

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate April 24, 2025

KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the sixty-seventh day of the One Hundred Ninth Legislature, First Session. Our chaplain for today is Senator Storer. Please rise.

STORER: Please join me in prayer. Dear Jesus, we just pause and acknowledge that all good things come from you. And we just ask for your guidance. We ask that you would fill this chamber with the scent of your presence, dear Lord. That the fruits of the Spirit would be evident in our speech, in our actions, love, joy, peace, patience, kindness, self-control. That when others see us and hear us, that they would see a reflection of you. And we just pray for those who are dealing with health issues, that you would provide healing and comfort. We pray for those who are dealing with issues from the fire this morning, that you would, that you would comfort them as well. Dear Lord, we ask that you would put a hedge of protection around the leaders of this state and this nation, our president, our governor, and each of the 49 members in this body and their families, and all of those who serve the people of Nebraska, including our firefighters, who selflessly step out and put their lives on the line for others. For all these things we pray and we ask for you to be glorified in Jesus' name. Amen.

KELLY: I recognize Speaker Arch for the Pledge of Allegiance.

ARCH: 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.

KELLY: I call to order the sixty-seventh day of the One Hundred Ninth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

KELLY: Are there any corrections for the Journal?

CLERK: I have no corrections this morning, sir.

KELLY: Are there any messages, reports, or announcements?

CLERK: There are, Mr. President. Two new LRs, LR138 from Senator Ibach, and LR139 from Senator Ibach. Those will both be laid over. That's all I have at this time, Mr. President.

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KELLY: Thank you, Mr. Clerk. Senator Clements would like to recognize a guest under the south balcony. He is a high school senior at Lincoln Christian School, Joshua Pierce, shadowing Senator Clements today. Please stand and be recognized by the Nebraska Legislature. Mr. Clerk, please proceed to the first item on the agenda.

CLERK: Mr. President, Select File, LB650, first of all, Senator Ballard. There are E&R amendments.

KELLY: Senator Ballard for a motion.

BALLARD: Mr. President, I move the E&R amendments to L60 be adopted-- LB650 be adopted.

KELLY: Members, you've heard the motion. All those in favor say aye. Those opposed say nay. They are adopted. Mr. Clerk.

CLERK: Mr. President, Senator von Gillern would move to amend the bill with AM1118. Senator von Gillern, you're recognized to open on the amendment.

von GILLERN: Thank you, Mr. President. Good morning colleagues, good morning Nebraskans. I'm going to open on the bill and on the amendments and everything kind of at one time here, and that'll cover AM1118, but I'll talk about that specifically also. AM1118 is a bill, is an amendment that drafters have urged to in-- introduce in order to avoid some potential conflicting language with another bill in the event that both pass, so AM1118 is a bit of a clean-up piece. But back to LB650. LB650 seeks to increase revenue to the state by paring back tax programs and business incentives enacted over the past several years. As we're all aware, we're duty bound by our constitution to pass a balanced budget before the end of this session. LB650 helps to get us part of the way there. The Appropriations Committee has calculated this revenue into their pathway to a balanced budget to keep Nebraska in good fiscal shape. LB650 was designed and written with a last-in first-out principle in mind. We've sought to highlight some of our most recent initiatives and incentive programs as opposed to ones that have been on our books for a longer period of time and more heavily relied upon. Many of you will be disappointed by the prospect of cutting back these business incentives. So am I. One of the programs being touched by LB650 is a bill that I carried a few years ago. The selection process was not biased and we did not play favorites. Furthermore, we opted to target business incentives and steer around consumer items as much as possible. In other words, these rollbacks are unlikely to hit the pocketbooks of most everyday

Nebraskans. LB650 is one of the solutions to increase revenue to our state. The Appropriations Committee is working hard every day on the other half of this equation, that is, cutting spending. The biggest difference between what we do here in the Capitol and what we might do at home, or what is done in Washington, is that we cannot put our bills on a credit card. We can't take out a home equity loan or borrow against our assets in order to kick the fiscal can down the road for someone else to deal with. We have a constitutional duty to balance our state's budget, and passing LB650 is a key step to fulfilling that duty. You'll see that the current fiscal note indicates an increase of \$49 million in revenue for this biennium. I have another amendment, AM1132, in line, which will be on the board soon, which lowers two caps on programs already contemplated by AM923 for fiscal year 2025 in order to increase the budget impact of the entire bill and the amendments to around \$55 million. Over the past several weeks and months, there have been thoughtful discussions with stakeholders about the impact of the changes in LB650. The result of these can be seen in the revised fiscal impact from the governor's original estimate of \$140 million to our current number. We sought to bring about the greatest return for taxpayers. This is the heavy burden of responsibility that we bear to manage taxpayer dollars to the best of our abilities. I urge you to set aside any strawman arguments or red herrings that threaten to distract us from that end. I ask you to listen carefully to the discussion today, to ask good questions, and to embrace the tough job to which we were all elected. Help us fulfill our constitutional obligation and balance the budget. And with that, I ask for your green vote on AM1118. I yield the remainder of my time, Mr. President. Thank you.

KELLY: Thank you, Senator von Gillern. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Senator von Gillern would move to amend with AM1118.

KELLY: Senator von Gillern, you're recognized to open on the amendment.

VON GILLERN: Thank you, Mr. President, I pretty well covered that in my previous opening, AM1118 is some clean-up language, there was some contradictory language in the E&R amendment, and so I urge you to vote green on AM1118. Thank you.

KELLY: Thank you, Senator von Gillern. No one else is in the queue. Senator von Gillern, you're recognized to close. And waive closing.

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Members, the question is the adoption of AM1118. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

ASSISTANT CLERK: 28 ayes, 0 nays on the adoption of the amendment, Mr. President.

KELLY: The amendment is adopted. Mr. Clerk.

ASSISTANT CLERK: Mr. President, Senator von Gillern would move to amend with AM1132.

KELLY: Senator von Gillern, you're recognized to open.

VON GILLERN: Thank you, Mr. President. AM1132 simply clarifies the enactment-- the enacting dates on two of the programs. One is a step-down credit on the Relocation Act to \$1 million, which saves \$4 million. Currently, there have been no credits applied for in that amendment, so it, it certainly is not going to injure that program. The second is a step-down on the-- excuse me, the credit on page 81 ER 45, that's on the earned in-- excuse me, the sales tax collection credit, and that saves about \$2.5 million less-- excuse me, I'm sorry, that's the Community Development Assistance Act. Steps that down, and the-- it steps it down to approximately what has been claimed in this past fiscal year, so again, not injuring the program, so I urge your green vote on AM1132. Thank you.

KELLY: Thank you, Senator von Gillern. Seeing no one else in the queue, you're recognized to close on the amendment, Senator von Gillern. And waives. Members, the question is the adoption of AM1132. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 32 ayes, 0 nays on adoption of the amendment, Mr. President.

KELLY: AM1132 is adopted. Mr. Clerk.

CLERK: Mr. President, Senator Halls-- excuse me, Senator Hallstrom would move to amend with AM1089.

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

HALLSTROM: Thank you, Mr. President, colleagues. I bring before you today AM1089 to LB650, which would strike Section 38 of the legislation. I want to let you know that I intend to withdraw this amendment after some brief discussion, give you a little historical background on the issue, and maybe ask Senator von Gillern a question

or two. If adopted, AM1089 to LB650 would retain Nebraska Revised Statute 7726-- 7706.02, which was enacted in 2023 pursuant to the passage of LB74, a provision that was carried into law as part of LB727 by a vote of 46-0 with 3 present and not voting. Again, as-- while I intend to withdraw this amendment, I submit it today to underscore the need for a conversation about fairness, clarity, and consistency in our tax code as it pertains to Nebraska manufacturers. The amendment is about discussing the consequences of the reversal of a commonsense policy that corrects a long-standing inequity in our tax system. This inequity unfairly penalized some Nebraska manufacturers not on the basis of what they were producing or how they were producing it, but on the technical tax designation of the contractor they happened to work with. Without the change adopted by the Legislature two years ago, manufacturers in Nebraska will continue to be forced to navigate an inconsistent and often illogical application of our sales tax exemption for manufacturing machinery and equipment. Until July 1, 2026, manufacturers installing the exact same equipment for the exact same purpose, such as ethanol production, could be treated in very different ways for tax purposes. The difference? Whether their contractor elected to be categorized by the Nebraska Department of Revenue as an Option 1, 2, or 3, some manufacturers receiving the exemption to which they were entitled, while others were denied it, all based on a factor entirely outside of their control. That disparate situation is resolved on July 1, 2026 if the law is not changed as proposed under LB650. But under LB650 in its current form, the fix to this disparity is repealed and the inequity continues. By way of example, we can take three different scenarios, one in which a manufacturing plant hires a con-- contractor who is an Option 1 contractor, and as a result they receive the sales tax exemption. If they take a different contractor who is categorized as an Option 2 or 3 contractor they are denied the sales tax exemption, and if they have the resources to perform the installation itself without hiring a contractor the exemption is granted. The result, identical projects, three different tax outcomes. That is not a level playing field. That is a not a defensible tax policy. The Legislature properly addressed this problem in 2023 with the inclusion of LB74 in LB727, which allows manufacturers beginning July 1, 2026 to designate their contractors as authorized purchasing agents, enabling those contractors to utilize the manufacturer's buyer-based sales tax exemption when purchasing qualifying machinery and equipment. This minor change closes a loophole that penalizes businesses simply for relying on outside expertise. The amendment I present today, AM1089, is a vehicle for discussion, raising fundamental questions that deserve this body's attention. In repealing LB74 from 2023, we are knowingly choosing to

maintain a policy that treats similarly situated businesses unequally. We are choosing to keep our tax code confusing. We are choosing to burden manufacturers who rely on third party contractors, especially smaller or mid-sized manufacturers who may not have the internal capabilities to self-perform major equipment installations. The fix to this tax disparity was passed with overwhelming support and signed into law by Governor Pillen. To repeal it now before it has even taken effect sends a confusing and discouraging message to the very manufacturers we're trying to support and retain here in Nebraska. Let's be clear, this statute does not create a new tax break. It ensures an existing exemption is applied fairly and consistently. It aligns our policy with real-world practices of modern manufacturing and construction. And most importantly, it respects the intent of the Legislature when it first enacted the manufacturing exemption back in 2006, that equipment used in the manufacturing process should not be taxed, regardless of who installs it. So while I understand and respect that this repeal is necessary at this time to help address the state's budget shortfall, I urge this body not to let the conversation end here. LB74 was a carefully considered, broadly supported, and thoughtfully crafted solution to a real and persistent problem in our tax code. As we move forward, I hope we will continue this discussion in future legislative sessions engaging with manufacturers, contractors, the Department of Revenue, and fiscal analysts to ensure that our policies remain fair, consistent, and supportive of Nebraska's manufacturing economy. This issue is too important to set aside indefinitely, and I believe there will be opportunities ahead to revisit it when this fiscal landscape improves. I would welcome any questions, and while I'm on the mic, if Senator von Gillern would yield to a question?

KELLY: Senator von Gillern, would you yield to a question?

von GILLERN: Yes.

HALLSTROM: Senator von Gillern, thank you. I, I understand that you and the Revenue Committee may, may be considering an interim study to review this purchasing agent issue specifically and perhaps some other issues that are incorporated into LB650. Could you confirm any of your intentions in that regard?

von GILLERN: Yes. First of all, I want to affirm just about everything that you said about the purchasing agent appointment. There's, there is some extreme confusion on-- between the manufacturers and how the Department of Revenue is applying the law with regards to collection of sales tax and the flow-through of a tax-exempt opportunity. And

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I've had some, some interesting conversations with stakeholders over the past few weeks on this topic. I've learned more about it. I believe that, that the, the right thing to do today, and I appreciate greatly your pragmatic approach to this, the right thing today is to proceed with, with this change within LB650 and the amendments. But I absolutely am on board and have agreed with all parties to facilitate a conversation between the Department of Revenue and those stakeholders to get clarity on this topic. And I believe, as you noted, this does not take effect till July of 2026, so we actually have an opportunity to maybe get correction on this and clarity on this before, before the, the, the bill actually would have taken, taken effect. So absolutely on board with what it is that you would like to do and will help to facilitate that in any way that I can.

HALLSTROM: Thank you, Senator von Gillern, and I, I certainly hope that you are equally appreciative of my pragmatic approach on the next amendment, but we'll get to that in just a moment. I would respectfully ask that AM1089 be withdrawn at this time, Mr. President.

KELLY: So ordered. Mr. Clerk.

CLERK: Mr. President, Senator Hallstrom would move to amend with AM1066.

KELLY: Senator Sorrentino would like to recognize a guest under the South balcony. It is his daughter-in-law from Omaha, Madeline Sorrentino. Please stand and be recognized by your Nebraska Legislature. Senator Hallstrom, you're recognized open on AM1066.

HALLSTROM: Thank you, Mr. President, colleagues. AM1066 to LB650 removes a new tax, one that has never been collected before from the underlying bill. We have heard much discussion about repeal of tax incentives by passing LB650, but the tax that AM1066 would remove from LB650 is not a tax incentive, but rather a new tax on cell phone tower leases. I think Senator von Gillern, in his open earlier this morning, suggested that there was a, an effort to address business-related taxes, business incentives, and not those that would ultimately hit the consumer's pocketbook. I believe this is more of-- in the nature of a consumer tax that will be passed through to consumers to the detriment of the implementation of broadband. AM1066 would remove the proposed repeal of Nebraska Revised Statute 77-2701.16, which was introduced in 2021 as LB182 and amended into LB595, which was ultimately passed by the Legislature by a vote of 45-0. AM1066 is not about carving out new exemptions or expanding incentives. It's about preserving a narrowly tailored solution that this Legislature adopted

just a few years ago to prevent what would have been then and would now be a sudden change in how Nebraska taxes the infrastructure behind wireless broadband. For decades, wireless tower leases, meaning the payments wireless providers make to rent space on towers to place their equipment, were not taxed in Nebraska. That was consistent with a 1977 Department of Revenue ruling, and remained so until a few years ago when the Department of Revenue, not this Legislature, in the course of an audit of a wireless carrier, determined that they would begin assessing sales tax on these lease payments. The change was significant. These leases are fundamental to the expansion and maintenance of broadband networks, especially in rural areas where laying fiber may not be feasible. By taxing these lease payments, we added a new and avoidable cost to broadband deployment. That's where LB182 came in. The legislation, as amended, amended and passed, simply maintained the historical tax treatment and overrode the Department of Revenue effort to impose a tax that had not been approved by the Legislature. During the 2021 committee hearing on LB182, the ripple effects of the department's reinterpretation were discussed. In short, the cost of doing business in Nebraska would become more expensive for wireless providers. Every \$1 million spent on network infrastructure carried a \$70,000 sales tax bill, costs not imposed in Iowa or Missouri, which exempt wireless equipment entirely. And that brings me to another key point. Nebraska already ranks among the top five states in the country in terms of the highest taxes on wireless service. According to the Tax Foundation, only a handful of states place a heavier combined state and local tax burden on wireless consumers than Nebraska. That includes sales taxes, 911 fees, universal service charges, and other surcharges that add up fast for consumers and providers alike. So I'd ask you to ask yourself, in one of the highest tax states for wireless service in the nation, should we really be looking to add new costs to wireless and broadband infrastructure and adversely impact consumers in the deployment of broadband? This is not just about dollars and cents, it's about competitiveness. When providers determine where to invest next generation networks, they look at the full picture: permitting, regulations, labor, and yes, tax policy. By repealing the modest targeted fix in LB182. We create a less predictable and more burdensome tax environment. That doesn't just impact large national carriers, it affects smaller regional providers and tower companies working to expand service in unserved and underserved parts of our state. Repealing the LB182 fix won't put a meaningful dent in the state's budget shortfall, but it will make broadband and wireless deployment more expensive. It will send a chilling signal to providers considering where to invest next, and it will undercut our shared goal across party lines of expanding

broadband access to every corner of Nebraska. To put it in perspective, the fiscal note for LB650 shows that repealing this provision estimates a revenue loss of just \$1.1 million in fiscal year '26, \$3 million in fiscal year '27, \$3.1 million in fiscal year '28, and \$3.3 million in fiscal year '29. That's a modest fiscal impact in the context of our multi-billion dollar state budget, but one that comes at the cost of discouraging wireless and broadband investment and placing additional strain on consumers and providers. It's a short-term gain that jeopardize, jeopardizes long-term connectivity. Colleagues, when the Legislature passed LB182, the message was that the state would not penalize providers for investing in broadband infrastructure. Nebraska's tax code was appropriately aligned with our development goals, and the Legislature said we would support the long-term expansion of wireless internet access for homes, schools, farms, and businesses across Nebraska. Let's stand by that commitment. I urge your support for AM1066 to retain the statutory fix made by LB182. It is a policy that remains sound, sensible, and in step with our priorities. Thank you, Mr. President. I would welcome any questions that the body may have.

KELLY: Thank you, Senator-- thank you, Senator Hallstrom. Senator Storer, you're recognized to speak.

STORER: Thank you, Mr. President. I stand in support of AM1066, and just want to reiterate-- reiterate a few things that Senator Hallstrom spoke to. We are one of the highest tax states on cell, cell phone and broadband. And, you know, it just seems to be a real hypocrisy that, that we have focused so much on broadband expansion, we've developed a new broadband office, that we would now want to increase the tax on, on the expansion of that service. This is indeed one of those taxes, and this would be an increased tax, that would, that would impact every, virtually every, every citizen in the state of Nebraska, regardless of where they live. This is not an urban-rural issue, this is a state of Nebraska issue, and certainly an inhibitor to our focus on continuing to expand our, our broadband services. So I would ask for your support. I will be pushing the green button for AM1066. I yield the rest of my time.

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

J. CAVANAUGH: Thank you, Mr. President. Well, I rise in support of AM1066. I know people are going to be surprised I'm on the same side as Senator Hallstrom, but, you know, when he's right, he's, right. So, you know, I'll give him credit. And I didn't even notice 1066, you

know of course, was the year that William the Conqueror conquered England. So just last time that there was an AM1066 I brought that up. So. In general, I've got issues with LB650. I don't particularly care for the first-in, first-out philosophy. I was sitting here thinking about it as I've been listening to the discussion. I was going to punch in on Senator Hallstrom's first AM when he brought that up. And I was thinking about Senator Sanders' bill that we moved, I think, similar timeframe of moving this bill for the new tax credits for defense contractors at the base, which is an idea that I support. But I worry about the precedent something like LB650 sends with the, the philosophy of first-in, first-out, and we're going to set aside some money and try to attract folks. If I were one of those people who was thinking about capturing that new tax credit, I would look at this discussion and say, why would I put down roots and invest on the basis that I'm going to get a tax credit that they may just claw back next year if the fiscal climate continues to be difficult? So I think that there's reason and logic behind taking away some tax credits. But I think that doing it just on the basis of which ones were the most recent is not a great philosophy. But that's overall. My-- AM1066, I agree with Senator Hallstrom about it being a tax increase, and I'm not in favor of a tax increases. And I think anybody knows, no secret, that I've had my fights with the cell phone companies here. There's cell phone towers in particular, which I think is what this is a tax-- it's creating a tax on. They're popping up everywhere and 5G towers are smaller and they need to be put in more places. And so I brought a bill three or four times now to the Transportation Committee. So if you sit on Transportation, you've heard this story, but they refused to kick this bill out, you know, this common sense limited government approach, the Transportation Committee kicks out-- won't kick out to the floor, so we haven't been able to debate So I'll talk about it now, about my fights with cell phone towers. So there's a street in my district where a cell phone company had to put a tower there because they need to put these 5G's everywhere, and we passed a bill before I got here that put a shot clock on the placement, the zoning for this. And so they went to the city of Omaha and they said, we need to a put a cell phone tower on this street corner. We can't put it just to the north of the sidewalk because there's underground wires. We can't put it to the south of the sidewalk because there's above ground wi-- above head wires. So we either need to put it five feet or 10 feet in this lady's yard or we need to move the sidewalk. And the city of Omaha didn't respond for 89 days. The shot clock was 90 days that the Legislature had put on these zoning requirements. And on day 89, the contractor said, we really need an answer. Are we putting it in the sidewalk or in the yard? And City of Omaha replied sidewalk. That was

basically it, it was like a one word reply. So they dig up the sidewalk, put it in the middle of the sidewalk. The sidewalk then comes, stops abruptly in front of the, the cell phone tower, and then picks up on the other side. And the city was gonna jog the sidewalk to the south between the cell-phone tower and the street. At that point, the city then contacts the city sidewalk engineer, who says that will not comply with the Americans with Disabilities Act. So in response to that, the city then jogs the sidewalk way into her yard, which is where the tower would have gone if they had taken the time and done their due diligence to actually have a conversation with the sidewalk engineer and look at this right. So I brought a bill several times now to say, not to change the timeline or anything like that, I might have to push again to talk about this some more, but not to change any of those things, but just to say they have to talk to the city sidewalk engineer before they do this to ensure that we don't end up in this problem. Because if they had done that, the city would have said, we'll put the cell phone tower in the yard because it is less obtrusive, the sidewalk will remain straight, it will remain in compliance with the Americans with Disabilities Act. So that's-- some of you know I'm opposed to shot clocks, some of you know that I've got problems with cell phone companies, some of you know that I got problems with notices from the city because I brought all these bills to address these things. But so that's all those things. But again, I don't think we should increase taxes on cell phone companies, even if I have beef with them, about where they put their cell phone towers. I don't think we shouldn't increase the cost of putting them up, because they're going to pass that cost on to the consumer who gets a cell phone, and we-- those are all really expensive already. So maybe I'll push my light to talk about it a little bit more detail, because it is a topic that I'm passionate about, as Senator Moser was looking at me here knows.

KELLY: That's your time.

J. CAVANAUGH: Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. Well, I appreciate the comments from Senator Cavanaugh, and I just want to make one little correction, Senator Cavanaugh, he's a very bright guy, I have a great deal of respect for him, but I believe it's last-in, first-out as opposed to first-in, first-out. Last-in, first-out. OK. So that's kind of my concern here with, with, with including the cell phone tower tax in

LB650. As, as Senator Hallstrom explained, this-- the Legislature never took action to tax those cell phone tower leases. The Department of Revenue through an audit just decided we're going to include that. And then the Legislature came back and repealed it. The problem is we repealed it in a time frame that included the group of taxes that we were including in the last-in first-out. So what we're doing is they got caught up in rather than going and looking at all of the exemptions, I think the governor preferred that we go look at the last tax exemptions because logic would suggest we got along with those being there for all this time, maybe they should come back first. I think it was a sound decision to do that. The problem is the cell phone tax, which never should have been taxed to begin with, was included in those that were last-in, first-out. So you will rarely find me speaking against removing some revenue, particularly this year, or spending more money. But I can tell you that in this case, I agree with those that previously spoke, that this will impact consumers or impact the deployment of towers. If you go to western Nebraska, or what I like to refer to as west central Nebraska, drive north of North Platte, take the left turn instead of the right turn, and take Highway 97 up to Mullen. If you can get more than 10 minutes of cell phone coverage, let me know where the-- you did that. You must be driving very slow and stopping at the place where you can get the coverage. Because there's virtually no cell phone coverage. There are other areas of my district that deal with the same thing, that they don't have the coverage because there are not enough towers out there. And it's going to take more deployment of more towers to make this happen. And taxing, taxing it is really a bad signal. So I think on, on a couple of counts, number one, I'm not sure the cell phone tower tax should have been caught up in this whole tax discussion to begin with. There we probably should have gone on to whatever was next in line on last-in, first-out. The numbers are very small compared to the big scheme of things. And the impact is an impact on all consumers of, of cell phone, cell phones themselves. So for those reasons, I would be supportive of AM1066, but I also recognize that we need revenue. If this fiscal note were much higher, we might have to rethink that, but I would support AM1066 under those-- for those reasons. Thank you, Mr. President.

KELLY: Thank you, Senator Jacobson. Senator Quick would like to recognize some guests in the North balcony. They're fourth graders from Jefferson Elementary in Grand Island. Please stand and be recognized by the Nebraska Legislature. Senator Dungan you're recognized to speak.

DUNGAN: Thank you, Mr. President. Good morning, colleagues. I rise today in favor of AM1066. And I love a day when I can rise in agreement with my colleagues, Senator Hallstrom, Senator John Cavanaugh, and Senator Jacobson. So I think if we're all in agreement on this, I think you, you can trust that it has some widespread support. Senator Jacobson, I don't know if you intended for that to be a pun when you said that it was a bad signal to tax cell phone towers, but that was really good. So kudos for that. I caught that. I also appreciate the conversation of first-in, first-out versus last-in, first-out. First-in, first-out is what we used when I was working at a coffee shop to make sure that we didn't have the milk go bad. But the last in, first out is what were using here. And I, I want to say that I am generally supportive of LB650. And I did vote for it out of committee because I do think it represents a lot of effort on behalf of the Revenue Committee to try to find some programs that are perhaps not having the return on investment where we can save some revenue but not directly impact individuals. And you know, I-- we've talked about it at great length on other bills and I'm sure we're going to talk about it moving forward, but I am the member of the Revenue Committee that is opposed to LB169 and LB170, as I see those as a small business tax and an increased tax on food because they're an effort to balance the budget on the backs of everyday Nebraskans. But I think that AM1066 speaks to the same through-line that I've tried to have in my decisions that I've made on the Revenue Committee this year. First of all, I, I appreciate the sort of history that we've gotten on how the tax exemption got written into the law. It-- on paper, it looks like this is a new exemption, but in reality, as Senator Hallstrom and Senator Jacobson did a good job of explaining, this is simply codifying what had always been the practice in that these were not being taxed. And so really, what this portion of the bill I think inadvertently did was create a new tax that had not been in place previously. And so I think AM1066 seeks to return us back to what the practice was prior to that, and, and does so in a way that will then ensure there's not going to be taxes or, or fees passed on to everyday Nebraskans. And so I, I think there's a lot of moving parts with this bill. Obviously, it's changed a lot since its original iteration. And I want to say that I very much appreciate the leadership of Senator von Gillern as the chair of that committee, listening to any number of conversations that we've had and that other folks in different businesses and stakeholders have had to try to best craft the bill in a way that achieves the goal without harming everyday Nebraskans. And there's certain parts of it I know we can continue to talk about and tweak. I think Senator McKinney has a bill, or an amendment rather, on this bill that I think is, is going to be a really good conversation

as well. But when it comes to this, I think that what we are doing is seeking to ensure we're not implementing a new tax. And I understand in this year, there's a lot of desire to find revenue. But we have to be very clear-eyed in making decisions about where that revenue comes from. And if in fact we are passing bills that seek to fill the budget hole by increasing taxes on everyday Nebraskans and hardworking people, those are things that I tend to be opposed to. So I, do have concerns that if we don't adopt this amendment, that, that tax is going to be passed on to people. I do have concerns that have been echoed by others that we are going to be de-incentivizing the continued growth of Wi-Fi, wireless, and broadband, which are things that Nebraska does, in fact, need. So colleagues, I would encourage your green vote on AM1066. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. Senator von Gillern, you're recognized to speak.

VON GILLERN: Thank you, Mr. President. I found myself in a really odd quandary, little-- feeling a little schizophrenic here because I am opposed to AM1066, but it's purely from a fiscal standpoint. I-- Senator Hallstrom is, is one of the best researchers in the building and we're fortunate to have him on the floor and his history of how we got here, combined particularly with Senator Jacobson's comments about how we got to this point are completely accurate. So I, I hesitate to call this a new tax, as Senator Hallstrom did, but based on the-- and again as Senator Dungan mentioned, the, the way that the Department-- excuse me Senator Jacobson, the way the Department of Revenue interpreted this previously, this just goes back to that interpretation. My, my point on this is it's \$4 million, and it's \$4 million that we're either going to find here, we're going to find elsewhere. If we don't find it here we're gonna need, need to look somewhere else, and, and that somewhere else may not be desirable either. I have no idea how many cell phones are in Nebraska. There's around two million people. If there was 1.5 million cell phones in Nebraska, which I think is probably a conservative estimate, that would come down to about \$2.60 per phone per year or about 22 cents per month. So the impact is, is pretty nominal. But again, I approach this completely from a fiscal standpoint, and if we don't find \$4 million here for this biennium, we're going to have to find it somewhere else. And so that will not be a pleasant conversation either. So thank you, Mr. President.

KELLY: Thank you, Senator von Gillern. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. It's a red-letter day because I'm, one, saying that Senator Hallstrom is correct and I'm supporting what he's doing. And I have to thank Senator Jacobson for correcting me. So I appreciate it and he does it in a good spirit. But yes, so it's last-in, first-out, LIFO is the thing I have a problem with, not first-in, first-out, FIFO, which apparently are some sort of accounting terms. I did take accounting, but it was like 25 some years ago. And in my accounting class, one of the examples was a VCR for \$300, which I assume didn't-- well, they don't exist anymore. But anyway, I digress. I'm circulating pictures of the-- that I handed out at the committee hearing, so you should get them soon. They're making copies of them. But they are from my bill that was about this particular sidewalk issue. So again, I support AM1066, because I, I don't think we should be increasing taxes. And I proposed a bill to find-- that would have gotten us \$61 million, proposed an amendment to get \$61 million. I think that's a conversation we should continue to have about the canal and decreasing the capacity of the canal or the rated capacity from 1,000 CFS to 500 CFS and saving us \$61,000,000 in the process of doing that. I think that would help bridge some of this gap in the shortfall we have this year and maybe alleviate some of the tough questions. But, yes, cell phones, Senator Van Gillen says, it's a small amount of money, but most folks, all of these things add up, nickel and diming working people until they can't afford a cell phone to communicate with their family and get on the internet to look for jobs. You need a phone to look for jobs, of course. But-- to be able to afford food, to afford shelter, to afford medical care, to afford some kind of, you know, opportunity to take your kids to something-- do something fun, right? So all of these things eat into all those opportunities and we're just nickel and diming people on those things and we should find other places where we're not going to nickel and dime people on that. And we should not be increasing taxes when there are other places that we can do that. So that's why in principle I support AM1066, and have a problem with this philosophy of last-in, first-out. But back to my crusade against putting cell phone towers in sidewalks. So I handed out the picture, you can all see it. And my solution was not to eliminate the shot clock, so allowing-- because they're building-- they need to build a lot more of these towers and they need to do it in a time frame, so I understand that. And there's a lot of technical concerns about they have to do a radio frequency test for like the location, and there are very specific locations they need these, so all those things are tough. So the thing that I said was, that they have to talk to the city sidewalk engineer to make sure any move of a sidewalk will comply with the Americans with Disabilities Act before they dig up the sidewalk. Because what happened in this

instance was, they made a plan about where to put this cell phone tower and they chose what they thought was the least intrusive option. And by not having that conversation first, they ended up having a more intrusives construction. And I, in the process of this, I did request all the emails on this subject from the city. And I can show those to you if you want as well. But there were hundreds of emails. And like I said, the one email on day 89 said, we really need to know what to do. And the city said, put it in the sidewalk. There were all these other emails about what color to paint the tower, because there are three different colors of towers in Omaha. There's black, green, and gray. And depends on what neighborhood you're in and what color you're gonna paint the tower. So they had all these emails about making sure that they were painting them the right color, but not about whether or not where they placed it complied with the Americans with Disabilities Act. And so that's what my bill proposal does is requires that they have that conversation before they move a sidewalk. And it just seems simple, seems logical. And it does not offend the ability to place a tower. They would just have to then place the tower a little bit in the yard as opposed to the sidewalk, which of course still upset the neighbor or the landowner. But at least she wouldn't have a tower in her sidewalk and a sidewalk in her yard. So that's why I'm talking about this now. I hope you all get to see the picture soon when it gets circulated. If you have any questions, I'm happy to talk about it some more. But I support AM 1066. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator DeBoer, you're recognized to speak.

DeBOER: Thank you, Mr. President. I stand in favor of AM1066 by Hallstrom, not Hastings, Battle of Hastings, 1066. Anyone? No? OK. This is a kind of a different scenario than the other tax credits we're talking about in this bill. Rather than a last-in, first-out situation, this is a situation where we were all happily going along our merry way without charging taxes on these leases, and it is in fact on the leases that these taxes will now be levied. We were happily going on without that because this is a business input. So the ramifications here are greater than just the four million dollars. The ramifications are, do we think we should be charging taxes on business inputs? And so when the sort of glitch in the matrix happened and they suddenly said this is something we're going to tax, then we had to put the law, I think Linehan had the bill to return to the status quo, which is not to charge taxes on this. Would Senator Hallstrom yield to a question?

KELLY: Senator Hallstrom, would you yield to a question?

HALLSTROM: Certainly.

DeBOER: Senator Hallstrom, this tax that we're talking about here, it's not on goods. It's not on physical, tangible goods. It's on a lease. Is that right?

HALLSTROM: That is correct.

DeBOER: So this is not-- some of-- some folks, I know, were a little bit confused. This is not a tax on a good, this is on a lease. And that lease, can you describe what the lease is used for?

HALLSTROM: Well, the, the company will own equipment that they place on the tower to facilitate deployment of broadband and internet services, and they pay a lease fee to the tower company. So it's probably more in the-- interestingly, it's more of a sales tax on income.

DeBOER: Yeah, they pay a lease-- So the, the company that has the equipment pays a lease for the space on the tower.

HALLSTROM: Correct.

DeBOER: So they pay a lease on the space on the tower like you might pay rent for any other space. And that is a business input in order to facilitate the movement of broadband. So I will be voting in favor of AM1066 by Senator Hallstrom, and I would encourage all of you to do that as well. This is a business input, and, I think, folks, we need to really think carefully about whether or not we're going to start taxing business inputs. Thank you, Mr. President.

KELLY: Thank you, Senator DeBoer. Senator Moser, you're recognized to speak.

MOSER: Thank you, Mr. President. Good morning colleagues. Good morning Nebraskans that are listening in from far away and nearby. So this is a tax on the lease of space. And taxes are charged on leases in lots of cases. Car leases have tax involved. It's-- so actually they're leasing the tower, it's kind of like selling the tower space a little bit at a time and they're paying a sales tax on that lease. And this is so small compared to the billions involved in cell phone, in the telecom business, it's just a blip in the radar. It's just a spot on the screen. I think we should take the \$4 million and leave it the way it is. So I'm going to oppose AM1066. Thank you.

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KELLY: Thank you, Senator Moser. Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. I think we've got a movement going here. I'm also opposed to this. At least that will make two of us, Senator Moser and myself, opposed to this. We need to take a little reality pill here, guys, because we're going to go into a long stretch here where there's going to be hundreds of things that are asked to help pay for the state of Nebraska. You can make a compelling argument for everything that we are going to ask a tax on. Whether it is a sales tax exemption, or a tax increase in the case of tobacco. We're talking about tower leases now. And probably when you divide that out among all the cell phones in the state of Nebraska, yes, it probably would cost a dime a month or something like that. It's an invisible tax. Most people are, are unaware when they pay these sales taxes where they're going, what they're paying for. We are in a situation where tomorrow the Forecasting Board is going to come out. We are not expecting to get a good report out of that, and kudos to the Appropriation Committee to get us as far as we are. But if we've got to come up with some more cash, I think it would be prudent to leave this in the bill, and therefore, I would encourage everybody to vote against AM1066. Thank you.

KELLY: Thank you, Senator Brandt. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President and good morning, colleagues. It is a distinct pleasure to rise in support of my friend, Senator Hallstrom's amendment to LB650. I appreciate his leadership in bringing it forward and would echo many of the concerns that he's noted in the record in support of this proposal. I do appreciate and understand that the Revenue Committee is working as hard as they can to figure out a way to generate additional revenue to fill a budget deficit that is real and perhaps growing. We're not exactly sure as to what the forthcoming forecast will have in terms of overall fiscal impacts. But we've talked a lot in the last biennium and in the special session about some key components in regards to sound tax policy, and Nebraska has generally followed a key hallmark in terms of sound tax policy in terms not taxing business inputs, which I really think is at the heart of this amendment. Additionally, one thing that I'm just generally concerned about in regards to LB650 and the other measures that are moving through the body or coming to the floor are efforts to expand the sales tax base by removing exemptions. And I think, again, we've had a considerable amount of debate about how that is actually in contrast to sound tax policy. It's well established that sales taxes

are the most regressive taxes, and that if we are going to expand the base or remove exemptions, the proper result of that policy choice would and should be to reduce the rates of sales tax that fall the heaviest-- heaviest upon the working-- upon working families and seniors living on a fixed income. But we know from this proposal, we know the forthcoming proposals, we know from at least one other measure that awaits final reading, that there are regressive sales tax issues that continue to be a big part of the debate. And when we're moving the-- removing these business incentives, when we're increasing sales taxes, all in an effort, not to advance sound tax policy, but to literally beg, borrow, and steal in order to fill a self-imposed budget deficit. In record speed, Nebraska went from a huge budget surplus, a historic budget surplus, and now is facing a significant deficit with an even bigger deficit in the next biennium as projected. And in order to fill that budget gap, there is this measure and additional measures to increase taxes on Nebraskans to fill that budget gap. While at the same time, Appropriations is moving forward trying to figure out how to balance the budget and we anticipate learning more about those specifics, but it's fairly common knowledge that that will come with, perhaps, steep cuts in key critical state obligations and services. So we went from historic revenues that then were squandered on pet projects and inequitable unsustainable tax cuts for the largest corporations and the wealthiest individuals and they have blown a hole in the budget. The budget deficit is not caused by recessionary factors. In fact, the opposite. We are working and living in a vibrant economic state, yes, with some uncertainty, but that is not the driver of the budget deficit as historically has been-- what has precipitated Nebraska's budget deficits were recessionary factors, not self-imposed decisions to blow a hole in the budget and impact the delivery--

KELLY: That's your time.

CONRAD: --of services and increase taxes on businesses and families.

KELLY: That's your time. Thanks, Senator Conrad. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President, good morning colleagues, good morning Nebraska. I rise in support of AM1066. I don't believe in increasing taxes or creating new taxes. I would like us to actually take a look at how we are spending money and where we're spending money and we don't have a deficit we have choices. And we're making choices to provide property tax relief, a tax we do not levy at the state level, but we are deciding to provide \$1.2 billion in a tax that

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we do not levy in the name of taxing on the backs of Nebraskans. That doesn't make any sense to me. It shouldn't make sense to anybody. So we have choices, but we refuse to consider them. We have to balance the budget, so we've got to make cuts. OK, well, let's cut property tax relief. Oh, we can't cut property-tax relief. OK, let us cut the canal. Oh, we can't cut the canal. OK, let's cut the prison. Oh, we can't cut the prison. OK, so what are we going to do? Well, we're going to raid the teacher's pension fund and we're gonna create new taxes. Cool. So, I will be voting for AM1066 because I believe in no new taxes, Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Seeing no one else in the queue, Senator Hallstrom, you're recognized to close on AM1066.

