-- that-- that's what the match is. So the, the resident puts in \$50 and then the housing fund would match \$50?

**McKINNEY:** No, they won't-- the, the, the housing fund won't match the \$50. The, the match would be for if the developer-- once the developer applies to the state and requests the funds and the state grants those funds, that's when the match happens. The match doesn't happen during the rent-to-own process. That-- that's di-- that's separate from that.

**KAUTH:** Got it. So for the developer to build something, they apply for these.

**McKINNEY:** Yeah.

**KAUTH:** Thank you. That, that clarifies a lot for me. I appreciate it. Nothing further.

**KELLY:** Thank you, Senators Kauth and McKinney. Seeing no one else in the queue. Senator McKinney, you're recognized to open on the committee amendment.

**McKINNEY:** Thank you again. This is the committee amendment I discussed. And we have another amendment if we could get to that. I'll close.

**KELLY:** There are amendments to the committee-- Mr. Clerk.

**CLERK:** Mr. President: Senator McKinney, I have AM1052 with a note that you would withdraw.

**KELLY:** So ordered.

**CLERK:** In that case, Mr. President: Senator McKinney, I have AM1074.

**KELLY:** You're recognized, Senator McKinney, to open on AM1074.

**McKINNEY:** Thank you, Mr. President. AM10-- AM1074 strikes the section of the bill dealing with setting aside-- dealing with prefab, prefab homes study. It strikes that section out of the, the bill in the committee amendment. So I would appreciate your green vote on that.

**KELLY:** Thank you, Senator McKinney. Seeing no one else in the queue. Members, the question is the adoption of AM1074. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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**CLERK:** 40 ayes, 0 nays on adoption of the amendment, Mr. President.

**KELLY:** AM1074 is adopted. Mr. Clerk.

**CLERK:** Mr. President, Senator Dover would move to amend with AM968.

**KELLY:** Senator Dover, you're recognized to open on the amendment.

**DOVER:** Thank you, Mr. President. The purpose of AM968 is to recapture or revolve funds currently being lost in the funding of awarding of grants for affordable housing. It does this in two ways. One, this bill will recapture down payment assistance from buyers upon the sale of their property, which is sometimes currently lost when the house is sold. An example I'd just share with the group is-- so sometimes when some-- some nonprofits have a program that if they're gonna give, let's say, a \$350,000 home, they get 10% down payment assistance, \$35,000. What happens is then if they live in the house as, as-- a progress-- but if they live in the house half, half-- like, for five years, they have to-- they have to pay back 50% of the down payment assistance. But if they live in the house for ten years, they don't have to pay back any of the down payment assistance, which makes no sense to me. Because if you look-- even if you look at a house at \$350,000, 2% noncompounded would be \$70,000 of equity they would gain with the 2% appreciation. So if you're get-- if you're walking away with \$70,000, I think they should pay back the \$35,000 they received ten years earlier and give it to another needy family that is where they were ten years previously. I think this is a good idea. Two, this bill will also recapture money from nonprofits or housing authorities that have not fully complied with the award. From what I understand talking to DED, you may have an award given where someone says I'm going to build six houses. And they don't build six houses; they build three houses. And then they keep the money. I don't think this is right. So I think what-- if the award is granted for six houses and they build three houses, they should return half of the award. So that is, that is two purposes of my bill, is basically to recapture. I think if we recapture these funds, I think we could look at building with the same funding probably 20% more affordable housing in the state of Nebraska. Also, one thing that was interesting: when they would award grants, they wouldn't necessarily have to identify a property. So you can imagine someone else said, oh, look, we got the grant. Now let's go find out a property that we can actually do this thing on. It doesn't make sense. And that's one reason that the trust funds are a source of looking to be swept, because there's money sitting in there, because it-- this could take as many-- as much as three years to do the project. So you have to identify the property. And if you can't identify the property, let it, let it go to

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another person who can. One of the things that people like about the Rural and Middle Income Workforce Housing Trust Fund is that they get all the money up front. And so while we didn't do that, what the change in this statute does, it pays 80% up front, holds 20% back until they complete the project and have supplied the documentation necessary to DED. And we also did clarification of source documentation, which is basically to prove that they paid a bill-- a paid invoice, a completed payment, and a cleared check. And I'll answer any questions that anyone may have.

**KELLY:** Thank you, Senator Dover. Seeing no one else in the queue. Senator Dover, you're recognized to close. And waive. Members, the question is the adoption of AM968. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 40 ayes, 0 nays on adoption of the amendment, Mr. President.

**KELLY:** AM90-- AM968 is adopted. Mr. Clerk.

**CLERK:** I have nothing further at this time, Mr. President.

**KELLY:** Seeing no one else in the queue. Senator McKinney, you're recognized to close on the AM733.

**McKINNEY:** Thank you, Mr. President. Again, AM733 and LB288 is our efforts in the Urban Affairs Committee to try to address our concerns with affordable housing in the state and trying to do some things to try to at least assist or help our communities and people doing the work within our communities around affordable housing and access. So I would, would appreciate your green vote. Thank you.

**KELLY:** Thank you, Senator McKinney. Members, the question is the adoption of AM733. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 41 ayes, 0 nays on adoption of the committee amendment, Mr. President.

**KELLY:** AM733 is adopted. Seeing no one else in the queue. Senator McKinney, you're recognized to close. And waive. Members, the question is the advancement of LB288 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

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

**KELLY:** LB288 is advanced to E&R Initial. Mr. Clerk.

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**CLERK:** Mr. President, next bill: General File, LB660, introduced by Senator Andersen. It's a bill for an act relating to government procurement; adopts the Secure Drone Purchasing Act. Bill was read for the first time on January 22 of this year and referred to the Government, Military and Veterans Affairs Committee. That committee placed the bill on General File with committee amendments.

**KELLY:** Senator Andersen, you're recognized to open on the bill.

**ANDERSEN:** Thank you, Mr. President. The Government Committee heard LB660 on February 19. After my opening, the committee heard from the State Shield in support of this bill. Nebraska Fraternal Order of Police weighed in in opposition. We also heard concerns on-- neutral from another law enforcement representative and also from Omaha Public Power. My staff and I worked with Senator Sanders in the Government Committee office to address each of the concerns raised at the hearing. With the changes proposed in AM1008, the Government Committee advanced LB660 on an 8-0 vote. This bill is the first of the Government Committee's priority bills. AM1008 makes a number of changes to the original LB660, the Secure Drone Act. We have made sure the protections in LB660 will be effective while still allowing law enforcement and public utilities to access the best technologies to achieve their mission. I will speak about this bill shortly. AM1008 also incorporates the provisions of four other bills relating to procurement and other administrative processes. Senator Brad von Gillern's LB445 is the first of those. LB445 proposes new options of how we bid and execute large public construction projects. Senator von Gillern's bill also proposed some pretty major changes to the law relating to art in public buildings. Those changes brought in substantial opposition to the bill. His office worked effectively with stakeholders and Nebraska art community to reach an appropriate solution. That compromise language is what is in the amendment. Next bill in this package is Senator Storer's LB664. Senator Storer's bill is about public access during the state regulatory process under the Administrative Procedures Act, or APA. It will make sure that people can participate in the administrative rulemaking process and be heard in the court con-- in a court convenient to them no matter where they live in the state. Next, Senator Danielle Conrad's LB29 is in the package. This bill also makes changes to the APA. It would require that state agencies regularly review all existing rules and regulations and report back to us here in the Legislature. Senator Conrad worked with the Platte Institute on this bill and got support from several other groups like the Pacific Legal Foundation, Cicero Action, and the Nebraska Lincoln and Omaha Chambers of Commons. The only tweak we made in committee to LB29 was the move-- to move the regulatory review to a five-year cycle instead



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of a three-year cycle. Finally, this amendment also pro-- adds provisions from my own LB662 dealing with the federal funds inventory. I will discuss this shortly as well. All the elements of this committee package are designed to make our government more secure, more efficient, and more accessible to Nebraskans. This is a good bill and is the result of a lot of collaboration and hard work. I've asked the other introducers to punch in and talk about their bills in greater detail. I would ask you to vote green on AM1008 and on LB660. Thank you, Mr. President.

**KELLY:** Thank you, Senator Andersen. As the Clerk stated, there's a committee amendment. Senator Andersen, you're recognized to open.

**ANDERSEN:** Committee amendment? There's no committee amendment. I waive.

**KELLY:** And waives opening. Senator-- Mr. Clerk.

**CLERK:** Mr. President, Senator Conrad would move to amend the committee amendments with AM1147.

**KELLY:** Senator Conrad, you're recognized to open on your amendment.

**CONRAD:** Thank you, Mr. President. Good evening, colleagues. I want to thank my friend, Senator Sanders, who couldn't be with us to-- this evening-- for her-- not only her friendship but her leadership on the Government, Military and Veterans Affairs Committee. I also wanna thank my friend, Senator Andersen, who serves as vice chair of that committee and who stepped forward to introduce the committee priority bill and the committee amendment. I have not had an opportunity to be involved in the debate and deliberations in regards to the committee package vehicle, but I think Senator Andersen discussed some of those negotiations and policy goals very adeptly. And I also have not had an opportunity to be deeply involved in the committee amendment components that contains my friend, Senator von Gillern's, measure. But I have looked closely and worked in support of my friend, Senator Andersen, and Senator Storer's measure in regards to regulatory reform. I have a component of the committee mend-- amendment that also is part of a suite of bills or a package of bills that were introduced this session to improve legislative oversight, to eliminate red tape, to unleash economic freedom, and to bring proven approaches to Nebraska that, that have worked in our sister states in terms of reducing the regulatory burden on Nebraska residents and businesses. So my component of the legislation was originally introduced as LB29. I modeled this legislation very, very closely upon a measure that then-Governor Ricketts issued as an executive order, I believe, in 2017. And what it

required was a comprehensive and periodic review of all rules and regulations in state government to ensure that they were meeting the policy goals, they were utilizing a least restrictive means of advancing the policy goals, that they still had relevance. Because in many instances, our administrative code kind of gets on autopilot and becomes bloated and antiquated very quickly. And so seizing upon that successful example in state government which helped to reduce Nebraska's regulatory burden by about 25%, I mirrored that in LB29 and introduced it to the Government Committee. So that-- components of that measure became part of the committee package with the committee amendment. It became apparent to me working with Governor Pillen's administration and the Department of Health and Human Services that they found some technical components that needed to be addressed in regards to the comprehensive and periodic regulatory review. That is what is before you in AM1147. This was drafted by-- in consultation with my office, by our partners at HHS to make the measure more workable from a technical perspective. I appreciate their collaboration. And I really want to give a shout-out not only to my colleagues on the Government Committee but also to Governor Pillen and his staff and agencies for working really closely with my office to try and bring this and other key components of regulatory reform forward, as evidenced by Senator Andersen's bill and my friend, Senator Storer's, bill in regards to venue freedom, which I think is a really exciting component of this overall government efficiency package. So I hope that-- if members have questions, please let me know. I would ask for your favorable consideration of this amendment that was brought forward with the support and agreement of all parties. And I think this will really help to take another giant leap forward in terms of our collaborative work to make government more efficient, more effective, to reduce regulatory burden on individuals, businesses, and families. And I think that overall this can, can pay great benefits. Nebraska is ranked as the 39th most regulated state in the nation. We have the fourth most regulations per capita when compared to our neighboring states. Our administrative code contains 76,000-plus restrictions that are enforced by 81 different state agencies. And that is just a few of the top-line examples that pop up kind of showing the, the scope and the breadth of the bureaucratic state and the regulatory code as it presently exists in Nebraska. I also know from my experience not only as a policymaker but as a civil rights attorney that assisting different individuals who were working through the regulatory process can be a significant burden. And it can be very confusing. And it can be very expensive. And I think that regulatory reform is actually one of the really exciting areas in our public discourse where we can and we should find a great deal of common ground and consensus to achieve

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good public policy goals and move things forward. So that is a, a, a big opening to the committee amendment and touches upon the amendment that I've filed as well with the same-- with the same components just subject to a few tweaks in consultation with committee members and the administration. I'd ask for your favorite-- favorable support. And I'm happy to answer any questions. Thank you.

**ARCH:** Colleagues, the body will now stand at ease until 6:30.

[EASE]

**KELLY:** Returning to the queue. Senator Storer, you're recognized to speak.

**STORER:** Thank you, Mr. President. I am going to just share a little bit about my, my portion. Senator Andersen kind of gave a brief overview of some of the bills that are in LB660 as amended. And I'm really kind of excited to have worked-- Senator Conrad alluded to a little bit of that, the work that, that several of-- several of us have done. A great bipartisan bill. I know many of us campaigned on regulatory reform, including myself, and this is a demonstration of that. So the, the original bill that is now part of this package was LB664, and we referred to that as venue freedom. And I'll just, just spend a little bit of time explaining to you what, what it does and, and why I think it's important. Americans and the businesses they run face an increasing regulatory state that discourages innovation and snuffs out competition. Unfortunately, it is difficult at best to challenge rules and regulations that have been misapplied or violate the law entirely. These court venue restrictions place an undue burden on small businesses that cannot afford costly travel and prohibitive legal fees. This deterrence alienates businesses from fair and equal access to justice. And while mom-and-pop shops struggle to keep their doors open, large companies that can afford these expenses bend the rules often in their own favor. I will, I will say that most of us are very familiar with what a large and diverse state we are. And the drive from Scottsbluff to Lincoln is-- Senator Hardin could clarify for me-- but it's probably a good seven hours. Many parts of our state are, are very rural and remote. It's a five-hour drive for, for me and, and many of the-- I'm in the middle of my district. So distance is indeed a burden. So the court venue, venue freedom is an attempt to try and resolve some of those limitations on our small businesses across the state to access the judicial system in terms of regulatory justice. So taking on a bureaucracy is, is often a fixed game in addition to the distance challenge. And the designated courts that try these cases are typically located adjacent to the agency being sued-- and in our case, that would

be here in Lancaster County. Small businesses power our economy. There are more than 33 million of them in the United States, making up an astonishing 99.9% of all companies in the nation. And they employ nearly half of all working Americans. So it's no wonder large corporations and the politicians that count on their financial support have an interest in making the lives of their competition as difficult as possible. So leveling the playing field and allowing business owners to challenge burdensome regulations closer to home will save time and money, freeing up resources for job creation and innovation. Reducing time spent on compliance gives small business breathing room to focus on enriching their communities and expanding opportunities for every diner, corner store, and entrepreneur. And in essence, that's what this portion of the package does, it allows a business to file a suit-- if that is the case-- for regulatory burden or noncompliance against the agency in the county that-- of residence rather than Lancaster County. This, this bill is, is really a-- there's no fiscal note, which is, which is amazing news. And just to give you some idea, we did a little bit of homework. In the last four years, there have been 30-- 31 cases with plaintiffs in the state of Nebraska that did not live in Lancaster County. So there is indeed a demonstrated need for this type of reform here in Nebraska. So I, I will be available for questions as well. Again, appreciate the opportunity to work with my colleagues on, on this package. And yield the rest of my time. Thank you.

**KELLY:** Thank you, Senator Storer. Senator Andersen, you're recognized to speak.

**ANDERSEN:** Thank you, Mr. President. First, a comment on AM1147. This is a friendly amendment to the bill. The changes make implementation of this section of the bill more feasible for larger agencies such as labor, education, HHS, and revenue. For example, HHS has approximately 350 chapters of regulations, which is not possible to review all in one year, let alone in the first six months of the year. So we-- this is the friendly amendment and I do support it. I know that Chairwoman, Chairwoman Sanders is not here, but I want to express my sincere appreciation to her for prioritization of LB6-- LB660 on behalf of the Government, Military and Veteran Affairs Committee. I'm honored that my bill has been selected as the vehicle for this committee package and grateful to my colleagues on the committee for advancing this legislation onto the floor for an 8-0-- by an 8-0 vote. Today, I'll be speaking on two bills of mine in this package, LB660 and LB662, both of which I introduced. Each addresses critical needs in areas of procurement, security, and fiscal transparency. LB660, as amended by AM1008, is the Secure Drone Purchasing Act-- a part of the Nebraska anti-foreign surveillance efforts. This bill protects Nebraska from

vulnerabilities posed by foreign-manufactured drones. It authorizes the State Division of Aeronautics in consultation with the state and public safety agencies to develop and maintain a list of secure drones authorized for purchase. Beginning in 2027, the state agencies and political subdivisions were practicable. Must only procure drones that appear on this list when using state funds. The amended version of this bill shows companies that meet the requirements to comply with the rigorous data protection and cybersecurity standards, including end-to-end encryption, tamper-proof hardware, segmented network operations, real-time monitoring, and annual independent audits consistent with national cybersecurity frameworks to be added to the secure drone purchase list. This bill is about ensuring tools we use to serve Nebraskans, especially in law enforcement, emergency management, and public infrastructure do not become back doors for surveillance or data theft by foreign hostile actors. Turning to LB662, this bill promotes long overdue transparency in how Nebraska agencies manage and rely upon federal funds. As amended by AM1008, LB662 requires that all state agencies for which the Legislature appropriates funds submit a federal funding inventory to the Department of Administrative Services every even-numbered year by September 15. This inventory includes the total expenditure of federal funds by the agency during the prior fiscal year, the total amount of federal funds appropriated by-- or, to the agency by the Legislature during the prior fiscal year, the percentage of agency's total budget that these federal expenditures represent, any requirements for a state match, and a copy of the agreement including MOUs, maintenance of effort agreements, or federal contracts, with a cover sheet summarizing state match requirements, staffing obligations, and relevant citations of federal law. A contingency plan for how the agency will respond to federal funds are reduced by 10% or more. A detailed description of the actions or results the agency made to obtain the fund-- federal funds. A reference to the state or federal statutory objective being met by these expenditures. A detailed-- and lastly, a detailed list of any federal funds with a foreseeable or potential end date, the date, and the schedule of expenditures of federal funds expected until that date. This is about more than just numbers. It's about ensuring that state leaders and Nebraska taxpayers understand the full scope of our reliance on federal resources. It equips the Legislature with the information needed to evaluate whether our ongoing federal support is sustainable and whether future obligations align with state priorities. LB662 does not restrict federal funding. It simply ensures that we have full visibility into what we're accepting, why we're accepting it, and what we've promised in return. It's a tool for responsible fiscal governance and a safeguard against unforeseen disruptions in

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Washington. Together, LB660 and LB662 strengthen Nebraska's security both in terms of protecting our infrastructure from foreign surveillance and ensuring our financial commitments are transparent and accountable to taxpayers. Colleagues, I respectfully ask for you to support this committee package. And I encourage a green vote on AM1147 and LB660. Thank you, Mr. President.