HALLSTROM: Thank you, Mr. President, colleagues. I appreciate the candid discussion and debate this morning. I think it's all been good on both sides of the issue. I would be remiss not to commend the Revenue Committee and the Appropriations Committee for what they have done and what they continue to do to address our budget shortfall. I think that the Appropriations Committee is working diligently to make the cuts to get us to a balanced budget, and the Revenue Committee is looking for sources of revenue. And Senator von Gillern, I think, on the floor yesterday commented that it's a, a dual-edged sword, and we have to look at both spending cuts and revenue raisers. And in response to Senator Brandt, I think it's remarkable that even though I brought three proposals or motions today on which I'm passionate, and I think the policy is wrong to make the changes, I'm also a realist. And I think it's amazing that this is potentially the only issue out of the revenue package that is probably going to be taken to a vote. And I think that's commendable for the Revenue Committee to have taken a scalpel approach. But this one, I, I firmly believe, should be overturned. We can make ends meet. And I would ask for your green vote on AM1066 and then the advancement of LB650 after we're done with my next motion, which I will also withdraw at that time.

KELLY: Thank you, Senator Hallstrom. Members, the question is the adoption of AM1066. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 30 ayes, 10 nays on adoption of the amendment, Mr. President.

KELLY: AM1066 is adopted. Mr. Clerk.

CLERK: Mr. President, Senator Hallstrom would move to amend with AM1123.

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

HALLSTROM: Thank you, Mr. President. Thank you for that last vote, colleagues. This is an issue relating to the sales tax collection fee. I'm going to talk briefly about the history surrounding the sales tax collection fee and the journey that it's been on over the years and then ultimately withdraw it. One of my concerns here in terms of the general approach that Governor Pillen has endorsed and the Revenue Committee has embraced involving last in, first out I do not believe applies to this particular issue. The history surrounding the sales tax collection fee is that back in 2002, unfortunately in the second special session of that year, a decision was made because of fiscal woes to eliminate the-- or reduce the sales tax collection fee. And then, the buzz around that particular issue at that time, again, back in 2002, was that it would be a short-term fix. It was one of the fixes that we needed to, to make, one of sacrifices that we needed to make fiscally to get our fiscal house in order, but it would be a short-term fix. Well, fast forward to 2009, and an effort was made to reinstate and put the sales tax collection fee back to where it was in 2002. Our fiscal picture had improved to the point where it presumably should have been a no-brainer, but we didn't get it done. Fast forward again to 2016. I think the first-- the second one was Senator Schumacher. And again, we didn't quite get it done. Finally, in 2022, we were able to reinstate a portion of the sales tax collection fee that had been lost. As a result, my opinion is this is not a last-in, first-out. In 2002, we took action that was long overdue. If I'd been better on the outside of the glass, we might have gotten it done earlier, in which case it wouldn't have been last-in, first-out if we'd gotten it done in 2016. And for that reason, I don't think that the application of LIFO should apply to this particular issue. The amendment that I have before you would raise from \$3,000 to \$4,000 the percentage that applies. The merchants are, are doing a service as the front-end collection agents for the state and collecting the sales tax entitled to be reimbursed as counties are for sales taxes that they collect. And I think the current system is that you get a maximum of \$150 a month. The proposed change under LB650 would reduce that to \$75, and the amendment I think would probably raise it back to \$100. So for those reasons, I don't believe LIFO should apply to this particular issue. But again, acknowledging the need to move forward, and, and not have any more impact adverse to the bill, I would respectfully request to withdraw AM1123 to LB650.

KELLY: So ordered. Mr. Clerk.

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CLERK: Mr. President, Senator McKinney would move to amend with AM1155.

KELLY: Senator McKinney, you're recognized to open.

McKINNEY: Thank you, Mr. President. I brought AM1155 because I brought this conversation up on General about the Urban Redevelopment Act and the CHIEF Act, two things that, you know, are, are more recent, well, changes in them are more recent, especially within the CHIEF Act. I'm looking at the new fiscal note, and I'm look at '25-26, and we're not saving revenues because I don't see no revenue. So I don't know what we're saving in this biennium to even try to take these out. So I think we should keep them. There is no savings in '25-26. There might be in '26-27, but that's another biennium, and we can have that conversation then. But in '26-- '25-26, I see no savings unless I'm reading these sheets wrong. And more importantly, we talk about things we did and try to, you know, improve our communities and things like that to try to improve the economic environment of this state. Because that's what's being left out of this conversation. We have done little to improve the economic environment of this state in a positive way, because anything we do, we chip away at it, or we take it away, or we water it down, or we dumb it down. And that's the issue. We have to let things come to fruition. The Urban Redevelopment Act is set to go into 2031. Why can't it go to 2031? I can't remember the date on the CHIEF Act, I'll, I'll get that. But more than anything, when I'm looking at these fiscal notes, which I'm glad we got, because we didn't have them on General, I don't see a savings for any of these. I also don't a savings for food donation. I don't see a savings for Nebraska Advantage Rural Development Act. I don't see a savings for the Relocation Incentive Act. Maybe I'm reading these wrong, maybe I am, but I don't think I am. But I don't see savings. I only see savings potentially from a collection fee, towers, I think we just got rid of that, renewable chemical production tax credit, biodiesel tax credit. Nothing from buyer-based exemptions. Nothing from Community Development Assistance Act. Act-- Actually, we start taking a loss in '27, so there's never gonna be a savings from that. So I'm just-- I'm trying to understand where's the savings coming from. But more importantly, these things were put in place to, especially in the urban. Environment to deal with development because there's been a lack of investment. And I saw also that they were paring down something in like the rural development from like \$10 million to \$1 million. And if you're doing that, why can't urban have \$1 million as well? I'm just kind of perplexed, as I usually am to start my day. But I brought this amendment because I think this is an important conversation that we should have because why are we taking away these

programs when in reality when I'm looking at this if we're talking about saving money and bringing in new revenue this biennium there is no savings and there's no revenue coming. So why are we taking them if that's the justification? Maybe in the next biennium, we could have that conversation. But in this current biennium, I don't see it. I could be reading the sheet wrong. But '27-28, under my understanding, is another biennium. '29 is another biennium that I won't be here for. So I'm just trying to wrap my head around this. But that's why I brought this. And we talk about the need for revenue, the need to save money, the need to give taxpayers dollars. I will, I will remind you, there is this thing called a prison that is proposed, it's delayed, it's over budget, we don't need it. Our Supreme Court just said a law that was passed in '23 was constitutional, which makes eligible many individuals inside of our institutions so we could just transition them out. That's a thousand plus people which means we wouldn't need the new facility. You already don't want to tear down the old one because it's not in as disarray as advertised because it could be used or it could be remodeled or restructured for other services. So you're not tearing that down, which was the whole case for, partially the case for the new prison for, for some people. But what I'm trying to say is, we could find savings in our expenses, but the problem is there is a lack of political will to actually take the dollars from places that the dollars need to be taken from. That is the issue here, people. And if you're watching, that's the issue. We are going to build a \$500 million prison that we don't need. That is the issue. We don't have to nickel and dime these programs. We don't have to nickle and dime the taxpayers and take away their services. None of those things have to happen. But overall, there is no savings, as I'm reading this, for the CHIEF Act in this biennium. There is no savings for the Urban Redevelopment Act in this biennium. Unless something is out of this that I'm not aware of, I would love to know, I don't see it because everything else I'm seeing is in the next bienniums. So what savings are we going to accrue? What savings are going to get by striking these out? And maybe it's just how I feel about this session. It just feels like the architect of these two programs is gone, so this Legislature is going to try to erase a lot of things that the architect of these programs put in place. Maybe I'm wrong with that, too. But that's what it seems, because there's a lot of things that not just this committee, other committees, where things are being stripped away and, but for that architect not being here, I don't think they would be being stripped the way. It's like, wait them out, then we're gonna take it back. Let him pass it, wait him out, then we gonna take it back. We'll give them something, make them feel good, did a good job for your constituents, but we'll wait you out and we'll take it

back. And that's what it feels like. And you could tell me I'm wrong, then you can tell me I'm off put. But that's what it feels like. But overall, I don't see a savings. And I'm not sure why. Things that were-- I mean, the changes to the CHIEF Act happened last year, so not-- I, I could understand that. The Urban Redevelopment Act really hasn't been advertised or promoted by our Department of Revenue for some reason. And the architect of that had to force them to start advertising it and putting something on their website, if you didn't know. What I'm trying to get clear is, if we're trying to make these changes for savings in this biennium to balance our budget, taking these out does not do that. It doesn't accomplish that mission unless I'm looking at this wrong. Maybe in '27-28, but that is a different biennium and that is different budget. Maybe in '28-29, that is a different biennium and a different budget. So I'm, I'm looking forward to the conversation on this because I don't see the savings and I'm glad I see this breakdown. But that's why I brought this because why are we taking away things that could benefit portions of our, of our state and we're in a budget deficit? The need for revenue is here more than ever, and we're stripping away tools to assist with that. And I'm kind of lost for words as far as what for when we need more revenue, so we take away this program to give us revenue, but taking away this programs doesn't give us more revenue. So I'm just trying to understand it. But thank you, I'll get back on the mic and listen to the conversation.

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

SPIVEY: Thank you, Mr. President, and good morning, colleagues and folks watching online and joining us in the balconies and rotunda. I really appreciate this dialog again as it's on everyone's mind around our budget and economic development and how we grow Nebraska. I am support, in support of AM1155 that Senator McKinney has brought around, specifically the Urban Redevelopment Act and the CHIEF Act and was hoping that Senator von Gillern would yield to a question?

KELLY: Senator von Gillern, would you yield to a question?

von GILLERN: Yes, I will.

SPIVEY: Thank you, Senator von Gillern, and I know that you've been really intentional about answering some of the, the feedback in the last round of debate. And as I was digging into LB650, which I feel like I am overwhelmed between Revenue and Appropriations and just trying to make sure I understand, and was hoping that you could

provide some insight into the language around specifically the, the CHIEF Act, excuse me, and the Urban Redevelopment Act, it looks like, based on the language, that the programs would sunset. So inevitably, the money would be there, but the dates of the programs are changing so that it could not be accessed any longer. Am I understanding that correctly?

von GILLERN: Parts, yes. Let me, let me back up and give you a little bit of history. The, the, the CHIEF Act was a change to the Community Development Assistance Act, which existed prior to that for a number of years and was a successful program that was utilized both urban and rural. The CHIEF Act added some elements to that that added operations of inland port authorities, operations of home improvement services, operations of intermodal facilities, shovel-ready, owned by city or CBO, creation of accelerator programs for Nebraska tech companies, and operation of iHub. And it was, as Senator McKinney noted, it was a bill that Senator Wayne brought, and it was highly geared towards, towards urban redevelopment. And, and I don't remember the vote, but I-- I don't remember how, how substantially the vote passed, but it was a change to a program that existed previously. The original version of LB650 was going to, was going to completely eliminate the Community Development Assistance Act. We had one oppos-- one opposing testifier at the hearing, and that was Buffalo County, and they said if you're going to do anything, at least roll it back to what it was, because we have programs that are already committed based upon what it existed to be originally, and we'll have to cease those. The other programs that were related to CHIEF Act had not yet begun. So it-- the most essential programs are retained in LB650, which again was in line with the request by the opposing testifier. Senator McKinney raised a question about this in the original hearing about LB650, but I've had no other conversations with him since that time about that. And then I do want to point out that, with all due respect, Senator McKinney is not reading the fiscal note correctly. The next biennium that we are budgeting for--

SPIVEY: Oh wait, OK, so can you answer his question on his time? Because I didn't have a question about the fiscal note. I just--

von GILLERN: Go ahead, I'm next on the mic, I'll answer it then.

SPIVEY: OK. And then could you maybe give more insight to the Urban Redevelopment Act? Because how I was reading the language, it looked like that program was sunseting as well.

VON GILLERN: Yeah, that one I'm not quite as familiar with. I know it's a small budget. The Urban Redevelopment Act shows \$101,000 to \$103,000 per year in savings. And in between time on the mic, I'll dig into that a little bit more and have a better response for you.

SPIVEY: OK. Thank you, Senator. I appreciate that.

VON GILLERN: Thank you.

SPIVEY: The one thing that I would add, and I appreciate some of the clarity around the CHIEF Act and what it is now, is that there is opportunity for every congressional district to have innovation hubs and to look at some of that. And I know some of the folks in the innovation and entrepreneurship space have been talking to some of folks in this body around what does it look like for your inland port authorities that may be in geographies that are not listed or located in urban areas as well as creating innovation hubs because we know that there is really prime opportunity to think about ag tech, to think about med tech, and, and how we can really bolster and have a flourishing innovation ecosystem here. And so again, that is the reason in why I support LB-- or AM1155 is because I think that the investment in innovation and entrepreneurship through some of these programs has yet to been tested and is really prime. And I think we are cutting ourselves short by repealing some of those things before they have even taken fruition. And we can see the true return on investment for our state. Thank you, Mr. President.

KELLY: Thank you, Senator Spivey. Senator von Gillern, you're recognized to speak.

VON GILLERN: Thank you, Mr. President. I just want to finish my thought on the fiscal note. If you look at page 5 of the fiscal note, it's got the grid and how the different programs are impacted. The next biennium, and I can confirm this with Senator Clements, we just had a quick conversation, the next bi-annium that we are budgeting for is '26-27, and that's the, the one that we're trying to close the budget, the budget hole on. The CHIEF Act is shown as saving \$900,000 in fiscal year '27, so that would fall in that biennium. In the following biennium, '28-29, it show, it shows \$3 million per year, which would be a \$6 million savings in that biennium. And then the Urban Redevelopment Act saves \$101,000 in fiscal year '27, and then a little bit more than that, \$103,000 and \$105,000 in the following biennium. So, so the combination of the programs would save roughly \$1 million under this biennium bu-- and I say this biennium when I refer to that, and again for clarity, that is the biennium that we are

currently budgeting for that would start in July of 2025. The-- that biennium would save about \$1 million and then about \$6.6 million in the following biennium. Thank you, Mr. President.

KELLY: Thank you, Senator von Gillern. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you. Again, that's another biennium. We're not having any savings this session. And we're in a budget deficit. Maybe we should not build a prison. Again, we don't need to. Maybe we should have thought about the income tax things that we did in the past. We wouldn't be in this situation. There's a lot of things that put us here. I'm just still-- saving-- OK, if you're working under the theory that you're going to save \$101,000. Wow, a lot of money. \$900,000. OK. It's just, to me, unnecessary. And it's unnecessary because disinvested places need every tool in the toolbox to try to economically move themselves forward. So I'm not going to stand up no matter what and support taking away tools to improve the economic environment in which I represent. Because as I said-- there is something in here, if I can find it. OK. Nebraska Advantage Rural Development Tax Credit Caps. For-- so for calendar year 2026 and each year thereafter, the new cap is \$1 million for qualified applicants from \$10 million for 2025, restoring the \$1,000,000 cap. So I'm just wondering, why does the Nebraska Advantage Rural development Act get \$1 million essentially, a \$1 million cap. The Urban Redevelopment Act, which according to this will save us maybe \$101,000, in 2026 why does it get eliminated? How does the Rural Nebraska-- Rural Development Act have a cap of \$1 million, and we're taking away the full Urban Redevelopment Act and its possible usage and a possible tool? How can rural have a tool and urban can't have a tool? I'm just curious, I'm looking through this. Let's-- what's good for rural is good for urban in my opinion. So if this Rural Nebraska Advantage, Rural Development Act Tax Credit is capped at \$1 million, I think the Rural-- I think the Urban Redevelopment Act should be capped at \$1 million. I think that is fair. And every urban senator, you should listen to me when I say this, you should be advocating for this, because it's not just going to impact my district. This could potentially impact your districts. And we're just going sit by and allow the rural to have a Development Act tax credit with a cap of \$1 million, and our Urban Redevelop-- Redevelopment Act is going to get eliminated. I don't think that's fair. And I preach fairness, I'm all, I'm all for fairness. So I'm wondering how we're gonna answer that conundrum. Either we put, just put both of these back in and I shut my mouth or I keep talking about how rural development has a cap of \$1 million in this bill and urban will just get eliminated, essentially. I don't

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think that's fair. It's not, it really isn't, no new applications. With the emergency clause. That is interesting, very interesting. If rural has a cap of \$1 million, urban should have a cap of \$1 million. So I'll stick to that tune for sure, 'cause-- And I'm seeing some other things. This is interesting. But I'll get back on the mic. Thank you.

KELLY: Thank you, Senator McKinney. Senator Juarez, you're recognized to speak.

JUAREZ: Thank you, Senator McKinney for highlighting the impact of what is happening to the urban area. It is-- I do appreciate your insight in bringing this to our attention. And I also have the question about how it can be on the agricultural side and so different for urban because I'm also quite a supporter of the equity in our decisions, and I yield the rest of my time to Senator McKinney.

KELLY: Thank you, Senator Juarez. Senator McKinney, four minutes, 24 seconds.

McKINNEY: Thank you, Senator Juarez. Back on the mic. And could-- would Senator von Gillern answer a question?

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

von GILLERN: Yes.

McKINNEY: Why is the Nebraska Advantage Rural Development Act capped at \$1 million?

von GILLERN: That was rolled back to what the program was previously, same way that the CHIEF Act was rolled back what the Development Act was previously. So same theory that was applied to both of these.

McKINNEY: OK, so why are we just essentially eliminating the Urban Redevelopment Act?

von GILLERN: The-- I am not as familiar with the Urban Redevelopment Act. It's a small budget item. I've-- we're doing some homework over here to find out. We've, we've got the website up about what it actually does. And it was a small-budget line item. It's actually not even included in, in the amendment that we're talking about. It was in the original bill. It was just allowed to sunset. It was not, it was not eliminated. There was no funding associated with it. It was just allowed to, to sunset on its own. So. If you have a desire to continue that program, I would encourage you to-- in fact, I think it sunsets,

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I'll double check the date. I think, I'm not sure when exactly it sun sets. If you want to extend that program I'd bring another bill to, to do that, but it, it would not be, as far as I'm concerned, wouldn't be appropriate to do in this amendment.

McKINNEY: It's 2031, and I'm, I'm just also curious, how does the Nebraska Advantage Rural Development Act tax credit have a cap of \$1 million and urban is so much less? Can you educate me on that?

von GILLERN: Well, the CHIEF Act, going back to the development, the Nebraska-- the CHIEF-- when we rolled the CHIEF Act back to the Community Development Assistance Act, it doesn't eliminate the funding in that bill. I believe that stays at \$1 million also So, so there are still funds within that bill There's nothing that says that that bill is for rural only, that bill can be utilized-- the, the chief fact can be utilized anywhere across the state so--

McKINNEY: No.

von GILLERN: --it's not-- this isn't an urban, rural thing.

McKINNEY: No, I don't mean the CHIEF Act. I mean, in sections 43 and 44, there is a Nebraska Advantage Rural Development Act tax credit that is capped at \$1 million. Not the CHIEF Act.

von GILLERN: The Nebraska Advantage Rural Development Act is, is an act for livestock production. What I'm saying is that that gets rolled back to what it was previously, just like the CHIEF Act is rolled back to what N-- CDAA was previously.

McKINNEY: No, what I'm trying to understand is we have-- even if it's for livestock, it's still for development. Why do we have an Urban Redevelopment Act that is much lower-- in, in this, if this doesn't go forward, it is getting eliminated, but we have a cap for Rural Development at \$1 million.

von GILLERN: Both of them are \$1 million.

McKINNEY: The Urban Re-- but what I'm saying is we're-- why are we saving this one for rural development, but we're not saving at least something for urban development.

von GILLERN: We are saving the other one. I explained that already. The CHIEF Act originally was the CDAA, the Community Development Assistance Act.

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McKINNEY: Under this bill, we're not saving the Urban Redevelopment Act. I'm not talking about the CHIEF Act.

von GILLERN: Well, I thought that's what you just said.

McKINNEY: No, I was talking about the-- I was trying to compare the Nebraska Advantage Rural Development Act and the Urban Redevelopment Act, and talk--

von GILLERN: So how much money is in the-- is spent on the Urban Redevelopment Act?

McKINNEY: Trying to find that here. It says in '27, the state might get \$101,000. I'm just trying to understand the differences, that's all. But thank you.

von GILLERN: You're welcome.

McKINNEY: And I'm-- I think I'm next on the-- I'm just trying to understand, and this is probably a wider question than Senator, Senator von Gillern, honestly, how do we have a Rural Development Act and an Urban Redevelopment Act--

KELLY: Senator McKinney, that's your time. You're next in the queue, and that's your final time before your close.

McKINNEY: Thank you. So I'm trying to understand, how do we have a Rural Development Act and an Urban Redevelopment Act, but it's imbalanced. One is-- One did have a cap of \$10 million, which is-- I'm not arguing it, but I would have said the Urban Redevelopment Act should have had a cap of \$10 million too. So I'm just trying to understand the, the differences here. Maybe I need to look further to find the caps on the current Urban Redevelopment Act. I just don't agree that if we're keeping the, the Rural Development Act, we should keep the Urban Redevelopment Act. And I might not be able to get the cap of \$1 million this year, 'cause I probably won't, but at least we should keep the Urban Redevelopment Act. And I believe we should also keep the-- what was changed in the CHIEF Act. Because that change happened last year. It's not even fully implemented completely. I don't-- It's no even been a full year. Just think about that. We're removing something that hasn't been in law for a full year. To see just expansive impact or what the impact could actually be. That's my issue is we're removing things without seeing full impact. I'm seeing programs or credits with disproportionate caps or whatever. I'm just-- I don't know. Maybe this might be something I dig deeper into over the interim and try to bring some bills on for sure because there's no way

that we could have a rural development act with a cap of \$1 million, and we have an Urban Redevelopment Act and stark differences. That's-- But, you know. I mean, taking it to \$1 million for the rural, I'm assuming you'll save or bring in about \$4.8 million, then \$8 million, then \$5.2 million. So I mean taking it from \$10 million to \$1 million probably makes sense financially. I just don't understand the financial sense of taking. the Urban Redevelopment Act offline, like it-- one, it-- as I stated before, our Department of Revenue had to be basically told, in so many words, to start advertising the Urban Redevelopment Act, let people know that it's there, let people that they could apply for it. That's part of the problem. That's why it's so hard to send things to agencies. Because things go there, and freshmen, you will learn, one day, you will learn. You'll pass something, it'll go to an agency, and how it is implemented might not be how you intended. So you probably should start paying attention to the bills you pass. That is a word of advice I would tell you. And that's not me just being just a prick or whatever, it's just me being honest with you. If you pass a bill, pay attention how it's implemented. Honestly speaking, that's a not a joke. Because it might go against what you intended. Not to say people at agencies have, you know, you know, wrong intentions all the time. I just think sometimes they read things differently than how we read things, or they may not have all the information. So if you pass something, make sure you pay attention to how it's implemented. But overall, I think this should pass. Because we have a Rural Development Act. And then we have an Urban Redevelopment Act. There's disproportionate differences in those. We're talking about this biennium, because we said we needed savings for this biennium, and I don't see savings in this. So, that's where I'm at on this. And I'll listen, and people will probably disagree with me, but at least we had the conversation, because that's all that matters. Thank you.

KELLY: Thank you, Senator McKinney. Senator Andersen would like to recognize some guests in the North balcony. They're fourth graders from Ashbury Elementary in Papillion. Please stand and be recognized by the Nebraska Legislature. Senator Andersen, you're recognized to speak.

ANDERSEN: Thank you, Mr. President. Would Senator von Gillern yield to a question?

KELLY: Senator von Gillern, would you yield to questions?

von GILLERN: Yes.

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ANDERSEN: Thank you, Senator. Several times, Senator McKinney keeps bringing up the, the prisons and saying that by canceling the prison project, we could claw back a bunch of money instead of doing something like this. Is that, Is that remembered correctly?

von GILLERN: Well, you're correct that that's what he has said. That's what I've heard, yes.

ANDERSEN: So using the same mindset, couldn't we take the money that was allocated in, in LB290 that was supposed to be for COVID dollars that's being used for economic development in north Omaha? Couldn't we claw that money back and do exactly the same thing and re-appropriate it for, you know, getting rid of the, the upset in our budget?

von GILLERN: I would suggest you ask Senator McKinney that question. I suppose the answer would be yes, but--

ANDERSEN: OK. Is Senator McKinney available for a question? Thank you, Senator von Gillern.

KELLY: Senator McKinney, would you yield to a question?

McKINNEY: Yes.

ANDERSEN: Senator McKinney, several times you said that we should cancel the prison project and bring that money back, as opposed to some of these initiatives like LB650. Is that what you said?

McKINNEY: Yeah, we don't need a prison.

ANDERSEN: Right. So to recoup the money. But it seems to me that we could do exactly the same thing with the funding that's in LB290 is that--

McKINNEY: It seems to me that you--

ANDERSEN: --we can suspend the project and bring the money back.

McKINNEY: It seems to me that you have a problem that north Omaha received money, and no, you can't bring that money back, because most of it, if not all of it, is already under contract. It seems like you have problem that north and south Omaha received dollars, and that's your problem, because you keep bringing it up.

ANDERSEN: Actually, those are your words, not mine.

McKINNEY: No, but your-- but, but--

ANDERSEN: No, this is my, this is my time.

McKINNEY: But your actions show your problems.

ANDERSEN: you can, you can get in the queue if you like, if you want to go on and bloviate, but this is my time. My perspective is there's money that was allocated for COVID relief that's being used for economic development, and that's, and that's a misappropriation of funds. So is money-- that money should be brought back and reappropriated through appropriate action. Thank you, Mr. President, I yield my time.

KELLY: Thank you, Senator Andersen. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. I rise in support of AM1155. Actually, Senator McKinney do you want my time? I'll, I'll yield my time to Senator McKinney.

KELLY: Thank you, Senator Cavanaugh. Senator McKinney, you have four minutes, 45 seconds.

McKINNEY: Senator Andersen shouldn't walk out, he should listen to this. There was no money misappropriated to north and south Omaha. He just is upset that communities like north and south Omaha receive dollars to economically develop their communities. And he seems to have an issue with that because every time something comes up of mine, he wants to ask the question. Every time something come up about north and south Omaha, he brings up dollars. That is his issue. And that is his problem, he can have it. But the facts remain the same. We do not need to build a prison. You could disagree with me, but that's your problem. Nothing was misappropriated. You're just upset, and that's your problem, and you can have it, and you shouldn't have walked out. But now, I have time to talk again. And Senator Andersen has left the room, I think. Don't know where he went. And he sits here, snarls, and act upset about words that are said. And that's his problem. It seems like he's, he's had a vendetta all session with me. But it's cool, 'cause it is what it is. I expect it from people like him. I really don't care, honestly. It's just funny, and it just shows who you are as a person, that you, seem to me, hate a-- hate communities that much, that you wanna keep bringing up, that we should pull back dollars that are already under contract. You can't pull them back. Sorry for your dream wish, but it's not gonna happen. Do you wanna see communities like north and south Omaha impoverished for eternity? That's what it sounds like to me. And you probably would be happy to

see little black kids poor for the rest of their lives, little Latino kids poor for rest of the lives, or living in conditions that people don't need to live in, making sure businesses that are owned by black and Latino business owners are not as successful. That's it sounds when you say things like that. So, you could be upset with me for speaking the truth, but the truth is the truth. And, and that's been this whole session. People have been offended by the truth because they just want to go along to get along. And I don't care. You know, I didn't come in here to bite my tongue, and I didn't come here to sacrifice my morals just to get things done. So if that means anything of Senator McKinney's is going to die, I really don't care, because I will not stand for, or stand up against people like Senator Andersen. I won't. So he could keep trying to prick the bear and keep trying to say things, oh, oh Senator von Gillern, I think we should take money from North Omaha. That's his, that's his rolling theme, take money from north Omaha. What he says is just take money from black people and Latino people. Just say that. I don't want them out. They should have never got the money. Just say that. And if I get in trouble for saying these words, I don't care, because I'm tired of it. It needs to be said. Because he keeps trying me and he keeps going. But they're just mad because I tell the truth about the prison, that it's gonna be overcrowded day one, we don't need to build it. We could save money by not building a prison. We don't have to nickel and dime taxpayers on things like this. And that's, that's the truth. You might not like it, but your political will is different than mine's. And it is what it is. Thank you.

KELLY: Thank you, Senator McKinney. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President, and good morning, colleagues. Initially, I want to extend my gratitude to Chair von Gillern. I think I mispronounced it again. I'm trying, I'm trying. For being responsive to questions and concerns, particularly as it relates to how this measure impacts food donation, tax credits and programs, and also the tax credit program for reverse osmosis systems, which are particularly important for rural residents to be able to gain a bit of assistance in ensuring that they have the tools and technology they need to ensure that their water is safe and drinkable for themselves and their families. And I, I appreciate the responsiveness to that, which was a, a point of dialog on General File. Additionally, I do just want to make some additional general and contextual comments in regards to the measure AM1155 that my friend Senator McKinney has brought forward and talk about kind of how that fits in to our fiscal policy in general and just talk a little bit more about really what's at the heart of

LB650 which is an effort to plug budget holes, self-created budget holes. So it's undeniable that communities of color in north and south Omaha in particular have historically and presently been under-invested in. And as part of the COVID relief dollars that came to Nebraska and other states, which specifically were intended not to just be a slush fund for everything under the sun, but were specifically intended to help lift up and address those who-- those communities that were hit hardest during, during COVID. And we know from that experience that communities with high poverty, communities of color, were hit particularly hard during COVID, and there was legislative intent to ensure that those federal relief dollars did in fact have a direct connection to the, the communities that were hit the hardest there. So as Nebraska was assessing how to best utilize those, those COVID funds, which by the way, again created a historic and record-breaking surplus just in the last biennium. There were decisions made to utilize that influx of funds for some special projects. And there were negotiations and balance sought amongst stakeholders to make sure that there were investments in urban Nebraska, in north and south Omaha. There were significant investments and allocations made to my home community in Lincoln in regards to convention centers, and Water 2.0 and other critical infrastructure projects. And then there were additional negotiations which were really important to our colleagues in rural Nebraska to ensure financing for the Perkins County Canal for example. So that was the general contour and outline of how some of those historic relief funds were in an attempt to seek balance, roughly within our congressional districts. And so it is important that we think about that context before we start peeling back or targeting specific components of that compromise, of that negotiation because it was an important part of the relief dollars that we had available. It was carefully negotiated to ensure balance amongst different communities to address key infrastructure needs. And we're just starting to see some of those projects kind of come to fruition. But I do think it's important, as Senator McKinney noted, that if we are going to have an eagle eye in terms of the utilization of those funds, at the very, very least, it needs to be applied equally and uniformly. So I appreciate and understand Senator McKinney's frustration when there's continual questions and concerns. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you Mr. President. I rise in support of AM 1155. I-- what I was previously going to say, but I yielded my time to Senator McKinney because I knew that he was out of time and I knew he

had just had a really egregious and racist conversation on the microphone with Senator Andersen, which seems to be a pattern of behavior with Senator Andersen in this Legislature and it shouldn't go unchecked. It's really awful to see a colleague continually target another colleague because of the color of their skin. And I don't want that to go unnoticed, unsaid. It's really-- we are here to speak truth to power and Senator Andersen is the power that needs some truth spoken to, that his actions in targeting north and south Omaha are purely about what the people in those communities look like. And they are worthy of financial support, just like every other part of this state is. And I'm tired, for one, listening to this very overt racism every single day. That said, we do not have a deficit, we have choices. We have \$1.2 billion in property tax relief that we don't levy property taxes. But we are still choosing to cut the things that we are supposed to be funding, including Senator Wayne's bill from, was it last year or the year before? We're cutting that so we can have property tax relief for the farmers. That's it. That's all we're doing. I yield my time. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, though. Thank you, Mr. President. Good morning, colleagues. I also just want to lift up, perhaps, another contextual component of LB650 in general. We-- everyone's aware of the fact that we have a self-created budget deficit that is significant in this biennium and set to expand even more significantly in the next biennium. Not only is that due to huge investments in some of the projects that we've been talking about in recent days and including today. And those are primarily one-time projects or one-time investments, but nevertheless have big price tags with them. But what's truly driving a significant structural imbalance when it comes to revenues and appropriations are the inequitable, unsustainable tax cuts that were pushed forward that primarily benefit our wealthiest residents and largest corporations. And so, all of this scrambling to raid cash funds, to increase fees, to nickel and dime Nebraskans with new taxes on everyday goods and services, to claw back tax credits that help consumers or businesses, it's, it's all in service of propping up those Kansas-style tax cuts. And, and that just, that I think is a very disappointing point that we find ourselves in in terms of our, our budget and tax policy. Not only do we have LB650 on the agenda to begin our day together today on the 67th day of the Legislature, but we also have LB645 right behind it, and then we know there are additional measures that are sitting on Final Reading that increase taxes on Nebraska working families, and we also know there

are more coming. So I do think that there are other ways to solve our self-imposed budget gap, which again, I voted against those huge, inequitable, unsustainable tax cuts, but yet here we are. Number one, we do still have opportunities available to us to let the people vote on whether or not we want to have expanded online gaming. I know those hit kind of a roadblock yesterday, but those proposals remain. We can and we should take a sensible approach to regulation and taxation when it comes to things like CBD, for example, which were identified as a significant revenue generator during the last biennium and during the special session, and the industry has come to the table to help ensure that safe products are available and that there is a sensible approach to taxation. But rather than moving forward with that, we're seeing efforts emanating from the Judiciary Committee to eliminate, ban, criminalize, and create new felonies in regards to consumers' use of those products. We additionally have opportunities before us to take a sensible approach to effectuating the will of the people in regards to medical cannabis. I remain supportive of efforts taken by our sister states to create a sensible approach to recreational, recreational cannabis for adults. We also can always right-size the prison, right-size the canal, and look at other key opportunities and options before us that would help us to balance the budget, at least in the short term, and provide ongoing additional revenue without being regressive in nature or to prop up tax cuts for those who, who least need them. So I do just want to reiterate some of those solution-oriented revenue generating ideas that we're not seeing come forward or that when proposed have not yet been successful. But I think those, those do remain and demonstrate that every single person in this body is looking at constructive ways to address revenue that don't necessarily need to fall on small businesses and consumers, which LB650 and the other revenue bills primarily will increase the tax burden on. Not because it's good tax policy, but because it's beg, borrow, and steal every single penny we can to prop up those tax cuts. Thank you, Mr. President.

KELLY: Thank you, Senator Conrad. Senator von Gillern, you're recognized to speak.

VON GILLERN: Thank you, Mr. President. I just had an off-the-mic conversation with Senator McKinney. I found my notes on the Urban Redevelopment Act. It basically is an act that qualifies individuals for business, it helps with employment. Businesses qualify by adding full-time employees and meeting thresholds, pay wage thresholds. When those required thresholds are met, the agreement starts earning credits which become tax credits and, and the reason that this was, this was on the, the list of removals is it's a program that's, that's

very-- been very underutilized and that echoes something that Senator McKinney said. He said it's unfortunate that the Department of Economic Development didn't advertise the program to a greater degree and I, I don't necessarily have enough knowledge to comment on that but I just want to give a little bit of background on what the program was and if there's a, if there's a better way to do this in the future or mold it into a different program that could be more successful, I'm happy to talk to Senator McKinney about that. Thank you, Mr. President.

KELLY: Thank you, Senator von Gillern. Senator DeBoer, you're recognized to speak.

DeBOER: Good afternoon, or morning, colleagues. I actually want to make an announcement, so I'm just taking the time that was available to me. So far, for the Planning Committee survey that I have sent out to you all, I have received only eight responses. So please, if you can do your Planning Committee survey now might be a great time to do it. It only takes a few minutes. If you need to have somebody send another copy of the link to you, I'll see if my staff can do that. Or you could have your staff send my staff a message so that they can connect that. Please do fill out your Planning Committee prioritization report. I'm sorry to take time on Senator von Gillern's bill for that, but if you could do that, that'll help us as we're trying to do our long-term planning for the state. So really important thing, please fill it out. I think we have until next Thursday now. We've extended the timeline. Thank you very much.

KELLY: Thank you, Senator DeBoer. Seeing no one else in the queue, Senator McKinney, you're recognized to close on AM1155.

McKINNEY: Thank you, Mr. President, and thank you, Senator von Gillern. Yeah, underutilized program. I don't know if that was intentional or not. It just-- things that are passed in here that you, to try to do good will, and then they get underutilized, and then, to some people, it justifies eliminating them. So, I mean, I'm open to doing something on this and trying to make it better, definitely. But I'll be just like Senator Wayne, termed out soon enough, and people will be stripping it away. So, I don't know, and that's my issue. I don't think we should take it away, I don't think we shouldn't eliminate it. Just because it's been underutilized don't mean it can't do good work. What about the, the utilization that it has had? How, how do we evaluate that impact of-- maybe, yes it might have been under utilized, but what if it did good things for, for people? What if it helped people get employment and get jobs? Those type of things.

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I think just saying something, it was underutilized doesn't tell the full contextual story. Who used it? And did the people that utilized it, did it do good work? I think that's something we should consider as well. That's a big thing for me, and that's why I brought this amendment, because these are things that, you know, are meant to do good things, you know? Just like LB290, which actually has no fiscal note because it has nothing to do with money, contrary to popular belief. It has something to do with allowing a project some flexibility that people have issue with for some oddity, some real, real, real, weird, weird reason. LB290 has nothing to do with-- it, it has no fiscal note, but some people believe that for some weird reason, but that's neither here or there. But again, this could go to a vote. I'm already predicting how it's going to go, but I love to see people vote because I like to see where people stand. And I like to remember that and take mental notes going forward when other conversations come up and people say things. Because I remember every word you say on the mic. So I won't forget it. And I, I also remember votes. So when you need fairness and you need things for your district, I'll remember that. I definitely will. Hope you never need me. But thank you.

KELLY: Thank you, Senator McKinney. Seeing no-- Members, the question is the adoption of AM1155. 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.

CLERK: 24 ayes, 0 nays to place the house under call.

KELLY: The house is under call. All unexcused members outside the Chamber, please return and record your presence. All senators present, record your presence. All unauthorized personnel, please leave the floor. The house under call. Senator Storm, please return to the Chamber and record your presence. The house is under call. All unexcused members are present. Members, the question is the adoption of AM1155. All those in favor, vote aye-- There's a request for a roll call vote, Mr. Clerk.

CLERK: Senator Andersen voting no. Senator Arch voting no. Senator Armandariz voting no. Senator Ballard voting no. Senator Bosn voting no. Senator Bostar voting yes. Senator Brandt voting no. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Clouse voting no. Senator Conrad voting yes. Senator DeBoer voting yes. Denator DeKay voting no. Senator Dorn voting no. Senator Dover voting no. Senator Dungan voting yes. Senator

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Fredrickson voting yes. Senator Guereca voting yes. Senator Hallstrom voting no. Senator Hansen voting no. Senator Hardin voting no. Senator Holdcroft voting no. Senator Hughes voting no. Senator Hunt voting yes. Senator Ibach voting no. Senator Jacobson voting no. Senator Juarez voting yes, Senator Kauth voting no. Senator Lippincott voting no. Senator Lonowski voting no. Senator McKeon voting no. Senator McKinney. voting yes, Senator Meyer voting no. Senator Moser voting no. Senator Murman voting no. Senator Prokop not voting. Senator Quick voting yes. Senator Raybould voting yes. Senator Riepe voting no. Senator Rountree voting yes. Senator Sanders. Senator Sorrentino voting no. Senator Spivey voting yes. Senator Storer voting no. Senator Storm voting no. Senator Strommen voting no. Senator von Gillern voting no. Senator Wordekemper voting no. The vote is 15 ayes, 32 nays, Mr. President.