**KELLY:** Thank you, Senator Andersen. Mr. Clerk for an announcement.

**CLERK:** Thank you, Mr. President. The Judiciary Committee will have an exec session in Room 2022 at 6:45. Judiciary, 6:45 in Room 2022. That's all I have at this time.

**KELLY:** Thank you, Mr. Clerk. Continuing in the queue. Senator Raybould, you're recognized to speak.

**RAYBOULD:** Thank you, Mr. President. Good evening, colleagues. So I do have a, a few questions that I hope I can ask Senator Andersen and Senator Conrad. As I was reviewing all of these bills, I did notice that LB660, LB662, and LB29 all had some substantial fiscal notes. And if I-- if Senator Andersen would be agreeable, I'd like to ask him to help me understand them.

**KELLY:** Senator Andersen, would you yield to some questions?

**ANDERSEN:** Yes, Mr. President.

**RAYBOULD:** OK. Could you please tell us a little bit about LB660? I notice that for this fiscal year, 2025 to 2026, the fiscal note is \$135,000. And then in 2026-2027, it goes to \$238,000.

**ANDERSEN:** Yes. The, the fiscal note states that it's basically for a person to combine and maintain the secure drone list. So they have to hire a specialist in drone technology. And that's the additional cost.

**RAYBOULD:** And then LB662. It looks like it's \$408,000 in fiscal year 2025 and 2026 and then \$408,000 in 2026 and 2027.

**ANDERSEN:** Let me find that paperwork. I'll have to get back to you on that one if I can.

**RAYBOULD:** And I don't know if it changed, but it, it seems to indicate the University of Nebraska system estimates the need to hire additional administrative staff within the facilities due to the significant additional workload. The estimate is \$408,000 of general funds each fiscal year.

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**ANDERSEN:** Yeah. Senator Raybould, can I get back to you on that?

**RAYBOULD:** Yes, that, that would be great. And then I don't know if you can address LB29, which is Senator Conrad's bill.

**ANDERSEN:** Yeah. I'd defer to Senator Conrad.

**RAYBOULD:** OK. All right. Thank you very much. And then I would like Senator Conrad to help me understand the fiscal notes.

**KELLY:** Senator Conrad, would you yield to some questions?

**CONRAD:** Yes, of course.

**RAYBOULD:** Yes. So in the fiscal note for LB29, so for that-- the first year, it, it lists-- of 2025 to 2026, it lists \$682,102; and then the next two year-- near-- year, it would be \$873,294.

**CONRAD:** Yeah. Thank you, Senator Raybould. Thank you for pointing this out. So a couple of things. One, as just a kind of general pattern in practice in regards to our legislative bills and our corresponding budgetary process, so anything that does spark a fiscal impact, particularly general funds, fiscal impact will move through the process and then will need to be reconciled with the budget as well to ensure balance, right, overall in accordance with our constitutional requirements. Now, that being said, you can look at the fiscal note on LB660 and the component part bills that are there, and you can see that many of them were generated in accordance with our process as well-- very near their committee hearing dates. Right? And so what you don't see-- which I think is the best estimate we had available at that time headed into public hearing. What's not reflected is any sort of updated or revised fiscal note on the committee package or the component parts. So if these measures are successful and adopted, I do think that that could prompt a revised fiscal note. It is my understanding, working with the state agencies, working with the committee that the goal in bringing forward the committee package was to reduce, of course, General Fund expenditure or impact. And I think that-- with the adjusted timelines, for example, in AM1147 amending my bill, LB29, that should ensure that the agencies that indicated a cost should be able to utilize existing resources to carry out the administrative function. We also have the experience in that regard from the Ricketts executive order in 2017, which showed that agencies were able to accomplish the regulatory review without expenditure of significant resource.

**RAYBOULD:** Thank, thank you very much, Senator Conrad. I noticed that, that, that they did indicate that there would be additional time and,

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and, I guess, either part-time or full-time employees to, to look into--

**KELLY:** That's time, senators.

**RAYBOULD:** Thank you, Mr. President.

**KELLY:** Thank you, Senator Conrad and Senator Raybould. Senator von Gillern, you're recognized to speak.

**von GILLERN:** Thank you, Mr. President. Good evening, colleagues. Good evening, Nebraskans. I rise today in support of AM1008 to LB660. The AM-- and I realize this is off topic with Senator Conrad's amendment, but it's just where I fell in the queue. The AM incorporates provisions of a bill I brought on behalf of the Department of Administrative Services, LB445. The version of this bill that was worked into this amendment was worked on carefully in conjunction with a variety of stakeholders in order to develop a sound piece of legislation. Has a zero fiscal impact and was proposed as a part of LB660 by unanimous vote of the Government, Military and Veterans Affairs Committee. LB445-- which is, again, now part of the LB660-- allows the DAS and several other state agencies a wider range of options in the procurement process for construction contracts. If passed as amended, these state agen-- agencies could procure, design, build, and construction manage general contracts in order to build projects whose nature justifies that. The bill provides for an approval process through DAS in which a requesting agency must demonstrate that one of these alternative contracting methods is justified. So this will not be-- so this will not completely revolutionize or overturn the way the state procures construction contracts, just add additional options. Most state construction projects will still use the traditional design, bid, build method. AM1008 contains a section that ensures all contractors are-- that en-- ensures that all contractors are eligible to propose and can contract, ensuring the greatest possible level of competition within these alternative procurement processes. Second, construction manager general contracts can only be used for builds costing over \$30 million, which is the size of a project that would best utilize that format. Finally, we worked closely with the Nebraska Arts Council to arrive at the most practical value for art expense and new building projects. Setting a threshold, clarifying the types of projects, it should have allowances for artwork and allowing for a waiver application for unusual types of project not anticipated in the bill description. This zeroes out the fiscal note and negates the only item of pushback on the bill that was-- that arose during the hearing.



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With that, I respectfully request your green vote to adopt AM1008 and advance LB660. Thank you, Mr. President.

**KELLY:** Thank you, Senator von Gillern. Seeing no one else in the queue. Senator Conrad, you're recognized to close on AM1147.

**CONRAD:** Thank you, Mr. President. And thank you, colleagues, for your great questions and the good debate. Again, I would urge your favorable support of AM1147. This was drafted in full collaboration with my office, committee members, and the agencies, particularly HHS. And the amendment will require that each rule and regulation subject to review will happen once every five years instead of the initial timetable proposed in LB29. It will also require agencies to submit annual reports to the Legislature on said reviews, which strengthens dynamic cooperations between the branches of government and improves legislative oversight on the ongoing regulatory burden. The language will also give agencies a little bit more flexibility in order to complete all of the reviews in one year-- which might be good for some of our smaller state agencies-- or the ability to conduct the review across several-- several years if needed for the larger agencies. So it was trying to strike the right balance between the significant amount of resources available to smaller state agencies and larger state agencies without undercutting or changing the intent of the bill. So-- again, this also provides a little bit of additional flexibility to our state agencies so that they can work on the reviews of the regulatory code within their jurisdiction throughout the year and submit the intentional reports at a reasonable due date and still allow for that legislative reporting and engagement to the appropriate legislative committee of jurisdiction. So it just makes some critical, appropriately negotiated tweaks in terms of the mechanics and how the comprehensive regulatory review works. And again, I really, really want to give a huge, positive shout-out to the Pill-- to Governor Pillen, to the Policy Research Office, and to many of the state agencies that worked with myself and the committee and committee staff to be able to bring this forward. I urge your favorable consideration of the amendment and look forward to continued debate on this and, and the committee package. Thank you, Mr. President.

**KELLY:** Thank you, Senator Conrad. Members, the question is the adoption of AM1147. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 33 ayes, 0 nays, Mr. President, on adoption of the committee amendment.

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**KELLY:** AM1147 is adopted. Mr. Clerk.

**CLERK:** I have nothing further on the bill at this time, Mr. President.

**KELLY:** Senator Andersen, you're recognized to close on the committee amendment, AM1008. And waive. Members, the question is the adoption of AM1008. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 36 ayes, 0 nays on adoption of the committee report-- committee amendment, Mr. President.

**KELLY:** AM10-- AM1008 is adopted.

**CLERK:** I have nothing further on the bill, Mr. President.

**KELLY:** Senator Andersen, you're recognized to close.

**ANDERSEN:** Thank you, Mr. President. LB660 is a, a Government, Military and Veteran Affairs Committee priority. It was a collaborative process with multiple people on multiple bills. I'd like to thank Senator Sanders for her leadership and for prioritizing my bill going forward. Thanks to Senator von Gillern, Senator Storer, and Senator Conrad. Please vote green on LB660. Thank you, Mr. President.

**KELLY:** Thank you, Senator Andersen. Members, the question is the advancement of LB660 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 38 ayes, 0 nays on advancement of the bill, Mr. President.

**KELLY:** LB660 is advanced to E&R Initial. Mr. Clerk.

**CLERK:** Mr. President: General File, LB561, introduced by Senator Brandt. It's a bill for an act relating to the Nebraska Rules of the Road; it amends Section 60-6,298; changes maximum weight limits for vehicles carrying raw milk as prescribed; and repeals the original section; and declares an emergency. Bill was read for the first time on January 22 of this year and referred to the Transportation and Telecommunications Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**KELLY:** Thank you, Mr. Clerk. Senator Brandt, you're recognized to open.