KELLY: AM 155 is not adopted. I raise the call. Mr. Clerk.

CLERK: Mr. President, Senator John Cavanaugh would move to amend with FA131.

KELLY: Senator John Cavanaugh you're recognized to open.

J. CAVANAUGH: Thank you, Mr. President. So first, I-- this is part of the continued John Cavanaugh-Bob Hallstrom Mutual Admiration Society of the day. Where-- So Senator Hallstrom brought an amendment that I wanted to support, and he withdrew that amendment, and I thought we should vote on it. And so this is over his objection, I will say, that I, I refiled his amendment because I think it's a good idea and that it should be taken up. So, no one should be mad at Bob Hallstrom for me filing this amendment, but I do think you all should vote for it. So what-- if you heard Senator Hallstrom's opening earlier, what this amendment is about is about small businesses getting some amount of the cost of their sales tax back every month. So, currently, the sales tax exemption, they get to, small businesses get to keep up to 3% of the first \$5,000. In sales tax that they collect in a month. So that's about \$150 a month to the smallest businesses, restaurants, small shops, things like that. So LB650 would lower that from 3% to 2.5% and then it would lower that cap from \$5,000 to \$3,000 in a month, which then bes about-- ends up being about \$75 per month. So these small businesses, we're attempting to find revenue and balance our budget on the backs of small businesses to the tune of \$75 a month per business, which I'm sure anybody here could tell you, maybe people who have worked or ran a small business could tell you that \$75 a month can be the difference between a month where you make money and a month before you lose money, right? Uh, so the amendment would keep the reduction

at 2.5 %, but it would go up from \$3,000 to \$4,000. So, current law is 3 percent of the first \$5,000. The am-- the bill as proposed is 2.5% of \$3,000. The amendment goes in the middle, and it's 2.5% of 4,000. So down a do-- \$1,000 a month, and down half a percent overall. Which ends up being about \$100 a month is the maximum that a business would be able to retain in the tax fees that they had collected. So this is again, it was LIFO. So again, in the LIFO conversation, there's a bit of confusion. This is something that years ago was put into effect and then has been rolled back and then brought back and yo-yoed around a little bit. But ultimately, this is something that has been put in place to make it easier for these small businesses to exist, to make a profit, to grow. And I'm opposed to us raising taxes on small businesses to fill these budget holes. So here's an example, a business in Omaha, so Omaha has a 7% sales tax, which is of course the city of Omaha has a 1.5% local option sales tax. State of Nebraska has a 5.5% sales tax. So a business would need just over \$57,000 in taxable sales in a month to do \$4,000 in sales tax. So for them to have \$4,000, paying \$4,000 in sales taxes, they'd have to have \$57,000 in Omaha in taxable sales. If we lower it to \$3,000, it would take \$43,000 a month in sales tax. So \$516,000 in sales a year if it's a \$3,000. And then it's, let's see, I think it's-- am I doing that math right? Senator Hunt's looking at me like it sounds like I'm doing it right. Anyway, so it's about \$2,000 a month. Or I'm sorry, \$2,000 in sales a day to hit the maximum return. So again, it's not Senator Hallstrom's fault, although it was a good idea. And, you know, somebody said, I heard recently, not too proud to steal a good idea. So Senator Hallstrom had this idea and put it up, but had, you know, in some discretion is the better part of valor, they say, or something, decided not to take it to a vote. But I do think that this is important. I don't think we should be raising this revenue on the backs of these small businesses. I think it's in this current climate where prices are going up for goods, citizens are either going to pay more for something they buy or the businesses are going to take a hit. This is hitting-- so this particular part of this bill is hitting consumers and small businesses, or both, and making success is for small businesses further out of reach. So I am suggesting we vote for FA131. And by way of cost, my understanding is that this reduction in the amount that the state is clawing back or taking away from these businesses would be about \$2.5 million. Which means that LB650, this portion of LB650, will still be about, say, \$5 million in revenue generated for the state. So not even going all the way back to where it was, just a small decrease in the decrease for these businesses. So a vote for FA131 is a vote for Bob Hallstrom's idea that I'm stealing and supporting, but a vote to help small businesses make a profit,

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make ends meet, make their business model make sense. So I encourage your green vote on FA131. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Senator von Gillern, you're recognized to speak.

von GILLERN: Thank you, Mr. President. Senator Cavanaugh and I came up with pretty much the same math, which is, which is always affirming. I appreciate that. The, the-- If you roll this back a number of years, it's what LB650 says it will now, again, become, which is 2.5% of the first 3,000, which is \$75 a month times 12 months, which is \$900 a year. Senator Cavanaugh's amendment, and I believe again we're on the same page on the math, would change that to \$1,200 a year, which is a \$300 delta annually. \$300 per year. It's about a 30-- about a one-third increase, so if you apply that back to the fiscal note, the cost on this is about \$5.4 million in this next biennium. So I don't disagree with what Senator Cavanaugh wants to do. I don't want to do anything to injure small business. This is-- This again, LB650 takes us back to what it was a year ago. So it's a-- it was better for a year than, than it would be. And then Senator Cavanaugh's amendment would be a kind of a middle point there, but the reality is that LB650 was going to save us about \$56 million. The amendment that was approved earlier by Senator Hallstrom peels \$4 million out of that, so that takes us down to \$52 million. This would take another \$5.4 million out. So we're now down to \$47 million, \$48 million. So I just want the, the, the body to understand the, the ramifications of this decision. \$300 a year doesn't sound like a lot of money, but when you multiply it out times the number of businesses and those that will collect it, it adds up to a very large number and would be very impacting to, to the budget. So thank you, Mr. President.

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

DUNGAN: Thank you. Thank you, Mr. President. I, I do rise in favor of Senator John Cavanaugh's amendment and want to continue as well saying that I appreciate Senator Hallstrom's amendments on these issues. This was one of the parts of LB650 that in the conversations we had in the committee I think did not maybe come to the forefront of at least my considerations and my concerns, but since the bill has advanced obviously we've spoken with a lot stakeholders here. And in my conversations with the folks who work with a lot of those small businesses and those retailers, this really does seem like, this amendment seems like a really solid compromise because it does seek to still expand the amount of money that the state of Nebraska is going to be able to save in revenue, which I think helps our fiscal

situation, but it doesn't go as far as potentially the original requirements in LB650. And so I think in, in a world where we should be seeking to which actual compromise, FA131, does seek to do that. I also, I appreciate Senator von Gillern's comments on this, that's actually what got me to punch in here. I just-- taking what was just discussed with the idea that we can analyze things on a year-by-year basis, I, I do think that that same logic applies to a number of other things in our Legislature that we should be looking at annually or potentially in the short and long term when it comes to saving revenue. And I know it's maybe not directly applicable to LB650, but one of the conversations we've had in the committee is the continued conversation about income taxes. And I know I've talked about it before, and I will talk about it again, but Senator Brandt, I know, introduced LB171 this year, which does not seek to raise taxes, but simply seeks to freeze the continued income tax reductions, both for individuals, but most importantly for corporations. And I believe that if we are truly wanting to analyze things on a yearly basis and look at things piece by piece and see what makes sense, In our current fiscal environment, I think it makes sense to take a pause and to not continue to reduce what corporations are paying in income taxes in an effort to analyze our situation, to get a better sense as to what the ongoing fiscal environment is going to be, to better sense as what the future projections are going to be. And if we are able to afford the continued reduction down to 3.99% for the top bracket or 3.99% for corporations, then I say we move forward with it. But if we freeze that, we know from looking at the fiscal note, we end up with upwards of I think \$400 million aggregate between the income and the corporate taxes. But even a freeze of the corporate tax reduction, I think gets us about \$50 million in the next year and maybe \$120 million the year after that. And so if we are trying to continue to balance this budget and fill in these gaps, I think that LB650's a part of that. And I, I think that we are continuing to move forward with it in a measured and wise way, and I again, I do support LB650, and will be voting green on it today. But I do think that we need to continue to analyze the entire fiscal situation we find ourselves in. And part of that conversation, I think, needs to be a discussion of whether or not we should continue to reduce taxes for corporations while we are simultaneously trying to raise the amount of taxes that working day-- working people and everyday Nebraskans are paying. So colleagues, I do support FA131. I think between Senator Hallstrom and Senator John Cavanaugh, again, if they're both supporting the same idea, we know it's probably one that is going to run the entire gamut of support. And I think that it is a wise compromise on protecting small

businesses while still ensuring that we are being fiscally responsible with our spending in the state of Nebraska. Thank you, Mr. President.

ARCH: Senator Dungan would like to recognize some special guests. There are 52 students, 2 teachers, and 1 sponsor. Students in the ninth grade at Northeast High School, Lincoln, Nebraska, and they are located in the North balcony. Students, if you would rise, please, and be recognized by your Legislature. Returning to the queue, Senator Moser, you're recognized to speak.

MOSER: Thank you Mr. President, good morning colleagues, morning Nebraskans. So the bill that increased the collection fee retained by retailers last year was my bill and the logic behind the bill was that most people pay for their purchases using their credit cards and the banks charge, or the credit card companies charge, around two percent or so of the gross sale as a collection fee. And so retailers are collecting tax for the state, paying a fee to the credit card company to collect it, but then not getting reimbursed by the state. And I still think that's an issue that needs to be addressed at some point. However, right now, I've been kind of sitting on the sideline, even though this was my bill, and it undoes what I spent a lot of time trying to get accomplished last session, we are in different times now than we were then. Then we were awash in cash, and we were trying to rectify all kinds of wrongs with that cash. And now we've got a budget crunch, and I think probably the forecast on revenue is going to be less when the Forecasting Board comes out. I don't know that for a fact, but I'm just predicting that they're going to be downward adjusting the economic forecast. So we're going need money to operate our budget. And this particular collection fee change is \$5 million a year. And I would be glad to entertain that in a year when we have more cash, but I'm going to support LB650 and I'm gonna vote no on FA131. Thank you.

ARCH: Seeing no one left in the queue, Senator John Cavanaugh, you're recognized to close.

J. CAVANAUGH: Thank you, Mr. President. Well, I know didn't even know this was Senator Moser's bill. I'm not sure how often Senator Moser and I have ever been on the same side. It's, it's been a rare occurrence. I always appreciate Senator Moser, and he and I sat next to each other in Natural Resources for a long time. So we have a good time, but we often have a different view on things. So the fact that it's Senator Moser's bill I'm trying to defend here, Senator Hallstrom's idea, I think really does tell you the, the virtue and the logic in this. I'm just here representing small government, fiscal

conservative, capitalist, trying to help small businesses, trying to not have the oppressive yoke of government to shut down small businesses. And proposing this option for us to still take a little bit more money, to not give them so much of a credit that we've given them before, but to help small business. And as Senator von Gillern said, \$300 isn't a lot, but it adds up. The logic applies the reverse, right? \$300 adds up for these small businesses. And it can be the difference between being successful and not being successful and making that month work and that year work for these businesses. And as Senator Moser pointed out, there are extra costs associated with collecting the sales tax that are not factored in. So they're doing a service for the state by collecting sales tax, and we're just helping them out a little bit here. So just so everybody understands what we're talking about, again, a business that collects something like \$516,000 in a year under this, or sales of \$516,000 a year, is about \$43,000 a month in sales, which then is about \$3,000 in sales tax collected in the city of Omaha, seven percent. And so what we're talking about is just on that \$3,000 in sales tax, people are getting 2.5%, businesses get to keep 2.5% of that \$3,000 under this-- under 6-- LB650. Under AM or FA131, people would get to 2.5% of \$4,000 of those sales. So it's just that amount, so-- and that 2.5% adds up to an additional \$25 a month that businesses would be able to keep under this. So again, that all adds up to making the difference for these businesses in terms of making ends But again, it's a part of this principle of we should not be raising revenue on the backs of small businesses in-- while we are giving away money in all these other places. The Auditor talked about how we're not even looking into or making sure we're auditing businesses that are getting the Advantage Act or Imagine Nebraska Act. We have-- we gave some pretty substantial income tax cuts. That is one of the reasons for our budget crunch at this point in time. And we're not talking about even slowing the implementation of those, but we're going and clawing back \$25 a month from small businesses. So I just think that's the wrong way to balance the budget in this budget crunch. So I would encourage your green vote on FA131 if you want to support small businesses. And so I'll leave it at that. Thank you, Mr. President.

ARCH: Colleagues, the question before the body is the adoption of FA131. All those in favor vote aye; all those opposed vote nay. Has everyone voted who wishes to vote? Mr. Clerk, please record.

CLERK: 16 ayes, 25 nays on the adoption of the amendment, Mr. President.

ARCH: FA131 is not adopted. Mr. Clerk.

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

ARCH: Senator Guereca for a motion.

GUERECA: Mr. President, I move to advance LB650 to E&R for engrossing.

ARCH: This is a debatable motion. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President, and again, good morning, colleagues. One other note that I would be remiss in not reiterating as part of our budgetary and revenue discussions that I think will take a significant portion of our remaining days together in this legislative session is in addition to the existing budget deficit, the budget hole that has been self-imposed, and the looming more significant budget deficit that we have before us in the out years, I do also want to point out a few things. Governor Pillen has talked extensively about his goal and his promise to try and reduce property taxes in Nebraska by up to even 50%. Thus far, in the course of his administration, primarily defined by the activity in the special session just a few months ago, there was agreement to deliver 3% in additional property taxes to some Nebraskans. But it also goes without saying that when we rush complex issues like budget or tax or retirement, it increases the risk. And we know from the special session this summer as people were working hard and in good faith, there were unintended consequences that came from rushed tax policy. And we know that there is this ongoing point of concern and contention in regards to the quote-unquote missing year of property tax relief. Many senators have opined that we are unable to afford correcting that error. And we know as tax season is upon Nebraskans, more and more taxpayers are feeling, feeling the effect of that error. So not only do we have a self-imposed budget deficit now and in the out years that is ever growing, we have also propped up the existing budget with, in 2025, if you go look at the fiscal note on LB81 to address the missing year, we're also propping up the existing budget with \$101 million that we clawed back from taxpayers, \$503 million in 2026 that should-- would have otherwise benefited Nebraska taxpayers, and \$31 million in 2027 that would've otherwise benefited Nebraska taxpayers. So that's another key component that I wanted to lift up for a variety of reasons to show that when we rush forward it increases risk for unintended consequences. And when you look at where we are and where we have been together very, very recently in the special session, for example, before our new colleagues had a chance to join us in January, we saw impacts from a rushed, disastrous special session that brought little to no relief for Nebraska taxpayers, and in fact, had negative

impacts for many Nebraska taxpayers. Unfortunately, we have not been able to see movement on the missing year solution this year due to financial constraints, but it does bear repeating as a cautionary tale for how we're proceeding with budget and tax policy presently. What that bodes for moving forward with a significantly complex issue like LB645, next on the agenda, making major revisions and changes to our teacher retirement programs. And my note, colleagues, is to, A, use my voice, to stand witness and be a strong advocate for those taxpayers that are crying out for us to address the missing year, and to also provide a note of caution in terms of rushing forward with poorly conceived policy in regards to tax and budget, which may in fact not only stand out of--

ARCH: Time, Senator.

CONRAD: --alignment with sound tax policy, but have unintended consequences. Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. I partly punched in because I wanted to make sure, we've had a, had a confusion on a Select File E&R debatable motion earlier this week or last week. So I wanted to punch in to clarify that. So Select File, obviously, is a voice vote. Things can go quickly. But it is a debatable motion, so if people want to punch in, they can. You don't have to have just an amendment up there to do that, which is-- we're talking on Senator Conrad just talked about now. But the other thing I wanted to talk about was on, you know, the vote on my amendment, which of course I was serious about, and-- but it was Senator Hallstrom's amendment first, and he withdrew it, and it's, you know, we had a couple of votes around here where it seems to me that the messenger ends up being more important than the message. Senator Conrad brought Senator Andersen's bill as an amendment to the fake meat bill, and again was-- didn't receive the votes of people who supported Senator Andersen's bill, and who opposed the outright ban. And so I don't know if maybe if Senator Andersen had brought it as an amendment, it would have gotten more votes or not. But it's, it is telling that there are ideas that people support and they refuse to vote for them when they are brought by somebody who they maybe don't agree with all the time. You know as I said that that, that bill was Senator Moser's bill and I probably have very rarely agreed with Senator Moser, and I probably didn't even, if it was in a bill last year, I probably don't even vote for it. I probably, didn't vote for whatever revenue package that bill was in last year because it had a bunch of other stuff that I probably didn't

like, which is probably why I'll vote against LB650 is because there's stuff in there that I don't like. But, you know, the fact that it was Senator Moser's bill, Senator Hallstrom's idea, and then that I was-- it was my name on the board, I think, maybe had it-- kept it from cracking the top-- the 20-vote mark. You know, it was at 16, I think. So I don't know. That's just food for thought, folks, that we're here about ideas and not about personalities. And I know you all love me, because I'm a lovable person. But you might disagree with some of my, my principles and philosophies, and you might find me annoying, because I continue to assert them all the time. But you know, I just-- if the idea is good, the idea is good, which is why I supported Senator Hallstrom's first amendment today. It's because I've fought with Senator Hallstrom quite a bit this year, but I supported that amendment because I agreed with it. And I just thought I would point out, so businesses pay \$63 million in credit card fees on the sales tax portion they collect for the state. So they are paying credit card fees to financial institutions for the privilege of collecting sales tax for the State of Nebraska. This, under the current state of affairs, they get back about \$14 million under this system to help offset that cost. With the change, they'll get back about \$6 million. So they're going to have to pay an additional-- so they're gonna go from being out about \$49 million to now being out \$57 million. So that's the difference for small businesses in the state of Nebraska, what we're doing here to, to balance our budget incrementally on the backs of the small businesses. And again, I pointed out the other day, trying to find a \$61 million out of the canal to get us in line with the compact, but we can talk about that more another time. So thank you, Mr. President.

ARCH: There's been a request for a machine vote. All those in favor of LB650 advancing to E&R for engrossing vote aye; oppose, nay. Has everyone voted who wishes to vote? Mr. Clerk, please record.

CLERK: 34 ayes, 5 nays on advancement of the Bill, Mr. President.

ARCH: LB650 does advance. Mr. Clerk.

CLERK: Mr. President, next bill, Select File, LB645. First of all, Senator, there are E&R amendments.

ARCH: Senator Guereca for a motion.

GUERECA: Thank you, Mr. President. I move that the E&R amendments to LB645 be adopted.

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

CLERK: Mr. President, Senator Ballard would offer AM1023.

ARCH: Before we proceed, Senator Dover would like to recognize 42 guests, fourth grade students from Pierce Elementary in Pierce, Nebraska. They are located in the north balcony. Students, if you would rise and be recognized by your Legislature. Senator Ballard, you're recognized to open.

BALLARD: Thank you, Mr. President. As the body recalls, on General File, I introduced LB1023 as part of an ongoing discussion with the educational stakeholders regarding LB645. Because the primary changes contained in AM1023, walking back the 2018 changes to the rule of 85 provisions in the School Employment Retirement Act, had not been previously subject to a public hearing, the Retirement Committee held a, an amendment-- a hearing yesterday on the amendment. Given the opposition testimony at the hearing from both the Nebraska Council of School Administrators and Nebraska Association of School Boards, I believe it is best approach at this time to withdraw AM1023 and work, work with the education community over the interim. With that, I would like to withdraw AM1023. Thank you, Mr. President.

ARCH: So ordered. Mr. Clerk.

CLERK: Mr. President, Senator Ballard would offer AM1108.

ARCH: Senator Ballard, you're recognized to open.

BALLARD: Thank you, Mr. President. AM1108 is a technical amendment that clarifies the language regarding the employee and employer contribution rates. The intention of LB645 is that the employee contribution rates will adjust annually each July 1st based on the funding ratio of the actuary study value in the assessed-- in the school retirement fund for the previous year. Since employer contributions are set at 101% of employee contributions, these contributions would similarly be adjusted annually based on the previous year's actuary evaluations. While the actuaries interpret the current language in the bill to make these rate adjustments annually, the language as currently stands propo-- potentially confuses and could instead read as a one-time change, not an annual change. AM1108 simply rewrites the language regarding the employee's contribution to make it clear that the contribution rates would adjust annually each

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July 1st. Colleagues, I'd ask for your green vote on this technical amendment, AM1108. Thank you, Mr. President.

ARCH: Seeing no one in the queue, you're welcome to close. Senator Ballard waives close. Colleagues, the question before the body is the adoption of AM1108 to LB645. All those in favor vote aye; all those opposed vote nay. Has everyone voted who wishes to vote? Mr. Clerk, please record.

CLERK: 36 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: 1108 is adopted. Mr. Clerk.

CLERK: Mr. President, Senator Bostar would move to amend with AM1135.

ARCH: Senator Bostar, you're recognized to open.

BOSTAR: Good morning, colleagues, I rise to introduce AM1135, an amendment created to recognize the health and safety risks that the members of the Nebraska State Patrol face by increasing the surviving spouse benefit, a payment made to a wife or husband of a state trooper who has predeceased their spouse from 75% to 100% of their retirement benefits. State Patrol officers accept very real health and safety risks in order to keep our communities safe. It's imperative that our troopers know their families will be taken care of should the worst happen. Negative and even life-threatening consequences to personal health can result from a career in law enforcement. Lifelong employment with the Nebraska State Patrol is physically and psychologically taxing. And we know that the stress they endure has measurable health impacts. According to a five-year study conducted by Buffalo University Professor John Violanti, a professor of social and preventive medicine at the UB School of Public Health and Health Professions, the daily psychological stressors law enforcement officers are subjected to places them at considerably higher risk for various long-term physical and mental health challenges compared to the general public. The Buffalo Cardio-Metabolic Occupational Police Stress Study found that almost half, 46.9%, of the officers examined were at an increased risk of suffering from metabolic syndrome which is a combination of symptoms including abdominal obesity, hypertension, insulin resistance, stroke, and type 2 diabetes. In addition, officers who had served for more than 30 years had a higher risk of developing Hodgkin's lymphoma and brain cancer. In a 55-year mortality study conducted at the University of Iowa, researchers looked at deaths of police officers versus the general population. A significantly higher percentage of officers died from every cause of

death than the percentage of the United States general population in the same age group. Officers--officer deaths from all malignant neoplasms or cancer combined were significantly higher than deaths in the general population. Likewise, deaths from all diseases of the circulatory system were also significantly higher than deaths in general population. 46% of officers died of cardiovascular disease, with 35% dying of said disease by age 60. AM1135 is a simple and effective measure to ensure that our state patrol members and their families are fairly compensated for their time serving our communities. Should the worst happen to a Nebraska trooper after a career keeping our communities safe, their loved ones shouldn't be faced with the catastrophic loss of financial stability in addition to the devastating loss of their loved one. I wanna thank the Retirement Committee for advancing this legislation to the floor on a vote of 5-0, and I appreciate Senator Ballard's support for this measure and for the amendment. And I would encourage your green vote of AM1135.

ARCH: Turning to the queue, Senator Ballard, you're recognized.

BALLARD: Thank you, Mr. President. I would like to thank Senator Bostar for working with the committee. He tailored this amendment down quite a bit from his original LB76. I just want to briefly highlight, I passed out the actuarial study for the amended version of LB76. I do rise in support of this amendment, Senator Bostar's amendment. I think it's a common-sense approach. The, the 75% of surviving spouse benefits and not hitting 100% is very uncommon in the, in the retirement plans, especially for public safety employees. So this is just catching up a lot of what we already do for public safety employees' retirement plans. I just wanna highlight real briefly, in the actuarial study, you will see there is a cash fund contribution to this, to this plan, so it is going to spend some of the retirement plan's cash. I just want the body to be aware of that, but I do rise in support of this amendment and thank Senator Bostar and the committee for their hard work on this proposal. Thank you, Mr. President.

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

CONRAD: Thank you, Mr. President, and good morning, colleagues. I rise in support of AM1135, and I was hoping that my friend, Senator Bostar, might respond to some questions.

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

BOSTAR: Yes.

CONRAD: Thank you, Senator Bostar. I appreciate your leadership on trying to make critical investments and positive adjustments to the State Patrol retirement plan. This is an issue that is familiar to me, as it was a big part of our discussions in the last biennium in regards to Retirement Committee business. And we did make some modest but meaningful step forwards, but we, but we left a, a lot of work too that, that was remaining in regards to State Patrol retirement. I share your commitment to ensuring that men and women who serve as our first responders and put their lives on the line should have access to a dignified retirement and a sound retirement, and anything that we can do to make adjustments to continue that commitment is a good thing. Could you just briefly, if you remember, and if not, I can go and pick it, pick it up off the bill history, but your initial proposal to address positive adjustments for the State Patrol, kind of what were the contours or the major top lines in that proposal and what was the fiscal note generally?

BOSTAR: Yeah, well thank you for the question and thank you for your advocacy on this issue, not just this session but previous sessions as well. The-- you know, this really started two years ago with legislation introduced that would have-- that made proposed adjustments to the contribution spread of Patrol officers and the state, and it created equity for surviving spouse benefits, which is what you see here in front of us today, and it addressed COLA current, frankly an inadequate cost of living adjustment system for retirees. And so we were able to get one of those pieces done last year. And so this year, legislation was brought to finish the job and address COLA and surviving spouse benefits. And due to cost, the only thing here in front of us now is the surviving spouse benefit. So we unfortunately had to leave COLA behind at this point. But I'm, I'm deeply hopeful that we're able to get that done here at some point. And I have to go back and double check all of the numbers because there's been a couple over the years, actuarial studies that have been done and where all those numbers have landed. Recently, they just revised up those numbers, which is really unfortunate, but I think that's, you know, that's of course due to larger economic implications of depressed returns for our, our, our-- the money that we are holding in our market and investments. And that's obviously due to the, the general economy, frankly, taking a dive. But, but hopefully that will turn around. You know, all of these fiscal impacts are projected costs to the state through functionally planned deficits. And so they're, they're guesses. And we make the best guess we can at the moment we are in. But of course, there's always hope that it, it won't actually

result in at, as much of a cost as are potentially projected right now.

CONRAD: That's right, there is indeed always hope. And we'll all cross our fingers and look for as many four leaf clovers as we can find to get good news on economic issues, but I think there's no question there's a significant amount of volatility at the present moment. But thank you for providing the context and history in that regard. And like I said, I can punch in again, or maybe Senator Ballard has it handy, but I just wanted to clarify for the record kind of what your original proposal cost and looked like and kind of exactly what is before us and what that means for the overall fiscal impact. I do just want to draw members' attention to the fact that when Senator Bostar was trying to move an amended version of his measure through the committee, I did move the original proposal forward, and we do have a record vote available in that regard to show which senators on the committee were really working hard to try and--

ARCH: Time, Senator.

CONRAD: --do right by our first responders and their families. Thank you, Mr. President.

ARCH: Seeing no one in the queue, Senator Bostar, you're recognized to close.

BOSTAR: Thank you, Mr. President. So in light of that, I'd-- Senator Ballard passed out the current actuarial study for this particular amendment. The previous numbers can be found in various fiscal notes over the years that we've been doing this. But just so you know, you should have on your desk that number. And it's currently valued at a \$3 million impact to the plan actuarially. So, you know, and of course it's, it's-- that's a different kind of cost than-- it's not like there, it's not like there's a direct appropriation, I guess is the best way to say that. It's a projected plan impact. And so with that, I think that this is, frankly, way overdue. And the idea that we have individuals who are receiving a retirement benefit, a family that's receiving retirement benefits, but that benefit will change based on which spouse dies first. And so it will be reduced if the retired State Patrol officer is the one who dies first is, is frankly unacceptable when we know, and as I talked about in the open, that the very job we're asking them to do will more than likely lead to their otherwise premature death because of the work they spent a career doing. So not only are we asking them do a job that impacts how long they're going to live, but we then punish their family when they die,

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because they died first. This will fix that. And colleagues, I would, I would ask that you, you help us right that wrong and, and ensure that these families can remain financially intact, even when a retired State Patrol officer in that family passes away. Thank you.

ARCH: Colleagues, the question before the body is the adoption of AM1135. All those in favor vote aye; all those opposed vote nay. Mr. Clerk, please record.

CLERK: 39 ayes, 0 nays on adoption of the amendment, Mr. President.

ARCH: Mr. Clerk for items.

CLERK: Thank you, Mr. President. New LR, LR140 from Senator Holdcroft. That will be laid over. Additionally, approved reference report from the referencing committee concerning appointment to the State Racing and Gaming Commission of John Barrett. Notice that the Appropriations Committee will have an Executive Session in Room 1003 at noon. Appropriation's 1003, at noon. The Government Committee will an executive session today in Room 1507, immediately following their hearing. Government committee exec session after the hearing in room 1507. Business and Labor will have an executive session at noon in room 2022, Business and Labor, noon, 2022. And the Revenue Committee will have an executive session at 2:30 under the south balcony, Revenue, 230, under the south balcony. Finally, Mr. President, a priority motion. Senator Guereca would move to recess the body until one o'clock.

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 numb-- 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 is a quorum present, Madam President.

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

CLERK: I have no items at this time.

DeBOER: Thank you, Mr. Clerk. So, we'll return to the agenda. And turning to the queue, Senator Conrad, you are-- we have an amendment?

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CLERK: Madam President, Senator Conrad would move to amend LB645 with AM1184.

DeBOER: Senator Conrad, you are recognized to open.

CONRAD: Thank you, Madam President, and good afternoon, colleagues. This amendment is meant to be technical in nature. It is late coming, due to the rushed nature of this measure moving through the Legislature, but what it is intended to do is to reaffirm our long-standing and consistent state policy utilizing and, to use some perhaps informal dialogue that longtime members of the Retirement Systems Committee and staff have bandied about, a belt-and-suspenders-and-duct-tape approach to ensuring that there is no wiggle room or opening for the state assuming any sort of financial liability for the OSERS plan, the Omaha teachers plan, which I think is fairly well established and everybody is aware has some very significant funding challenges due to perhaps mismanagement, investment returns, poor decision making. Due to the-- we know that the Omaha Public Schools teachers retirement fund is now moving in the right direction after a period of incredible volatility. One key piece that the state has assumed in recent years was to pick up and be responsible for the administration of the Omaha plan to ensure that we were able to utilize state resources to at least help to improve oversight of that plan, to ensure a more accurate accounting of plan benefits for all stakeholders. And I will tell you that process, set in, set in place many years ago has been a very arduous process, and all of our retirement systems staff and the stakeholders in the Omaha Public Schools teachers retirement system deserve a ton of credit for working really hard. Late nights, lots of weekends, making sure that they hit required deadlines to ensure a smooth transition on the administrative component related to the Omaha teachers plan. But I think it has been a very, very long-standing policy of this Legislature that we do not want to open the door to having state taxpayers as a whole assume any sort of liability for the unfunded components or structural imbalances within the Omaha teacher plan. Thus, the amendment before you today on the board should be technical in nature to reaffirm that long-standing policy, which I don't believe any stakeholders have a disagreement with the reaffirmation of that policy. Now, perhaps some members do want to open a conversation about the state moving to provide more resources to the Omaha fund. I do not think that would be wise, but when these measures are on the table, those kinds of issues have popped up in the past. So, I'm working to make sure that we have a technical correction and a reaffirmation of that policy. That is how I drafted what is meant to be a technical amendment, AM1184, on LB645. It should not bring any additional fiscal

cost, it should not represent any change in policy, either in relation to the underlying components in LB645 or, as I said, in-- indicate any sort of shift in direction from the long-standing policy we've been on to ensure that OPS is solely responsible for funding any unfunded liabilities of the OSERS plan, and that the state is not liable for that funding. With that, I, I know that Senator Ballard has been working super hard to get up to speed on the different amendments, hosting public hearings-- including just yesterday-- on this measure; has decided to pull back from a substantive amendment that was filed related to the reform or the repeal of this quote-unquote Rule of 85 due to pushback from school entities and school administrators and perhaps causing some unanswered questions in terms of what that means for a teacher shortage or fiscal impacts of this measure. But nevertheless, that, that conversation, I think, will carry forward. But if we're not at a point where we're able to have a clear debate and dialogue on this technical amendment, I appreciate and understand that; we can always refile it to Final Reading so that members and other stakeholders have more time to analyze and assess it to ensure the accuracy of my description thereof. And with that, I would ask for your favorable consideration on the amendment. And as I noted, I'm happy to answer any questions. I'm also happy to refile it on Final Reading if we need more time to discern and digest the technical aspects of the amendment. Thank you, Mr. President.

DeBOER: Thank you, Senator Conrad. Senator Moser would like to recognize some special guests: 17 fourth grade students from Humphrey St. Francis in Humphrey, located in the north balcony. Students, please rise and be recognized by your Nebraska Legislature. Senator Ballard would like to recognize three very special guests: Mike Jeffers, Debbie Jeffers, and David Jeffers, his aunt, uncle and cousin from Raymond, Nebraska and Austin, Texas, located underneath the south balcony. Please stand and be recognized by your Nebraska Legislature. Senator Ballard, you're also next in the queue.

BALLARD: Thank you, Madam President. I stand in cautious, optimistic support of Senator Conrad's amendment. I share her concern, making sure that the state doesn't take on additional liabilities for the OSERS plan. I think she did a very nice job of articulating the history of the OSERS plan and making sure that that plan is what-- is funded appropriately, but the savings we're going to see from our state reduction contributions does not go over to the Omaha plan. So, I do appreciate that. Still working through the language. I know there are some, some Omaha senators with some concerns as well. But I, I do rise in cautious, optimistic support of this, of this amendment, and

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would like to yield the rest of my time to the chair. Thank you, Madam President.

DeBOER: Thank you, Senator Ballard. Senator Clements, you're recognized.

CLEMENTS: Thank you, Madam President. Would Senator Conrad yield to a question?

DeBOER: Senator Conrad, will you yield to a couple questions?

CLEMENTS: Thank you, Senator Conrad. The first ten lines of this amendment strikes the words "in the School Retirement Fund." Can you tell me why?

CONRAD: Yes. So, the first part is technical cleanup language, and it recognizes that the funded status is based upon the plan itself, not the retirement fund. So, that's just a, a technical suggestion to better represent a more consistent approach to how we assess what's fully funded by an evaluation of the plan itself, not the retirement fund itself.

CLEMENTS: Oh, OK. That's reasonable. Then the next section talks about these changes do not apply to the Omaha plan. Could you describe that again?

CONRAD: Yes. Thank you, Senator. So essentially, what this is meant to do is to reassert that the state, the state of Nebraska is not assuming any liability for the OSERS funding obligations. The second part of the amendment, basically-- let me give you just a little bit of background. I'll-- I don't want to take all of your time, but we can punch in again if we need to get there. And I know you're familiar as a veteran on the Retirement Committee as well. So, the school plan covers all districts in the state except for OPS, except for Omaha Public Schools. OPS created a separate plan before the state school plan was created. In the Omaha or the OSERS plan, OPS is solely responsible for funding any unfunded liabilities of the OSERS plan, and the state has not been liable for its funding. So, in 1984, the state of Nebraska started contributing on an annual basis a specific percentage based on compensation of all members of the plan in order to treat all school employees equally throughout the state and ensure fairness. So, the state has also been contributing that same percentage to the OSERS plan, I believe, since the 80s. So, whatever that percentage has been changed throughout the years, the state has

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always had a similar contribution and percentage rate applied to both the school plan and to the OSERS plan.

CLEMENTS: OK, OK. Thank you, Senator.

CONRAD: Yes.

CLEMENTS: Thank you. I--

CONRAD: Sorry, I didn't mean to get long-winded. I know it's complex.

CLEMENTS: That's all right. The-- lines 11 through 14 says that the changes in contributions to the other-- the state teacher's plan don't affect Omaha, and that's-- in committee what I have agreed to, that we'll continue to, to spend-- to pay 2% of the Omaha salaries as long as they're underfunded, which we know they are. Then, the last section is very agreeable to me. It just makes sure that the state, by taking on the administration where we're sending out the payments to the Omaha retirees, but we're not liable for the shortfall, the unfunded liability. And that was made clear when we did that agreement to take that on, and I, I agree with that section as well. This just restates that the 2% we're paying is all the state's reliability is. So, I am comfortable with this amendment. Thank you, Madam President.

DeBOER: Thank you, Senators Clements and Conrad. Senator von Gillern, you're recognized.

von GILLERN: Thank you, Madam President. Would Senator Conrad yield to a few questions, please?

DeBOER: Senator Conrad, will you yield?

CONRAD: Yes. Yes, of course.

von GILLERN: Thank you. I'm, I'm scrambling a little bit, and I'm reaching out, obviously,--

CONRAD: Same.

von GILLERN: --the timing on this is a little bit unfortunate, and, and I'm-- greatly appreciate your comment that if there's uncertainty about this, that you would be willing to possibly--

CONRAD: Yes.

von GILLERN: --reconsider this on Final.

CONRAD: Yes.

von GILLERN: And I would ask for-- maybe, for that to be a, a serious consideration for you and the rest of the body, because I've--

CONRAD: Sure, no problem.

von GILLERN: --not really had time to, to digest the, the, the language of the amendment and also confer with OPS, which is obviously a big partner in this conversation.

CONRAD: Sure. Yes.

von GILLERN: So, I'm, I'm just curious. This seems like a-- I'm not an attorney, as, as is well known, but I know- I've had attorneys advise me in the past that you-- that belt-and-suspenders sometimes works in a negative impact because they can potentially be in conflict. So, if, if the state pension fund has never been part of OSERS, why do we need this clarification now?

CONRAD: Yes, thank you, Senator von "Gilren." Did I get it closer?

von GILLERN: You're close. We'll get it right.

CONRAD: I'm sorry. I've got "von Gilleren"--

von GILLERN: That's all right.