**BRANDT:** Thank you, Mr. President. And thank you, Speecher-- Speaker Arch, for making this a Speaker priority bill. Good evening,

colleagues. I'm asking for your green vote on LB561, which seeks to provide an option for milk haulers to purchase an annual permit-- overweight exemption permit strictly for hauling raw milk from the farm to the processing facility. The dairy industry in Nebraska has changed dramatically in the last 20 years. Declining dairy farms have caused the cost of hauling milk to be substantially more expensive. It's difficult for milk haulers to know how much milk will be at each farm on their route, as each producer has different factors impacting their supply. The producer then has to make a decision whether to bring in another truck or let the milk product go to waste if it does not fit on that truck. Quite often, if there's several hundred gallons or 300 gallons of milk left in a tank, it gets dumped down the drain because of the requirement that they must clean that tank every night. It's not feasible to bring in another truck. This bill was voted 8-0 out of the TNT Committee. And once again, I thank Speaker Arch for giving us a Speaker's priority designation. And with that, I would ask for your green vote on this bill and the upcoming amendments.

**KELLY:** Thank you, Senator Brandt. As mentioned, there is a committee amendment. Se-- Senator Moser, you're recognized to open on AM316.

**MOSER:** Thank you, Mr. President. Good evening, colleagues. AM316 details procedures related to revocation of overweight raw milk vehicle permits. Violations of this act will not result in automatic revocation of a permit, and operators must receive written notice of revocation. It sets the maximum weight of a vehicle at 107,500 pounds and allows the Department of Transportation to create length exceptions when granting overweight permits. It also directs the department to create a map of bridges in the state which much-- must be avoided and specifies that operators are liable should they damage those bridges. Thank you, colleagues. AM316 clarifies significant parts of LB561. And I encourage you to vote green on its adoption. It also dispenses with the requirement to mail out license plates. Thank you, Mr. President.

**KELLY:** Thank you, Senator Moser. Mr. Clerk.

**CLERK:** Mr. President, Senator Brandt would move to amend the committee amendments with AM758.

**KELLY:** Senator Brandt, you're recognized to open on the amendment.

**BRANDT:** Thank you, Mr. President. AM758 updates the destination of reimbursement funds for bridge damage. In the bill, it states that these funds are to be directed to the General Fund. But because the Nebraska Department of Transportation is a cash-funded agency, it needs

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to be redirected to the Roads Operation Cash Fund. I would encourage your green vote on both amendments and LB561.

**KELLY:** Thank you, Senator Brandt. Moving to the queue. Senator John Cavanaugh, you're recognized to speak.

**J. CAVANAUGH:** Thank you, Mr. President. Well, I think I rise in support of these bills, but I did want to see if my good friend, Senator Tom Brandt, would yield to a question.

**KELLY:** Senator Brandt, would you yield to question?

**BRANDT:** Yes, I would.

**J. CAVANAUGH:** I, I went to the dairy day-- and I know this is really an important bill to our dairy producers, so I'm glad we've gotten it to this point and that you've-- you shepherd it through. Of course, I hope that there's no crying over this spilled milk, but-- ha ha ha ha. Grown. But I wanted to ask-- so this is about overweight raw milk. So does this include coconut milk?

**BRANDT:** No, it does not.

**J. CAVANAUGH:** OK. Soy milk?

**BRANDT:** Not soy milk.

**J. CAVANAUGH:** Oat milk.

**BRANDT:** Nope.

**J. CAVANAUGH:** Almond milk.

**BRANDT:** Not today.

**J. CAVANAUGH:** Rice milk?

**BRANDT:** Nah.

**J. CAVANAUGH:** No?

**BRANDT:** Nope.

**J. CAVANAUGH:** OK. Cashew milk?

**BRANDT:** Nope.

**J. CAVANAUGH:** Hemp milk?

**BRANDT:** Uh-uh.

**J. CAVANAUGH:** Pea milk.

**BRANDT:** Not gonna happen.

**J. CAVANAUGH:** Macadamia milk.

**BRANDT:** Uh-huh.

**J. CAVANAUGH:** Flax seed milk?

**BRANDT:** No.

**J. CAVANAUGH:** Hazelnut milk?

**BRANDT:** No hazelnut.

**J. CAVANAUGH:** Quinoa milk.

**BRANDT:** What is that?

**J. CAVANAUGH:** I believe it's from Peru, right? Quinoa can only be grown in Peru. Walnut milk?

**BRANDT:** Nope.

**J. CAVANAUGH:** Cow's milk?

**BRANDT:** Yes.

**J. CAVANAUGH:** Cow's milk. Almond milk? No?

**BRANDT:** No.

**J. CAVANAUGH:** Pistachio milk?

**BRANDT:** Nope.

**J. CAVANAUGH:** So Delicious coconut milk.

**BRANDT:** Not coconut milk.

**J. CAVANAUGH:** OK. How about this one? Tiger nut milk.

**BRANDT:** No tiger nuts today.

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**J. CAVANAUGH:** OK. Banana milk.

**BRANDT:** No bananas. We got no bananas.

**J. CAVANAUGH:** Chai milk?

**BRANDT:** What's that?

**J. CAVANAUGH:** Made from chai seeds, I assume. I think that's-- isn't that what a chia pet comes from?

**BRANDT:** That I don't know.

**J. CAVANAUGH:** All right. Well, I think that is all the milks that I'm curious about. So it only applies to cow's milk.

**BRANDT:** Basically, yes.

**J. CAVANAUGH:** In the raw form.

**BRANDT:** In the raw form, going from the farm to the processing plant.

**J. CAVANAUGH:** All right. Well, thank you, Senator Brandt, for answering my questions. I am going to be a yes on AM758, AM316, LB561. Thank you, Mr. President.

**KELLY:** Thank you, Senators Cavanaugh and Brandt. Senator Raybould, you're recognized to speak.

**RAYBOULD:** Thank you, Mr. President. And I know how very important this bill is to our dairy producers. But I, I just happened to pull up the fiscal note. And I think, Senator Brandt, you may have explained it in AM758; but on the fiscal note for LB561, the Nebraska Department of Transportation is alleging or claiming that the damage to the roads would be about \$2.7 million. And it didn't really specify or-- well, it did specify over this period of time of 2025 and 2026, and then it's \$2.7 million for the roads. And then in 2026-2027, it's another \$2.7 million. Oh, yes. That's for Senator Brandt. I'm sure-- he knows the answer to that.

**KELLY:** Senator Brandt, would you yield to a question?

**BRANDT:** I'd love to yield to a question. Was that the question?

**RAYBOULD:** Yeah. So could you help us understand the fiscal note from--

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**BRANDT:** Yes. When we, when we introduced the bill, there was a very high fiscal note. The industry, the truckers, the milk haulers, NDOT all worked together to eliminate that fiscal note, and that's primarily what the committee amendment did. And the committee amendment got, got rid of that in that these overweight milk trucks have to carry hard maps and/or digital maps in their cabs. And it will say what bridges they can and cannot cross, what roads they can and cannot go on. Because now you've got a milk truck that can weigh up to 107,500 pounds with the proper axles underneath it and if they're spread correctly and, and in accordance with our, with our weight laws here in the state of Nebraska. So there is no more fiscal note.

**RAYBOULD:** Wonderful. Thank you very much, Senator Brandt. Thank you, Mr. President.

**KELLY:** Thank you, Senators Raybould and Brandt. Senator Murman, you're recognized to speak.

**MURMAN:** Thank you, Mr. Lieutenant Governor. Well, I was a dairy farmer for only about 40 years, so I thought I ought to weigh in a little bit on this topic. I, I know it is very important to dairy farmers. Probably 25 years ago, most of the trucks that would come out to the dairy farm were just either single axle or double axle and it wasn't that big of an issue. But nowadays, it's almost-- or, I think it's all semis that stop at the farms. And it's really-- milk production can fluctuate a lot from-- even day to day, but especially from, like, a week to week. And a lot of it depends on weather. Even with dairies that are-- cattle are all under one roof now, there's still a lot of fluctuation in production. So it's, it's really hard to predict when a semi goes to more than one farm as to how much milk will need to be picked up each day. So quite often, it is a lot more efficient to slightly overload what the ratings are rather than, as Senator Brandt said, have to dump a certain amount of milk down the drain just because there's a little bit left that the hauler can't put on the truck. So-- and, and another thing, dairy-- the-- dairy production is a really demanding industry. Going from memory, I think in about 2000, there was about 650 dairies in the state. And now we're down to 77. So a lot of competition. And it's really difficult to stay in business, especially-- I think Senator Brandt mentioned that the milk producer does pay for the hauling from the farm to the plant. And in Nebraska, we don't have a lot of plants. And the ones that we do have are all located in the eastern part of the state. So for instance, my farm was 100 miles west of here. Now the milk usually goes to West Point, so it's, it's a long ways to haul it. And for dairy farms to be

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competitive and stay in business in Nebraska, this is a very important bill. So thank you, Mr. Lieutenant Governor.

**KELLY:** Thank you, Senator Murman. Senator Machaela Cavanaugh, you're recognized to speak.

**M. CAVANAUGH:** Thank you, Mr. President. Would Senator Brandt yield to a question?

**KELLY:** Senator Brandt, will you yield?

**BRANDT:** Yes, I will.

**M. CAVANAUGH:** Thank you, Senator Brandt. Senator John Cavanaugh asked you about a comprehensive list of different milks, but it wasn't exhaustive. And so I wanted to follow up with a couple more. Does this include sheep's milk?