CONRAD: --stuck in my head from the last couple of years of serving together. Now, I'm trying to correct myself. My, my last name is much easier to pronounce. But to your first proposition or component of your question, absolutely. I'm happy to withdraw the amendment, let all stakeholders have a chance to analyze and digest before forcing a vote on it today. It is indeed meant to be technical in nature and not to spark any additional fiscal impact, but to, A) make sure that we're using the correct language in regards to the evaluation of the funding status for the plan, not the retirement fund; the retirement fund is actually just an administrative fund established to transfer various funds, funds amongst parties. And then, the other component, the more substantive component, would be the reaffirmation of the existing and long-standing policy that we're not assuming any liabilities for OSER(S) funding obligations. And here's why I think perhaps it is important to reaffirm that in regards to this measure: because LB645 represents, as everybody understands, a major change in teacher retirement. And so, any time we've had even perhaps just more modest changes to teacher retirement, the Legislature has typically

reaffirmed either in language or intent the fact that we're not, we're not opening the door to state assumption of liability for the Omaha program or plan. So, since we're moving in the direction-- the body seems inclined to move in the direction of making the changes contained in LB645, arguably, that frees up a great deal of general funding, and I think that it's important that we're watchful and aware of and thinking ahead, is Omaha going to come and try and grab some of that for their unfunded liabilities? They haven't made that case to the committee thus far, but I do think that perhaps we, we could just reaffirm legislative intent in this regard, that those additional freed-up general funds will not in any way indicate that we will be shifting or assuming liability for the Omaha plan.

von GILLERN: OK, thank you for that clarification. And again, I-- just simply due to the, to the timing and the, the inability to, to, to do research to the level that I would feel comfortable, if you choose to, to pull this back, withdraw it and bring it back on Final, I would greatly support and, and encourage that decision. If it does what I believe that it does in the-- in my "unlawyerly" educated reading of the bill, then I would be fully supportive. But at this time, I would, I would ask you to, to withdraw the amendment and bring it back on Final. Thank you, Senator Conrad.

DeBOER: Thank you, Senators von Gillern and Senator Conrad. Senator Conrad, you are next in the queue.

CONRAD: Thank you, Madam President, and thank you, Senator. I will be happy to do that. We can continue to have debate on the amendment itself or the underlying bill. I have just a few additional comments for the record that I want to make sure are clear on this measure. But if it provides a sense of comfort or clarity to members, I am happy to withdraw the amendment at this time so that all parties can have a chance to more carefully and fully digest it. If you would so order, Madam President.

DeBOER: Without objection, so ordered. Senator Ballard, returning to the queue, you are next. Senator Ballard waives. Senator Conrad, you're next in the queue. Senator Conrad?

CONRAD: Thank you. Sorry, my friend Senator Hallstrom was helping me reorient my pronunciation of Senator von Gillern's name, so I appreciate that. Sorry to struggle with that on the mic today. Friends, the other thing that I wanted to point out were just a, a few additional components for consideration at this stage of the debate. So, if you look at the most recent, recent fiscal note that is

available on LB645-- and I'm speaking in general terms here-- it shows approximately an \$80 million General Fund savings in this biennium and the next, I think spread about \$30 and \$50 million, so-to-speak. So, I, I do just want to point that out. It is my understanding-- and perhaps numbers and figures shift and change in terms of budget deliberations, which I know they do from eight years on Appropriations, but I believe that our friends on Appropriations had penciled in almost \$100 million in savings for this particular measure as part of the overall budgetary picture. So if, in fact, that is still the case, I do just want to acknowledge perhaps an at least \$20 million difference in thinking from those projections perhaps that are happening in Revenue, and then the actual cost savings thus far, as indicated on the fiscal note, which show about an \$80 million savings. The other piece is, I just want to let members know that, again, generally speaking, when we successfully adopted my friend Senator Bostar's amendment in regards to the State Patrol retirement plan, that's going to have-- the scaled-down version has about a \$3 million price tag or impact, which, of course, is amortized over many years. But just wanted to make sure to kind of lay that out in terms of the, the math that we're doing together on the Revenue side, the Retirement side, the budget side, and, and other matters moving through the body with an A bill or a fiscal appropriation. The last piece that I would like to draw members' attention to-- and perhaps my friend Senator Ballard, chair of the Retirement Committee, could speak a little bit more specifically to-- is an email that we got from NPERS this morning that provided additional information as to potential fiscal impacts for LB645, which is just another piece of information for members to assess that we otherwise wouldn't have in the record, since we received that just this morning via email. And so, I do want to make sure to draw members' attention to that, and I, I think it, it supports my contention as well that, even if we're able to find consensus and ultimately find a path forward together on this proposal, it is very, very strange to rush a retirement bill of this magnitude through the process in 67 days or less, because it was introduced on Day 10-- 57 days, I guess. I understand things are not as they once were in the Nebraska Legislature; I understand everybody is doing their best. But whether it was technical issues like I brought forward today in the amendment I just withdrew, whether it was changes to long-standing policy on the Rule of 85 regarding teacher retirement as, you know, has been in place since at least 2017, was initially part of discussion subject to analysis, subject to public hearing yesterday, and now removed from consideration-- friends, I just-- I, I understand we probably will move forward this year because that's what the majority of the body is signaling, but I do just want

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to lift another note of caution that this, this rushed approach is risky. And it has caused a great deal of uncertainty that typically is not present in our retirement deliberations.

DeBOER: Time, Senator.

CONRAD: Thank you, Madam President.

DeBOER: Thank you, Senator Conrad. Senator Ballard, you're recognized.

BALLARD: Thank you, Madam President. I just want to highlight a few, few concerns of Senator Conrad. I appreciate her withdrawing that amendment and allowing us to work on it in the coming, coming weeks or, or over the interim. I had same-- similar concerns with the OSERS plan, but I did receive some assurance that the section that was referenced in, in Senator Conrad's amendment, 79-916, that these-- the OSERS plan does not meet that 96% threshold, and so that would not trigger the, the, the 0% or 0.7% reduction from the, from the plan. So, I appreciate her withdrawing that and let-- and allowing us to work on that. I do want to highlight also, the pages passed out a chart that Senator Conrad referenced. I think this is a good signal, a good sign for the plan. You can see that the return-- if, if the plan has a 0% return, we will be over 100% funded. So, we haven't had a 0% return probably since 2008, 2009, and so I appreciate-- Senator Conrad sent that out to the body, and I just want to re-- my plan was to bring that to the body's attention in the, the handout. And so, I appreciate that. And where that seven-- that \$18 million in-- if we dip below, dip below 100% funded, that is where we're currently sitting; that is that 0.7 contribution that the, that the plan already has under LB645. And so, that's what the, the Appropriations currently will have to send that \$18 million to the plan. So, this, this table gave me some reassurance on, on the plan's stability and the funding mechanisms that we have in place, and also the triggers that if it dips below that 100% funding, the triggers are going to kick in and the state is going to have some skin in the game. So, with that, I'd like to thank Senator Conrad for her continued conversation and her willingness to work, but I ask for your green vote on LB645. Thank you, Madam President.

DeBOER: Thank you, Senator Ballard. Senator Conrad, you're next in the queue.

CONRAD: Thank you. I have just two additional points that I would like to put on the record in regards to this measure. I-- if my friend

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Senator Ballard would yield to a question; not a series of question, a question.

DeBOER: Senator Ballard, would you yield to a single question?

BALLARD: I would, I would love to use-- yield to a single question.

CONRAD: Anyone want to put prob bets on whether or not I can adhere to this? OK. Just to be clear, Senator Ballard, the additional funds that will be freed when LB645 moves forward and is adopted and takes effect, those General Fund savings will not be reallocated specifically to educational endeavors, but they will go to the General Fund. Is that your understanding?

BALLARD: That is my understanding.

CONRAD: OK. Thank you, Senator. I did it. OK. Very good. All right. The last piece that I wanted to make sure to put in the record is the fact that not only does this change come at a point of great economic "volatility," but it also comes at a point where we have uncertainty in our leadership in regards to our retirement systems. So, I think members may remember that we had some retirements, we had new people stepping forward to take over key positions in the Investment Council and at the public-- Nebraska Public Employees Retirement Systems. We went through a variety of different confirmations in that regard over the past biennium, and we presently had a vacancy in the top spot due to the resignation of former Senator, former State Treasurer John Murante, who had been tapped to fill that role. And he deserves a ton of credit, not only for his long-standing commitment to public service, but really helping to shepherd and oversee the OSERS administrative transition as well. He and his team did an awesome job in that regard. But Senator Murante-- that's how I know him best-- former State Treasurer Murante, Director Murante stepped back due to personal and professional reasons. We have in place an interim director who is a long-time employee everybody generally agrees is a non-political actor, and who brings a great deal of expertise to this work. That-- it's my understanding that a nomination in terms of the top leadership position remains unfilled, at-- and is sitting at Governor Pillen's office at the executive branch; we've also seen a lack of a full contingent in regards to the board members themselves. And so, I do just want to reiterate and lift up the fact that this kind of swirling uncertainty with both board membership and executive leadership at our retirement systems is also complicating this discussion on a highly complex, highly critical aspect of state government. And so, I am hopeful that perhaps the retirement systems

board and committee and Governor Pillen and his team will be able to work swiftly and adeptly and collaboratively to ensure that we can get the right people in these right spots to help continue steady stewardship and leadership of these programs, which, again, colleagues, as we well know, have been the envy of many of our sister states due to the fact that we don't play games with our retirement system, due to fact that have steady leadership and steady management. And I, I do just want to put that on the record as another area of complication in terms of this discussion. Thank you, Madam President.

DeBOER: Thank you, Senator Conrad. Seeing no one else in the queue, there's a pending motion before us, colleagues. The motion is to advance LB645 to E&R for initial-- for engrossing. All those in favor, say aye. All those opposed, say nay. It is advanced. Mr. Clerk.

CLERK: Madam President, General File, LB382A introduced by Senator Meyer. It's a bill for an act relating to appropriations; appropriates funds to aid in the carrying out of the provisions of LB382. Bill was read for the first time on April 22 of this year and placed directly on General File.

DeBOER: Senator Meyer, you are recognized to open on your, your bill.

MEYER: Thank you, Madam President. I'm going to make this brief. I don't think there's a, a need to, to have a trip down memory lane of how we got to this position. LB382A is essentially an appropriations bill that indicates the source of funding for Section 1, indicates funding for the amended LB48 that was attached to my bill. Section 2 is the funding source for LB382, which is what this bill originally had started out as. So, that being said, I would relinquish the balance of my time, and let's move on.

DeBOER: Seeing no one in the queue, Senator Meyer, you're recognized to close. Senator Meyer waives closing. The question before the body is the advancement to E&R Initial of LB382A. All those in favor, vote aye; all those opposed, vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 39 ayes, 0 nays on advancement of the bill, Madam President.

DeBOER: It is advanced. Mr. Clerk, for the next item.

CLERK: Madam President, General File, LB645A. It's a bill for an act relating to appropriations; appropriates money-- appropriates funds to aid in the carrying out of the provision of LB645; and declares an

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emergency. The bill was read for the first time on Jan-- on April 23 of this year and placed directly on General File.

DeBOER: Senator Ballard, you are recognized to open on your A bill.

BALLARD: Thank you, Madam President. LB645A is the appropriations bill for the LB645, which we just heard. Anytime the Legislature makes changes to one or more retirement plans, there is a one-time expense incurred by the Nebraska Public Employees Retirement System for implementing those changes. The one-times cost typically involves programming changes to the NPERS benefit system and the cost of any actuarial studies necessary for the bill. LB645A would appropriate just over \$18,000 in cash from the school-- some of the school expense fund to cover the one-time costs related to implementing LB645. With the addition of Senator Bostar's LB676, the amendment of A bill will be coming on the State Patrol retirement plan as well. I ask for your green vote on LB645A. Thank you, Madam President.

DeBOER: Thank you, Senator Ballard. Seeing no one in the queue, Senator Ballard, you are recognized to close, and Senator Ballard waives closing. The question before the body is the advancement of LB645A to E&R for-- E&R Initial. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 40 ayes, 0 nays on advancement of the bill, Madam President.

DeBOER: It is advanced. Mr.-- Mr. Clerk, for the items for the record.

CLERK: Thank you, Madam President. A motion printer-- motion to be printed from Senator DeKay to LB246, and a new A bill: LB36A from Senator Brandt. It's a bill for an act relating to appropriations; to appropriate funds to aid in the carrying out of the provisions of LB36. Concerning the agenda, Madam President: General File, LB608 introduced by Senator Bostar. It's a bill for an act relating to first responders; it amends, amends Section 85-2601, 85-2602, 85-2603, 85-2603.01, and 85-2605, and Section 44-1-- 44-314; changes to the definition of firefighter for purposes of certain insurance protections; includes correctional officers, youth detention officers, and children of first responders within the First Responder Recruitment and Retention Act; requires reimbursement by the state; provides duties for the Coordinating Commission for Post-secondary Education; defines and redefines terms; harmonizes provisions; repeals the original section. The bill was read for the first time on January 22 of this year and referred to the Revenue Committee; that committee

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placed the bill on General File with committee amendments, Madam President.

DeBOER: Senator Bostar, you are recognized to open on your bill.

BOSTAR: Thank you, Madam President, and good afternoon, colleagues. LB608 is legislation that expands the First Responder Recruitment and Retention Act to include correctional officers and juvenile detention officers; clarifies language surrounding qualifying dependents; and corrects a drafting error in the original act that inadvertently omitted civilian firefighters stationed at Offutt Air Force Base. Nationally, state prison and local jail staffing has cratered since 2019. According to the U.S. Census Bureau, full-time staffing in state prisons is down to its lowest mark in two decades, and down more than 10% from 2019 to 2024. Corrections has, in fact, seen a greater decline than in any other state government sector since 2019. The U.S. Census Bureau reports in 2024 that 49,730 individuals have left employment from state prisons, and another 16,982 from local jails since the beginning of 2020. According to a recent survey conducted by the Correctional Leaders Association, half of the survey respondents, including administrators for all 50 state prison systems, four territories, four large jail systems, and military corrections, report officer turnover rates between 20% to 40% annually, with 38% of staff leaving within a year and 48% leaving within one to five years. Across Nebraska, Corrections staffing has been a concern for decades. While salary increases in our state system decreased vacancies for a time, they have begun to once again climb. According to the 2024 annual report of the Office of Inspector General of the Nebraska correctional system, in June 2021, vacancies in the Nebraska Department of Correctional Services peaked at 527 before falling to 359 two years later. Unfortunately, since 2023, we have seen a steady climb once again in vacant positions across our state system, with 452 vacancies reported in the summer of last year. According to the inspector general, hiring bonuses granted to new employees, a strategy employed to boost recruiting, ended in 2023 with mixed results. Only 31% of the new protective service staff who were offered a \$10,000 hiring bonus at select prisons were still on the job after four years. It's clear as a state we need to explore new alternatives to recruitment and retention of correctional staff. The problem of justice system staffing is not contained merely in state prisons and local jails. According to a survey conducted in 2023 by the Council of State Governments Justice Center, the Center for Juvenile Justice at Georgetown University's McCourt School of Public Policy, and University of Cincinnati Corrections Institute, survey respondents for over 200 individual agencies representing 33 state-level juvenile

justice agencies and a multitude of local agencies reported that they are now facing greater difficulties in hiring and retaining staff than at any time in the past 10 years. The Council of State Governments survey findings specifically highlight the lack of competitive benefits and salaries, with many agencies reporting the loss of staff to fast food establishments or big box stores due to both the easier work and higher pay. First Responder Recruitment and Retention Act offers a solution to our correction and juvenile detention staffing crisis. This act, passed two years ago by this Legislature, provides a 100% tuition waiver for any full-time law enforcement officer or firefighter and their dependents as long as the first responder remains employed in good standing with their department, and as long the dependent agrees to maintain their residence in Nebraska for five years following use of the waiver. The act goes on to provide a tax deduction for the cost of health insurance premiums for first responders who have retired but are not yet eligible for Medicare. First Responder Recruitment and Retention Act incentivizes longevity of employment, and makes recruitment of new first responders much easier. In the short time since its enactment, my office has received many reports of veteran law enforcement officers and firefighters from departments across our state choosing to remain employed longer than they would have otherwise in order to provide the educational benefits for their family. In Lancaster County, the Sheriff's Department has seen a steep rise in the number of deputy applicants, from 307 in 2022 to 728 in 2023. The Lancaster County Sheriff's Office has reported to my staff that they absolutely believe the First Responder Recruitment and Retention Act has had a meaningful impact on their applications and overall staffing. It's only been 18 months since the original act went into effect, and the full impact of the First Responder Recruitment and Retention Act has yet to be measured, but the early success of the act can be heard in conversations with first responders across Nebraska. The Missouri Legislature is, in fact, currently considering legislation based on the First Responder Recruitment and Retention Act, as word is starting to get out about the success Nebraska is experiencing. Expanding this act to include our correctional officers and juvenile detention officers will create a powerful incentive to maintain long-term employment with our state prisons, local jails, and juvenile detention facilities. This is a common-sense step to combat the alarming rate of turnover these facilities have seen, and prevent the hemorrhage of qualified and experienced staff. Following conversations with the University of Nebraska, I have included in this legislation compensation for our higher education providers equivalent to 50% of the tuition waiver for the inclusion of correctional officers and juvenile detention

officers. I appreciate the input of our partners, and wanted to include this funding in order to offset the impact of tuition remission on the university system. In the interests of curbing costs, AM904 was brought to stipulate that the tuition waiver made available to correctional officers and juvenile detention officers in this legislation will apply only to the university system; state colleges, and community colleges are not impacted by the legislation. The amendment goes on to also stipulate that dependents of a first responder who is disabled will not lose the tuition benefit because their caretaker was injured and placed on disability. The qualifying child language in the underlying legislation was also written with input from representatives of Nebraska's higher education community to resolve some bureaucratic processing complications that family members of a few firefighter and law enforcement officers have encountered this past year. The language does not expand the legislation to any additional recipients; it only clarifies the original intent. The initial legislation also inadvertently left out the civilian firefighters who are stationed at Offutt Air Force Base, as they were not employed by a municipality. Again, this change is not an expansion of intended recipients; the change has been-- and this change has been discussed with the university, the state and community colleges, and does not expand the benefit recipients of the original act. Too often and too easily, the people who work at the end of our criminal justice system get overlooked because, unlike our police and our firefighters, we don't see them in the streets of our communities. The individuals working in our prisons, our jails, and juvenile detention facilities place themselves at risk every day. They are no less deserving and no less important to our safe streets and neighborhoods. They are routinely assaulted and injured in the line of duty, and their families share the same worry every day that their loved ones might not come home at the end of a shift, just like any other first responder. LB608 offers a novel solution to the challenges our state is facing in correctional and juvenile detention staffing, as well as correcting and clarifying the overall language of the act. I urge you to vote green on LB608 and AM904. The legislation advanced from committee unanimously, and enjoys wide support from the first responders across our state. And with that, I would yield any remaining time that I have available to Senator Wordekemper, since he is the prioritizer of this legislation. Thank you.

DeBOER: Senator Wordekemper, you are yielded 2 minutes, 22 seconds.

WORDEKEMPER: Thank you, Madam President. Thank you, Senator Bostar. Colleagues, I rise today to speak in favor of LB608, my priority bill for this session. I prioritized this bill because I can directly speak

to the importance of this bill and how it has affected firefighters that I know within my department. This legislation represents a critical step forward in addressing one of the most pressing public safety challenges in our state: the recruitment and retention of correctional officers and juvenile detention officers. Two years ago, this body passed the First Responder Recruitment and Retention Act, which provides 100% tuition raver after factoring in scholarships, FAFSA, and grant money for full-time law enforcement officers, firefighters, and their dependents when they attend Nebraska's public college and universities. I can tell you firsthand from experience that this early result has been very positive. We've heard testimony from departments across Nebraska that have seen substantial increases in applications and improved retention rates, as officers and firefighters choose to stay longer to secure educational benefits for their families. But our current staffing crisis extends "balone"-- beyond police and firefighters. Throughout our state, correctional facilities and juvenile detention centers are facing severe staffing shortages. According to the testimony from the hearing, Nebraska Department of Corrections [SIC] Services has seen vacant positions climb back to 452 as of last summer, despite earlier gains from salary increases. Only 31% of protective service staff who received hiring bonuses are still on the job after four years. LB608 expands this successful program to include correctional officers, juvenile detention officers, addresses some technical language regarding qualifying dependents, and corrects the staffing-- or, drafting error in the original act that inadvertently omitted civilian firefighters stationed at Offutt Air Force Base. Thank you, Ms. President.

DeBOER: Thank you, Senator Wordekemper. As the Clerk stated, there are amendments from the Revenue Committee. Senator von Gillern, as chair of the Revenue Committee, you're recognized to open on the committee amendments.

von GILLERN: Thank you, Madam President. I'm happy to stand in support of LB608 and AM904, in full support of Senator Bostar's bill. The bill was heard on February, February 8, and there was no opposition. And as noted, it, it came out of committee unanimously. It's proven to be a positive impact on recruitment and retainment of good employees, as Senator Bostar has mentioned. I had the pleasure of meeting with an Omaha police officer this last summer who, who knew who I was, knew what my position was, and, and made the effort to come talk to me and thank me for the implementation of this original program because what it, what it caused him to do. He was, he was ready to retire, and he decided to stay on the job for, I think, three more years. His daughter was going to go to KU; he convinced her, and I'm sure he was

fairly persuasive in his convincing about how this was going to happen, but convinced her to not go to KU, to go to the University of Nebraska, so, so that's a, a good officer that we kept on the job for another three years and a student that we kept at the University Of Nebraska here. And we know if we can educate them here, the odds of keeping them here only, only grows, so. The program is-- has proven to work. I'm happy to support the bill. I, I want-- do want to mention I did have a quick conversation with Senator Bostar, just a minor cleanup item that he is open to, but we'll get that figured out. So, I encourage your green vote on LB608 and AM904. Thank you, Madam President.

DeBOER: Thank you, Senator von Gillern. Turning to the queue, Senator Ibach, you're recognized.

IBACH: Thank you very much, Madam President. Thank you, colleagues, for listening to Senator Bostar's opening statement. I think he touched all the, all the critical points of this bill. I have to say, as a member of the Revenue Committee, I reluctantly supported this bill initially because I brought a bill, LB307, to the Appropriations Committee this spring. And in that bill, I requested that the state reimburse colleges and universities for the obligation that the Legislature set forth in-- with these waivers. But the reason I support this bill is because I think this is a model that's much more attractive; it puts guardrails in place, you have to qualify as-- on-- as a needs-based student; and the 50% tuition is really critical. In LB307, if you read the fiscal note, which was my bill to the Appropriations Committee, it appropriates general funds to the Nebraska state college system and the University of Nebraska Board of Regents to cover tuition waivers pursuant to the First Responders Recruitment and Retention Act, the In the Line of Duty Dependent Education Act, and to the veterans and active selected reserve members as defined in different statutes. What that means is this Legislature has required these educational institutions to honor the student waivers and add an expense to them. The first responders act originated in 2016 through LB906, and was later expanded with LB27-- LB727 in 2023 and LB1317 in 2024. And so, you can see we've added different categories of qualifying recipients for this bill. And, according to the fiscal note that I presented, the value of current waivers for these groups and factoring in recent tuition increases and enrollment growth get to be pretty substantial: over \$500,000 for state colleges and about \$6 million-- little over \$6 million for the university. So, I've had discussions with the university as well regarding this, and then when Senator Bostar brought this bill, I just really feel like-- as he mentioned, the results of, of these initial

bills are, are yet to be measured-- but with over 1,000 students in the program already in state and, and university systems, I think we have to be really cognizant of what we're requiring or what we're requesting these educational institutions to bear. So, with these guardrails in place under this bill, it makes these waivers much more palatable, and I really hope that we follow-- or, can find a path forward to follow this model in the future. So, I do support LB608 as amended by AM904. Thank you, Madam President.

DeBOER: Thank you, Senator Ibach. Senator Wordekemper, you're recognized.

WORDEKEMPER: Thank you, Madam President. I'll just kind of pick up a little bit where I left off. Colleagues, the men and women who work in our prisons, jails, and juvenile detention facilities routinely risk their safety, face the same dangers, stresses, challenges and other first responders, yet too often, they work in the shadows of our criminal justice system and they still deserve our support. First Responder Recruitment and Retention Act has already proven itself as an effective tool for attracting and keeping qualified public safety personnel. By expanding this program to correctional and juvenile detention officers, we're making a smart investment in public safety while also keeping educated young Nebraskans in our state for a long term. The five-year residency requirement following the use of these waivers means that participants are committing to putting down roots in Nebraska. As we've heard time and time again in economic development discussions, keeping college-educated young people in our Nebraska after graduation is essential to our state's future. This program accomplishes this goal while addressing the critical workforce needs. And I can echo what Senator von Gillern said; within my department, I know of three individuals that stayed on the job longer so that their kids could take advantage of this tuition waiver because it's important, they see the importance of it. And we are seeing an uptick in applications, and I think this is going to draw more people into the public service field, and that's what we need to keep our citizens safe. So, I think-- it-- it'll be a few years, but we will really see the fruition of this, and it's a benefit for our state. Thank you, Madam President.

DeBOER: Thank you, Senator Wordekemper. Senator Machaela Cavanaugh, you are recognized.

M. CAVANAUGH: Thank you, Madam President. I was just asking Senator Bostar a question off the mic that I am going to ask if Senator Bostar would yield to a question on the mic.

DeBOER: Senator Bostar, will you yield?

BOSTAR: Yes.

M. CAVANAUGH: OK, so Senator Bostar, we were talking about the, the state's obligation here. Could you explain the difference between the green and the, the Revenue amendment?

BOSTAR: So, in this iteration of the program, even including from the green copy, this requires a 50% reimbursement to the university for the way of tuition, which is the agreement that we came to with the university when, when crafting the legislation. Difference between the green copy and the committee amendment is the committee amendment narrows the scope of the additional-- the addition of the correctional officers into the act to the university only, and that's just a-- that's-- it was just a cost measure. So, that's, that's what the difference is.

M. CAVANAUGH: OK. So, it takes out community colleges and state colleges.

BOSTAR: Yes, it does.

M. CAVANAUGH: OK. All right, thank you very much. I, I have voted for similar bills in the past, and I will say that I should have done a better job of paying attention to the funding of those bills, because they are essentially unfunded mandates. So, I appreciate that this bill takes into account fund-- a funding mechanism for the university. I do think that if we are going to pass these kind of waivers for our state colleges and state universities, we should be fully funding them, but I appreciate that this bill takes into account at least some funding. So, I yield the remainder of my time. Thank you, Madam President.

DeBOER: Thank you, Senator Machaela Cavanaugh. Senator Spivey, you're recognized.

SPIVEY: Thank you, Madam President, and good afternoon, colleagues. I've been listening to the conversation around this while trying to have other meetings about things that are on the agenda, and so just wanted to add just a little different perspective of consideration. I don't know where I am with the support around the bill, if I'm voting for or against it, and I do appreciate Senator Cavanaugh's comments around the funding source that was considered by Senator Bostar, because we have heard that specifically with the university and their experience in appropriations around unfunded mandates for the

scholarships. I do think, again, that there's a larger conversation specifically around correctional officers in our jails, in our state system, around workforce, and so we have seen a push in conversation and narrative that building a new jail is a workforce initiative. So, I'll use Tecumseh, for example. I just went and visited and spent some time with folks that work there as well as the folks inside, and I asked them questions about their workforce. How many open positions do you have? Where is your workforce coming from? And they are one, if not only the largest employer in that area, and that was intentional; the jail was-- the prison was intentionally built there as a workforce initiative to employ folks, which, to me, is problematic. And so, that's why you see a gap in positions and people being able to fill the positions, especially in our correctional system, because, one, if it is truly about corrections, and there is an "up-skilling" and specific education and training that needs to be had, that is not just on the job but is really around academic learning as well as on-the-job training, that is not always provided if you are trying to employ folks that do not have access to other working opportunities. And so, I think for me, the conversation is really situated in our approach and our strategy around correctional officers and how we are using our systems. That if we're using prisons and jails for workforce, we're always going to have open positions, it's not a fit, and that's not appropriate workforce development. And so, to use this as then a tool to try to attract people, again, I don't think is aligned, and we need to revisit our strategy around that, and then, this-- the, the bills that will follow that would support an ideology that I'm saying is not in alignment. And so, I just wanted to offer that bit of kind of stepping back at a, a higher 50,000-foot level around how we think about workforce development, how do we think about Corrections, where our jails and prisons are situated, and then, what does that look like to have folks that are actually in those seats that are prepared for the role in which they are doing that should be rooted in restoration and rehabilitation versus helping to address workforce development gaps when that is a separate and very different strategy. Thank you, Madam President.

DeBOER: Thank you, Senator Spivey. Senator DeKay would like to recognize some special guests: 30 third through fourth graders from Isanti School in Niobrara, located in the north balcony. Please stand and be recognized by your Nebraska Legislature. Senator Bostar, you're recognized.

BOSTAR: Thank you, Madam President, and thank you, colleagues. I've appreciated the conversation so far. I want to sort of draw attention to the-- what has been brought up a couple of times on the floor

related to the challenges of tuition remission on, on, in particular, our university system, and that that requires some real and serious attention from this body. I know Senator Ibach has been a, a champion for examining that issue in particular and working toward creating a sustainable system going forward that can address tuition remission programs sort of at large and at the scale necessary to ensure that we're not-- we're, we're trying to mitigate and alleviate those, those challenges that are created by the programs. And I'm committed, certainly also, to, to working with our higher educational partners, as well as Senator Ibach in those pursuits, as well as I know others as well. But just so that we're, we're separating the two, this legislation, LB608, is-- it, it, it comes with funding components, and it was created and crafted in partnership with the university system. And so, while we do have outstanding tuition remission challenges to work on as a body, I think LB608, and as was mentioned before, is somewhat of a model of how we should be thinking about creating these programs or amending the current programs that are already in existence so that we are providing some of that support to the schools on the back end. And with that, I, I would still encourage your support of AM904 and LB608.

DeBOER: Thank you, bene-- Senator Bostar. Senator Clements, you are recognized. Seeing no one else in the queue, Senator von Gillern, you are recognized to close on the committee amendment. Senator von Gillern waives closing. The question before the body is the adoption of AM904 to LB608. All those in favor, vote aye; all those opposed, vote nay.

ARCH: Mr. Clerk, please record.

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

ARCH: AM904 is adopted. Mr. Clerk.

CLERK: I have nothing further on the bill, Mr. President.

ARCH: Senator Bostar, you're recognized to close.

BOSTAR: Thank you, Mr. President. I'll be brief. I just want to thank the university for their partnership on this, thank the Revenue Committee for their work on this program and advancing the bill unanimously, and I want to thank Senator Wordekemper for prioritizing the legislation. With that, please vote green, LB608. Thank you.

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ARCH: Colleagues, the question before the body is the advancement of LB608 to E&R Initial. All those in favor, vote aye; all those opposed, vote nay. Mr. Clerk, please record.

CLERK: 35 ayes, 0 nays on advancement of the bill, Mr. President.

ARCH: LB608 does advance. Mr. Clerk, next item.

CLERK: Mr. President, Select File, LB2-- LB526. First of all, Senator, there are E&R amendments.

ARCH: Senator Guereca, for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB526 be adopted.

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

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

ARCH: Senator Guereca, for a motion.

GUERECA: Mr. President, I move that LB526 be advanced to E&R for engrossing.

ARCH: 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, LB453. I have nothing on the bill, Senator.

ARCH: Senator Guereca, for a motion.

GUERECA: Mr. President, I move that LB453 be advanced to E&R for engrossing.

ARCH: 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, LB667. Senator, I have nothing on the bill.

ARCH: Senator Guereca, for a motion.

GUERECA: Mr. President, I move that LB667 be advanced to E&R for engrossing.

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

CLERK: Mr. President, Select File, LB133. Senator, first of all, there in-- there are E&R amendments.

ARCH: Senator Guereca, for a motion.

GUERECA: Mr. President, I move that the E&R amendments to LB133 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 McKinney would move to amend with AM1116.

ARCH: Senator McKinney, you're recognized to open.

McKINNEY: Thank you, Mr. President. I brought AM1116, I've talked to Senator Holdcroft, I'm going to pull it. But I do want to say, if ever the day that we fully say that animal control officers are law enforcement officers, I strongly believe they should have to go through regular law enforcement training. Read the amendment; it's better than the original bill, but I just want to highlight that if ever the day we're going to say animal control officers are law enforcement officers, they should be required to go through full law enforcement training with no exceptions. With that, I'll pull my amendment. Thank you.

ARCH: So ordered.

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

ARCH: Senator Guereca, for a motion.

GUERECA: Mr. President, I move that LB133 be advanced to E&R for engrossing.

ARCH: Colleagues, you've heard the motion. All those in favor, say aye. Opposed, nay. LB133 does advance. Mr. Clerk.

CLERK: Mr. President, General File, LB364 introduced by Senator Quick. It's a bill for an act relating to the Legislature; to amend Sections 37-342; changes provisions relating to legislative approval of an

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indication of intent to incorporate land into the state park system; harmonize provisions; repeals the original section. The bill was read for the first time on January 16 of this year and referred to the Executive Board; that committee placed the bill on General File.

ARCH: Senator Quick, you're recognized to open.

QUICK: Thank you, Mr. President, and good afternoon, colleagues. I want to thank Speaker Arch for making LB364 a Speaker priority bill. Today, I'm introducing LB364, which would allow the Executive Board to provide, provide approval of an indication of intent to incorporate land into the state park system while the Legislature is not in session. It is currently required in statute that the indication of intent is first approved by the Legislature, meaning that the indication of intent must be approved by the full Legislature. While similar procedures exist for acceptance of donated real property by state agencies and can be done by the Executive Board, the statutes in those cases specifically provide for Executive Board approval when the Legislature is not in session. Section 37-342, which the Game and Parks Commission would need to invoke, does not provide similar language. The intention of LB364 is to allow legislative resolutions like LR17 to be heard and possibly approved in the interim by the Executive Board instead of waiting for the Legislature to go into session for a full vote. There was no-- there was no opposition in testimony in the hearing, and LB364 came out of the Executive Board 9-0. And there is also no fiscal note. And thank you for your attention, and I would ask for your green vote on LB364. Thank you, Mr. [MALFUNCTION]

ARCH: Seeing no one in the queue, you are recognized to close. Senator Quick waives close. Question before the body is the advancement of LB364 to E&R Initial. All those in favor, vote aye; all those opposed, vote nay. Has everyone voted who wishes to vote? Mr. Clerk, please record.

CLERK: 33 ayes, 1 nay on advancement of the bill, Mr. President.

ARCH: LB364 advances. Mr. Clerk, next item.

CLERK: Mr. President, General File, LB560 introduced by Senator Dungan. It's a bill for an act relating to tourism; amends Section 81-3725; changes provisions relating to innovative tourism grants; and repeals the original section. The bill was read for the first time on January 22 of this year and referred to the Government, Military, and

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Veterans Affairs Committee; that committee placed the bill on General File with committee amendments, Mr. President.

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

DUNGAN: Thank you, Mr. President, and good afternoon, colleagues. I am here today and excited to be introducing LB560. LB560 is a bill that is intended to grant access and additional finances to innovative tourism grants specifically for the Nebraska Creative Districts. Nebraska Creative District programs utilize arts as an economic driver to support communities in Nebraska by telling their stories and elevating the value of the arts. Creative districts are designated cultural and economic areas where innovation flourish-- flourishes, and neighborhoods come together in the name of art. They provide significant economic impact by creating purposeful spaces like art galleries, theaters, and music venues, attracting employees and businesses. These are assets and attributes that Nebraska, and frankly every state, can effectively harness as they seek to reinvigorate the economy. The Tourism Commission administers innovative tourism grants specifically for marketing assistance; these grants go to communities and organizations that have the potential to attract a significant percentage of out-of-state visitors and generate favorable national or international press coverage for Nebraska. One thing I want to be very clear about is that LB560 does not appropriate new funds, but simply allows creative districts to further access existing funds for the innovative tourism grants. Creative districts are a proven attraction for out-of-state visitors. In a state that consistently ranks in the bottom fifth in the nation in tourism revenue, we need to lean into our strengths, and creative districts are one of them. During the interim, we met with the Nebraska Arts Council and the Tourism Commission; both entities expressed a desire to strengthen the creative districts here in Nebraska. Marketing assistance was specifically a consistent theme throughout those meetings. This legislation specifically speaks to that desire. As written, the-- LB560 sets a priority for any city or village with a creative district when awarding the innovative tourism grants. The number of creative districts is consistently growing. By the end of this year, we know that we're going to have nearly 40 creative districts across the entire state. Acknowledging that we thought it would be a good idea to set a cap, we decided to set this at \$500,000 that would be set aside specifically for the creative districts. Based on discussions that we've had with the Tourism Commission, we have decided to remove-- and this will be in the committee amendment-- the prioritization language. So, it, it does not prioritize the-- sorry, the creative districts, but it does allow them still to essentially have an earmark of that

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\$500,000 specifically for the marketing grants. We all know how great Nebraska is. I specifically have been recently able to go to various communities here in Nebraska. I was in Norfolk on New Year's Eve specifically because of their creative district, to see what kind of economic development they've had there. I recently had an opportunity to go out to Kearney for the opus-- opening of the Museum of Nebraska Art, which was fantastic, and they also have a creative district there. And I have a list of all of the creative districts here in, in Nebraska that really do encourage art and community, and most importantly, economic growth in towns and villages across the entire state. So, this bill simply seeks to increase the marketing assistance that creative districts are able to receive from the Tourism Commission. Again, the bill was written in conjunction with the Nebraska Arts Council as well as Tourism, and so I believe that it addresses all of the concerns that they had brought up during the committee hearing. It has no fiscal note, there were no opponents, and we had quite a fun hearing listening to all of the different creative districts come in and talk about all of the assets they offer. And so, I'm happy to answer any questions. I want to encourage your green vote on LB560.

DeBOER: Thank you, Senator Dungan. Senator Andersen, you are recognized, as the chair [SIC] of Government, to open on the committee amendments.

ANDERSEN: Thank you, Madam President. The Government Committee heard LB560 on February 13. After the opening from Senator Dungan, the committee heard from several supporters, including the Arts Council, Nebraskans for the Arts, the League of Municipalities, and others. There was no opposition, and neutral testimony was given by the Nebraska Tourism Commission and the Nebraska Travel Association. The committee amended AM333 makes a small change to the underlying bill by eliminating the prioritization language, and clarifies the provision limiting grants to half a million dollars to any such city or village in each fiscal year. The committee advanced LB560 with AM333 on an 8-0 vote, and I would ask for your green vote on AM333 and LB560. Thank you, Madam President.

DeBOER: Thank you, Senator Andersen. Turning to the queue, Senator Clouse, you are recognized.

CLOUSE: Yes, thank you, Madam President. Sen-- would Senator Dungan please yield to a question, please?

DeBOER: Senator Dungan, will you yield?

DUNGAN: Yes.

CLOUSE: Senator Dungan, as I read this, it comes from the lodging tax through the Tourism Commission, correct?

DUNGAN: That is correct. Yep, that's where this cash fund is funded through.

CLOUSE: All right. And that's-- of course, that's the whole purpose of the lodging tax, you know, is you-- they tax the lodging industry and tourism; they tax themselves and then they use that-- those funds to increase tourism and promote their communities. So, with that, I'd-- I would offer my support for AM333 and LB560. As you mentioned, Kearney does have a great creative arts district, and it-- I can attest to the fact that it adds value to our community, and I think it is money well spent. You spend money to make money, and you're investing in your communities, and I do appreciate that. So, I do offer my support, and I would yield the rest of my time. Thank you

DeBOER: Thank you, Senator Clouse. Senator Clements, you're recognized.