**BRANDT:** It could include sheep's milk, but I doubt there's any sheep dairies in the state big enough to load a tanker truck.

**M. CAVANAUGH:** And how about goat's milk?

**BRANDT:** That also would be acceptable if there was a big enough goat farm out there to produce a tanker load of milk.

**M. CAVANAUGH:** I'm not sure why Senator John Cavanaugh discriminated against those two types of milks in his inquiry, but I appreciate you answering my question. Thank you, Senator Brandt.

**BRANDT:** You bet.

**M. CAVANAUGH:** I yield the remainder of my time.

**KELLY:** Thank you, Senators Cavanaugh and Brandt. Seeing no one else in the queue. And Senator Brandt waives closing on AM758. Members, the question is the adoption of AM758. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 36 ayes, 0 nays, Mr. President, on adoption of the amendment.

**KELLY:** AM758 is adopted. Seeing no one else in the queue. Senator Moser, you're recognized to close. And waive closing on AM316. Members, the question is the adoption of AM316. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.



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**CLERK:** 33 ayes, 0 nays on adoption of the committee amendment, Mr. President.

**KELLY:** AM316 is adopted. Seeing no one else in the queue. Mr. Clerk.

**CLERK:** Mr. President, Senator McKeon has AM978 with a note that he would withdraw said amendment.

**KELLY:** So ordered.

**CLERK:** I have nothing further on the bill, Mr. President.

**KELLY:** Senator Brandt, you're recognized to close. And waive closing. Members, the question is the advancement of LB561 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 35 ayes, 0 nays on advancement of the bill, Mr. President.

**KELLY:** LB561 is advanced to E&R Initial. Mr. Clerk.

**CLERK:** Mr. President, next bill: General File, LB399, introduced by Senator Wordekemper. It's a bill for an act relating to the Mutual Finance Assistance Act; amends Section 35-1205 and Section 35-1204; changes provisions relating to property tax rates; changes qualifications for certain distributions; eliminates obsolete provisions; provides an operative date; and repeals the original section. Bill was read for the first time on January 17 of this year and referred to the Revenue Committee. That committee placed the bill on General File. There's nothing currently pending on the bill, Mr. President.

**KELLY:** Thank you, Mr. Clerk. Senator Wordekemper, you're recognized to open on the bill.

**WORDEKEMPER:** Thank you, Mr. President. Colleagues, today I ask for your support on LB399, a bill that makes critical adjustments to the Mutual Finance Assistance Act to ensure rural fire protection districts across Nebraska can access the funding they desperately need. The Mutual Financial Assistance Act was established by the Legislature in 1998 to provide essential aid to rural and suburban fire protection districts for their operational and equipment needs. This program has been a lifeline for many communities, but over time a significant problem has emerged. Each year, hundreds of thousands of dollars allocated for the rural fire protection go unused because of outdated population requirements in the current law. In fiscal year 2023 and 2024, \$921,440 in designated funds went unclaimed and transferred to the General Fund.

This year, another \$813,680 meant for rural fire protection went unused. These funds are specifically set aside for our first responders, dollars that could be purchasing life-saving equipment, funding essential training, or maintaining emergency vehicles in our rural communities. LB399 addresses this issue with a straightforward solution: it adjusts the population threshold that currently prevents many rural districts from qualifying for these funds. Currently, to qualify, rural fire districts must have 80% of their population residing outside of a first-, primary-, or metropolitan-class city. LB399 would lower this requirement to 60%. This change recognizes our state's evolving demographics while still maintaining the program's focus on rural communities. It will allow more rural fire protection districts from mutual finance organizations and access this vital funding. And it will ensure current members can continue receiving funds as their populations change. I want to emphasize that LB399 does not change the funding mechanism itself. The state will continue to appropriate 10% of insurance premiums tax collection for the Mutual Finance Assistance Act. And the current aid calculation remains the same. This will not raise taxes, affect the General Fund, or hurt current members of the act. This bill also clarifies the treatment of bonded indebtedness and lease purchase agreements entered into after July 1, 1998. This codifies what has been common practice at the Treasurer's Office, which has typically not included those provisions when calculating an MFO's property tax rate. For our rural communities across Nebraska, reliable fire protection and emergency services are not luxuries. They're necessities. LB399 ensures these communities can access the funding already set aside for this purpose. I am pleased to report that LB399 advanced unanimously from the Revenue Committee with a 8-0 vote. There were no opponents or neutral testifiers at the committee hearing. This bill represents a fiscally responsible approach to supporting our rural first responders. It doesn't require new appropriations. It simply ensures that funding already designated for rural fire protection is actually used for that purpose. Finally, I want to light-- I want to thank Speaker Arch for recognizing this as an important bill and designating it as a Speaker priority. Colleagues, I ask for your green vote on LB399 to support our rural communities and the brave individuals who protect them. Thank you, Mr. President.

**KELLY:** Thank you, Senator Wordekemper. Senator von Gillern, you're recognized to speak.

**von GILLERN:** Thank you, Mr. President. I rise in support of LB399 as the Revenue chair. And as Senator Wordekemper mentioned, it did come out of committee unanimously, 8-0. There were 2 proponents and 0 opponents and 0-- excuse me-- yeah, 0 opponents and 0 neutral. So I

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would ask for your favorable vote on LB399. Before I wrap up, I do want to ask if Senator DeKay would yield to a question, please.

**KELLY:** Senator DeKay, would you yield to a question?

**DeKAY:** Yes.

**von GILLERN:** Senator DeKay, is there any significant-- anything significant happened in your life today that you'd like to share with the body?

**DeKAY:** Well, yeah. About 45 minutes to an hour ago, I found out that I became a grandparent of a baby granddaughter, 6 pounds, 13 ounces. So-- third granddaughter.

**von GILLERN:** There you go. Thank you, Mr. President. And congratulations, Senator DeKay.

**KELLY:** Thank you, Senator von Gillern. Senator Dungan, you're recognized to speak.

**DUNGAN:** Thank you, Mr. President. And congratulations, Senator DeKay. That's fantastic news. I just wanted to rise in support of Senator Wordekemper's bill briefly for a couple of reasons. One, I think it seeks to achieve a common goal that we all have in the Legislature, which is supporting our first responders and our, our firefighters. And, and I appreciated this because when I was on the Revenue-- or, on the Revenue Committee, you get to learn a lot of new things. And I was actually unaware earlier about the Mutual Finance Assistance Act. So this hearing was very educational for me as an urban senator to understand some of the support that we provide those first responders in rural areas, and I think that this bill achieves that goal in a really interesting way. There are certain times, obviously, where we need to appropriate additional money, but Senator Wordekemper I think was very, very smart on this bill and found a way to support those firefighters and those first responders by providing more financial assistance without actually having an increased appropriation or spending any state dollars. So it's, it's what-- rare that I think we see a bill where we're able to provide more financial assistance and benefit our first responders while still being fiscally responsible and not being able to-- or, not needing to spend any additional General Fund allocations. And so we see a number of these bills come through this year where we're just trying to tweak how much an agency or a, a fund can be spent, but the money's already set aside. So I just wanted to lend my support as a Revenue Committee member to this bill and

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Senator Wordekemper's hard work. Again, there were no opponents. We did hear, obviously, from the Millard and Papillion Fire Districts as well as some representatives from the Volunteer Firefighters Association, who I think did a great job of trying to lay out some of the specific and unique challenges that a lot of our rural fire have to deal with that our urban folks may be a little bit less familiar with. So with that, I would just encourage your green vote on LB399. Thank you again to Senator Wordekemper for his hard work on the bill. Thank you, Mr. President.

**KELLY:** Thank you, Senator Dungan. Seeing no one else in the queue. Senator Wordekemper, you're recognized to close.

**WORDEKEMPER:** Thank you, Mr. President. Just a couple final thoughts here. 42 counties currently use this money, so it affects the majority of the people here. This change to the-- a bill will probably bring in another three or four counties. And I'd just like to do an update on Brown County. I, I don't know if you know-- I believe that's Senator Storer's district. They received roughly \$50,000, and, and that money went to capital improvements, large equipment purchases, including a new tanker truck and a grass rig. And as you know, there are-- probably putting those to use this year with the grass fires out there. My county, Dodge County, we received \$300,000. And that's the cap. And that was used for truck maintenance, pagers, radios, and capital improvements. I would appreciate your support on this. Thank you, Mr. President.

**KELLY:** Thank you, Senator Wordekemper. Members, the question is the advancement of LB399 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 36 ayes, 0 nays on advancement of the bill, Mr. President.

**KELLY:** LB399 is advanced to E&R Initial. Mr. Clerk.

**CLERK:** Mr. President, next bill: General File, LB696, introduced by Senator Raybould. It's a bill for an act relating to the Professional Landscape Architects Act; amends Sections 81-8,184, 81-8,192, 81-8,196, 81-8,199, 81-8,200, 81-8,206, and 81-8,208; defines a term; changes, provides, and eliminates provisions relating to the State Board of Landscape Architects, a complete roster of professional landscape architects, applications for licensure, certificates of registration, cer-- certificates of licensure, and disciplinary actions; harmonize provisions; repeals the original section. Bill was read for the first time on January 22 of this year and referred to the Government,

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Military and Veterans Affairs Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**KELLY:** Thank you, Mr. Clerk. Senator Raybould, you're recognized to open.

**RAYBOULD:** Thank you, Mr. President. I do want to give another shout-out to Senator DeKay. Congratulations on being a grandparent of three granddaughters. I'm also a grandparent of three granddaughters, and it's all about girl power. So thank you, Mr. President. Again, I want to begin by thanking Speaker Arch for designating LB696 a Speaker priority bill. This legislation was brought to me by the Nebraska State Board of Landscape Architects with LB696. The board seeks to revise the Professional Landscape Architects Act to adopt the Council of Landscape Architecture Registration Board, referred to as CLARB, uniform licensure for landscape architects, which was passed by member boards in 2022. I'd like to point out that this bill has zero fiscal notes. And it was advanced unanimously from the committee. And it had no one speak in opposition. Just a quick summary: basically, LB696 would align licensing requirements for becoming licensed as a professional landscape architect in Nebraska with a new national standard. The changes in the bill include adding a definition for direct supervision, removing an antiquated requirement for a yearly roster to be filed with the Secretary of State and then sent to licensees, revising the licensure requirements to align with the new national standard adopted by the member boards in 2022, updating or removing effective dates and terms throughout. And I do want to make a note that we do have an amendment that will be introduced by Senator Andersen.

**KELLY:** Thank you, Senator Raybould. As the Clerk stated, there is a committee amendment. Senator Andersen, you're recognized to open.

**ANDERSEN:** Thank you, Mr. President. The Government Committee held its hearing on LB696 on March 6. We heard from the State Board of Landscape Architects and others involved in that process-- that profession. There was no opposition to the bill. Senator Raybould's office had been involved in continuing discussions after the bill was introduced. As a result of those discussions, she distributed AM499 to the committee at the hearing. That amendment had-- became the committee amendment, which we advanced with the bill at a 8-0 vote. AM499 clears up two issues with the green copy of the bill. First, there are two places in the bill that referred to the board but did not specify which board. The amendment resolves those ambiguities. Second, the bill makes reference to future successor organizations to the two professional societies in North America that [INAUDIBLE] landscape architect degree programs. The

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amendment makes it clear that our state board would make the final determination about using alternative cre-- accreditation authorities if one of those organizations goes away. LB696 updates our occupational regulations of landscape architects. It's a good bill that's supported by the profession. I would encour-- encourage you to vote green on AM499 and green on LB696. Thank you, Mr. President.

**KELLY:** Thank you, Senator Andersen. Seeing no one else in the queue. Senator Andersen, you're recognized to close. And waive closing. Members, the question is the adoption of AM499. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 34 ayes, 0 nays on adoption of the committee amendment, Mr. President.

**KELLY:** AM499 is adopted. Seeing no one else in the queue. Senator Raybould, you're recognized to close on the bill. And waive. Members, the question is the advancement of LB696 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 35 ayes, 0 nays on advancement of the bill, Mr. President.

**KELLY:** LB696 is advanced to E&R Initial. Mr. Clerk.

**CLERK:** Mr. President: LB434, introduced by Senator Wordekemper. It's a bill for an act relating to the State Fire Marshal; amendments Sections 28-1239.01, 28-1246, 28-1251, 81-503.01, 81-505.01, 5,159, 81-15,120, and 81-15,121; changes fees; provide-- changes provisions relating to the adoption of fees; and repeals the original section. Bill was read for the first time on January 21 of this year and referred to the Government, Military and Veterans Affairs Committee. That committee placed the bill on General File with committee amendments, Mr. President.

**KELLY:** Senator Wordekemper, you're recognized to open on the bill

**WORDEKEMPER:** Thank you, Mr. President. Colleagues, I rise today again to introduce LB434, a bill updating a variety of fees collected by the State Fire Marshal Office. This legislation addresses a critical need that has been overlooked for far too long. Many of these fees have remained unchanged for 20 to 30 years, failing to keep up pace with the rising costs of providing essential public services. LB434 updates fees across several critical areas, display permits for public fireworks exhibitions, license for fireworks distributors, jobbers, and retailers, fire alarm inspector certifications, inspection fees for premises, plan review fees for blueprints and shop drawings,

accessibility standard reviews, water-based fire protection system contractor certifications, various tank registrations, including farm, residential tanks, underground tank storage, installation permits, and annual tank registration. Despite these increases, I want to emphasize that these fees will not fully cover the actual costs associated with performing these inspections and services. LB434 is not a revenue-generating measure. Rather, it is a necessary step forward to reduce the widening gap between fee revenue and operational expenses. The State Fire Marshal's Office provides essential public safety services that protect Nebraskans, and these increases will help cover the rising cost of salaries, vehicle maintenance, equipment, and code books required to perform these duties. Let me highlight two key points. First, I want to emphasize that even with these adjustments, the plan review fees for remodels or new construction will remain considerably lower than comparable fees charged at the city level. For new construction not requiring a separate state license, applicants will still receive associated inspections such as fire alarm, fire sprinkler, and final inspection services bundled with the initial fee. Second, I want to note that the Government, Military and Veterans Affairs Committee advanced this bill on an 8-0 vote, recognizing the importance of these updates to maintain essential fire safety services. These fee increases are not taken lightly, but they are necessary to ensure the continued operation of vital safety services that protect our communities, schools, hospitals, and businesses. Colleagues, I would greatly appreciate your green vote on LB434 and committee amendment, AM750. Thank you, Mr. President.

**KELLY:** Thank you, Senator Wordekemper. As stated, there is a committee amendment. Senator Andersen, you're recognized to open on AM750.

**ANDERSEN:** Thank you, Mr. President. The Government Committee held its hearing on LB434 on March 6. Our State Fire Marshal brought this bill to Sen-- Senator Wordekemper, and we heard from the State Fire Marshal at the hearing. There was opposition to the bill at the hearing from representatives from the real estate and construction industries. Senator Wordekemper's office worked to address the concerns raised by these groups. It became clear that their concerns were primarily related to a drafting error that set a late filing fee at a percentage of the total project cost rather than a multiple of the application fee. This amendment fixes that error, and it is my understanding that this fix also eliminates the industry opposition to this bill. It is our belief that allowing the State Fire Marshal to adjust its fees will help that agency properly carry out its statutory mission. This bill advanced from committee with-- as AM750 on a unanimous 8-0 vote. Please vote green on AM750 and green on LB434. Thank you, Mr. President.

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**KELLY:** Thank you, Senator Andersen. Moving to the queue. Senator Armendariz, you're recognized to speak.

**ARMENDARIZ:** Thank you, Mr. President. I prioritized this bill for Senator Wordekemper. I am on the Appropriations Committee, and we see all of the agencies' funding. And the Fire Marshal is, is partially funded by fees. They haven't raised fees for-- since the 1980s. And we do evaluate all of those agencies that do have partially or fully funding by fees and make sure that they are collecting fees to support their own operations as much as possible. This is one of those instances that fees have not been touched in decades, and it was time that we gave them the leverage to increase them. So what Appropriations norm-- normally does is we'll raise their limit of allowable fees to be collected, which is what we're doing here. And I thought that, to get this out, I would prioritize that because it is of concern to the taxpayer. Otherwise, they would come to the Appropriations Committee and ask-- ask for general funds, which is something we try to avoid, especially when there are, there are fees available to be collected to support their own operations. And that's what we're doing here. Thank you, Mr. President.

**KELLY:** Thank you, Senator Armendariz. Senator von Gillern, you're recognized to speak.

**VON GILLERN:** Thank you, Mr. President. Would Senator Wordekemper yield to some questions right next to me?

**KELLY:** Senator Wordekemper, would you yield to some questions?

**WORDEKEMPER:** I certainly would.

**VON GILLERN:** Thank you. We just had a quick conversation offline. I think he addressed my questions here, but the-- I was reading through the original bill before the amendment and freaking out as I was making notes here. But it looks like the amendment addresses my greatest concern in the correction of the 50% of the fee versus 50% of the construction cost, which would have been obviously an exorbitant number. The-- I did want to ask Senator Wordekemper, is there a fee sche-- and forgive me because I've not plowed all through it yet. Is there a fee schedule that is, that is an exhibit to or attached to the bill in-- or referenced in the bill somewhere?

**WORDEKEMPER:** To my knowledge, there is not. I have one-- and I can run through the fee changes. There was 14-- I'm sorry-- 13 fees that were changed. I can certainly go through that.



**VON GILLERN:** And that's fine. I think all of them are identified within the body of the bill. I just didn't know if there was another schedule that was attached or that was a part of the bill for, for the changes in the fees. But if, if it's all the ones that were outlined in the body of the bill, then that's fine. My only other question is, having been the-- on the other side of-- the, the bill addresses if work starts without a, a plan review and process and paid for. Having been on the other side of that equation where we sometimes had to wait months and months for a fire marshal review of plans, would you be open to considering a time limit for the review of the plans by the Fire Marshal's Office in order that that does not cause substantial delays to, to the builder and the developer? Would that be something we could talk about between General and Select?

**WORDEKEMPER:** Certainly. We can convey that with the Fire Marshal and be happy to work with that.

**VON GILLERN:** Great. Thank you. I appreciate that. Thank you, Mr. President.

**KELLY:** Thank you, Senator von Gillern and Senator Wordekemper. Senator Raybould, you're recognized to speak.

**RAYBOULD:** Thank you, Mr. President. I too am looking at some of the, the fees, and, and I understand that they have not been increased since the 1980s. But some seem, you know, truly substantial. And I'm hoping Senator Wordekemper would be open to a few questions.