CLEMENTS: Thank you, Madam President. Would Senator Dungan yield to a question?

DeBOER: Senator Dungan, will you yield to a question?

DUNGAN: Yes.

CLEMENTS: Thank you, Senator. I was just wanting clarification on the committee amendment. It says that it removes the prioritization. My concern was the priority given to only cities with a creative district. Is that what's being removed from-- with that amendment?

DUNGAN: That is correct. In speaking with Tourism, they shared your concern because they wanted to make sure that they were able to allocate those grants to who they thought would best benefit from them. So, yeah, we did remove the prioritization and simply left it so that \$500,000 would be utilized for marketing for creative districts, but it doesn't prioritize the creative district, towns, or villages above the other applications any more for the innovative tourism grants as a whole.

CLEMENTS: So, all cities would be eligible whether or not they have a creative district.

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DUNGAN: That is correct.

CLEMENTS: Thank you. That was my only concern. Thank you, I support the amendment. Thank you, Madam President.

DeBOER: Thank you, Senator Clements. Seeing no one else in the queue, Senator Andersen, as vice chair of the Government Committee, you're recognized to close. Senator Andersen waives closing. Seeing no one else in queue, Senator Dungan, you're recognized to close. Sorry, we're going to close-- we're going to vote on the committee amendment first. The question before the body is the adoption of AM333 to LB560. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 34 ayes, 0 nays on adoption of the amendment, Madam President.

DeBOER: The amendment is adopted. Now, Senator Dungan, you are recognized to close on your bill.

DUNGAN: Thank you, Madam President, and thank you, colleagues. I appreciate the support, Senator Clements and also Senator Clouse. I really do think these creative districts are a fantastic thing here in Nebraska. I want to thank Senator Hunt, obviously, for her leadership in helping develop these back before I was in the Legislature-- I know Senator Flood also had contributed to that-- but it really is something that benefits all of us. I have a list here; I'm not going to go into all of them, but, I mean, I can go down here-- Senator Murman has creative districts in McCook; Senator Lonowksi has them in Hastings and Holdrege; Senator Ibach in Cozad; Senator Hallstrom in Auburn. I mean, they're really all over the state, and it is really amazing to go visit these places and see the revitalization that's happened in some communities, and also see the excitement when you go visit the communities as well. So, as a Lincolnite, I've made it part of my mission to make sure I go into greater Nebraska and see as many of these communities as possible, and I've been really blown away by a lot of the work. So, I look forward to the Nebraska Arts Council continuing to partner with these communities, I look forward to continuing to work to support creative districts, and I especially look forward to getting to go tour them as much as possible throughout my time in the Legislature and after. So, with that, I would encourage your green vote, colleagues, on LB560. Thank you.

DeBOER: Thank you, Senator Dungan. The question before the body is the advancement of LB560 to E&R Initial. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

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CLERK: 36 ayes, 0 nays on advancement of the bill, Madam President.

DeBOER: It is advanced. Mr. Clerk, for the next item.

CLERK: Madam President, some items for the record, if I could. Your Committee on Government, Military and Veterans Affairs chaired by Senator Sanders reports LB644 to General File with committee amendments. Gubernatorial appointment-- committee report from the Natural Resources Committee concerning an appointment to the Nebraska Power Review Board, and an amendment to be printed from Senator Storer to LB383. And an announcement: the Revenue Committee will have an exec session now under the south balcony. Revenue Committee, under the south balcony now. As it concerns the agenda, Madam President: Senator Arch, General File, LB346. It's a bill for an act-- excuse me, Speaker Arch at the request of the governor. It's a bill for an act relating to government; amends Sections 2-1801, 2-1803, 2-1826, 2-4901, 2-5001, 2-5003, 2-5006, 38-204, 38-205, 38-308, 38-310. 48-622.03, 58-202, 60-1401.06, 60-1402, 66-1605, 66-1618, 71-705, 71-706, 71-814, 71-815, 71-2454.01, 71-4503, 71-5311, 71-7102, 71-7107, 71-7108, 71-7109, 71-7110, 72-811, 72-812, 72-2101, 72-2206, and 81-1108.41, 81-1348, 81-1430, 81-1431, 81-1503, 81-1504, 81-15,159.01, 81-15,210, 81-15,239, 81-15,245, 703-- 82-703, 82-706, 82-803, 85-1008, 85-1404, 85-1607, 86-444, 86-461, 86-511, 86-516, 86-521, 86-1025.01, 86-1101, 86-1102, 86-1103, and Section 28-712, 38-167, 39-2106, 39-2301.01, 39-2304, 43-1903, 43-3401, 43-4001, 43-4203, 43-4216, 43-4406, 43-4513, 66-2001, 71-702, 71-4504, and 71-7012; changes the qualifications of the State Capitol Administrator; eliminates, terminates, and provides changes, eliminates, transfers powers, duties, and membership of boards, commissions, committees, councils, task force, panels, and departments as prescribed; provides for termination of the advisory council for the Private Postsecondary Career School Act, the Advisory Council on Public Water Supply, Board of Advanced Practice Registered Nurses, Board of Alcohol and Drug Counseling, Board of Examiners for County Highway and City Street, Superintendents, the Breast and Cervical Cancer Advisory Committee, the Bridge to Independence Advisory Committee, the Chief Standing Bear National Statutory [SIC] Hall Selection Committee, the child abuse advisory committee, Children's Behavioral Task Force [SIC], Climate Assessment Response Committee, the Conservation Corporate-- Corporation Act, Critical Stress Management Council [SIC], the Enhanced Wireless 911 Advisory Board, the First Regiment Nebraska Volunteer Infantry at Fort Donelson Committee, the Foster Care Reimbursement Rate Committee, the Governor's Keep Nebraska Beautiful Committee, Governor's Residence Advisory Commission, the Interagency Management Committee, the Natural Gas Fuel Board, the Nebraska Ag--

Aquacultural Board [SIC], Nebraska Child Abuse Prevention Fund Board, Nebraska Conservation Corporation, Nebraska Motor Vehicle Industry Licensing Board, the Nebraska Potato Development Act, the Nebraska Potato Development Committee, the Nebraska Safety Center Advisory Council, the Nebraska Worker Training Board, the Palliative Care and Quality of Life Advisory Council, Private Onsite Wastewater Treatment System Advisory Committee, the Racial Profiling Advisory Committee, the Rural Broadband Task Force, the solid waste management advisory committee, the State Advisory Committee on Substance Abuse Services, and the State Comprehensive Capital Facilities Planning Committee, the State Emergency Response Commission, the Suggestion Award Board, the task force on human trafficking, the technical panel of the Nebraska Information Technology Commission, the Vacant Building and Excess Land Committee, the Veterinary Prescription Monitoring Program Task Force, Willa Cather National Statutory Wall Selection Committee [SIC], the Women's Health Initiative Advisory Council, and the Women's Health Initiative Fund; changes provisions relating to the Board of Mental Health Practice, Board of Nursing, Board of Public Roads Classifications and Standards, Coordinating Commission for Postsecondary Education, Critical Incident Stress Management Act, Department of Administrative Services, Department of Environment and Energy, Department of Labor, the Department Motor Vehicles, the Early Childhood Interagency Coordinating Council, the Environmental Quality Council, the Nebraska Children's Commission, Nebraska Emergency Management Agency, Nebraska's Information Technology Commission, the 911 Service System Advisory Committee, Palliative Care and Quality of Life Act, Propane Education and Research Council, the State Advisory Committee on Mental Health Services; change and eliminate funds; and eliminates the Children and Juveniles Data Feasibility Study Advisory Group, the Whiteclay Public Health Emergency Task Force; to eliminate obsolete provisions; harmonize provisions; to repeal original sections; and outright repeal several sections of Chapter 2, as well as 43, 50, 66, and 71, and Section 43-1306. The bill was read for the first time on January 16 of this year and referred to the Government, Military and Veterans Affairs Committee; that committee placed the bill on General File with committee amendments, Madam President.

DeBOER: Senator Arch, you're welcome to open on LB346.

ARCH: Thank you, Madam President. Good afternoon, colleagues. Today, I bring to you LB346, which I introduced on behalf of the governor, and a bill that I designated as a Speaker priority bill. LB346 expands upon Governor Pillen's efforts and our collective desire to create efficiencies across the state government, and I applaud this effort. The bill is what I consider a good government bill. LB346 had a public

hearing on February 13 before the Government, Military and Veterans Affairs Committee, and was advanced unanimously; it has no General Fund impact. As introduced, LB346 calls for the termination or reassignment of 48 different boards, commissions, committees, and councils. You'll see in the upcoming committee amendment AM492, and my following amendment AM821, that number is narrowed down to 40 impacted boards and committees. How this bill was approached was, generally, if there was any opposition at the hearing or a good case could be made and was made for keeping the board or commission intact, it was removed from the bill, and I really appreciate that approach. This is obviously a long list of different boards and commissions, and I'm going to talk a little bit more about the process. But it was with that approach that if there was-- if there was opposition, if there was-- if there was a reason for keeping it, it functioning, then it was removed from the list. And, and that has happened now twice, but I'll talk about that here in a second. A periodic review of these government-created boards, commissions, committees, and councils is imperative to ensure they aren't performing tasks that can be efficiently absorbed by another entity, aren't carrying out duplicative functions, or are no longer serving a purpose as originally intended. Many times, legislation creating a certain board or commission is reactionary to events occurring during a specific period of time, and, after the passage of years and reactions to specific events, the number of boards, commissions, and other entities becomes mind-boggling. According to a 2024 report released by our Research division, our state has 240 statutorily-created commissions, boards, and other similar entities. I understand there are real challenges to finding individuals to serve on these commissions, and there is a cost in time and staffing. This bill, as proposed in the amendments, eliminates over 370 positions the governor and his office have to find people to fill. These are volunteer positions, and many of them have been unfilled for years. This has been a process, as I mentioned. A similar bill was introduced in 2024 last year, so essentially, this bill has had two hearings. The approach to last year's hearing was the same as this year; after public testimony and comment, the list of boards and commissions was narrowed down through the committee amendment based on that input. Last session's bill, LB1417, introduced by Senator Brewer, was advanced by the Government, Military and Veterans Affairs Committee unanimously, but unfortunately, we ran out of time in the session before it could be considered. This bill, LB346, largely represents the committee amendment that was adopted last session, so this issue has been around for a while and there was plenty of opportunity for input. With that, I will conclude my opening, and-- so Senator Andersen can open on the

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committee amendment, which is a white copy and becomes the bill in that it, it-- it's a white copy because it narrows down the number of, of changes. Following that, as I mentioned, I do have an amendment that I would consider a cleanup, but I'll talk about that when we get to it. Thank you, Madam President.

DeBOER: Thank you, Senator Arch. Senator Andersen, as the vice chair of the Government Committee, you are recognized to open on the committee amendment.

ANDERSEN: Thank you, Madam President. The Government Committee heard LB346 on February 13. The bill is a reintroduction of Senator Brewer's LB1417 from last year. After opening from the Speaker, the committee heard the-- from the Governor's Office and others in support of the bill. The Nebraska State Council of Electrical Workers, American Institute of Architects, the Nebraska Children's Commission, the Motor Vehicle Industry Licensing Board, and others testified in opposition. We also heard concerns in a neutral capacity from the Nebraska Association of Nurse "Esthesnetists." The committee then began work on the amendment to address the concerns raised at the hearing. With the changes proposed in AM492, the Government Committee advanced LB4-- LB346 on an 8-0 vote. AM492 removes changes proposed by the original bill relating to the Nebraska Children's Commission Advisory Committee, the Nebraska Children [SIC] Abuse Prevention Board, the Nebraska Worker Training Board, the Motor Vehicle Industry Licensing Board, the Capital Commission, the Governor's Keep Nebraska Beautiful Committee, and the First Regiment Nebraska Volunteer Infantry at Fort Donelson Committee. I would ask you to vote green on AM492 and on LB346. Thank you, Madam President.

DeBOER: Thank you, Senator Andersen. Mr. Clerk, for amendments.

CLERK: Madam President, Senator Arch, I have FA59 with a note that you would withdraw. In that case, Madam President, Senator Arch would move to amend with AM821.

DeBOER: Senator Arch, you're recognized to open on AM821.

ARCH: Thank you, Madam President. As I stated in my opening, this amendment is really just a cleanup, and makes changes to ensure this bill, LB346, does not conflict with other bills we are considering this session. LB346 is not a complex bill, but it is sizable, and it opens so many different sections of statute. Due to the fact-- due to that fact, after the bill was reported out of committee, our Revisor's Office and my staff identified some provisions in LB346 that were in

conflict with other bills. For example, LB346 calls for the termination of the Enhanced Wireless 911 Advisory Board beginning July 1, 2026. Well, that board was already immediately terminated through LB362, which this body passed in March and the governor signed into law, so AM821 ties up loose ends, makes sure the provisions of LB346 do not contradict with other bills. I urge your adoption of AM821, and the advancement of LB346. Thank you, Madam President.

DeBOER: Thank you, Senator Arch. Turning to the queue, Senator McKinney, you're recognized.

McKINNEY: Thank you, Madam President. I rise currently in opposition of LB346. I'm wondering why we're getting rid of a Racial Profiling Advisory Committee and leaving it, leaving it up to the Crime Commission to take on those duties. I just have a lot of issues with that, especially in the times that we live in especially. We should not be getting rid of racial profiling committees, because racial profiling still happens, especially in law enforcement. So, I don't think we should be getting rid of a committee to look at that. I don't know if the Crime Commission has been utilizing the committee, but they should be if they haven't, and I don't trust the Crime Commission to continue these duties. I would-- I believe an advisory committee is better suited than the Crime Commission to take on these duties. So, that is why-- that's one reason-- I'm, I'm looking through this, but that is-- the first one that jumps off the table, for sure, is that we're getting rid of a Racial Profiling Advisory Committee. Would Senator Arch ans-- Speaker Arch answer a question?

DeBOER: Senator Arch, will you yield?

ARCH: Yes, I will.

McKINNEY: Speaker Arch, is there a reason why we're getting rid of the Racial Profiling Advisory Committee and leaving, leaving it up to the Crime Commission?

ARCH: So, here's the information that I have. Originally, the Racial Profiling Advisory Committee was created to advise the executive director of the Nebraska Commission on Law Enforcement and Criminal Justice on the prevalence of motor vehicle stops involving racial profiling. That was the original-- that was the original reason. 12 positions on this, on this advisory committee. My, my information now says that we have, we have seven vacancies on that right now. I don't know exactly the reason why, but, but that's, that's where we are. And the, the reporting requirements from this Racial Profiling Advisory

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Committee was-- review the racial profiling data submitted by each law enforcement agency and produced a Nebraska traffic stops report submitted annually to the governor, legislators, and the public, from 2003 to present. It is-- there, there is a-- there is a per-- a, a perception that the duties have been reassigned to the Nebraska Commission on Law Enforcement and Criminal Justice, and so there was a concern that we had a duplication of duties there, for that one.

McKINNEY: So, are we still getting the report?

ARCH: My understanding-- from this information that I have, yes. The report is, is being provided. And I would-- and I would add this, Senator McKinney: even-- I mean, this is, like, a work in, in, in process. And so, if there's reason to keep something, let's sit down and talk about it. And, and I don't-- again, this was always approached with-- if, if there's objection, and if, and if this has, has a good function, then we, then we continue with the-- we continue with the committee.

McKINNEY: OK. For sure. And I appreciate that, and I'll look more into this. Do you know where I could try to find the report, if there is-- is it a [INAUDIBLE]

ARCH: We can-- I, I can send you-- my staff can research that and send you a link. Yeah.

McKINNEY: OK. Thank you.

ARCH: You bet.

McKINNEY: All right. Thanks.

DeBOER: Thank you, Senators McKinney and Arch. Senator Clouse, you're recognized.

CLOUSE: Yes, thank you, Madam Speaker. I've been waiting a long time for this day. And that's Section 53, where it deals with the Nebraska Crime Commission Human Trafficking Task Force. I was appointed chair of that task force 12 years ago-- at least 12 years ago, through Governor Heineman. And so, that's how long that task force has been on the books. And through the last couple terms of the governor, I said, why are we still doing this? And so, I'm, I'm glad to see that this is finally coming [INAUDIBLE]. That task force was more or less dissolved, and the annual reports that were supposed to be submitted-- we've gone through different directors of the Crime Commission. It's just one of those things has been on the books and never went away,

and I'm going to see that we're doing this. All those duties are now undertaken by the Attorney General's Office, and in fact, some of those were take-- undertaken by Attorney General Peterson. So, that is one area that I'm glad to see that we're getting things updated. It is a critical issue with Human Traffic [SIC] Task Force, but it does belong to AG's Office, and I'm happy to see it was on that list. And so, I appreciate taking a look at that. And so, thank you. I yield the rest of my time.

DeBOER: Thank you, Senator Clouse. Senator Conrad, you're recognized.

CONRAD: Thank you, Madam President. Good afternoon, colleagues. I rise in support of the technical amendment, the committee amendment, and the underlying legislation, and I want to thank my friend, Speaker Arch, for bringing this measure forward. I remember hearing an almost identical, similar measure as a member of the Government Committee in the last biennium, and it was definitely an interesting process and hearing, and definitely an issue and an area where we were able to find a significant amount of consensus, not only among committee members representing divergent parts of the state and diff-- falling at different points on the political spectrum, but it was really, truly a collaborative effort with both the Legislature and the Governor's Office, and the citizens who are involved in different boards and commissions, and who took their roles really seriously in that regard. So, I do think, overall, this is an important legislation for what I hoped would be one of the most significant themes of the 2025 legislative session: good governance, removing red tape, making government more efficient and effective and streamlined and modern. And whether that goes into account with the package of bills that we took up yesterday emanating out of the Government Committee in regards to regulatory reform or the elimination of antiquated or outdated or duplicative boards and commissions as presented in LB346, I think these are really great issues for us to take up. They don't cost money, or they save money; they find a great deal of consensus and collaboration amongst the branches of government and regardless of personal political ideology; and they help to-- us to be responsive to some of the things that Nebraskans want most from their government, and that is reducing the overall scope and scale of government, making it easier to navigate, easier to manage, easier to access. And eliminating a host of antiquated boards and commissions, I think, definitely falls within that, within that work. So, when we think about citizen boards and commissions and task force, there's a host of different purposes for why they're initially formed. To increase civic engagement, to build leadership development for citizens who want to serve their community or their state, or share their expertise or

develop their expertise on a particular area of public policy. And then, there also is an opportunity in some of these boards and commissions for citizens or specific members of the public, dependent upon the composition and makeup of the effectuating statutes, to then also share feedback on emerging policy issues or trends or data, so it, it can be a really effective and important way to bring more people into policy development and more people into state government functions. But alas, no doubt, many of these very well-intended task force boards and commissions have outlived their usefulness-- usefulness, or no longer are as relevant, or have been dormant for different reasons along the way. And I really appreciate the Speaker and Governor Pillen's approach that-- they kind of started by casting the net very widely and said, OK, we're going to, we're going to eliminate or sweep up a lot of these boards and commissions. And then, they were responsive to public feedback. If members of the public came in and said "Hey, wait a minute. This board and commission, this task force, this is really still working well, and here's why," it provided a great opportunity for the Legislature, the public, and the Governor's Office to hear that feedback, and they took it to heart. And when citizens provided feedback that we should keep certain reports or certain commissions or a certain task force, those were removed from the list. Thank you, Madam President.

DeBOER: Thank you, Senator Conrad. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Madam President. Would Speaker Arch yield to a question?

DeBOER: Speaker Arch, will you yield?

ARCH: Yes.

M. CAVANAUGH: Thank you. I know we've talked about this before it came up and went through, and I just wanted to check and see on a couple of these because I wasn't sure if they were still in the committee amendment. But there was the Children's Commission, or the Foster Care-- the Foster Care Reimbursement Rate Committee. Is that still part of the package, putting that under the Children's Commission?

ARCH: So, the committee amendment removes changes for the Nebraska Children's Commission Advisory Committee.

M. CAVANAUGH: OK.

ARCH: And so, it was, it was taken out.

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M. CAVANAUGH: OK. It takes out that one, but this one is still left in.

ARCH: OK, the Foster Care Reimbursement Rate Committee-- the duties of that committee are reassigned to the Nebraska Children's Commission.

M. CAVANAUGH: OK.

ARCH: So, that was, that was-- the intention was to--

M. CAVANAUGH: Yeah.

ARCH: --keep, keep the duties, but move it to the Nebraska Children's Commission.

M. CAVANAUGH: OK. That's one that I might want to look at between General and Select--

ARCH: Sure.

M. CAVANAUGH: --because I'm just not sure. I'd like to know more if, like-- if they're able to do that, so.

ARCH: Sure.

M. CAVANAUGH: OK, thank you. That was my only question. I appreciate you working with so many people on this, and I echo the sentiments of Senator Conrad. This is great governance when we can eliminate unnecessary red tape. So I yield the remainder of my time.

DeBOER: Thank you, Senator Machaela Cavanaugh and Senator Arch. Senator Storer, you're recognized.

STORER: Thank you, Madam President. I too am excited to, to, to see this bill, and appreciate the leadership that, that got it to this point. I do have a couple of questions, if Senator-- or Speaker Arch would yield.

DeBOER: Senator Arch, will you yield?

ARCH: Yes.

STORER: Thank you, Speaker Arch. In general, could you just share with the body what the overarching objectives were when evaluating these boards and commissions, and determining whether or not they should be eliminated?

ARCH: Sure. I mean, the overarching goal, I think, is, is, I think, something we'd all sign onto if, if-- you know, the, the goal is to, is to eliminate those things that are not of benefit to the-- to, to the state. So, that being said, my understanding is there are really three criteria. They aren't performing tasks that can be efficiently absorbed by another entity, so we've got that duplicative effort; they aren't carrying out duplicative functions of somebody else. It's all-- I mean, sometimes we've found, like-- and we-- and we're going to-- we're going to have more discussions about reports later on, but sometimes the same report is coming from two different directions, and so we want to eliminate the duplication. And-- or, or they are no longer serving a purpose as originally intended. And, and so that's-- I mean, that was really the purpose of those public hearings-- twice-- was to make sure that-- yeah, I mean, there are-- sometimes, there's people that feel very strongly, and sometimes we don't fully understand, no, this is a-- this is a real benefit. And so, when that, when that came up, then we said "Great. Off the list."

STORER: Thank you. I appreciate that. I, I do have to add one personal caveat when I was reading through some of those boards and commissions that are being eliminated. It-- a little bit of nostalgia: the Nebraska Aquaculture Board. Fun fact, at one time, I was the president of the Nebraska Sandhills Yellow Perch Co-op. So, I remember the days of the Nebraska Aquaculture Board. With that, I stand in support of AM821, AM492, as well as the original bill, LB346. Thank you, I yield the rest of my time.

DeBOER: Thank you, Senator Storer and Senator Arch. Senator Conrad, you're recognized.

CONRAD: Thank you, Mr. President, again-- Madam President. Thank you and good afternoon, colleagues. In particular, I do just want to add a note of personal and professional reflection as to the particular committee that my friend Senator McKinney brought up, and their long-standing work and their long-standing reporting. I'm very familiar with that report and that committee. The racial profiling committee has been in existence for many years in Nebraska. The committee members were comprised of an array of civil rights leaders, community activists, law enforcement leadership. And I know from my past work at ACLU, where we had a designated board member that participated in that, in that task force, that they found the work to be very collaborative, very policy-focused, very forward-looking; it enhanced networking, it enhanced education, it kept a continual focus on the historical and present disparities in our traffic stops from a racial justice perspective. And the data that we have collected in

Nebraska, I think perhaps going back at least to 2001, has been very valuable for policy discussions, for even litigation-related research, and it has, I think, helped to keep a focus on this issue, has helped to identify solutions. And I do hope that the work of the committee and the underlying data and reporting can continue, because I do think it brings great value to Nebraska. But the other piece that I wanted to lift up in regards to the broader effort in LB346 was that-- one thing I was hoping, as we took up this elimination bill, is that it would spark more taxpayer savings; that we would see a greater fiscal benefit from eliminating so many different boards and commissions and task force. And it was surprising to me in the last biennium and again this go around that there isn't a bigger cost savings on the fiscal note for the elimination of these many boards and commissions and task forces. And of course, many of the citizens who serve on these serve as volunteers with their own time and resources. Very few are provided any sort of compensation or even per diem for actual expenses, so that's part of why we don't see a significant cost savings. But it seemed like the modest cost savings that would be identified then could benefit the relevant agency of jurisdiction. And then, of course, there is an opportunity savings or benefit when we're not doing as many nominations from either the executive perspective or the legislative perspective, and we're all familiar with this in our, in our committee deliberations. We have a lot of boards and commissions that need nominees and go through a confirmation process and that takes a lot of time for both the executive branch in screening nominees, making nominations, forwarding them to the Legislature, shepherding them through the process; it takes a lot of time for senators and our staff and for committee staff as well. So, again, if we can find some at least savings in terms of time or opportunity costs for both the legislative branch and the executive branch by the elimination of some of these antiquated or outdated boards and commissions and their attendant membership, I do think that that is an important step forward in terms good governance as well. Thank you, Madam President.

DeBOER: Thank you, Senator Conrad. Senator Dover would like to recognize some special guests: 18 fourth graders from Newman Grove Elementary, located in the north balcony. Students, please stand and be recognized by your Nebraska Legislature. Seeing no one else in the queue, Senator Arch, you're recognized to close on AM821.

ARCH: So again, this was a-- this was a technical clean-up, just to make sure that what we-- what-- what's in LB346 doesn't conflict with things we've already done, other statutes, and appreciate the Revisors' work and, and my staff in, in identifying those things. So, I would ask that you vote green on AM821.

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DeBOER: Thank you, Senator Arch. The question before the body is the adoption of AM821 to the committee amendments. All those in favor, vote aye; all those opposed, vote nay. Have you all voted who care to? Record, Mr. Clerk.

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

DeBOER: The amendment is adopted. Seeing no one else in the-- additional amendments, Mr. Clerk.

CLERK: Madam President, Senator McKinney would move to amend with FA134.

DeBOER: Senator McKinney, you're welcome to open on your floor amendment.

McKINNEY: Thank you, Madam President. So, I brought FA134 to strike Section 7 getting rid of the Racial Profiling Advisory Committee. I think it's needed. I actually found the report for April 1, 2025, so this is recent. And reading through it, just on my first just gloss through, there is definitely some issues in this state with disparities for sure, and I think it, it-- this shows why I think we should keep this committee, and I should find ways for the Crime Commission to-- if they're in need of more individuals, to be a part of the committee. I'm willing to step up and assist and try to recruit people, but I do think this is such an important issue that we shouldn't get rid of the committee because of a lack of engagement. I think sometimes it's on us as well to ask individuals to step up and, and take part in these commissions and committees. And I know a lot of people that would be interested in doing so. So, that is why I brought this. I think this is a reasonable amendment just to strike this, not get rid of the committee, because I think it's needed. I don't think it is duplicative because I think a committee-- although the commission could do a lot of this work, I think a committee also can give a better perspective from just different-- from different backgrounds. And I think sometimes commissions like the Crime Commission, yes, they could have a wealth of knowledge and those type of things, but sometimes you need an independent look and an independent voice in a room for you to see your blind spots. So, that's why I'm saying we should keep this, because I think-- especially with racial profiling, in the times we live in, I think we should not be getting rid of this because as you-- if you want to, this is 2024 traffic stops in Nebraska; it was a report to the, to the governor and the Legislature, and it was submitted by law enforcement on April 1, 2025, the state of Nebraska Statistical Analysis Center.

And it's interesting. You should look through this. I know sometimes people think I just be talking when I say things, but this kind of justifies some things I be saying. As I said earlier, there is racial profiling in the state, and the disproportionate amount of stops point to that, in my opinion, and you can look at this if you don't believe me. But I do think that you should support this, because I think that having a racial profiling committee in 2001 created was well-meaning and it was for the right reasons, and I still think it's good because I still think this is needed, because I don't think we have even scratched the surface on getting rid of racial profiling; we still have many issues, and we shouldn't scrap the committee because of lack of involvement. I think we should find ways to get involvement if it's not a-- not involvement in it. With that, I'll thank, thank you and open myself up to any questions that people might have some. But this is actually a fair and friendly amendment. I'm not trying to destroy this bill or do anything to it. I just don't think the racial profiling committee should be eliminated. Thank you.

DeBOER: Thank you, Senator McKinney. Senator Arch, you're recognized.

ARCH: Thank you, Madam President. I support FA134. This is fine. This is what the debate is all about, this is what it's for. And, and so, I would say that if we are going-- if we have an opportunity to breathe new life into the racial profiling committee and find its purpose once again, I-- that's, that's what this is for. So, I, I, I will be voting for FA134. I do have some more information on this Racial Profiling Advisory Committee, just for Senator McKinney's reference. So, the Nebraska Crime Commission generates an annual report on racial profiling developed from traffic stop data submitted by all law-- law enforcement agencies. So, law enforcement agencies are required to submit data, and it goes to the Nebraska Crime Commission. The 12-member board has struggled with attendance by appointed representatives, and, and, actually, the committee has not met since 2021. So, there's numerous vacancies on the committee, and to Senator McKinney's point, to go out and recruit and breathe some new life into the committee, I think that would be appropriate. And so, I will be supporting FA134. Thank you, Madam President.

DeBOER: Thank you, Senator Arch. Senator Spivey, you're recognized.

SPIVEY: Thank you, Madam President. I rise in support of FA134, and I appreciate your support and remarks, Speaker Arch, around that. I actually had a bill for the African American Commission kind of in the same vein that I just wanted to uplift around being able to provide some structure. A lot of these agencies and commissions act as

start-ups, and so you have to have the right leadership, you're trying to figure out the right mix of people. Because of how the appointments happen, sometimes you have to do a lot more building of relationships to make sure that folks are working towards the same agenda. And so, I do have a bill that helped to kind of refine the structure around the African American Commission so that they could be successful, given some of the things that Speaker Arch, you just named as well. One of the things that came out of that is that that commission would like to have a representative on this, on this racial profiling committee. And, as I've been working with the Crime Commission around just the impacts of their grant programs and the things that they're doing, I think that there is an opportunity outside of this bill to think about putting in some structure and ramifications around expectations for these committees. As Senator Conrad said, a lot of folks are volunteering their time, they have maybe the technical expertise and this is their job, but working on a commission in this type of agency is very different from how it operates, and then how you actually implement and provide influence. And so, I think that there is a great opportunity in providing that type of support as well as ensuring that we can ensure the success. As Senator McKinney mentioned, there is issues across our state; given our current climate, this is a great opportunity for us, within our leadership body, to really ensure that this topic doesn't get lost in conversation and that we continue to support the efforts that were put in place. Thank you, Madam President.

DeBOER: Thank you, Senator Spivey. Senator Juarez, you're recognized.

JUAREZ: Thank you very much, and good afternoon, everyone, including those online. And I just wanted to rise in support of this floor amendment because personally, I have experienced racial profiling. Years ago, I had a big SUV that had a Utah plate on it. And I was coming from Iowa into Nebraska, and lo and behold, this little Latina was driving it. And this patrolman pulled me off on the interstate, and I was so mad because I knew immediately what was happening. And I remember rolling down the window and yelling at him, asking him why he had pulled me over. Had the dog and everything with him, and he ended up jumping back because he was so startled that I actually yelled at him; not friendly greeting, but yelled at him. And then he proceeded, of course, to run my plates through his devices, whatever they do, right? So then, he just ends up giving me this little warning ticket about my plate, the frame of my license plate blocking a little bit too much of my plate, and that was the end of it. But I never forgot it. I'll always remember the incident, because it did happen to me. Thank you, and I yield the rest of my time.

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DeBOER: Thank you, Senator Juarez. Seeing no one else in the queue, Senator McKinney, you're recognized to close on FA134.

McKINNEY: Thank you, Madam President. Again, FA134 is a friendly amendment. I hope to get everyone's green vote. Thank you.

DeBOER: Thank you, Senator McKinney. Colleagues, the question before the body is the adoption of FA134 to the committee amendments. All those in favor, vote aye; all those opposed, vote nay. Have you all voted who care to? Record, Mr. Clerk.

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

DeBOER: The amendment is adopted.

CLERK: I have nothing further on the committee amendment, Madam President.

DeBOER: Thank you, Mr. Clerk. Senator Andersen, as the vice chair of the Government Committee, you are welcome to close. He waives closing. Senator-- no one else in the queue. So, the question before the body is the adoption of AM492, the committee amendment from the Government Committee to LB346. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 40 ayes, 0 nays on adoption of the committee amendment.

DeBOER: The amendment is adopted. Seeing no one else in the queue, Senator Arch, you're recognized to close on LB346.

ARCH: Thank you, Madam President. Good discussion. Thank you. And I, I wanted to respond to one question that I think Senator Conrad raised regarding, regarding expenses. I think what we're facing with these commissions and, and the recruitment of, of all of the volunteers to staff the commissions and all-- we have behind the scenes, of course, we have, we have employed staff within various departments that, that support, that create reports, that help recruit, and I'm sure that it's fraction of full-time equivalence, not, not entire dedicated staff to just that commission, but fractions. So, what I would hope is that as we face additional, additional requests for some support from the staff of the departments, that, that this would free up people to do that without additional requests for appropriations. With that, I would encourage your vote please on LB346. Thank you, Madam President.

DeBOER: Thank you, Senator Arch. The question before the body is the advancement of LB346 to E&R Initial. All those in favor, vote aye; all

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those opposed, vote nay. Have you all voted who care to? Record, Mr. Clerk.

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

DeBOER: It is advanced. Mr. Clerk, for the next item.

CLERK: Madam President, General File, LB275 introduced by Senator Hunt. It's a bill for an act relating to state wards; it amends Section 43-907; requires the Department of Health and Human Services to screen children under its charge for Social Security benefit eligibility; requires the department to manage Social Security benefit payments for child beneficiaries as prescribed; and repeals the original section. The bill was read for the first time on January 15 of this year and referred to the Health and Human Services Committee; that committee placed the bill on General File. There are no committee amendments; there is an additional amendment, Madam President.

DeBOER: Senator Hunt, you are recognized to open on your bill.

HUNT: Thank you, Madam Chair. Good afternoon, colleagues, and good afternoon, Nebraskans. I rise to present my priority bill for this session, LB275. This bill is the next phase of a long-term project that my office has undertaken, which started with an interim study in 2021, to examine the state's practice of intercepting Social Security payments that are meant for foster youth and then using those payments to pay for the state care of those foster youth. There are many states that do this, and what they do is they identify kids in their care, foster kids who might be eligible for social security funds, and these are some of the most vulnerable kids in our state. These are going to be kids who either have had a parent die or who have an extreme disability; this is the type of person you have to be to be eligible for social-security funds as a child. So, what the state does is they identify these youth, they apply for social security benefits on their behalf, and then the state keeps that money and uses it to pay for the cost of that foster youth's care, or the youth in care. Of course, this is a major double-standard, because any other youth in foster care who's a ward of the state, they do not have to pay their own care, they are cared for by the state. But these kids who are, again, some of the most vulnerable youth that we have in our state in Nebraska, they-- their benefits are being taken, almost always without their knowledge, and used to reimburse the state for the cost of their care. The overarching problem that I see with this is that foster youth should not be seen by the state as a funding stream to cover the costs of their own care. But on a more pragmatic level, I think that

if the state is going to do this, then we should all agree that, at a minimum, they need to do so with the full consent and knowledge and communication with that child and their legal guardian and their legal representation. This is a government transparency issue, it's a good governance issue, and I think that if this was happening to any other group by a state agency, we would also identify that situation as a problem. But due to the nature of this practice, that the affected population is young, disabled kids, kids who have lost a parent-- and a lot of the families and guardians may not necessarily realize what's going on; they might not realize that the kids are getting social security payments, that they're eligible for them, or whatever-- it's sort of a new, emerging issue in our state and other states as well. The interim study that we did in 2021 revealed that this practice in Nebraska is affecting approximately 400 children per month, generating over \$4 million of funds per year for the state. And these funds, of course, are coming from the Social Security payments that are meant for these kids. So, I used the findings from that interim study and did extensive collaboration with sharehold-- stakeholders over the years to bring LB932 in 2022, a portion of which passed in the HHS Committee Bill, LB1173, to require the department to notify youth and their guardian ad litem if they were benefit-eligible and if the state was going to serve as a payee and retain their funds, and to keep an accounting of those kids' assets. This was an important step forward, and we wanted to give it some time to take effect to see what further action might be needed. And my office has been working with child welfare advocates and DHHS on language in this bill to bring us up to speed with progress that has since been made in other states on this issue to bring more transparency, fairness, and just opportunities for foster youth and their guardians to understand what's going on with these funds that they're entitled to. So, I have an amendment which I'll talk about in a minute, but I want to talk about what the green copy does. So, the copy that we have up right now that-- I'm going to introduce an amendment to it, and then I hope that we adopt that amended version. But what the bill does, in summary, is it strengthens department communication with youth and their guardian ad litem about Social Security eligibility screening, the department's application to serve as the child's representative payee if there's any benefit determinations, and then the right of that child or their representative to appeal or request a different representative payee. It also requires the department to hold the youth's benefit funds in a trust separate from the department's funds, and provide that the youth may request access to the funds for personal use, or that the funds be conserved in a specific manner-- because, once again, these are-- it's the kids' money. It improves access to more detailed accounting

information about funds for the youth, courts, guardians, and youth's attorneys. It requires that funds are used by the state in the child's best interest, and only when other funding is not available, and are conserved for the child reasonably foreseeable future needs. And it also requires the department to conserve a minimum amount of funds when the child is 14, increasing at a sliding scale percentage as a child grows older, and it ensures the child is informed about the process to receive and manage their social security benefits as they prepare to exit state care as they get older. One of the most important provisions for me is that we save some of these funds for the kid who's entitled to them. And if I had it my way, we would set aside all the funds for them, and a number of colleagues have come up and asked me why it is that don't do that. And part of the reason is because administering this, applying for the funds on behalf of the youth, seeing if the youth is eligible-- eligible, creating the fund-- this isn't free. You know, it's not free for the state to do that. And so, what this bill does is it conserves funds for the youth while allowing the state to tap into some of those funds to make sure that the youth does have the opportunity to have that, that trust. I'm proud to say that this bill came out unanimously on a 7 to 0 vote. We had no opposition testimony, we had no neutral testimony-- well, the department submitted some neutral technical input, which we included in the amendment, and the amendment should also address the fiscal note. So, if-- I'd like to get to the amendment, and I see there's Senator Dorn in the queue, so I will cede the rest of my time and answer his question, and then hopefully, we can get to the amendment. Thank you, Madam Chair.

DeBOER: Mr. Clerk, let's go to the amendment.

CLERK: Madam President, Senator Hunt would move to amend the bill with AM1126.

DeBOER: Senator Hunt, you are now recognized to open on that amendment.