**KELLY:** Senator Wordekemper, would you yield to some questions?

**WORDEKEMPER:** Yes.

**RAYBOULD:** So it, it seems like based on the fiscal note provided that there is going to be a reduction of the General Fund of about \$2.5 million and that it is going to be replenished with all these increase in fees. Do I have that understanding correct?

**WORDEKEMPER:** That's the basis. So these fees that are collected from the Fire Marshal's Office, they go into their cash fund. And that cash fund money is used to offset the General Fund appropriation to their office. So these fees are actually increasing so that there's less need for the General Fund to fund that office.

**RAYBOULD:** OK. Thank you. And I-- I'm just going to pick out a few. I noticed that there was a big jump from the fireworks display permit from \$10 to \$100.

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**WORDEKEMPER:** Yes. The last time-- that \$10 fee was in 1982. And this is for somebody that comes to your city and wants to put on a fireworks show. So it's the big displays. And so that fee is increasing from \$10 to \$100.

**RAYBOULD:** OK. And then a couple of the other large ones. And I know Senator von Gillern talked about the plan reviews. The old rate was not to exceed \$500, and that jumped to the new rate of not to exceed \$10,000. How did, how did they land on that, that rate?

**WORDEKEMPER:** So in order to be charged the \$10,000, that would have to be a project that was projected to be over \$2.5 million in construction cost. And that fee would include plan review, going to the site, doing all the inspections. That is a start of the, the plan review to occupancy of that building, whether it's fire sprinklers and all that. And that's included in that. And that-- they come up with that money-- so it won't exceed that. They have a, a fee schedule that-- if it's going to be under \$2.5 million-- they break it down. If it's under \$100,000, your project, it's \$1.50 per \$1,000. So they, they incrementally jump these up. If your project is between \$250,000 and \$500,000, it's \$2.25 per \$1,000. So it incrementally steps up. And it won't exceed \$10,000.

**RAYBOULD:** So-- thank you. I, I hope you're open to some suggestions and discussions. I, like Senator von Gillern, have been on the other side. And I can tell you that a fee of a, a project I recently completed last month would-- to have a fee of \$10,000 on the project of that size is a considerable amount of money. I do value the, the Fire Marshal inspections and the review, but that seems pretty substantial. And I don't know if there is some discussions that could be had on-- that's such a stark jump from the plan review and the inspections that are done. To my knowledge, the, the Fire Marshal comes at least twice: midway through the project, almost near substantial completion, and towards the end for the final review. And that seems, you know, pretty steep. And so I-- my question to you is I'm hoping you're open to some discussions on the fee calculations for those values of-- up above \$2.5 million.

**WORDEKEMPER:** I'm sure they can be looked at with-- within the Fire Marshal and give justification on why those fees are at that rate.

**RAYBOULD:** That would be great. And then I just-- the, the next one as well for the plan review for accessibility standards and specifications. That sounds like it's on top of the plan review, and that went from not to exceed \$250 to not to exceed \$5,000. And so those

two combined would be quite substantial on any project, any project above \$2.5 million, I'm guessing. So I-- again, I'd like to ask if you would be open to having more discussions on projects like-- that are above \$2 million, \$2.5 million.

**WORDEKEMPER:** Certainly we would be open for discussions.

**RAYBOULD:** OK. Thank you very much. Thank you, Mr. President.

**KELLY:** Thank you, Senators Raybould and Wordekemper. Senator Jacobson, you're recognized to speak.

**JACOBSON:** Thank you, Mr. President. I think my concern that I've got with the bill at this point deals with-- near the end. I guess I would go to-- let me get my com-- computer here. I think line-- if you look in the bill, pa-- page 5, and looking at-- starting about line 13. And-- so I'm-- if I could, I'd like to ask a question of Senator Wordekemper.

**KELLY:** Senator Wordekemper, would you yield to some questions?

**WORDEKEMPER:** Yes.

**JACOBSON:** So the-- what-- the way I read this, it says that such fee shall meet the cost of administering the plan review requirement and other agency duties found in this section. So we're really not just covering the cost of the-- of-- to perform the service. We're able to charge more than the cost of-- to covering the service. And, and then, of course, you got the cap on the fee at \$10,000. So I'm-- I-- I've got some indigestion with that fact that you're doing funding for the entire department in addition to the fee. But-- is that, is that how this is intended?

**WORDEKEMPER:** I'm trying to find that. Are you in actual LB434 or on--

**JACOBSON:** I'm in AM750.

**WORDEKEMPER:** OK. And you're on page 5?

**JACOBSON:** I'm on page 5, yes. And line 15. [INAUDIBLE] count on Senator Clements here to help me out. Truly, I can. So my concern really deals with being able to charge more than the cost to perform the service. That, that seems to me that-- if we're going to charge a fee, it ought to be able to cover the service. But I'm not sure it's supposed to fund the agency.

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**WORDEKEMPER:** I believe you're correct on that. The, the way I believe that is, is wrote is that you will pay the fee and that fee will include all of the inspections, whether it's the plan review, the fire protection systems, and everything to get your occupancy. And that will not exceed \$10,000.

**JACOBSON:** But, but that's not really what this says, the way I read it. It says that they can-- it doesn't-- it's, it's unnamed as to what they can do. It says you're gonna pay for this, the cost of the service, plus other agency costs. So I, I, I just-- I-- I'm willing to support the bill on General, but I'd really like to look at that language on Select.

**WORDEKEMPER:** Certainly we can address that.

**JACOBSON:** Thank you. Thank you. Thank you, Mr. President.

**KELLY:** Thank you, Senator Jacobson. Senator Kauth, you're recognized to speak.

**KAUTH:** Thank you, Mr. President. Senator Wordekemper, can I ask you some questions?

**KELLY:** Senator Wordekemper, would you yield to some questions?

**WORDEKEMPER:** Yes.

**KAUTH:** And actually, it's just-- I am wondering if you have the dates when all of those fees were originally set and-- or if that's the last time that they were changed. I'd like to know that so I can kind of calculate because some of those increases are 20 times what they were originally. Some of them are only two times, which I think is probably more reasonable. So I just wanted some more information about when those dates were actually last touched if you have that. And you-- I can just come down and grab it.

**WORDEKEMPER:** I do. So on the fireworks display ones, which would be the top four, those were in 1982. The code compliance, some of those vary anywhere from '93 to 2004. Health care facilities, some of those were in '93 to 2001 they were adjusted.

**KAUTH:** Was that the fire safety inspections?

**WORDEKEMPER:** I believe so.

**KAUTH:** OK. OK. Thank you.

**WORDEKEMPER:** Yes.

**KAUTH:** OK. Thank you very much.

**KELLY:** Thank you, Senators Kauth and Wordekemper. Senator Sorrentino, you're recognized to speak.

**SORRENTINO:** Thank you, Mr. President. Would Senator Wordekemper yield to a question, please?

**KELLY:** Se-- Senator Wordekemper, would you yield to questions?

**WORDEKEMPER:** Yes.

**SORRENTINO:** Senator Wordekemper, thank you for responding to Senator Jacobson's question. It's right along the same lines I have. So if we could get that information on Select, that would be great. One thought: it seems like we're placing the costs of an entire agency on a fairly small group. If this is an essential public service-- which, obviously it is. I'm not arguing that-- wouldn't it be more logical to get some or all of this money from general funds as opposing this methodology? So I guess that's my question, if you could at least address that.

**WORDEKEMPER:** From my understanding, the, the fees that are collected on these are to augment the General Fund. They are not to offset any money from the General Fund that's going to keep the Fire Marshal doing its service and, and keeping all our buildings safe. So this money is to help augment the General Fund as to put it onto the users that are using these services and have them pay part of, of that fee.

**SORRENTINO:** So it's to augment as opposed to replace?

**WORDEKEMPER:** Yes.

**SORRENTINO:** All right. Thank you, Senator.

**WORDEKEMPER:** Yeah. I-- the, the Fire Marshal's Office could not just run on the fees alone. You have economy swings. You don't know when building growth's going to happen. So that is too much of a reliable source to just go off of the fees. So it's here to offset some of the money for the General Fund.

**SORRENTINO:** So there would be, if this moves forward, there would be no General Fund allocation to the Fire Marshal. It's 100% based on these fees?

**WORDEKEMPER:** That is incorrect.

**SORRENTINO:** That is incorrect? OK.

**WORDEKEMPER:** The fees will help offset some of the General Fund allocation to run the Fire Marshal's Office.

**SORRENTINO:** But so there will be some allocation from General Fa-- General Fund.

**WORDEKEMPER:** Yes.

**SORRENTINO:** All right. Thank you.

**WORDEKEMPER:** Yes.

**KELLY:** Thank you, Senator Sorrentino. Senator Dover, you're recognized to speak.

**DOVER:** Thank you. I'd like to ask Senator Wordekemper a question, if he'd please.

**KELLY:** Senator Wordekemper, would you yield to questions?

**WORDEKEMPER:** Yes.

**DOVER:** I was wondering, what's-- what was the current process for setting these fees in the past? Do you know? How did they arrive at the number?

**WORDEKEMPER:** I do not know. This list was brought to me by the previous Fire Marshal, Scott Cordes, when they were evaluating those, those fees. And I believe they probably worked with the Governor's Office at that time trying to be fiscally responsible and just update their, their fees.

**DOVER:** Yeah. I guess I'm just concerned tha-- it says here, such fees shall meet the cost administering the plan review requirement and other agencies' dues. I think Senator Jacobson was alluding that, found in Section 85-502. My concern is this was brought up during special session, Appropriations Committee, and it was a feeling of a number of us on Appropriations Committee that we really believe that, when setting fees that are going to affect everyone across the state when it comes to construction stuff, it-- there really should be a public comments, comments on setting the fees so the people that are getting the fees imposed upon them actually get a chance to discuss the fees

and ask why are they being set at that, that rate. Is there any possibility of having a public-- because I-- traditionally, I was told that in the past when they adjusted the rates there'd be a public hearing so both-- the people that were paying the bills could come and have a discussion with the ones that are setting the fees.

**WORDEKEMPER:** I believe that's what the committee hearing was for when these fees were brought in the bill. The committee hearing was that process for them to weigh in on, on these fee increases.

**DOVER:** OK. Are you familiar how the Fire Marshal was funded in the past as far as insurance?

**WORDEKEMPER:** As far as insurance?

**DOVER:** Yeah. There was a percentage of insurance that was paid on homes and everything that went to help fi-- to help fund the Fire Marshal. Do you know if there-- that was ever been in the discussion as far as funding the Fire Marshal's agency?

**WORDEKEMPER:** I am unaware of that.

**DOVER:** All right. Thank you.

**KELLY:** Thank you, Senator Dover. Senator Armendariz, you're recognized.

**ARMENDARIZ:** Thank you, Mr. President. I just wanted to jump back in and make clear to everyone: these fees do not apply to single-family homes or builders of single-family homes. They are for organizations that build larger buildings, like was mentioned, health care facilities. Senator Raybould mentioned grocery stores. More business-type facilities. I, I still am a proponent. And also, if we look at the fees that haven't been raised for over 40 years-- if you just apply a CPI to that, you're going to get-- probably get a lot higher fee. So I know it's sticker shock and we should probably be a lot more diligent about keeping on top of fees as cost of doing business increases over time anyway. We shouldn't leave them lie for 40 years without them being touched. And then people wouldn't be so shocked when they are at the level that they are. But I just wanted to weigh in. This isn't going to touch single-family homes. This is for organizations that need the Fire Marshal to check their plans and so forth. Thank you.

**KELLY:** Thank you, Senator Armendariz. Senator von Gillern, you're recognized to speak.

**VON GILLERN:** Thank you, Mr. President. To Senator Armendariz's point, I just-- as-- in the down time, I just-- I googled-- which is, of course, the source of all information-- what \$500 in 1980 would be worth today, and it was \$1,940. So the \$500 fee that's being increased to \$10,000 is a twentyfold increase, but inflation would be about a fourfold increase. And then also, it, it would not apply to single-family homes, but it certainly would apply to multifamily homes, which is a great source of affordable housing in Nebraska. So at best, I'm going to vote this through on General with hopes of a substantial amendment coming between General and Select. And I've already sent Senator Wordekemper a quick email to remind the two of us to have a conversation about that. Thank you, Mr. President.

**KELLY:** Thank you, Senator von Gillern. Senator Raybould, you're recognized to speak.

**RAYBOULD:** Thank you, Mr. President. I, I do have questions because as I'm reading the fiscal note-- and I understand, of course, the fiscal note will be changing. And, and hopefully we will have more answers to Senator Dover's questions and Senator Jacobson's question. But it-- the way I read it, it says the Fire Marshal also estimates a general-- General Fund revenue decrease of \$2.5 million in fiscal year '27. And it appears as though the Fire Marshal's intent is to show a General Fund expenditure re-- reduction. And so the question is, are-- is that General Fund being swept to help with our deficit? And then the other thing is that, on the revenue side with all these fees, they estimate the revenue to be \$1.9 million. So when I look at that, it, it seems like they're sweeping \$2.5 million and getting \$1.9 million in revenue. So it does appear that those funds are being swept that would have typically gone for fire safety issues-- which is, you know, for public well-being-- is-- where part of that should be covered by the state or the municipalities. And so I'm, I'm questioning-- it seems like the, the \$2.5 million is being swept towards other General Fund needs out of the funding that normally this department-- this agency would receive. And I guess a question to Senator Wordekemper. Am I, am I looking at it correctly on what the fiscal note says?

**KELLY:** Senator Wordekemper, would you yield to a question?

**WORDEKEMPER:** Yes.

**RAYBOULD:** So it seems like they're sweeping \$2.5 million from the General Fund that would normally have gone to the Fire Marshal's department and agencies. And then if you look at the revenue, the revenue is \$1.9 million from the fees.



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**WORDEKEMPER:** That's correct. And so the Fire Marshal's Office will be short \$600,000, and they're going to absorb that shortfall. So the \$1.9 million is going to go to help offset the \$2.5 million, which is not the total appropriation for the Fire Marshal's Office. So they estimate that they're going to be \$600,000 short for the Fire Marshal's budget. And so they're willing to absorb that cost.

**RAYBOULD:** OK. Thank you. And-- so will you have time in between now and Select to give us more information on, on what their actual budget needs were and what the actual funding was before this piece of legislation?

**WORDEKEMPER:** I certainly can.

**RAYBOULD:** OK. Thank you very much.

**KELLY:** Thank you, Senator Raybould. Senator Clements, you're recognized to speak.

**CLEMENTS:** Thank you, Mr. President. I just looked up the preliminary budget report on the website. You can find it under Reports. If you look at page 42, the Fire Marshal's Office General Fund this fiscal year is getting \$5.6 million of general funds and \$5.1 million of cash funds. The proposal for the next budget is an increase of 3.3%, \$5.8 million general funds. And the second year is \$6 million of general funds. So it's currently about \$5 million of general funds, \$5 million of cash funds. In the Appropriations Committee, we are trying to have agencies fund themselves with cash if they have fees rather than the whole state providing those services, that-- the people who are getting services from an agency that has a fee. We'd like for those fees to be covering the cost. And so it is 50/50 general funds and cash funds. And the-- I, I believe this bill would increase the cash funds and decrease the general funds some, but it's not going to be completely cash-funded. It's-- it might end up being 60/40 instead of 50/50, but I'll give Senator Worg-- Wordekemper these figures so he has them. Thank you, Mr. President.

**KELLY:** Thank you, Senator Clements. Seeing no one else in the queue. Senator Andersen i-- is recognized. And waives closing on AM750. Members, all those in-- the question is the adoption of AM750. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 37 ayes, 0 nays on adoption of the committee amendment, Mr. President.

**KELLY:** AM750 is adopted. Mr. Clerk.

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**CLERK:** Mr. President: Senator Wordekemper, I have AM494 with a note that you'd withdraw that amendment.

**KELLY:** So ordered.

**CLERK:** In that case, Mr. President, I have nothing further on the bill.

**KELLY:** Members, the quest-- oh. Senator Wordekemper, you-- Senator Wordekemper, you're recognized to close.

**WORDEKEMPER:** Thank you, Mr. President. I appreciate you probably don't want to hear me anymore, Mr. von Gillern, Senator. Colleagues, I've mentioned this bill that makes necessary updates to fees collected by the State Fire Marshal's Office to support their essential public safety services. I appreciate the discussion. And I've heard the concerns about the timing, the scale, and the fee increases and understand these concerns. No one likes to see fees go up, but I want to emphasize some critical facts that should inform our decision today. First, most of these fees were established in the 1980s and have not been adjusted since. The display firework permits has remained unchanged since 1986. Fire alarm examinations hasn't been updated since 1982. And the tank installation fee has remained static since 1986. Think about that. These fees have remained unchanged for 40 years while the cost of providing these services had increased substantially with inflation. What \$100 could buy in 1982 now costs more than three times that amount. By not updating these fees, we've been requiring the Fire Marshal's Office to do more with less for decades or cost more to the General Fund. Some have suggested these increases are too large and should be gradual, but consider this: if we've had responsible adjusting, these fees-- small amounts over the 40 years, they would already be set to levels we're proposing today. Size of the increases reflect our long delay in addressing this issue, not to overreach. Others have questioned whether this is the right time, but public safety isn't optional and doesn't operate on convenient schedule. The Fire Marshal's Office must continue to perform inspections, issue permits, and enforce our code reg-- regardless of the economic conditions. These services directly protect lives and property throughout Nebraska. I want to thank the Government, Military and Veteran Affairs Committee for the work on this bill and for their support advancing to the floor. I want to also thank the Fire Marshal's Office for providing the historical context and justification for these updates. I will work with the senators that raised issues between now and Select File to address those issues along with the Fire Marshal's Office. Thank you, Mr. President.

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**KELLY:** Thank you, Senator Wordekemper. Members, the question is the advancement of LB434 to E&R Initial. All those in favor vote aye. There wa-- OK. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

**CLERK:** 35 ayes, 0 nays, Mr. President, on advancement of the bill.

**KELLY:** LB434 advances to E&R Initial. Mr. Clerk.

**CLERK:** Mr. President, amendment to be printed from Senator Bostar to LB645. Single name add: Senator Rountree, name added to LB173. And a priority motion: Senator Prokop would move to adjourn the body until Thursday, April 24 at 9:00 a.m.

**KELLY:** Members, you've heard the motion to adjourn. All those in favor say aye. Those opposed, nay. The Legislature is adjourned.