HUNT: Thank you, Madam Chair. So, AM1126, since the bill's advancement and since I prioritized the bill, and then it became kind of a serious bill that we got to get real about-- I talked to Speaker Arch, and it was communicated to me that in order to get it scheduled for debate, I needed to do some work to alleviate the possible General Fund impact. So, I think that some progress on this is better than nothing, so AM1126 is a pared-down solution that should eliminate or vastly reduce the General Fund impact of the bill. It's the product of work between my office, our stakeholder partners in child welfare law,

conversations with the Legislative Fiscal Office, and input from DHHS. In the amendment, we've taken input from the department to rewrite and eliminate provisions that will reduce administrative burden, directed the department to maximize drawdown of available Title IX-E child welfare funds, and slashed in half the originally drafted amount of funds required to be saved for youth. We also redrafted a provision from the original bill that said the youth social security funds could only be used when no other funding is available, replacing it with broader language, more permissive of the use of funds, but requiring the department to use the funds consistent with federal law in the child's best interest, while conserving benefits for the child's reasonably foreseeable needs. This amendment should substantially drive down the costs. It still keeps some guardrails around the conservation of the funds, it still keeps the transparency so that the youth and their guardians and their legal representatives are aware that the funds are there and how it's being used and things like that. I wish that the percentage of the funds we were saving for the youth was much larger, but this is still a step forward from the current status quo. My objective-- and I appreciate the conversations I've had with colleagues to get to a place of support on this-- my goal is to get this amendment adopted and move to Select File so that we can get a new fiscal note on the bill and get a new, updated estimate of the General Fund impact, if any. And of course, at that point, I commit to continue working with stakeholders and the department to ensure that the bill is in a place that's workable for everyone involved. Thank you, Mr. President.

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

DORN: Thank you, Mr. Speaker. Would Senator Hunt yield a question?

ARCH: Senator Hunt, will you yield to a question?

HUNT: Yes.

DORN: Yeah, just looking at the fiscal note, I guess, I understand-- and maybe I didn't catch quite all of what you were talking about. Understand that you're-- for the child that's eligible, instead of \$1,000 they get to keep, it'd be \$2,000, but-- and maybe you could update us a little bit more on the fiscal note. It says down there that we would have to replace-- the state would have to replace that \$1,000 per, per child, and it would cost \$3.47 million dollars. Could you, I call it, expound on that a little bit?

HUNT: So, re-- talking about the AM, to reduce the fiscal impact, what the amendment does is it eliminates the annual re-screening requirement, and that's the second-highest cost in the fiscal note. And it also eliminates the requirement that DHHS save \$2,000 in benefits for each youth; it halves it to \$1,000. So, we won't have a full picture of the fiscal cost under this amendment until we get, get it to Select. But what the amendment does is it slashes that back to \$1,000, which is what's in current law.

DORN: It, it, it, it takes-- did I hear you right? You said it takes that away, the amendment takes that away? Or, or slices it back to the \$1,000.

HUNT: That's correct, Senator Dorn.

DORN: So then, there wouldn't be basically-- then, there wouldn't be a fiscal note on this.

HUNT: Well, we will see. That's my hope.

DORN: That's your hope, yeah.

HUNT: We will see.

DORN: Well, yes, I agree with you. Sometimes we don't, we don't understand where the fiscal notes come from, and that's why I thought maybe, maybe I was reading it wrong or something in-- just as I was looking at it. So, that's why the amendment, AM1126, is filed here to, I call it, help with-- deal with that fiscal note. Thank you very much for that explanation.

HUNT: Thank you.

ARCH: Senator Andersen, you recognized to speak.

ANDERSEN: Thank you, Mr. President. Would Senator Hunt be available for a couple questions?

ARCH: Senator Hunt, will you yield?

HUNT: Yes.

ANDERSEN: Thank you. Reviewing your bill, on page 2, line 23, it talks about the department as screening children for-- under its charge for Social Security benefit eligibility. How do they determine that, just out of curiosity?

HUNT: So, you know, I'm not an HHS person. I don't have experience in-- as a system-involved person or anything like that. There are obviously people in the, in the department who know how to screen kids for social security benefits. This would be a kid who has a disability or who has lost a parent. Right now in Nebraska, as in many other states, what we do is we contract out that process to a company called Maximus. By the way, the state pays quite a lot of money to that contractor to do this work, and it's really complex and that's why we contract it out. And the department uses the data they have about the kid to flag them as if they're likely eligible for social security or not.

ANDERSEN: OK. Yeah, I was just kind of curious. I mean, do they go through residency? I, I don't know-- you talk about kids with disabilities. I don't know the full breadth and the scope of the kids that are involved.

HUNT: The, the state would flag who's likely eligible, and then this contractor we use, Maximus, would, would dive deeper and figure that out.

ANDERSEN: So, do they determine residency, that they actually live here, citizenship, and all that?

HUNT: Yes, Senator Andersen. Yep, yep.

ANDERSEN: They, they do determine that?

HUNT: Yes.

ANDERSEN: Oh, OK. I've never seen an application, so I don't know what they-- what questions they ask and what they determine.

HUNT: Would you like me to find one for you? You want to see one?

ANDERSEN: Sure.

HUNT: Great.

ANDERSEN: Yeah, I'd just be curious what the vetting process is. Yeah, further down the page, on line 30, it talks about using age-appropriate language to the child. Now, aren't the ages in these childrens from brand new to 14 to 18, is that true?

HUNT: Yeah. So, these are all kids that live in Nebraska. And when you talk about age-appropriate language, the idea is that-- and, and the

entire purpose behind the study that we did in 2021 and all the legislation that we've worked on since then is that the kids understand what's happening. And particularly starting from age 14, when some of those funds begin to be conserved for them, that, you know, it's not told to them in a bunch of jargon or a bunch of technical terms; that they have an advocate that helps them understand the resources they actually have.

ANDERSEN: OK. Yeah, I was just curious how they determine the age-appropriate language. Yeah, I guess maybe Maximus is our-- you're not the right person to ask. Maximus is probably the one that talks about them being-- deeming them to be ineligible for benefits. The criteria for that, Maximus knows, and-- is that correct?

HUNT: Yep, that's right.

ANDERSEN: OK. Yeah, just kind of curious. You just mentioned right now, when you talk about the age of 14, where they can determine that funds should be pulled out and allocated, whether that's for long-term use or current use, is that-- I don't know how old your children are. Mine are--

HUNT: It's, it's not for current use, it's for long-term use. A lot of that-- I mean, they put it in, like, a 529 NEST accounts, they can use it for education or for their first apartment, or something like that. You know, talking about age-appropriate language, before our initial bill, they used to have kids sign contracts with legal language without any explanation. And then, these kids would be signing their rights away to their own social security--

ANDERSEN: Yeah.

HUNT: --and so, that's the practice that we've really been trying to stop.

ANDERSEN: OK. No, I, I think that's good. I just-- I have two sons, 22 and 19, so I remember when they were 14, and I wasn't sure that 14 was the right age for them to determine allocation of funds.

HUNT: Yeah, 14 is the, the age at which kids receive financial education, but they can't access those funds until they exit care.

ANDERSEN: OK. And then, yeah, some of the concern is with the fiscal note being \$4.5 million, General Fund being three-and-a-half--

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HUNT: That's my concern too, which is what's addressed by the amendment.

ANDERSEN: OK, thank you. And I would appreciate information on Maximus and all that.

HUNT: Sure.

ANDERSEN: Thank you. I yield back my time.

DeBOER: Thank you, Senators Andersen and Hunt. Seeing no one else in the queue, Senator Hunt, you are welcome to close on AM1126.

HUNT: Thank you, Madam Chair. I appreciate the, the conversation here. You know, if the state didn't screen youth for eligibility and apply for these benefits on their behalf, it's really likely that none of them would never even be identified as eligible for Social Security benefits. The process is notoriously complex, as my conversation with Senator Andersen kind of alluded to. And my intent here is just to be better stewards of our vulnerable state wards and their assets by involving them and the adults in their life in this process, giving them the right to information about what's happening with their own money, to provide input on how it's being spent by the state on their behalf, and then also to save a portion of those funds-- which are theirs, which they are entitled to-- for the youth's future, that can be used for college or technical education or a car or rent, or whatever it is they need. And, of course, this, you know, ideally reduces costs on government over time because these kids are able to use their own money to support themselves once they age out and exit the care of the state. For youth in foster care, this money matters a lot, and I think that bills like LB275 is one of those great things that can help transition these kids to more financial independence, again, using resources that they're already entitled to. Thank you, Madam Chair.

DeBOER: Thank you, Senator Hunt. The question before the body is the adoption of AM1126 to LB275. All those in favor, vote aye; all those opposed, vote nay. Have you all voted who care to? Record, Mr. Clerk.

CLERK: 32 ayes, 0 nays on adoption of the amendment, Madam President.

DeBOER: The amendment is adopted. Seeing no one else in the queue, Senator Hunt, you are recognized to close on LB275.

HUNT: Thank you, Madam Chair. Thank you, Paul Strommen, Senator Strommen, for the conversation. Yeah, thanks everybody. I appreciate

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you adopting the amendment. I look forward to seeing what kind of fiscal note we're dealing with for Select, and we'll certainly continue the conversation. Thank you, Madam Chair.

DeBOER: Thank you, Senator Hunt. The question before the body is the advancement to E&R Initial of LB275. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 34 ayes, 0 nays on advancement of the bill.

DeBOER: The bill is advanced. Mr. Clerk, for the next item the on-- on the agenda.

CLERK: Madam President, General File, LB676 introduced by Senator Hansen. It's a bill for an act relating to certified nurse midwives; it amends Sections 38-206, 38-601, 38-603, 38-604, 38-606, 38-607, 38-608, 38-610, 38-611, and 44-2803; changes, provides, and eliminates definitions; eliminates practice agreements; changes and eliminates provisions relating to the authorized scope of practice; provides for severability-- excuse me, authorized scope of practice; provides for applicability of the Nebraska Hospital-Medical Liability Act; harmonizes provisions; repeals the original section; and outright repeals Section 38-609, 38-613, and 38-614. Bill was read for the first time on January 22 of this year and referred to the Health and Human Services Committee; that committee placed the bill on General File with committee amendments.

DeBOER: Senator Hansen, you are recognized to open on LB676.

HANSEN: Thank you, Madam President. Well, colleagues, this is the bill you've been waiting for. Not only because you want to give mothers in the state of Nebraska more options on where they want to be able to deliver their child in a safe and reliable manner, but also because you're tired of the emails. This is probably the most emails I've ever gotten on any bill, and this is what a lot of my colleagues has also told me, but a lot of great emails that are personal, shared stories of the experiences many mothers in the state of Nebraska have had with midwives and the delivery of their children in their homes or in a birthing center. And so, they're great stories. And so, with that, I just appreciate all the emails we have gotten and all the support for this bill from everyone throughout the state of Nebraska. So, I want to preface this conversation we're about to have with saying that this is something I've been working on for six years. Throughout my time in the Legislature, mothers have been coming to my office and writing in or calling, looking for a solution to the limited maternal care

they're able to access in Nebraska. Birth centers are closing, and midwives are not able to attend home births, but this hasn't kept hundreds of mothers from having babies outside the hospital in our state. Nebraska allows for home births and midwives, actually encouraging these women through proclamation. The desire for these mothers to have births at their home or in a birth center with someone who's qualified, certified, and specialized in maternal health so they feel-- so can feel safe and supported. In reality, this bill is a response to the overwhelming number of requests I have received from women who look at the surrounding states and wonder, why is Nebraska so far behind? A question I'm sure a lot of us have heard from constituents on other issues. Close to 400 birth centers around the country work overtime providing care for mothers; home birth is also growing. Almost 50,000 home births happen every-- each year in the United States. Many moms in Nebraska who live along our borders travel into the surrounding states to have their baby in either birth centers or rental homes. If they cross state lines, they-- the care they desire is considered safe, reliable, and a valuable option. But here, they have to search far and wide for help, because Nebraska's approach to midwifery and maternal care is not friendly towards midwives. For years, senators have been looking for ways to address maternal health shortages in Nebraska. I've been on the HHS Committee for six years, and this has been a concern among many people and constituents, and bills that have been brought in front of the HHS Committee over the last six years I've been here. Well, here's the answer. We are ranked 40th for pre-term birth and maternal mortality rates. Studies have shown that the services midwives and doulas provide offer a solution. Their methods are proven to reduce poor outcomes, C-sections, medical interventions, and complications while improving maternal recovery and infant health. It is time we take advantage of what other states have already been doing for years and find support through midwifery. Now, colleagues, I think some of the confusion has come with the amendments that are following this bill, so I want to clarify and give a-- just a synopsis. Here are some bullet points. Right now, we're talking about LB676 which is the CNM portion of the bill; we will have the committee amendment up next, which is AM655; that includes the CPM, Certified Professional Midwife, and Senator Spivey's doula part the bill, which creates the "momnibus." And then later, we will have AM1097, which is an amendment that I introduced to help clarify a lot of the language and a lot of the collaboration I've been doing with the hospital association and, and some requests that the NMA also gave that they would like to see in the bill. The originally amended LB676 does two things for certified nurse midwives: it gives them full practice authority, and removes location restrictions. According to the Federal

Trade Commission, collaborative practice agreements can restrain trade without improving patient outcomes. We see this to be the case in Nebraska. While CRNAs have been able to practice without a physician's oversight for more than 20 years, and NPs for more than 10, nurse midwives are the only advanced practice registered nurse group that has not been allowed to practice independently; LB676 would change that. 48 other states have fewer restrictions on CNMs, giving us the reputation of being one of the worst states for midwifery practice among an industry run by women. The other portion of LB676 removes location restrictions on nurse midwives to make us current with the rest of the country. Nebraska is the only state in the country where certified nurse midwives are banned from attending home births. Home births are becoming more and more popular around the country, but here's the difference between Nebraska and the rest of the states: in every other state, a mother can have a baby at home with a CNM who has been trained and educated in nurse midwifery. In Nebraska, though, you can't. Instead of providing support for women who want us-- who want to do something that has been done for thousands of years, Nebraska's medical system would like for it to be illegal. This brings me to what has been called the "momnibus" bill, and the committee amendment, AM655. This combines LB676 about certified nurse midwives, LB374 concerning certified professional midwives, and LB701, Senator Spivey's bill regarding doulas, which she will explain later more in detail. With the "momnibus" bill, more family-centered, high-quality care would be available to women across the state. Midwives who focus on physiological birth would be celebrated, while doulas who provide education and resources would receive funding. Overall, this expands access to maternal health care in a way women are asking for, in a more holistic and collaborative effort. AM655 listens to the mother-- mothers of our state, and respects their right to deliver in a manner they feel is safe, empowered, and best for their baby. I've already explained CNMs, and I'll let Spivey later discuss the doulas, but now I'd like to address the certified professional midwife portion. As you can tell, the issue we are talking about today is a popular topic, not only for people in my district, but in yours as well. If your inbox is like mine, there have been hundreds of emails asking for support for midwives, both CNMs and CPMs. This support has come from parents, mothers, doctors, NICU nurses, EMT responders, professors, attorneys, social workers, and many more. One NICU nurse said she has been working in the hospital for 36 years, but she had all four of her kids at home. This is not an experiment. Medical communities, governments, HHS departments, cultures, religions, and lawmakers all across the country find what, what we will be discussing today is normal. Planned home births have increased by 60% over the past seven years in the

United States. According to the Journal of Perinatal Medicine, the number of home births in 2023 reached the highest it's been in three decades. Currently, there are 2,857 active credentialed CPMs in the United States, making one in five midwives a CPM. The National Library of Medicine studies aligned with the National Academy of Medicine to find that planned home births have outcomes comparable to birth center deliveries for low-risk birth. Professional midwives not only nurtured normal birth processes, but are trained in risk assessment. Every CPM must have an informed consent document that details her relationship with referred physicians. You will notice that more and more states have licensed professional midwives over the years, not less. You will also find that the training is nationally accepted as reputable, and the education required in this language is consistent with other states. Medical personnel work with professional midwives, not against them. It is time Nebraska catches up. A vast majority agree with me in the idea of licensing and regulating midwifery in Nebraska. I have worked with the CNMs, CPMs, and doulas to create this "momnibus" bill, and ask that you support AM655 as well. The language is specific for a reason: taking what works and what doesn't work in other states, and applying it to our state so that mothers can receive the care they have been asking for. Senator Fredrickson has also brought an amendment, AM914, that we'll be hearing after the committee amendment, and I'll let him discuss that when that comes up. I'm, I'm handing out a packet with women from around the country who have also sent their support. We handed out two things; that packet is one of them, the other one you'll see is a giant map of the United States-- you should be getting that shortly here-- and as you can notice, right in the middle of the, of the country is our state that does not allow for CPMs. Every other state around us and every two or three states around us allow for it; we're one of the few that don't. This is a reputable system, already established. These individuals come from all walks of life, and to say CPMs aren't worthy of licensure is to undermine a women-led profession that has a lot of work, determination, and value behind it. I also brought AM1097 that alleviates a lot of the concerns I have been hearing from the CPM portion. It is important that you vote yes on AM655 and AM1097. So, with that, colleagues, I'm sure Senator Spivey will explain parts of her bill. I know Senator Hardin will be up to explain the committee amendment some more, if you, if you would like, and I'm here to answer any question that you have. This is an important bill, not just to me, but many people throughout the state of Nebraska. It's time we give women more options than one to deliver their child.

DeBOER: Time, Senator.

HANSEN: Thank you, Madam President.

DeBOER: Thank you, Senator Hansen. Senator Hardin, as the chair of the HHS Committee, the Health and Human Services Committee, you are recognized to open on the committee amendment.

HARDIN: Thank you, Madam President. Throughout the session, I've emphasized the overarching theme of cooling the medical desert. Rural Nebraska can be considered a desert for many services, and the care for pregnant women during labor, birth, and delivery, and the postpartum period is no exception. LB676, with committee amendment AM655 aims to create more birth options and increase maternity care for all of Nebraska, and particularly our rural communities. AM655 to LB676 consists of LB676 as amended, LB374 as amended, and LB701 as amended. The green copy of LB676 eliminates the requirement for a certified nurse midwife to have a practice agreement with a collaborating licensed practitioner, and removes the location restriction on where they may perform authorized medical functions. Also, the green copy of LB676 includes certified nurse midwives within the Nebraska Hospital-Medical Liability Act. AM655 amends LB676 to allow a healthcare provider that accepts a transfer of patients from a certified nurse midwife to not be liable for an outcome arising from, or action or inaction of the certified nurse midwife. Also, this amendment removes a certified nurse midwife from the definition of health care provider as it pertains to the Nebraska Hospital-Medical Liability Act. AM655 includes LB374 as amended; LB374 creates a separate licensure category for midwives-- certified professional midwives under the Uniform Credentialing Act. Currently, certified nurse midwives are licensed under the Advanced Practicing Registered Nurse Act [SIC], APRN. The licensed midwife's practice will be a separate act from the current certified nurse midwifery act, which is subject to the APRN Act. LB374 creates the board of licensed midwives, and gives it authority to adopt rules and regulations within this act. New provisions are added regarding reciprocity, temporary licenses, and application requirements, as well as definitions. As amended, LB374 provides additional changes which allow a licensed professional midwife to practice at any location other than a hospital; extends liability to inactions of licensed professional midwives; provides immunity to hospitals, health care practitioners, or health clinics when accepting transfers of these patients; and allows, instead of requiring, insurance coverage of maternity services. Finally, AM655 includes LB701 which provides for Medicaid reimbursement of doula services through a state plan amendment, as well as establishing a work group to submit the SPA to DHHS by October 1 of 2026. The original version of LB701 is changed to limit Medicaid reimbursement

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to Medicaid recipients, prohibit elective abortions, and provide the reimbursement through the Medicaid Managed Care Excess Profit Fund. The Health and Human Services Committee advanced LB676 as amended by AM655 by a 4-3 vote. I would appreciate your green on-- green vote on AM655 to LB676. Thanks.

DeBOER: Thank you, Senator Hardin. Mr. Clerk, for amendments.

CLERK: Madam President, Senator Fredrickson, I have FA51 with a note that you would withdraw.

DeBOER: Without objection, so withdrawn.

CLERK: In that case, Madam President, Senator Fredrickson would move to amend with AM914.

DeBOER: Senator Fredrickson, you are recognized to open on your amendment.

FREDRICKSON: Thank you, Madam Presidents. Good afternoon, colleagues; good afternoon, Nebraskan-- Nebraskans. I am here to open on AM914. So, AM914 is a white-copy amendment that would become the bill. As you heard from Senator Hansen, the committee amendment to LB676 is a package of three separate bills, LB374, LB676, and LB701. My amendment, AM914, does three different things. First, it preserves the provisions of LB701, which was Senator Spivey's bill to provide reimbursement for doula services through Medicaid. Second, it strikes the provisions of LB374, the bill which would license certified professional midwives in Nebraska. Third, it amends the provisions of LB676 regarding certified nurse midwives. This amended version of the certified nurse midwives bill will still give them independent practice and will allow them to work in any setting, including out-of-hospital births. This amendment reflects input from certified nurse midwives and the Nebraska Medical Association. It clearly defines the scope of practice for certified nurse midwives, and provides appropriate safeguards for planned out-of-hospital births. Some may ask, why does AM914 strike certified professional midwives? AM914 would remove the provisions of LB374 from the committee amendment. As a member of the HHS Committee, I want to make sure the body is clear on the difference between certified nurse midwives and the type of midwives that would be licensed under LB374 in the committee amendment. Certified nurse midwives are registered nurses who have additional master's or doctorate-level training in mid-- in midwifery. We currently license certified nurse midwives in Nebraska, and they are integrated into health care teams, working with

obstetricians and other providers to care for pregnant women and deliver babies. Certified nurse midwives have completed nursing school. Many of them have worked as labor and delivery nurses before going back to get their graduate-level training, and most often, these certified nurse midwives are working in hospitals where they continue to learn and work closely with OB-GYN physicians. Certified professional midwives are different; these are called direct-entry midwives, because they do not have a nursing or medical background. In fact, under the pathway to licensure in the bill, a CPM may have no formal training. Many certified professional midwives become certified by doing apprenticeships with another CPM and taking your-- a, a 300-question pass/fail multiple-choice test. Licensing direct-entry midwives, as outlined in AM655 and Senator Hansen's proposed amendments, would grant these providers a scope of practice that currently exceeds that of advanced practice nurses and physician assistants, despite differences in training and clinical preparation. While these midwives care-- are deeply committed to supporting pregnancy and birth, their educational pathways vary widely, and are not held to a standardized medical training benchmark. Licensure carries a significant message to the public; it implies that a provider is qualified to manage care independently. In this case, however, the training standards for certified professional midwives are not aligned with those required to ensure consistent, safe care for all Nebraskan mothers and babies. It's clear that many CPMs bring compassion and dedication to their work, and there is value in exploring how to safely integrate alternative models of maternity care, but any pathway forward must ensure that the safety of women and newborns remains the top priority. LB676 would also allow CPMs to administer powerful medications for postpartum hemorrhage. There are significant concerns from the medical community regarding the safety of this provision. Postpartum hemorrhage is a serious and potentially life-threatening condition, and the medications used to treat it have contraindications that can cause adverse reactions in certain patients. The approaches that other states have taken is something I want to draw your attention to. Many of you received information that CPMs are licensed in 38 other states. A closer analysis shows that only 32 states have former licensure for CPMs; another five states allow CPMs to practice without formal licensure. In the remaining 13 states, CPM practice is prohibited, including in largely-populated states like New York. Of the states which do allow CPMs to practice, most of them have regulation and restriction that is much more robust than what is proposed in AM655. Other states require consultations with physicians, prohibit CPMs from attending higher-risk births, and regulate them under the Board of Nursing or the Board of Medicine

rather than their own self-governed board. These other states do not give unchecked authorities to CPMs. As an HHS Committee member, I sat through the hearing on LB374, the bill to license certified professional midwives. I understand the perspective of the proponents-- they are passionate about home birth-- but I also want to point out the strong opposition. The bill was opposed by the entire medical community. The Nebraska Medical Association, the Nebraska Nurse Practitioners, the Nebraska Academy of PAs, the Nebraska Academy of Pediatrics, the Nebraska Academy of Family Physicians, and our own Board of Medicine and Surgery. So, how does AM914 help address home birth and access to maternal care? AM914 will allow trained certified nurse midwives to practice independently, including in out-of-hospital settings and home births. Additionally, it puts reasonable guardrails in place so that these births are made as safe as possible. Under AM914, women will be screened by trained certified midwives to make sure they are good candidates for out-of-hospital birth. There will be plans in place for emergent and non-emergent transfer of the patient to a hospital, if necessary. This amendment still expands birthing options to Nebraskans, but it takes a safer and more responsible approach. I want to thank Senator Hansen for working with me in good faith on coming to a compromise that prioritized safe and healthy births. I know that we don't see eye-to-eye on every aspect of this legislation, but we have had extended conversations, along with Senator Spivey and Cavanaugh, and I can speak for myself in saying that I am committed in working towards a compromise between General and Select. I also want to give-- I know Senator Hansen might not be listening to me, but I hope I can perk his ears a little bit. I want to give him a little bit of a kudos, because he's, he's-- he has worked really hard on this. There is something to be said, for anyone who's followed this issue over the years, especially over the last few years, to have-- to be in a position where physicians and certified nurse midwives are in agreement on something is, is really a testament to Senator Hansen's work and how far we've come as a state in adopting and prog-- and progressing towards some formal infrastructure for nurse midwives. I also know that Senator Hansen has a lot of strong feelings about this bill. I also have strong feelings, in the sense that I believe we do need to have something move forward as it relates to midwifery in our state. I have family members who have benefited from working with midwives, and I do think it is time that we move something forward as a state, and I do want to do so in a responsible way as well. So, with that, I will yield back the remainder of my time.

DeBOER: Thank you, Senator Fredrickson. Turning to the queue, Senator Spivey, you're recognized.

SPIVEY: Thank you, Madam President, and good afternoon again, colleagues. I am really excited to be able to speak to my portion of the bill, but also just in general. And so, I want to start out by thanking Senator Hansen and Chair Hardin and the HHS Committee for putting LB701 into the committee package, and, as Senator Fredrickson mentioned, just kind of the journey around maternal and child health. I operate a nonprofit that specifically works around maternal and child health, and we work with a lot of the partners that have been named. Before I became a member of this body, I brought information around doula support and other maternal health interventions in front of, actually, Senator Hansen when he was chair. And so, it feels really full-circle that we've been able to all work on this in our different ways, and are now at this point. In, in general, and as mentioned, LB701 is around doula reimbursement for pregnant people on Medicaid, and it would create that reimbursement mechanism. In Nebraska, we are actually in a maternal health crisis. 9.4% of our population lacks access to health insurance; 11% of the population lives in poverty; Nebraska ranks 19th in maternal mortality or death rates; our pre-term birth rate is 11%, which is higher than the national average; and 93% of deaths in Nebraska that were reviewed by our maternal mortality review committee were deemed preventable. And so, this does not have to be our reality. This body said that they want to protect women and children, and I'm really excited about this package because it does just that. And doula services, LB701 that is a part of that package, is a tangible way for that to happen. Doula care is one effective intervention to improve health outcomes, and I'm sure everyone is dying to know, like, "What is a doula?" "What is the definition?" And so, you should have at your desk-- if it's not there already, it's coming, because I forgot to put my district number on there. So, shout-out to the pages for helping me in putting it and adding it. But it has some definitions around doulas and more information. But as defined in the bill, a doula is a trained professional who provides emotional, physical, and informational support for individuals before, during, and after labor and birth. So, think of this person as your advocate. Most people in that care team and in that room is focused on the pregnancy; the doula is hyper-focused on that mom. They are ensuring that that mom has-- or that pregnant person has what they need to be successful in their birth journey. So, LB701 as amended, it defines full-spectrum doula services, which is what I just read off to you; it requires that DHHS establishes and creates a multidisciplinary stakeholder group to

create a state amendment plan that is submitted to CMS for reimbursement services-- reimbursement rates for doula services for people that are pregnant on Medicaid. And so, again, that information has been passed out to you. I also passed out information from the Nebraska Perinatal Quality Improvement Collaborative. So, the body actually created that entity, also known as NPQIC, in statute, which are, like, the go-to agency around maternal and child health. They were established, and their goal is to improve the delivery of and access to evidence-based health care for Nebraska moms and newborns. And so, they-- and what I gave you was an excerpt from their white paper around doula services. And so, as they have been thinking about maternal and child health and how do we address some of our disparities, they named access to doula services specifically for people on Medicaid as one of the key interventions. Some of y'all may or may not know this, but most of our births in the state, over 60% are had on Medicaid. And so, when you think about the people that are utilizing Medicaid services that are pregnant, expanding their families, this is a great intervention. I will get back in the queue to talk more about the impacts of doula services, because there are case studies that show that doula services ensure that you save money on pre-term births and cesareans. There is a small fiscal note that is taken care of through the Medicaid cash fund, and I have some numbers around that, that that is a sustainable use of those funds. If those funds run out, HHS does not have to continue with that program. And again, I am excited for all things maternal and child health, so have lots more information to give to you all and engage as we have this really intentional, important conversation. So again, I want to thank Senator Har-- Senator Hansen for introducing this bill and allowing LB701 to be a part, Chair Hardin and the rest of the HHS committee to include LB701 into the committee amendment, and just really everyone in this body for having this-- and conversation about--

DeBOER: Time, Senator.

SPIVEY: --maternal and child health. Thank you, Madam President.

DeBOER: Thank you Senator Spivey. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Madam President. I was on the other side. I rise in, well, support of all the things. It's a little complex. I am so excited about this bill because this is something that Senator Hansen has been working on the entire time that he and I have served together. And the piece about the doulas, I just can't believe we're finally moving forward with this. It's-- this is very exciting. That

said, I-- the bill isn't perfect yet, and-- but we are not going to allow-- what is it, the saying? Perfect be the enemy of good. So, I'm looking forward to moving this forward today, knowing full well that there's still some changes that need to be made to AM655. I will not be voting for AM914. I think that that's not quite the direction we need to go in at this point, but I am looking forward to working with Senator Hansen and Ellie in his office on getting this to where it needs to be so that we are offering women in Nebraska this great option of having health care that meets their needs, and-- whatever their needs are. So, I'm really grateful to everybody who's been working on this, and I'm looking forward to having this enacted while Senator Hansen and I are still in the Legislature, because this is kind of a passion project for both of us. And-- yeah. So, I will yield the remainder of my time to the chair. Thank you.

DeBOER: Thank you, Senator Machaela Cavanaugh. Senator Hughes, you're recognized.

HUGHES: Thank you, Madam Chair. I wanted to start off with-- I, I find it a funny story, with the certified nurse midwife. When I found out I was pregnant with our oldest, I called our OB-GYN, and there were four doctors in the clinic as well as two nurse-- certified nurse midwives, and I was offered an appointment with one of the certified nurse midwives. And the first thing I said was, "I don't want to have this baby at home." And they were like, no, no, no, no, that-- you don't have to. Certified nurse midwives can work in the hospital, et cetera, et cetera. So, I use a certified, certified nurse midwife for all three of my pregnancies. A wonderful experience. They're highly trained. I am so happy this bill is here for their piece of it as well. So, we kind of talked about it's-- the bill is in three parts. Certified nurse midwife, the piece for sure-- finally, we are giving them the credit that they should have. I think it is insane that we are the last or second-to-last state to allow certified nurse midwives the full capability to do what they are trained to do. These folks are RNs, and then go on to, to get their certified nurse midwife, which is a three-year program after having a, you know, a four-year program for their RN. So, the fact that we are now finally allowing them to actually have their full scope of practice and do home births has been a long time coming, and I think that also shows a little bit-- they call it a scope of practice bill. Like, everybody is really protective of their territory, and apparently, I'm guessing, here in Nebraska, the doctor groups, OB-GYN groups, were pretty protective of their territory, and I'm, I'm assuming stopped some of this going forward. So, we are righting the ship, and I think that's really, really great. We have-- just so you know, there's something called certified nurse

practitioners, and they are also an RN that then go on to get the certified nurse practitioner; another three years of school. They can write prescriptions even independently, they do not have to practice under a doctor. So, again, it's, it's time that we're giving certified nurse midwives their full scope of what they should be doing. The second piece to this bill, if you've heard, is the professional midwife certificate, or, or that, that group of folks. And this is one I wasn't as up-to-date on. I'm, I'm very cognizant of the certified nurse midwife piece, but not, not this, this group that practice. And I think the best thing we can do is have more options for mothers. I've, I've spoken to a few folks in my district that have used professional midwives for home births, and there has to be a path for this going forward. I am hoping that, through this debate today-- and I kind of-- I think Senator Cavanaugh alluded to that the bill as-is is not perfect, but that we can get a resolution on what that certification entails for these guys. We, we do want guardrails in place if the state is going to give a stamp of approval. And so, I am confident that this body can work through this and common-sense level heads will prevail, and we will be able to go forward. The last piece of the puzzle is the, the doula piece, and that, to be fair, I haven't delved as much into. I had always-- I-- to me, a doula maybe is more of a nice-to-have, not a need-to-have, so I guess I'm questioning. Do we, we want Medicaid to pay for this? It sounds like, as far as the fiscal note, that comes from the, the excess fund for the-- the Medicaid excess fund, and if the funding is not there, then it won't be reimbursed. I'm also kind of trying to dig into-- and, and we got some time here. I'm curious how-- if private insurance covers doulas as well. So, I might get back on the mic, mic when I, I get some of those stats. But I'm really happy that we're having this conversation, and we do have a need for these services across the state, especially as OB-GYN clinics in rural areas more particularly are closing. And so, we've got to have options for our mothers out there. So thank you.

DeBOER: Thank you, Senator Hughes. Senator Quick, you're recognized.

QUICK: Thank you, Madam President. And I wanted to get up and talk a little bit on-- I serve on the HHS committee, and before I talk about maybe some of my concerns with maybe parts of the bill, I want to preface it by saying that I know far more about labor and delivery than I should. My wife Alice was a-- she's retired now, but she worked labor and delivery for 44 years. So, when this bill came up, I called her and-- before the hearing that day, I had called her the night before, and I says, you know, what kind of questions should I ask and, and all of this. And so, she gave me a lot of great questions to ask, because my, my main concern was about safety for, for that mother and,

and the baby being delivered at home. And so, you know, when we had the hearing-- I really appreciate-- my, my wife actually wanted to be a, a nurse midwife, and we had talked about it. Actually, she might have been maybe 10 or 15 years into her career, and-- but for her to go to a, to a nurse-- or, or a midwifery school at that time, she would have had to go Kentucky or Colorado, and we had three young children, and I said, you're not leaving me with three young children. So, she decided that she would just stay in labor and delivery and, and do that work, and she had a great career doing that. So, I really have no issues with the certified nurse midwife; I have no issues with the doula part of the bill. My main concerns are with the certified professional midwife, and, and it mainly has to do with safety and making sure that the-- there's-- the best outcome can happen for that mother, baby, and their family. I know my wife, whenever we would go out in public-- working that long in labor and delivery, I think she probably delivered, I know, at least two generations of, of, of babies, and maybe even started on a third. So, it was quite of an experience to go out in the public and have people come up to her and say, you know, you really were there for my family when we needed you. And there were some occasions when, when people would talk about how, with her knowledge and her care for them and her quick actions, it actually was-- they were able to have a good outcome for their baby. And, and sometimes, that, that child might be with them, and they may already be grown up, and they'd say, look, you know, you helped us with this; if it wasn't for you, this baby-- she may not have survived. So, that's my safety concerns for the certified professional nurse-- or, certified professional midwives. Just making sure there's enough training, education. I know my wife, she went through-- she was a diploma RN. She went to UN-- or, what was it? It was, it was-- it wasn't UNK at the time, it was Kearney State-- for one year, and then she went to Saint Francis School of Nursing for two years. And then, she worked for a while, and then she went back to the med center and did online classes and did some classes at UNK to get her bachelor's degree. So, she had all this schooling, and then also did all this-- these certifications to make sure she kept up on the latest practices, the latest things that were happening in labor and delivery, to make that they were providing the best care they could for the, for the patients in the hospital. And not that she talked about-- you know, no HIPAA violations, she couldn't talk about individual people, but she did talk about circumstances in the hospitals where the labor-- the, the delivery was going fine, the labor was going fine, and all of a sudden, something happens. Maybe you have a-- they would, they would monitor the baby's heart rate, and maybe all of a sudden they realized with decelerations, they would call them, which is a drop in the

baby's heart rate, that something was going wrong, and they would have to do-- maybe move the mother, or do, do different things to make sure that that baby wasn't in so much distress. And I know there were times when she talked about-- they call it a shoulder dystocia, where the baby's head would come out but the shoulders get stuck, and how they would call a whole team of-- team of nurses in to make sure that that-- that they could, they could get that mother and baby situated so they could get the shoulders out and deliver the baby. And there were lots of times she talked about how they would have to have a team of nurses in there if the baby came out and wasn't breathing, and they'd had to bag the baby and, and get it breathing again; they'd have nurses working on the baby, they might have a pediatrician in the room, the doctor for the mother was in the room, and the nurses were still caring for the mother at the time. So, you have a whole team of nurses, and that was one of my concerns for a home delivery was, do you have that--

DeBOER: Time, Senator.

QUICK: All right. Thank you.

DeBOER: Thank you, Senator Quick. Senator Meyer, you're recognized.

MEYER: Thank you, Madam Chair. Or should it be Madam President? I'm, I'm not quite sure how to address you. I rise today in support of LB676, support of AM655, and in opposition to AM914. One of the things we've referenced today is maternity deserts, and, and certainly there's a health care desert, a, a, a very pronounced health care deficiency in much of rural Nebraska, and in some cases, perhaps even in our urban areas. Many of the hearings that we have in Health and Human Services-- I feel very fortunate to serve on Health and Human Services-- much of the testimony we hear, many of the testifiers, many of the people that are, that are coming to, to our committee talk about the challenges they face in, in providing services in, in the state of Nebraska rather than something I would like to do, is provide more medical delivery in our underserved areas. We're seeing an attrition of providers, whether it's in mental health services, in general. There's only 40 hospitals in a-- in the state of Nebraska, as I understand, in a, in a state of two million people that deliver babies, and most of them are not in the rural areas, the underserved areas. I kind of half-jokingly suggested to Senator Hansen that perhaps maybe I should amend this bill, and we'd have-- the state would declare that no one should be pregnant, get pregnant west of Highway 81 in the state of Nebraska, and he didn't go for that. I thought perhaps it should be 281, simply because once we get out of

our more urban areas, that-- providing that maternal care is extremely, extremely difficult. We're trying to increase what we're-- the, the safety and, and the, the availability of births in, in our, in our state, and certainly in our underserved communities. We cannot-- as a legislative body, we cannot legislate all the risk out of our, our, our people's lives, our residents' lives; we cannot regulate that. The concerns that have been pushed back with regard to the certified professional nurses, and in some cases, a certified-- the certified professional midwives and the certified nurse midwives is a matter of safety. And, and we simply cannot regulate the, the, the safety out of people's lives. So, once again, I stand in support of LB676, AM655, and I am against the amendment, AM914, and I would like to yield the balance of my time to Senator Hansen.

DeBOER: Senator Hansen, you're yielded 1 minute, 40 seconds.

HANSEN: Thank you, Senator Meyer. And I think he brings up a lot of good points about-- and Senator Hardin also mentioned it in his testimony-- about the idea of maternal health deserts in the state of Nebraska. And I think this is one of the-- one of the greatest kind of self-reliant-- relying on parental discretion to make decisions about what they want to do with themselves and their family. We do sometimes have to trust parents here, and mothers, about what they feel is best. I think one of our responsibilities as a state and a government is to make sure they have proper informed consent; you know, make sure that they know the risks of maybe what they're getting into, and that is included in my amendment, AM1097. We specifically put that in that amendment, that says the informed consent has to do with what kind of liability coverage they have, what kind of emergency plan that's in place, to-- they have to provide two referrals of a physician or a CNM, saying if you have any questions or concerns, here is, is a, is a physician, OB-GYN, or CNM you can go to ask questions about. I know one of the concerns we hear about from those maybe in rural Nebraska is, what happens if someone is an hour or two away from a hospital and something goes wrong with the delivery? The CPMs are trained to deal with these matters, whether it's hemorrhaging, whether the baby hasn't turned, whether to recognize certain issues with oxygen levels, we are providing them those tools to decide, OK, this is now not in my scope, it's out of my hands, we need to go to a hospital, and they're totally trained to do that, just like they're doing in 37 other states right now. 37 other states, and they're only growing. Again, colleagues, look at this map that I handed out, you'll see. Thank you, Madam President.

DeBOER: Thank you, Senator Hansen and Senator Meyer. Senator Bosn, you're recognized.

BOSN: Thank you, Madam President. I rise in support of AM914. I, as Senator Hansen knows, have had concerns regarding some of the expansion within this bill. And that doesn't come from a place of being difficult or thinking that mothers shouldn't have that choice; it comes from a position of having delivered four babies myself, having experienced complications that came up very quickly, with very little ability to have responded in any way that would have made a delivery outside of a hospital a safe experience. That isn't to say that somebody else's experience delivering outside of a hospital is going to go like mine, but I can't erase those feelings and those experiences, and so that's where my concern comes from. I think having some form of ability for mothers who choose to deliver at home be able to do that safely and with some form of education as to what decisions they're making-- I can get on board with some of those things, but I think AM914 does allow for those options for mothers. I would also note among the things that I received in regards to this bill comes from the rural health cooperative, which are rural hospitals, independent critical-access hospitals, and they opposed the creation of the certified professional midwife designation and license, addressing-- acknowledging it's a complicated issue, and that family physicians and nursing staff who deliver babies are trained and experienced medical professionals who provide the highest standard of care. Every critical-access hospital evaluates the delivery services it offers with the health and safety of the mother and child as a top priority. Creating certified professional midwives undermines that standard of care. Knowing firsthand the qualifications necessary to safely deliver babies, is-- it is our assessment that the very limited education and training of CPMs is not adequate to protect mothers and babies during a potentially complicated labor and delivery. Unfortunately, every hospital has experienced a bad delivery outcome. Complications that threaten the life of the baby and mother can arise quickly, even from uncomplicated or low-risk pregnancies. The training to recognize and respond adequately is far beyond that of the certified professional midwife. Licensure inappropriately signals to patients and families a medical ability that exceeds the needs of any non-routine labor and delivery. For rural hospitals, CPM licensure is not a solution to limitations in labor and delivery services, but rather a further complication. Our facilities become emergency backup care for any CPM that chooses to practice in our area. Rural hospitals are already strapped for expertise in labor and delivery due to the low number of births. Unplanned emergency cases that emerge when

inadequately trained CPMs encounter complications pose a significant burden on an already-strained hospital system and its medical providers. Our independent hospitals are deeply rooted in their rural communities. Our mission is to ensure mothers and babies in rural Nebraska receive the highest standard of care; more adequately trained medical professionals like an APRN certified nurse midwife and family physicians address the barriers to access. Adding inadequately-trained CPMs into the most high-stakes areas of health care will only mislead patients, strain local resources, and lead to more potentially fatal delivery outcomes. Every mother in Nebraska deserves access to quality care for labor and delivery. At minimum, that means adequately trained and experienced medical professionals. We encourage you to speak with us and our medical staff. Goes on, we ask for your opposition to any legislative attempts to legitimize certified professional midwives for labor and delivery in Nebraska. I can't ignore those concerns, and I hope that the rest of the body doesn't either. It's my understanding there may be further discussions, and I would certainly like to encourage Senator Hansen and Senator Fredrickson and any others who are supportive of this bill to continue their work together to try to find a common ground to allow for a safe process for mothers who choose to deliver outside of a hospital setting safely. Thank you, Madam President.

DeBOER: Thank you, Senator Bosn. Senator Raybould, you're recognized.

RAYBOULD: Thank you, Madam President. I stand in support of LB676, AM655, but in opposition to AM914. I do support AM1097 from Senator Hansen that will hopefully get up on the board. I have to tell you, this is so important for our state of Nebraska. I think every family wants to be able to make that decision and determination on, on their birth and their delivery, and I want to thank all the moms that have been sharing with us all the amazing birth stories, and wonderful stories with their midwife or their doula. And I just want to share with you my story. So, more than 40 years ago, I had a midwife. It's hard to believe, but we were living on the East Coast, and my son, my second-- our second child, went to maternity center, and had an amazing crew of midwives, and-- it's safe. It's safe. That's 40 years ago, and the thing I love about midwives is they understand their own limitation and their own training and their own background, which I think we're, we're selling them short on the accreditation. I know Senator Hansen has spoken about that. I think that we all want a safe delivery. But I, too, encountered a lot of medical pushback 40 years ago about trying to work with a midwife. And surprisingly, it came from my oldest brother, who is a doctor, and my sister-in-law, his wife, who is a nurse. They were horrified, thinking like, oh my god,

you have no idea how many risks are involved in labor and delivery. Yes, there can be risks, but the point I want to make about the wonderful midwives and the practice that they have is they understand the risk, and they do tremendous amount of screening for those pregnant people that want to deliver at home and with a midwife and a doula. They make sure that you-- they track-- that you-- they empower you to track your blood pressure, they empower you to watch your weight, they empower you to look for these certain signs and signals that you might not be having a normal, typical pregnancy. And if that is the case, then you are referred out to get the proper and additional medical care that that would require. So, I ask my fellow Nebraskans, it's time. It is so time. Let's give our fellow Nebraska families this option. It is a safe option with the appropriate guidelines and the certification that is required in LB676, AM655, and AM1097. I ask for your support. And Madam President, I'd like to yield the rest of my time to Senator Spivey.

DeBOER: Senator Spivey, you're yielded 2 minutes and 16 seconds.

SPIVEY: Thank you, Madam President, and thank you, Senator Raybould, for the time. And so, I wanted to get into a little bit more of the impacts of doulas, and I'm so glad you're back, Senator Hughes, because I have more information around why this is not a nice-to-do, but an important part of the care team. And so, there have actually been a few doula pilots already happening in our state. And what I handed out to you all, it shows that there needs to be different types of members of the care team, and doulas are one important part that have now been integrated within hospitals and birthing settings because of the role that they play. So, some impacts of doulas-- and again, you have this at your desk as well-- is that when a doula is a part of the care team, that it reduces the cesarean rate and the near-death experiences or mortality rate or actual death rates, so the morbidity or mortality, by 5% to 22%. Doulas also help to save costs on preterm births: around \$26 billion annually across the U.S. Some studies are showing that the pre-term birth changes are about a 22% reduction, and so that saves million dollars in health care costs because we know that the kids are not in the NICU, the mom is not put into the hospital. And then, some studies in Minnesota, Oregon, and Wisconsin show that for Medicaid reimbursement for doula care has resulted in significant cost savings, around \$58 million. And so, I see that the light is on, but I wanted to give some impacts of what doulas are doing around maternal and child health, that they are an integral part. And then, I will also talk about-- and I've punched back in-- around the doula pilots that are already happening with the Medicare-- the managed care organizations, UHC and NTC, Nebraska Total

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Care, and the impacts that we are already seeing and, and why they are on board. Thank you, Madam President.

DeBOER: Thank you, Senator Spivey. Senator Storer, you're recognized.

STORER: Thank you, Madam President. First of all, I do want to compliment Senator Hansen. This is long overdue that we get up to speed. It is, quite frankly, a little embarrassing that, if I understand, we are the 48th state to not, not have either certified-- allow for certified nurse midwives or certified professional midwives. But I do want to, to share some of my concerns about LB676 in its entirety, and why I am supporting AM914. This is not a simple issue, and when I, I had a constituent reach out to me back in the fall who lives over in Long Pine and is a certified nurse midwife, and started to explain to me sort of, you know, the whole lay of the land. And, and I have continued to learn, and I continue to learn yet today. But that being said, I do want to point out some vast differences as we talk about-- you know, I've listened to some of the conversation. I agree that, that families and moms have very different desires for their birth experience, and, and it is a good thing to be able to offer as many options as possible. But there's two different scenarios. One is looking at these provisions as options versus necessity to fill, fill need of care. And when we talk about a, a care desert, I want to just share a little bit of a very personal example with you, which-- you know, sometimes when I tell people this, they think I'm exaggerating. But my children were delivered at a hospital over two hours away. I could have went to a hospital that was an hour and 45 minutes away; that would have been the closest. I realize that I might be one of the most extreme examples in the state of Nebraska, but that is the heart of my district. And so, when we-- this is a fine balance for me as I, as I contemplate these issues. We need more access to obstetric care in the state of Nebraska, and very desperately in my district. I represent 11 counties, and in those 11 counties, which covers an area that's larger than the state of Maryland, we only have two critical care hospitals that deliver babies. So, there is a need. There is no doubt there is need for better access to obstetric care. Those rural circumstances also provide this element of concern between the two things really we're talking about here-- three, including doulas, but I'm going to focus specifically on certified nurse midwife versus certified professional midwife. And, and I know that there's not any absolutes here, and so this is hard, but when, when you encounter-- in the, in the event that you choose a home birth, in many parts of my district, and you do encounter an issue-- we've, we've heard some people say, well, certified professional midwives know when it's out of their scope and

it's time to, to transfer a patient to a hospital or to refer them out. I want you to understand that, in that case, for me, that-- the reality is you're going to wait for a helicopter transport, which is going to take at least 45 minutes. An ambulance-- where I live, an ambulance would take an hour, if, if the squad, the volunteer squad, was close by to jump on an ambulance and drive there in pretty short order. That would be an hour to get them there, and then you'd be an hour-and-a-half to an hour and 45 minutes to get to a hospital. And again, we have to keep the whole state in mind when we're making these provisions in law. And so, there's, there's, there's issues that are of preference, where we can ship somebody over to a hospital. Both of my grandchildren were delivered by certified nurse midwives-- one over in South Africa, actually. And, and so, I understand the value; I support this underlying intention of this bill. Again, I support LB676, as it specifically would be amended with AM914. I think that is a huge step forward for the state of Nebraska. But I do think it's important that, especially in our rural areas, that those, those moms have a certified nurse midwife that has a broader scope of ability to care for some of the emergency issues that certainly can come up in childbirth that, that are outside the specific scope and practice of childbirth. And so, for that reason, I am supporting AM914, and will jump up back on the mic.

ARCH: Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. Thank you, Senator Hansen, for bringing this bill. Thank you, Senator Storer, for what you said. You took about half my thunder over here. I, too, am in a rural area, and you know how bad it is when the helicopter lands. And I'm not that far away; we only had to drive an hour to have our kids. So, I, I think if you aren't from a rural area-- and I understand how rural-- you're in the most rural areas. We're in a healthcare desert, and I only live 50 miles from Lincoln. So, most of my critical-access hospitals have given up deliveries. So, putting somebody in an ambulance and sending them to that hospital doesn't do any good, other than the helicopter maybe waiting for you there to fly you to Lincoln, in, in most cases. So, I, I lean the same way; I lean toward AM914 with Senator Fredrickson. If you're going to come out to my house and perform a, a health care, I want you to, to be a nurse midwife. And I'm going to ask Senator Hansen a few questions here, and-- would Senator Hansen answer a few questions?

ARCH: Senator Hansen, will you yield?

HANSEN: Yes.

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BRANDT: Senator Hansen, is it illegal today to have a home birth in Nebraska?

HANSEN: No. Right now currently, we have what's called lay midwives that a lot of parents are using to deliver their child at home. Lay midwives currently have no education requirements, no informed consent, no nothing in state statute that drives the scope of practice.

BRANDT: OK. So, I-- what, what you're trying to achieve here is in a-- as opposed to having lay midwives, they would be CPMs.

HANSEN: Correct.

BRANDT: But a, a CPM-- a, a person could be a CPM today and perform as a lay midwife, would that be correct?

HANSEN: Correct.

BRANDT: Do some of these-- are some of these home births today driven by the cost of delivery in a hospital?

HANSEN: Some could be, sure. Some are cost, some are patient desire. Some are, you know, they don't want to be cut open again and have a C-section in the hospital, so they choose a midwife. There's various reasons.

BRANDT: OK. Are CPMs required to carry any malpractice insurance?

HANSEN: They're not required in state statute, but we did put that in informed consent, so they do-- that's in the amendment that we have, that they have to inform the mother of what kind of level of liability insurance that they do have.

BRANDT: Would they be required to carry any liability insurance?

HANSEN: The-- you know what? That also might determine the board that we are going to form. They may require them, according to their code of ethics, like many boards do, to, to cover-- have liability insurance. That's usually-- a lot of times, we can put that in state statute, or we can rely on boards to make that decision as well.

BRANDT: And I guess my final question: in the event of a bad home delivery, are CPMs liable?

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HANSEN: Yes, they could be very much liable to lose their licensure or be sued if they perform malpractice or something that, that they did wrong, sure.

BRANDT: OK. Thank you, Senator Hansen. I guess how I stand on this is I would be willing to vote this through this round, as long as Senator Fredrickson's amendment is, is part of this on Select. And with that, I would yield the rest of my time to Senator Hughes.

ARCH: Senator Hughes, 1 minute, 20.

HUGHES: Thank you, Chairman, and thank you, Senator Brandt. I just wanted to, to pop up. One thing I had questioned when I spoke the first time-- and, and I-- and I need to go talk to Senator Spivey, too. I just had some questions if, like, private insurance covered the doula position. And the person that had this information-- commercial insurance policies do not cover because doulas are not credentialed or licensed health providers. However, some self-funded employer plans design their plans to include doula services. Then I asked, well, if-- now that we're putting in statute their definition and licensure, I wonder how many private-- probably some will pick them up and some won't. So, that-- I always think if we're paying for something in Medicaid, is it equivalent if private is paying for it, too? And again, I'm going to talk to Senator Spivey after this, just off the floor. And I-- you know, insurance is such a little tricky thing, and it's different across all states, so. Anyway, I just wanted to put that on the record, and I turn back my time, what's left. Thanks.

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

HANSEN: Thank you, Mr. Speaker. One of the things I wanted to bring up: two of the main questions that I get about certified professional midwives is-- what are the training requirements that we have in the bill for certified professional midwives? And I want to kind of touch on that a little bit here, because some people are maybe hearing that the education qualifications aren't as rigorous as maybe they would like. But what we have followed is what a lot of the other 37 other states have done. Again, nothing new; we're kind of-- we have the ability to look and see what a whole bunch of other states have done, what's worked well for them and what hasn't. So, that's kind of how we're tailoring this bill. We originally had two avenues a certified professional midwife had to accomplish, one or the other, in order to become a licensed CPM. One of them was through an organization that was the PEP and Bridge program. The NMA did actually come to me, and they had some concerns about this, specifically the 50 college credit

hours. And so, we looked a little bit more into that and made the decision to exclude that now, in the bill, from the education requirements. And so, now, we are specifically going through the National Association of Registered Midwives and something called MEAC. That is one of the handouts I gave you, that talked more about MEAC and who's involved with it and what they, what they entail, and that's the Midwifery Education Accreditation Council. And so, just briefly to go over what the requirements are, they are educated-- they are accredited through the Department of Education. They do require 60-- at a minimum-- 60 credit hours of college courses. So, at the minimum an associate's. Some even go on to a master's, so sometimes, it takes two, almost five years to accomplish this. 100 prenatal exams, 25-- or, 20 births as an assistant midwife, 25 births as a primary midwife, 40 newborn exams, 40, 40 postpartum exams, at least two NARM-registered instructors must assess and verify performance. They have a 300-item, 7-hour accredited board exam, they have to be certified in adult CPR and infant neonatal resuscitation certified. Like I said, this takes a while to accomplish. You can think how long it takes just to do 20-- or, 50-- over 50 assisted births. That takes time. So, this is not a couple college classes, we have a high school diploma, and we can deliver babies at home. Right now, with lay midwives, we have nothing. If you so choose to deliver your, your child at home, you can do it with a lay midwife that has no education requirements, scope of practice, informed consent in place. That's what we're trying to accomplish with this bill. So, even if you have an inkling of concern about safety, you'll want to vote for this bill. If this doesn't pass, we go back to lay midwives. If this passes, we now have put some guardrails in place. So, the other question I kind of tend to get is, "How safe is having a home delivery with a midwife?" We do have statistics right now, according to the Nebraska vital statistics. According to our own Nebraska vital statistics, the mortality rate per 1,000 births for home birth is 6.9, and hospital births is 6.2, so almost identical. Sometimes they call it the success rate; the success rate of home births is 99.31%, hospitals 99.38%, making them almost statistically identical. And this is actually what we currently have with lay midwives. Imagine if we put some parameters in place for education and informed consent. The British Medical Journal in 2005 said planned home birth for low-risk women in North America using certified professional midwives was associated with lower rates of medical intervention, but similar in intrapartum and neonatal mortality to that of low-risk hospital births in the United States. The ScienceDaily in 2018: midwife-friendly laws and regulations tend to coincide with lower rates of premature births, cesarean deliveries, and newborn deaths. National Institutes of

Health, NIH, in 2018: midwifery integration was associated with significantly higher rates of spontaneous vaginal delivery, natural birth, vaginal birth after cesarean, and breastfeeding, and significantly lower rates of cesarean, pre-term birth, low-term birth weight in infants, and neonatal death. The Lancet-- again, another gold standard in the areas of research: in countries where midwives are integrated into a health care system, the benefits of midwifery care are well-documented. The Oregon Center of Health Statistics, Oregon, who has some of the most home births of any state and have been doing it for a long time, licensed midwives, the success rate 99.84%; hospital births 99.86%. The data is on the midwives' side when it comes to safety. The education requirements we're putting in the bill is on the side of midwives. We put them in place, people, just like 37 other states have done, and they're all moving the direction we're trying to do here. According-- look at that map again. Look at all the states that are now have bills introduced to certify professional midwives. There's a whole bunch of them.

ARCH: Time, Senator.

HANSEN: Thank you.

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

SPIVEY: Thank you, Mr. President. And thank you, Senator Hughes. We have been talking offline and having a really good conversation just about the impacts of doulas, which, depending on how much time I have, I will talk about my experience with a doula. But I wanted to mention first around the managed care organizations and the work that they're doing already around doula care. And so, to Senator Hughes' question earlier, private insurers are adding doula services to their offering to members because of the long-term savings that they have around items like cesareans, which cost more than a vaginal birth, pre-term birth. So again, that means that that newborn is in the NICU for a longer stay, costing more money to the insurance and that hospital, and because they are helping to alleviate that, it saves money. And so, doulas are seen as integral parts of the care team; they are not medical providers, which is important to note, but they are advocates. So, they do have a certification, they are trained, and they help you sort through the information that you're receiving. Say, if you have preeclampsia, or you're trying to decide your birth plan and what you want to happen, they help you put that together and then work with your-- rest of your care team, whether that's a CPM, a CNM, an OB, around what does that look like, and ensure that what you want within your birth experience actually happens and is honored, and that you

are heard in that process. And so, with the pilots here, UHC or UnitedHealthcare just completed a 60-person pilot through the Olson Center and with-- in partnership with the Nebraska Perinatal Quality Improvement Collaborative, or NPQIC, and so there will be data that will be released, as that pilot has just closed. They do have a white paper, which-- I handed out part of it, and I can send it to anyone who wants it. I did not print it because I'm trying to respect the trees today. If you want to gauge more and what they're saying around the, the qualitative impacts of doulas, the clinical side or the quantitative data will be being released by NPQIC. They just had a partner meeting, which my organization that I work in in my day job was a part of, to be able to tell and let people know the, the positive impacts that they have. Nebraska Total Care, one of our other managed care organizations, is completing pilots now with CHI centers and of their hospitals, as well as UNMC at the Olson Center in Omaha. So, one of those pilots is about 80% complete; the other one is just getting started. And so, we do have the data in Nebraska around the impacts of doulas and why they are important parts of the care team. Again, they are working with OBs, with certified nurse midwives that are practicing in hospitals now. And then, as we think about the collective work of ensuring that pregnant people can access the care that they want and choose-- whether that's a CPM, CNM, OB-- that they, again, are an option and a part of the care team to help reduce those disparities. And so, as we talk about and have this, like, very robust and comprehensive conversation, which I actually really appreciate, I think it's important to think about all the levers that need to be pulled together to create and really address the maternal health crisis that has been named. I know Senator Storer talked about maternity care deserts, as well as Senator Meyer, which I think is an important part of the conversation that CNMs and CPMs and doulas play a part of. I think, as a body, we really need to wrestle with reimbursement rates. Why are doctors leaving? Why are they not accepting Medicaid? Why can we not attract folks that can deliver babies in rural hospitals? That is an adjacent and important comprehensive piece of this conversation that I think we will continue and need to explore, as we are especially seeing cuts from the federal administration into the state around public health and health access in general. I see my light is on, and I may have one more option to talk, and I will give a little bit about my personal experience around what a doula does and how they provide support. And again, how does this really relate to the package around us, talking about addressing the maternal health crisis that we are in? And again-- and I want to thank Senator Machaela Cavanaugh. She talked about it a little bit when she was on the mic. This started really six years ago of

introducing these types of bills, and, and building an understanding and a foundation, and it's really exciting to be here now at this point where we can really push forward something that is truly bipartisan and really centers moms and babies in our state. Thank you, Mr. President.

ARCH: Senator Quick, you're recognized to speak.

QUICK: Thank you, Mr. President. And I'm going to talk a little bit more about the hearing that day that we had. And I did text my wife while we were-- while I was waiting to speak again, just to verify maybe the number of, of, of births that she had been part of over her 44-year career, and I think I told some other people a different number, but she told me it was around 25,000, give or take, deliveries that she'd been part over that, over that time. And so, I think with her experience, she's given me a lot of great advice for asking questions. So, I know when the CPMs, when we had that hearing and I had some questions for them, I did have some concerns about what happens if at some point-- and it can, it can happen at any time or it may never happen-- but if the mother and the baby are in distress, the baby is not breathing, the mother is bleeding, how do you-- which one did you decide to take care of? How do you do that? And this individual told me that she had-- maybe would have some, have some, some helpers there that would be able to help. She also mentioned maybe the father would help. Now, my wife has told me over time-- I never passed out, to, to my credit, but she did mention that sometimes fathers have passed out in the delivery room. She said, actually, one time, a father passed out, hit his head, and they had to bring in another nurse to take care of the father while the other nurses took care of the mother and the baby. So, that was an instance where, where you might require more, more help. And so, that was one of my concerns, as far as the safety side goes: what happens if now, all of a sudden, you've got two patients that, that are in critical need of care, and, and you've got to figure out what to do? The other side of that is, is in most of these rural areas, if you're going to have to have an ambulance come, these are mostly EMTs, they're not paramedics, and I think EMTs don't have the training that the paramedics have for this type of, of emergency. And sometimes, that can be a little bit scary, so-- and then there's that safety issue. I know my wife, from-- over the years had-- when there was an emergency at the hospital where they didn't feel like they could take care of that mother and baby, they would have to be shipped by ambulance, and this is before they had the helicopters. So, she would ride the ambulance from Grand Island to Omaha, to the sister hospital there so they could receive that care. And she rode right along with the-- there were paramedics

in there, but they had a, a-- one of the nurses ride along to make sure that mother was, was OK. These were situations where the mother hadn't delivered yet and, and needed to transport them to a different hospital for more intensive care. I do want people to know that I do support nurse midwives. I think-- my wife has many friends who are nurse midwives, and they do a great job. And I'm wondering why we can't just have the nurse midwives do the home deliveries, if that's what they would choose to do. I know a lot of them would rather work in a hospital setting or a birthing center setting, and so that-- maybe that's why this is happening. I also know my wife had worked with doulas before, and they provided a whole different service. And I think she's, she's recog-- she recognizes what they can provide for the mother and the family, and especially maybe for a single mom who, who maybe needs that extra help that-- where she doesn't have a partner who can maybe take her to, to her-- to see, to see her midwife or to see a doctor, advise her on what-- maybe she's a new mother and needs some advice on, on help and what will happen, and, and all that other experience. So, I think they, they serve great purposes for our mothers and their families, and with that, I'm going to-- I will support LB676, but I'm also-- would, would like it with AM914 unless we can work out some type of, of an agreement, so. Thank you, Mr. President.

ARCH: Senator Strommen, you're recognized to speak.

STROMMEN: Thank you, Mr. President. Good afternoon, actually five minutes to good evening. Look at that, we've made it all the way to 5:00. We should give ourselves a round of applause for that. I just wanted to reiterate some of the concerns some of our critical access hospitals have out in our rural districts. So, like myself, out in 47, I've got nine counties out there, and some of the issues that they run into, some of the things that I've been told are that physicians and CNMs are trained to anticipate emergencies; rural settings require even more anticipation and coordination. These risks are even more pronounced in Nebraska's rural areas, like-- as I said, where access to life-saving hospital care may be hours away, and emergency transport relies on availability of volunteers. A lot of times, we're two, two-and-a-half, could be three hours from the, the closest facility; that makes it extremely difficult to get from point A to point B. Authorizing complete independent practice, including home births attended by CPMs who lack the medical education and clinical training necessary to manage childbirth complications puts mothers and babies at even greater risk. Many rural areas in Nebraska rely on volunteer emergency responders. This is true; we have an extremely difficult time getting people to run those ambulances and run those

EMT crews. And in critical situations, such as postpartum hemorrhage or newborn distress, delays in reaching appropriate medical care can be life-threatening. Authorizing complete independent practice, including home births attended by under-trained providers will only increase the likelihood of preventable tragedies, particularly in rural communities. I just wanted to, again, reiterate some of the concerns that some of the folks out in western Nebraska-- at least some of the hospitals have, and as well, some of our first responders have, and I yield the rest of my time. Thank you very much.

ARCH: Senator Lippincott, you're recognized to speak.

LIPPINCOTT: Thank you, sir. A couple of generations ago, the vast majority of Nebraska babies were born at home. But today, the views of Nebraskans on home births are polarized, shaped by the state's restrictive laws, cultural values, and concerns that put safety over personal autonomy. Currently, Nebraska is the only state in the United States where certified nurse midwives are legally prohibited from attending home births. In fact, it's a felony for them to do so. Midwifery was common and legal in Nebraska until 1993, when then-Attorney-General Don Stenberg issued an opinion stating that lay midwifery was, quote, unauthorized practice of medicine and surgery, unquote. I've spoken with many groups, including organizations like Nebraska Friends of Midwives, who support home births; they argue women should have the right to choose where and how they deliver their babies. I've also had many conversations with midwives who are highly trained in their field but are unable to practice their art because Nebraska's statute does not recognize their credentials simply because they are not also registered nurses. They emphasized the comfort and control of home environments, especially for low-cost-- low-risk pregnancies, and cite hospital risk and unnecessary interventions such as cesarean sections. The incidence of C-sections performed in Nebraska hospitals in 2008 was 31%. Despite the objections from some in the medical community, home births are actually safer in some options currently available in Nebraska. Advocates say legalizing trained midwives could reduce risk from unassisted births, which some women choose due to the state's restrictions. Many see home births as a return to natural, community-based practices and this resonates, especially in areas where hospital access is limited. Many in rural Nebraska face so-called maternal health care deserts. Such hospitals like the Howard County medical center have ceased offering birthing services due to low demand and high cost. This pushes some toward home births out of necessity. For those who desire a home-like feel to the birthing process, some hospitals have begun offering specialized birthing rooms with certified nurse midwife support. Other facilities,

like those supported by central Nebraska doulas, seek midwife care in hospitals or birth centers to balance safety and personal preference. Just because Nebraska offers no license for midwives, however, does not necessarily mean they are untrained, and the absence of licensing creates a barrier to gifted and trained midwives moving to our great state. In fact, 37 other states offer professional licenses which are not reciprocated or recognized in Nebraska. Almost every year, a bill comes before the Legislature which would harmonize licenses with other states, making it easier for medical professionals or teachers to move into Nebraska without a significant educational burden or requirements for them to continue working. Without that reciprocity, we keep certain needed trades and professions from our state. The Nebraska Supreme Court even entered into the home birth fray with its 2024 review of lay midwife regulations. The question at hand is whether midwifery is actually "practicing medicine" under state law. The Legislature is currently considering LB676, which would establish the Licensed Midwives Practice Act [SIC] in Nebraska, creating a formal regulatory framework for professional midwifery. 37 other states have already recognized and licensed these caring professionals without requiring them to have credentialing as nurses. It's time we join them. I support LB676 and the committee amendment, AM655. Thank you, sir.

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

ROUNTREE: Good evening, and thank you, Mr. President. I'm not going to be long before you, but greetings to all of our colleagues that are still here, and to all that are still watching online. I just rise very quickly to say I do support the midwife bill. I was delivered into this world some years ago-- I won't tell you how many years ago, but some years ago, down at my auntie's house, a midwife back in North Carolina. They were referred to as granny midwives back in that day. But I came into this world and took my first breath, delivered at the hands of a midwife. About a couple of years later, my sister, just under me, was delivered at my aunt's house again by that same midwife, so we have that on our birth certificates, something we have in common. So, I support midwives and what they've done and-- bringing so many of us into the world. But I rise today also to support Senator Spivey's doula bill. My daughter, who has my only granddaughter, utilized a doula during her birth, and I asked her, I said, hey, we're talking about doulas and midwives and so forth; I can speak on midwives, but what about doulas? I would like to speak about your experience. So, she wrote me, so I just want to read that out very quickly. She said: we decided to have a doula present during birth for a few reasons. So, one, as a first-time mother, you hear so many

traumatic stories about birth that it can be overwhelming. So number two, she's-- I am a black woman, and my experience in life have confirmed-- my experiences in life have confirmed for me that I'm not always going to be provided with the best information or care in the medical system. This not only impacts me during birth, but my child as well. Said the third reason was because my own mother almost died giving birth to me for reasons that could have been prevented. So, for us, having a doula was not only something-- someone who could help guide me through the birthing experience but also advise my husband on how to advocate for me, if I was unable to do so for myself. And when I went into spontaneous labor a month early, her presence was critical. So, as we move forward in our discussion, I didn't want to repeat a lot of what everyone has said. There's been so much great discussion here today, but I just wanted to offer that personal experience from my own delivery into this world, and also from the doula experience with my daughter. I like the part that she said, basically, the doula could also help if there was issues in the delivery room. Once my daughter was delivered, my wife's placenta didn't deliver, but all the doctors had left, so we were there, and she started to bleed and bleed out. Now, I did not know what to do, but I ran to find someone to come. So, they came back and tried to help deliver that placenta by going in and helping to scrape out. But what ended up happening was, a week later, she had to go back into the hospital for an infection, which left me at home with a 15-month-old and a 1-week old newborn. So, I want to tell you that I got all of my daddy skills quickly with that newborn. So, I tease this daughter about her birth, and about having that milk under her chin. But I thank God for us being able to be here today, and we can do the right thing as far as taking care of our doulas, midwives, and taking care the great people in this state of Nebraska. Thank you, Mr. President, and I yield back the rest of my time. Thank you.

ARCH: Senator Meyer, you're recognized to speak.

MEYER: Thank you, Mr. President. I appreciated the comments from Senator Brandt, and I, I do want to address that just a little bit. In the, in the process of the hearing on LB676, one of the questions I had for one of testifiers, an OB-GYN, a gentleman I respect very much for his efforts in providing safe births in the state of Nebraska was, "Which is the greater risk: having a birth at home with no one, or having a certified nurse midwife or certified professional midwife there?" I, I think that's a, a very valid question to ask, and this is, this is what we're trying to-- what we're trying to remedy with LB676 and, and the efforts that, that, that we're, that we're expending here. When we talk about liability, would, would the

certified professional midwives have liability coverage? Would the certified nurse midwife have liability? I think that's one of the reasons we're not having as many birthing, birthing centers in the state right now. It's two-fold: these hospitals simply don't have enough staff, and also a liability. And, and so, I have an understanding of that. We're an increasingly litigious society, and, and more is the pity for that. But, but once again, whether, whether there's liability insurance, the doctor coverage, the hospital, hospital coverage, or whether it's the, the midwife coverage, there's, there's still-- there still is that question of liability that has to be addressed. With that, if Senator Hansen has time-- I see he is having some discussions back here. I'd yield the balance of my time to Senator Hansen.

ARCH: Senator Hansen, 3 minutes.

HANSEN: Thank you, Mr. Speaker. I appreciate all the discussion that we're having on the, on the mic here. This is actually pretty good. I, I did want to mention a little bit about the amendment, AM1097, that we have after Senator Fredrickson's amendment, and this did have to do with some of the concerns that were raised by the hospital association, by the Nebraska Medical Association, and some other parts of the bill that we put in here to maybe help provide a little bit more informed consent, provide more of a collaborative effort between the midwives and between the medical side of delivery. And so, we did actually put in here the Nebraska Hospital Association's recommendation of liability, making sure that the hospitals are not liable for something that may happen during a home birth. So, if something goes awry during a home birth and they have to take them to the hospital and it was actually due to the midwife, is-- the hospital's not responsible for that. We put that specifically in there. CPMs can't practice in hospitals, and if CPMs practice in other types of health care facilities or clinics, they shall be subject to the rules and procedures of the facility. We also included language suggested by the Nebraska Medical Association. We did have the ability for these-- the midwives to extend care after birth, you know, with-- newborn care they call it-- up to six weeks, I believe, because that's what a lot of other states do. We actually limited that down to seven days. So, the midwife is, is able to see that baby for seven days afterwards, which then the parent can make the decision to go see a pediatrician or do what they want. We did follow, like I mentioned before, the NMA's suggestion for education requirements by getting rid of the Bridge program, and we also did include one of the recommendations about reporting requirements. So, the midwives do have to report to the board about the outcome of the delivery, the process

of the delivery, what happened to the mother, so then we, as the Legislature, can have proper information to determine what is working with midwifery in the state of Nebraska. A lot of the information that we had for certified nurse midwives stayed the same; that is not included in the amendment. And we did add the requirement for CPMs to provide referrals to physicians or CNMs to each client; that's what I mentioned before. So, when there's that collaboration, that agreement between the, the midwife-- the certified professional midwife and the mother, they have to provide two referral sources to say, hey look, if you have other questions or concerns, here's two people that we recommend, or-- which would be a physician or would be a CNM for further information. So that way, we can at least have some kind of collaboration, and the mother just isn't left there in the dark with the midwife. And it does require the CPMs to have a level of liability to-- a level of liability insurance be included in the consent form, that way, the mother and the parents know what they're signing up for. I think that's important. So, the parents, when-- just like with many other things in life, we want to-- we want to make sure that there's proper informed consent so when-- you know, whether it's you're getting your house redone, or whether it's a plumber, or whether it's somebody delivering your child, you want to make sure that they're--

ARCH: Time, Senator.

HANSEN: --insured and bonded, and that's what this informed consent does for the parents. Thank you.

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

ARMENDARIZ: Thank you, Mr. President. First, I, I, I wanted to jump in and talk about this, because it appeared to me that the bill was initially to cover the certified professional midwives by the Nebraska Hospital-Medical Liability Act. And now-- and I'm going to ask Senator Hansen some questions that I've talked to him about off the mic. But to be clear, a certified professional nurse mid-- certified professional midwives can now deliver babies, they can now buy medical liability insurance if, if they have coverage available to them. This Nebraska Hospital-Medical Liability Act is the biggest concern to me. As I'm here in the Legislature, I'm here to evaluate the risks faced by Nebraska taxpayers, and this, this medical liability act is an excess liability funds act that will cover medical liability. It was part of tort reform that created caps on damages that can be awarded for medical malpractice or liability, and the taxpayer will jump in under certain guidelines of these medical professionals. Those guidelines by those medical professionals, they have to have medical

malpractice insurance at very high rates, \$500,000, \$1 million dollars, to be covered by that excess liability fund by the state of Nebraska, should those damages reach farther than their insurance coverage. So, there are, there are quite high requirements for a medical practitioner to participate in this fund. So, if Senator Hansen can answer a few questions for me.

ARCH: Senator Hansen, will you yield?

HANSEN: Yes.

ARMENDARIZ: Senator Hansen, thank you, and thanks for our conversation off the mic as well. And your last time on the mic right before me, you talked about removing the hospital's liability for these professional midwives should something go wrong during the deliveries, but I don't think that was exactly what I was asking you. You were saying that an amendment was going to remove that liability of the hospitals being responsible or any physicians being responsible, but my question was actually their participation in the excess liability fund that is available in Nebraska. Is, is that the intent of the bill, to get coverage with this excess liability fund? Aside from holding the hospitals harmless with anything that they're doing, would the Nebraska taxpayer and the excess liability fund cover these professional midwives?

HANSEN: Yes, that's in AM655. That was, that was one of the largest concerns the Nebraska Medical Association had, by far. That was one the first concerns they came to us with, and so we did remove the midwife-- midwives from the excess liability fund, and that's in AM655.

ARMENDARIZ: OK. So, when you were on the mic before, when you talked about removing the hospital's liability, that wasn't exactly what I was-- what I was asking.

HANSEN: Yep. Two different things, yep.

ARMENDARIZ: So, you do mean the taxpayer of Nebraska will no longer be carrying insurance coverage for these professional midwives?

HANSEN: No, if, if that's what you mean by being included in that--

ARMENDARIZ: Correct.

HANSEN: --the liability fund, yes, they are not included in that at all. We also had--

ARMENDARIZ: OK, so they will be removed from that.

HANSEN: Yeah. In, in the next amendment, that's the one we address the hospital association's concern so they're not liable for something that happens during the birth. Yes. That's included in the next amendment.

ARMENDARIZ: OK. And I appreciate that, and as we talked about off the mic as well, there is no-- there is no limit on the amount of liability that the professional midwife needs to carry for these families, should something go wrong?

HANSEN: No, we put that in the informed consent so the parent knows the level of liability that they do have, of, of liability insurance that the CPM does have. Also, that could be something the board maybe requires in order to have licensure in the state of Nebraska; that could be a part of their code of ethics. And so, no, in statute, we do not have that, but we included that in informed consent portion.

ARMENDARIZ: OK. And, and, and speaking for-- as a risk analyst for the taxpayers and, and Nebraska con-- constituents, I, I do-- I flag that as something that they may be under coverage, should something go wrong during a birth, and that makes me a little nervous about not having a maximum/minimum requirement on liability insurance, should something wrong, and be able to receive some kind of damages. So, that's where I'm at on, on the bill so far, and I appreciate your time. Thank you, Mr. President.

ARCH: Senator Riepe, you're recognized to speak.

RIEPE: Thank you, Mr. President. I appreciate this opportunity. I am standing in support of AM914. For those of you who don't know me, my background as such is-- I was a hospital administrator for 40 years. I spent 20 of those years at Bergan Mercy Hospital, and we, along with Methodist in Omaha, delivered the majority of babies in that market. So, I've seen a lot of babies kind of come and go. I also spent 15 years at Children's Hospital, and I would like to point out, though I was not a physician, I was an administrator, and I was, not only not a physician, but I was also not a maternal and infant physician. Childbirth is not an easy process, it's not a simple process, and it's not necessarily a safe problem. It's not do-it-yourself business, and some of that is reflected in the liability cost. At an earlier time, I was the president by title of Mercy Hospital in Council Bluffs, and our liability insurance for each one of our OB-GYNs was \$80,000 a year, so that's reflective of how much risk is involved. Everyone

wants a perfect baby, and anything short of a perfect baby is a potential for a very long-term expense and a lot of liability expense as well. Number one, I support clinical nurse practitioners as qualified and experienced, and I'm eager for them because I do feel that in our entire state, and particularly more, more so out of my district, which is Omaha-- in the western part of the state, we need more access. I, I get very concerned about a mother who-- particularly a mother who is possibly a diabetic, who therefore is a high-risk mother; has blood pressure, therefore high-risk. And if they're an hour-and-a-half in a snowstorm, we have to have some resources there, but we have make sure what we do is what we can do, and we have do it up to a certain level of care. I believe that a clinical nurse practitioner can do that. I have concerns with the licensed clinical nurse practitioners in terms of the limited experience-- not experience in a routine delivery, but experience in terms of a breech delivery or a delivery that's a very complicated or a lot of, lot of things can go wrong, if you will. I also-- we've talked a little bit about doulas. I think the doula is a good service, but my piece on the doulas piece is, first of all, I believe it's nice, but I don't believe that it's essential to the delivery of an infant. And quite frankly, my bigger cause here is, as a state, we have to slow down or stop the expansion of Medicaid, if you will, across the state. This is a particular program that has grown in expenses and will, quite frankly, break the bank if we're not careful. We have seen a lot of recent information coming out of the Trump administration talking about cutbacks. We had a notice the other day of 1115 waivers, which is a special way of getting some added money, if you will, through Medicaid, but we've also received notice that over the next three years, the state of Nebraska is going to lose \$485 million, I think it is, in Medicaid reimbursement. So, there's-- we're at risk, and we need to be taking a responsible position on controlling our Medicaid spending and enrollments and everything else. We have to be good stewards and-- because all of these is what results in taxes for our citizens in the state of Nebraska. I thank all of you, and I thank you, Mr. President.

ARCH: Senator Raybould, you're recognized to speak.

RAYBOULD: Thank you, Mr. President. Good evening, everyone. You know, I want to address some of the liability and insurance concerns that are being raised, and I, I just want to remind everyone that if they looked at the data of home births with midwives versus delivery births in hospitals, the data shows that the positive outcomes are equal for a midwife or even better for home deliveries. And you're saying, "How can that possibly be?" Well, there's a number of factors that go into

determining whether you, as a, a parent, are qualified and capable of having a home delivery, and that starts with the screening of you; it is doing a complete risk assessment; it is monitoring the pregnancy throughout the entire course of the pregnancy. And should at any point in that pregnancy there are indicators that you need additional care and become an at-risk pregnancy, you immediately get referred to a physician or a nurse practitioner affiliated with a hospital, because that's where that delivery should belong. And that's why home births and midwives' data and statistics that Senator Hansen had presented earlier show that their outcomes are quite good if not equal or better than hospital deliveries, and that's why folks should feel safe and comfortable going through a home birth experience if that's what they so choose. So, I wanted to talk about-- Senator Lippincott got me thinking about, you know, how did, how did people get born in Nebraska so long ago? And I remember sitting down with my mom over coffee and just trying to write down some of her memories so that I, I would be able to talk about it with my granddaughters. And I said, OK mom, like, OK, you, you know, like, what, what hospital did you go to? And she looked at me and kind of rolled her eyes and said-- she was, she was born in Tarnov, Nebraska. She was born on the farm. They were lucky if a doctor got there in time. She was child number 8 out of a family of 12 kids, all born on the farm. And so, the point is that this-- yes, birth can be risky, and-- but birth can pretty, pretty darn ordinary with or without help of a physician or a midwife. So, I wanted to share that, and I also wanted to share the amazing story of my daughter, who went on-- who married a wonderful young man, and they live in California. But my daughter went on to, to have two home births with two midwives and one doula, and it was an extraordinary experience. But why could she do that? Because she was a very healthy mom, although she was classified as a geriatric mom. But she was very fortunate to have adequate medical care, adequate medical screening, adequate risk assessment to allow her to do that type of birth plan. And you know, we all have birth plans. For those who've given birth, you know, you have everything think-- you think will go right, but sometimes you have to have a plan A and a plan B, and sometimes that plan B means you, you have to deliver in a hospital. And it may not have been a 100% natural birth that you had anticipated and hoped for, but as long as you have a healthy baby, that is what the outcome is. And that's what hospitals want to achieve, and that is certainly what the midwives want to deliver on, and-- no pun intended. But it, it is that important. And so, if-- I'd like to yield the rest of my time to Senator Spivey, if she would like that.

ARCH: Senator Spivey, 1 minute.

SPIVEY: Thank you, Senator Raybold and Mr. President. Again, I have an experience with a doula that I'm going to talk about, but I wanted to make sure I uplift and appreciate Senator Riepe's comments; we talked a little bit offline about just Medicaid and what it covers. And so, I just want to reiterate, specifically with doula services, I respectfully disagree, and the data disagrees that doulas are important parts of the care team that are saving clinics, insurance companies not only money, but creating positive birth experiences for that mom and family, which is uber important. This-- and the doula portion, LB701 of this bill, comes from the Medicaid Managed Care Excess Profit Fund. We have worked with Fiscal, and it shows that the fund is sustainable. The amount on my fiscal note is about \$200,000 per year. And so, there will be after, when we look at this biennium, a fund increase of \$6.6 million. And, as Senator Riepe has ensured that we need to be fiscally responsible, which I do agree with as a member of Appropriations, and be in this space about the sustainability of the state--

ARCH: Time, Senator.

SPIVEY: Thank you, Mr. President.

ARCH: Mr. Clerk, for items.

CLERK: Thank you, Mr. President. Your Committee on Transportation reports LB311 to General File with committee amendments. Amendments to be printed from Senator Storer-- amendments and a motion to be printed from Senator Storer to LB383; Senator McKinney to LB644; Senator Fredrickson to LB676. Communication from the governor concerning an appointment-- reappointment to the Nebraska Environmental Trust Board, as well as the Nebraska Public Retirement Systems. That's all I have at this time, Mr. President.

ARCH: Senators, the Legislature will now stand at ease until 6 p.m., and the next speakers when we return will be Senators Wordekemper, Hansen, Jacobson, and Fredrickson.

WORDEKEMPER: Thank you, Mr. President. Looking at LB676, I, I understand the need for that. I, I think I respect families have their birth at home. That's what they choose. I, I also am in support of AM914 at this point. I believe that that's the choice that families want to make, that we want to make sure that the people that are assisting them are well-trained, licensed, and, and able to handle the situation when things go bad. And so I, I think that's important for us to look at that. If, if they want to choose to have their birth at

home, let's, let's make sure that they have the ability to do that with licensed people that are able to help. In my career I've been to a few of these situations where you got there, one could say, at the right time, when the baby was already born and everything was good and you just have to maintain the mother and cut the cord and take care of things. And, and everything's good under that. But I will tell you there's a few calls that really get you-- your heart racing. You know, a child call, a birth. You're, you're really thinking about what's going to happen when you get there. You don't know what to expect. And I'd be remiss if I didn't say on your way there, you were praying a lot because you want the best and, you know, it's going to require your best and your training to take care of both the mother and the baby. So that's important. And there's been other times when we've been called and you get there and the mother has not had the baby yet. And then you're praying also that she doesn't have it and the ambulance driver drives a little faster because it can always be a bad situation. You don't know. And so that's my concern with this. I understand that people have the right, choice to do that, but there's always adverse reactions or things that can happen. And those are terrible. It, it weighs on the mother, it weighs on a family, it weighs the people that are responding. So my colleagues have been in those situations where things didn't go so good. And to speak with acknowledgement of what Senator Storer said, you know, if you're deciding to have this birth at home, maybe by choice, or not by choice. The ones that we've been to, the majority have been not by-choice. So you have to rely that your 911 service is available. That they're not tied up on another call. The people that are there have the right training. As she pointed out, you might just have EMTs. You might not have a paramedic. And so it's always important to realize that if you decide to have your birth at home and things aren't going as expected, you're already behind the eight ball. And as EMS workers, it's tough to always play catch up. You do the best you can. We take the best care we can of the patients, whether it's one or two at the time. But you're also doing that while you're driving down the road in the back of an ambulance. It's not the ideal situation in a bedroom, in an emergency room. So things don't always go as planned. So I guess I understand people's choice to have their home births. I, I just want to make sure if that's the case, that as a state we make sure that they have licensed people there that are well-trained to take care of the patient and the baby. Thank you, Mr. President.

KELLY: Thank you, Senator Wordekemper. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. Well, I think, as all of you know, I'm a strong pro-life senator. And I believe that when it comes to getting rid of barriers to practice your craft, that we try to get the government out of the way as often as possible. My only exclusion is when it comes to health care. The health care in my mind is a whole different standard. I believe that patient safety, and that would be the patient safety meaning the mother and the baby, is put first. You can go shop and have a home birth and do less cost, but is that really what you want? The cheapest way to go? There's that old saying: It's all fun and games until somebody gets hurt. We've heard a lot of testimony today that a professional nurse midwife is, is very qualified, and the safety is safer, even safer. But according to a '23 study, and I quote, neonatal death rates are significantly higher when home births are attended by midwives who are not certified nurse midwives. For first-time mothers, the risk of neonatal birth at home with a midwife who is not a certified nurse-midwife is over six times greater. It's over six times greater than when the same mother delivers in a hospital with a CNM. What do you suppose that would be when you're took in a qualified OB-GYN? I don't know about you, but I want the best trained person to do medical work on me. And I would think others would want the same thing. We talk about how these births are so simple. And we can also talk about first-time mothers and about how, well, there's no problem with the pregnancy. But in many cases, how do you know? Because in many cases, there is no prenatal work that's being done either. So you really don't know what the situation is when you go through this. And then suddenly there's a problem, and then what are you going to do? Well, you're going to go to the hospital. And as soon as you cross the doors of the emergency room, that liability shifts to the hospital. You can contract away, do whatever you want to do, but there's no getting rid of that liability at that point. The hospital's right in the thick of it. And now you've got a very compromised birth. And that does account for some of the birth rate losses that are happening in hospitals. It's from somebody getting there way too late. So in my mind, training matters. We should be focused on that. I can tell you that when you look at ruralMED Health Cooperative, which is the hospitals in Valentine, McCook, Cozad, Callaway, Holdrege, Ainsworth, Cambridge, St. Paul, Broken Bow, and Alliance, they make it very clear in their letter that they oppose working with CPMs. And they are convinced that you cannot compromise health. These are people that are in the rural communities. Let's also remember that when it comes to why many hospitals have gone away from delivery, from, from deliveries of babies, it's one reason. It's liability. So why is there such a liability concern by professional physicians if these are all safe, that it's rare that there's ever

going be a problem? Because there are problems. And the lawsuits that follow, just, just take somebody who loses their child. There's nothing more precious in your life than your child, and particularly a baby. And at that point in time, you want to sue somebody, and you do. I'm just telling you this is a bad course to go. I do like Senator Fredrickson's amendment, I think it fixes a lot of things. If that amendment is pulled, I'm voting no. That amendment has to be in the final bill if I'm going to be a yes vote, and I hope everyone else follows suit. Thank you Mr. President.

KELLY: Thank you, Senator Jacobson. Senator Clements, you're recognized to speak.

CLEMENTS: Thank you, Mr. President. I'm standing in favor of LB676, but I'm not in favor of AM914. My personal experience is with a daughter of my own who has had four children using certified professional midwife each time. Not in Nebraska, in other states. But my daughter also is a labor and delivery nurse, and she told me that she chose to use a midwife for home delivery because of the hospital intervention she's seen in delivery in hospitals. They're inducing labor, they have a, a hurried approach, the doctors have many patients. And she wanted an individual person attending her at home who was monitoring just her, not a bunch of other people. And her first child ended up having an abnormal heart rate, and this was at home. And the certified professional midwife was monitoring that and suggested, we probably better go to the hospital and make sure nothing is, that there's no problem. And she ended up having a fine delivery with no issues. But she was pleased that she had someone there for her first delivery who was monitoring her and made a recommendation. So she's not against the hospital care, but she really encouraged me to speak in favor of the certified professional midwives because of experience that she's had and the care that she was given. And I believe that they can be trained well enough, and Senator Hansen's bill does have adequate training in my opinion, so I am going to oppose AM914 and vote in favor of LB676. Thank you Mr. President.

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

FREDRICKSON: Thank you, Mr. President. Good evening, colleagues. So I, I appreciate a lot of the conversations that have been had on this amendment, as well as the underlying bill. I actually just got a text from someone that said this has got to be the wildest vote card ever, which is kind of a funny thing, and I think it's probably true. I think based on the conversation, you know, it's pretty clear to me

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that AM914 has widespread support in the body. And I think a lot of compelling points and arguments have been made about that. I also understand, just based on discussions with Senator Hansen, that AM914 is not an acceptable compromise in his opinion. And I appreciate his commitment to work together between General and Select on this bill further. I've received a lot of pressure from within the chamber to not pull this amendment, and I understand why. I think a lot of folks want to vote on this amendment. But I also gave my word to Senator Hansen earlier today that I would pull this, and I do intend to keep my word on that. I also mentioned to Senator Hansen that I have placed a placeholder amendment on Select, and I intend to bring this amendment back on Select should we not be able to come to an agreeable compromise in the interim. So with that, I wonder if Senator Hansen would quickly yield to a question.

KELLY: Senator Hansen, would you yield to a question?

HANSEN: Yes.

FREDRICKSON: Happy "mom-nibus" Day, Senator Hansen.

HANSEN: Thank you.

FREDRICKSON: Yes. Did, did you-- does what I say seem accurate to you based on our conversations?

HANSEN: Yes. Yeah, and I appreciate Senator Fredrickson for willing to at, at least give us a chance here to sit down and see how we can tighten some of the language which we've presented to him already. It goes a little bit farther than I would like, but this has to do with the CNM-- the CPM portion and the referral process about if there is a mother who has a higher risk, what's the process about the referral and how the CPM has to approach that. And I think as a direction we can go that would, you know, I think even address a lot of the concerns that we heard today on the floor.

FREDRICKSON: Great, thank you, Senator Hansen. So what I intend to do is, like I said, I will plan to withdraw this amendment. I am not planning to support the committee amendment here on General File. But I will play on supporting the underlying bill as a sign of good faith to continue to negotiate on this between General and Select. So with that, I will withdraw the amendment. Thank you Mr. President.

KELLY: Thank you, Senator Fredrickson. So ordered. Mr. Clerk.

ASSISTANT CLERK: Thank you, Mr. President. I have AM941 from Senator Hansen with a note that you wish to withdraw it.

KELLY: So ordered. It's withdrawn.

ASSISTANT CLERK: In that case, Senator Hansen would offer AM1097.

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

HANSEN: Thank you, Mr. President. Colleagues, this is the, this is the other amendment I mentioned earlier before in my opening and other times when I've been on the microphone to talk. This did address the Nebraska Hospital Association's opposition which had to do with the liability part. So if a CPM does have to bring a, a mother to the hospital for a reason, the hospital is not found liable. We also had some suggested language by the Nebraska Medical Association with the newborn care that I mentioned earlier, the change in the education requirements and also the reporting requirements that CPMs have to give with every delivery. The-- also we added in there the referral part that the CPM has to do with the mother. That's one of the things we might kind of look at also between now and Select File, about how to, how to strengthen that and make sure we have a more, not so much a collaborative effort, but to make sure that if something does happen or if there's a potential for something to happen with the mother at the home, which is what the CPM is trained to do, then they would be required to refer to certain people. And so that's kind of the road we're going to go down here between now and Select File. And also the liability insurance has to be included in the consent form. So that is what was included in, in the AM1097, AM1065 is the committee bill, and the underlying bill, LB676. So colleagues, I, I would appreciate a green vote on these three amendment-- these two amendments and the underlying bill, to get us to Select File to give me a chance to work on this with Senator Fredrickson and others to address some of the concerns that we heard on the floor. Because I think we can, and I think we kind of move forward and at least give mothers in the state of Nebraska options. Let's not cut them off. Because right now, that's what a lot of them feel like. Let's actually make delivering in a home more, more safe than what we have now. Because right now, if this bill doesn't move forward, we still have lay midwives in the state of Nebraska with no education requirements, no informed consent, no scope of practice, no board. So-- and as many of my conservative colleagues know, I'm not a big fan of creating licensure. I'm usually the opposite. So for me to actually create a license, I feel it's very important, not just because it's appropriate, not just because of the hundreds of emails we've gotten from mothers and our constituents

telling us that they've had safe home births-- let's not forget them and the conversations we've had here-- but, but also because it's right. I'm not a huge fan of regulating things, but it's time we do here like every other state around us has done. And guess what? They're not going the opposite way. More states are doing this. So if there was a safety concern, like we've heard, like if mothers, you know, if they can't get to the hospital on time, or the CPMs, there's something going wrong in the home, I would expect it to go the opposite way. But it's not. So I appreciate a green vote on the two amendments and the, and the underlying bill, and we can move this forward to the Select File. And I did make an agreement with Senator Fredrickson, if we can't get something worked out here, bring back his amendment, vote on it then. But give us a chance. Thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you Mr. President, I just want to clear up a couple things here. I just want to reiterate that you cannot, cannot sign away liability. You roll into the hospital, you cross their threshold, the hospital is liable. I don't care what you have in writing, you're going to be sued if the baby has an adverse outcome. There are attorneys in this room that I believe can come up and confirm that. I'm not an attorney, but I've been a-- around long enough from the banking side that you cannot, you cannot contract away your liability. So that's going to continue to be there. And that is the primary problem that hospitals have, is they're the ones that have to clean up the mess. And they're liable in the process. The insurance premiums for liability insurance are huge. That's why many of the hospitals out there are not doing, doing deliveries, because of the liability risk. Well, if this wasn't ever happening, there was-- all our outcomes were perfect, then there wouldn't be these huge premiums. But they're there. And if we're going to say, well, the trained doctors are, are not as good at delivering as a certified professional midwife, I beg to differ. That, that, that goes against just common sense. So I, I am concerned about these issues. I'm also saying we have no liability insurance, but informed consent. What that means is you're telling the mother that, OK, it's going to be fine. Just sign here. And when things go wrong, they sue you for whatever you have, but they have no other redress. Hospitals, on the other hand, are required to have liability insurance and malpractice insurance. So think about that when you look at these things being thrown around about qualifications, liability. And I would invite any attorney in the room to refute what I've said. Thank you, Mr. President.

KELLY: Thank you, Senator Jacobson. Senator Hallstrom.

HALLSTROM: Thank you, Mr. President. Colleagues, I haven't said too much here, but I'm a little conflicted. And I have the utmost trust and respect for Senator Hansen and Senator Fredrickson in their ability to try and work together between now and Select File. But I also, and I've talked to Senator Hansen earlier today on, on this particular aspect, and it's kind of along the lines of what Senator Fredrickson, excuse me, indicated that he was going to do. And I think when you look at a situation where there could be some, some additional leverage by one party having an advantage over the other in a situation when there are differing points of view and differing perspectives, it would seem to me from a practical standpoint and a procedural standpoint that LB676 as originally introduced ought to be advanced over. Everybody will be on a level playing field to have those good-faith discussions go forward. Senator Fredrickson, as he kept his word, has withdrawn the amendment. I don't know how I would have voted on that amendment, as I'm still conflicted. My hospitals are contacting me, as Senator Strommen suggested his rural hospitals are contacting him, with continued concerns. That doesn't mean that I don't want to find a resolution to this that is in the best interest of all parties involved, but it just seems to me that if LB676 goes without AM1097, without the committee amendment, that everybody's on equal footing to do those good-faith negotiations and come about with a good product at the finish line. So I would defer my time back to the chair.

KELLY: Thank you, Senator Hallstrom. Senator Riepe, you're recognized to speak.

RIEPE: Thank you, Mr. President. I simply wanted to echo a little bit of what Senator Jacobson said about liability. You cannot waiver negligence, and so liability remains. I think backing up a little bit further, though, from a hospital administrator's standpoint is, under federal law, hospitals are required to see under the EMTALA law to see every patient that shows up. So that if you have a delivery that's gone wrong, a hospital cannot say, well, we didn't sign the waiver form, and so we're not obligated. They have to take it. And when they take it, they take the liability, whether they sign something or they don't sign something. And as an administrator, I would say to the hospital association, in this case, my friends, you're not talking for me and my board. We're going to do what we have to do to protect our community and our hospital. So I thank you, Mr. President.

KELLY: Thank you, Senator Riepe. Senator Hansen, you're recognized to speak.

HANSEN: I, I, I wouldn't say I feel like we're misunderstanding the bill here when we're talking about liability, because we specifically mention, and this is what the hospital association brought me, and I have not been communicated by the hospital associations since then, saying, look, we need to tighten this language, we need change it. Maybe they will between now and Select File and we can, we can change some things. But I liken this to like somebody getting in a car accident, and you get brain damage in a car accident, and you go to the hospital, and all of a sudden the hospital lays a hand on you. Are you then all of the sudden liable because of your brain damage, or if you get worse? No. Now if you're found at fault for making it worse, yeah, then you're liable. According to this language I have in the bill, if it happens with the CPM and she is found at-fault for what happened to the child, she brings it to the hospital, the hospital is not at-fault. Not saying they can't be drug into a suit, but they're protected by the statute. So this idea that-- and plus you would think if this was happening in other states, we'd see it. We'd have other language for it. States would get rid of it, if hospitals are getting sued left and right. That has not been reported to me. So we have specifically in the bill: the CPM is at fault. I would never blame a hospital for trying to help a child who comes into them, but the second they lay a hand on them, then they're, then they're liable? No, that's wrong. If they do something that makes them liable by making the situation worse, then they're liable. Not saying they can't be included in a suit, but that's why we put this language in here to protect them. So I just wanted to clear that up a little bit, because I don't know if we're conflating the issue here a little bit or we're trying to make a mountain out of a molehill because the lobbyists came in and told us the world is going to end, but this is specific to language-- and you know what? And if the hospital association comes to me again between now and Select File, I'm more than willing to put something language in there to protect them even more. But this what they brought me. So I just wanted to clear that up first. And again, I'm not opposed to looking at a lot of things between now and Select File. Just give me the chance here. Remember the hundreds of emails you got from people throughout the whole state of Nebraska who want to have midwives, who've had midwives and have been successful. Don't forget the data and the statistics, Nebraska vitals statistics and others about the safety of home birth. And with this bill, we're making it safer. So the idea that we just shouldn't do anything and go back to the lay midwives because we're concerned about safety makes no

sense to me. I don't know where that comes from. So again, just going to encourage colleagues, vote for the two amendments and the underlying bill and let's work on this between now and Select File, because I think there's definitely a path forward. Give the mothers a chance here. Listen to them. So thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Senator Jacobson, you're recognized to speak.

JACOBSON: Again, I haven't had any attorneys stand up and tell me I'm wrong. I will guarantee you that if there is someone rolled into the har-- hospital emergency room and there is a bad outcome, the hospital absolutely will be named in the lawsuit. They absolutely will be named in the lawsuit. Will they be found guilty? I don't know. But they will spend money to defend themselves, and they will ultimately settle it. And that will cost them money, it will also work against their malpractice insurance and their liability insurance for the hospital. That will happen. So don't be misled that you can somehow sign away your liability, because you cannot. And if you came in the hospital, a doctor's going to step in and take over, so they will be involved. And then you're going to have to try to prove that something a hospital did was, was the cause of it, and they're going to have to disprove that they did not cause it. That will be what the lawsuit is about. And I think we all know how attorneys work. You go after the people with the deepest pockets. Is it the nurse midwife with no insurance, or is it the hospital? You don't have to guess who that is. So I would tell you that I'd be willing to vote for LB676 if we vote down the other two amendments and that there's, there's a conversation had with Senator Fredrickson to incorporate the ideas that have to be brought in in Fredrickson's amendment to bring this bill to where it brings more safety to what we're talking about here. But I am, I am very concerned about unsupervised certified professional midwives. I don't think they have the training or the knowledge, the medical knowledge, to be able to deal with a birth that goes wrong. And they do happen. And they're going to be ill-equipped to deal with the situation. Thank you, Mr. President.

KELLY: Thank you, Senator Jacobson. Senator Sorrentino, you're recognized to speak.

SORRENTINO: Thank you, Mr. President. I just wanted to clarify a question that, it was brought up by Senator Jacobson. When these patients are admitted, there's a body of law called EMTALA, which simply states that a, a hospital cannot turn a patient away. They must stabilize them before they, they move them on to the next level of

care, even if that's another hospital. Reading out of the federal statutes. A hospital can be sued for medical malpractice, even if a patient was admitted under EMTALA. While EMTALA is not a federal malpractice statute, a hospital's failure to provide appropriate care under EMTALA can, and typically is, a claim under the state medical malpractices laws. Thank you, Mr. President.

KELLY: Thank you, Senator Sorrentino. Seeing no one else in the queue, Senator Hansen, you're recognized to close on the amendment.

HANSEN: I think Senator Sorrentino made a good point there, actually. And at the very end, if you notice, he said: if they commit malpractice. Yes, if they commit malpractice, sure, they're liable. Just like any other profession. If I commit malpractice, I would expect to be sued, or the possibility of being sued. Nothing in statute can get me out of that. So that makes total sense to me. And actually, currently, since lay midwives are legal, they-- can the hospital get sued now if a lay midwife brings the baby in? There's nothing there that's even protecting them right now. If anything, we actually are putting some kind of language in statute to protect the hospital so they can lean on. Right now, there's nothing. And right now, there's lay midwives. But you notice you're not hearing a whole lot of that right now. All the concern we're having right now about midwives and the safety issues and is a mother-- are they going to make it from the hospital to where they're at? Or a lot of, you know, is a lot of infant mortality in home births? Notice how you're not seeing a whole lot of that now. But there's a whole lot of home births going on right now. And I know some people don't feel like it's safe, but that's subjective. And if we want to use subjective arguments, my LA, Ellie, who's been a doula for many years, has done dozens of home births, and I've had hundreds of patients who've had home births, or I've had children with home births. If we want to use subjective arguments that's not a problem, because I bet you I have 10, 10 times more experience than anybody in this room does with home births. I'm trying to use objective data, which is what we should do when we're trying to decide what kind of laws we're going to make or get rid of, which I have provided. I think some of the angst maybe comes from the idea that maybe we don't understand a lot about home births in the state of Nebraska, maybe how it works. But if you've noticed, the women who've come up here and the men who've had experience directly with home births, either they have been delivered with a home birth or they've children who've been delivered with a home birth, are in favor of the bill. All of the mothers in the state of Nebraska. Notice how you haven't had a whole lot of emails from moms who've had home births in the state of Nebraska saying they're against the bill. Haven't had

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whole lot of those. It's about 100 to 1. You might have a lot of physicians and nurses. Why would they be against this bill? When the data doesn't show that it's more-- that it's less safe, when it's happening currently with no rules and regulations, why would the NMA be so against this bill? Ask yourself that, when 37 other states do this. Just going to throw that out there. This is a good bill. I would never bring a bill that's going to cause more harm to children. And I would hope my colleagues here would know that. I would hope they would know that I have a lot of experience in this. Not saying that's the reason to vote for a bill, I just hope we can put that into context. Sometimes we get caught up in the emotion of people out there in white coats telling us that children are going to die when the data doesn't show that. And that clouds our judgment a little bit here. So colleagues, again, please vote for the underlying amendments and LB676, and let's get this to Select File so we can work on it some more. Thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Members, the question is the adoption of AM1097. 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.

CLERK: 40 ayes, 0 nays to place the house under call.

KELLY: The house is under call. Senators, please record your presence. All unexcused senators outside the Chamber, please return and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senators Bostar, Dover, and Hunt, please return to the chamber and record your presence. The house is under call. All unexcused members are present. The vote was under way on the question of whether or not to adopt AM1097. Senator Hansen, will you request call-ins? Mr. Clerk.

CLERK: Senator Hunt voting yes. Senator DeBoer voting no. Senator Machaela Cavanaugh voting no. Senator Kauth voting yes. Senator Hunt voting no. Senator Arch voting yes. Senator Machaela Cavanaugh not voting. Senator Andersen voting yes. Senator DeKay voting yes.

KELLY: Record, Mr. Clerk.

CLERK: 21 ayes, 14 nays on adoption of the amendment Mr. President.

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

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CLERK: Mr. President, Senator Machaela Cavanaugh would move to reconsider the vote just taken on AM1097.

KELLY: Senator Machaela Cavanaugh you're recognized to open, and I raise the call. I raise the call.

M. CAVANAUGH: Thank you, Mr. President. And I might yield some time to Senator Hansen if he'd like it. The reason I'm doing a reconsider on this is because it's my understanding that this is the hospital association's amendment. And everyone who's standing on the mic saying that you're worried about the liability, if this bill moves forward, I don't understand why you wouldn't then take the hospital association's amendment. So Senator Hansen, would you yield to a question?

KELLY: Senator Hansen, would you yield to a question?

HANSEN: Yes.

M. CAVANAUGH: Is, is that an accurate statement?

HANSEN: Yes, this has the hospital association's amendment and also the suggestions the medical association made along with the referral and the liability part of the consent form. So what this amendment does in AM1097 is actually tighten up the regulations and the language in the bill and make it more restrictive and more safe, as some people might say. And also the education requirements, gets rid of that one that we had a question about and the NMA had a big question about. And it only goes with the one education requirement that I think all 37 other states do.

M. CAVANAUGH: So this amendment is one of the steps you have been taking to appease the opposition on this bill?

HANSEN: Yes, this is one of the-- this amendment and then the committee amendment are the two that, at the multiple meetings I've had with the NMA and others, to address as many concerns of theirs as I can, and which I was hoping to do between now and Select File as well. And if we can't, Senator Fredrickson is going to bring his amendment back, then people can vote on it, if they want to.

M. CAVANAUGH: OK, thank, thank you so much for that. And I-- so I hope everyone will, what you have to do for this to-- reconsideration to happen is we need 25 people to vote for my motion, and then we will vote again on the amendment to AM1097. So I hope that that happens. I'm not trying to belabor the point at all, but I do think that if we are genuine when we talk about working together on bills to make them

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better and to address concerns, that we should be serious and put our money where our mouth is. And Senator Hansen has worked on this bill for six years and he has talked to a lot of interested parties. And even with this amendment, it's not, it's not where even I want it to be. I want more changes in this bill, but I also recognize that sometimes you have to do things between General and Select. But this was put forward in good faith. And I hope, colleagues, that you will take that seriously and reconsider this vote. I'll yield the remainder of my time to Senator Hansen, if he would like it.

KELLY: Thank you, Senator Cavanaugh. Senator Hansen, 7 minutes, 13 seconds.

HANSEN: Well, I better use up all seven minutes. No. I appreciate Senator Machaela Cavanaugh for doing the reconsider vote. And she's right, colleagues, this was a lot of the issues that were brought to me from the opposition that we put in the bill. And so if we do end up moving the bill forward, a lot of those won't be in the bill. So I'd appreciate you at least voting on the amendment for AM1097 and the other amendment and the underlying bill so that I can work on it between now and Select File, like we have done for multiple bills so far this session. And like I said before, if we can't come to an agreement, he's going to bring his bill-- he's going to bring his amendment back on Select file. Which he agreed to, and I appreciate him for agreeing to that. So thank you, Mr. President. We'll do a roll call, regular order, please.

KELLY: Thank you, Senator Hansen. Senator Jacobson, you're recognized to speak.

JACOBSON: Thank you, Mr. President. The, the reason I voted no on AM1097 is I don't like either amendment. I like the Fredrickson amendment. I stated before, the Fredrickson amendment goes forward, I would vote for LB676. He was badgered into withdrawing his bill-- or his amendment to negotiate between General and Select. Why not vote for his amendment and negotiate between General and Select on the final bill? Because I think we all know if there are plenty of votes to pass LB676 as it is, he has no reason to go back and negotiate with Senator Fredrickson. So this is being kind of done backwards. So we need to make sure that there's a renegotiation, no matter what the vote is, on LB676. And if it goes down, it goes down. If it passes, it needs to be close enough that we're going to have a renegotiation between now and Select File. But the fact that he pulled his amendment hurt this bill. Thank you, Mr. President.

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KELLY: Thank you, Senator Jacobson. Seeing no one else in the queue, Senator Machaela Cavanaugh, your-- waives closing. Members, the motion to reconsider is before the body. There's a request for a roll call vote, regular order. Mr. Clerk.

CLERK: Senator Andersen, voting yes. Senator Arch, voting yes. Senator Armendariz, voting no. Senator Ballard, voting yes. Senator Bosn, voting no. Senator Bostar, not voting. Senator Brandt, voting no. Senator John Cavanaugh, voting yes. Senator Machaela Cavanaugh, voting yes. Senator Clements, voting yes. Senator Clouse, voting yes. Senator Conrad, voting yes. Senator DeBoer. Senator DeKay, voting yes. Senator Dorn, voting yes. Senator Dover, voting yes. Senator Dungan, voting yes. Senator Fredrickson, not voting. Senator Guereca, not voting. Senator Hallstrom, not voting. Senator Hansen, voting yes. Senator Hardin, voting yes. Senator Holdcroft, voting yes. Senator Hughes, not voting. Senator Hunt, not voting. Senator Ibach, voting yes. Senator Jacobson, voting no. Senator Juarez, voting yes. Senator Kauth, voting yes. Senator Lippincott, voting yes. Senator Lonowski, voting yes. Senator McKeon, voting no. Senator McKinney, voting yes. Senator Meyer, voting yes. Senator Moser, voting no. Senator Murman, voting yes. Senator Prokop. Senator Quick, not voting. Senator Raybould, voting yes. Senator Riepe, voting no. Senator Rountree, voting yes. Senator Sanders. Senator Sorrentino, voting no. Senator Spivey, voting yes. Senator Storer, voting no. Senator Storm, voting no. Senator Strommen, not voting. Senator von Gillern, voting no. Senator Wordekemper, voting no. Vote is 26 ayes, 12 nays on the motion to reconsider.

KELLY: The motion is adopted. Senator Hansen, you're recognized open on AM1097.

HANSEN: AM1097. OK, it, it sounds like the reconsider was to re-vote on AM1097 again. So again, colleagues, I appreciate the vote, moving this forward. And so I'll do a roll call, regular order again, when we get the chance to vote. Thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Good evening, colleagues. I seem to have lost the plot. Senator Hansen, would you please yield to some questions?

KELLY: Senator Hansen, would you yield to questions?

HANSEN: Yes.

DUNGAN: OK, so I apologize. I've been following this debate all afternoon. I've not spoken much on it yet, because I've been legitimately listening. So AM1097 is language that was brought to you by people who originally opposed your bill. Is that right?

HANSEN: Yeah, the Nebraska Hospital Association originally opposed the bill. They brought me this amendment and has since pulled their opposition, is in neutral, and that has to do with the liability for the hospital. That's the language they brought to me. The NMA also brought language to me, they're still in opposition because I didn't accept all of their recommendations, but I included a lot of them in this amendment.

DUNGAN: OK, and so with the liability portion as it pertains to the hospitals, can you give me sort of a basic understanding of what is changing with, with regards to the liability? Because I heard some of Senator Jacobson's concerns, and I know Senator Sorrentino spoke to it, but I'm trying to wrap my brain around what the change is with regards the liability portion between your original bill and what the proposal was from the hospitals.

HANSEN: I'm trying to find this specific language so I can at least read it to you. OK. Basically what we have in the bill is, if something goes wrong on behalf of what the CPM did, brings them into the hospital, and it's because of the CNM-- CPM, certified professional midwife's fault, then the hospital, they-- we got rid of the liability for the hospital for that fact.

DUNGAN: That was in the original bill or in the amendment?

HANSEN: That's in the amendment.

DUNGAN: OK, so you're saying that--

HANSEN: AM1097, the one we're talking about right now.

DUNGAN: So if certified professional midwife is doing at-home birth and then person giving birth has medical complications or issues and then comes into the hospital, you're saying the amendment makes it so hospital is then somehow shielded from liability for the things that occurred outside of the hospital?

HANSEN: Yes, that was, that was-- that fault from, from what the CPM did.

DUNGAN: OK, because I know one of the concerns I think that was raised by others in, in this field is that once that person comes into the hospital, they are always-- the hospital is liable for patients there. But you're saying this would shield the hospital from liability for things that took place outside of the hospital.

HANSEN: That's the language they brought me, yes.

DUNGAN: OK, and so the Nebraska Hospitals Association removes their opposition at that point. And then the NMA, the Nebraska Medical Association, you adopted in this amendment some of their language, but you're saying they're still not in favor of it, but you did incorporate some of their language.

HANSEN: Yes, and that had to do with newborn care. Their suggestion about education requirements, reporting requirements, among other things, yeah.

DUNGAN: OK, is there any requirement in the amendment for, and I apologize, I've been trying to read all the different amendments and I've looking at this all day. Is there any requirements for the certified professional midwife to have liability insurance or any kind of insurance that would cover any of the things that are happening outside of the hospital then?

HANSEN: No, we put that in the informed consent form that they have to describe the level of liability insurance to the client or the mother.

DUNGAN: OK, so they have to explain what their level of coverage is.

HANSEN: Yep.

DUNGAN: It doesn't require that they have a certain level of coverage in order to be certified.

HANSEN: And the mother gets to make a decision on whether they want to continue care, start care with them, or choose somebody who does have liability insurance.

DUNGAN: OK, thank you, Senator Hansen.

HANSEN: Yep.

DUNGAN: Now, I appreciate this. This has been, I think, a very good debate here today. And we've heard from a lot of different folks. Just for my two cents, because I've not really spoken on this here today, I

am very much in favor of people having the right to choose how they conduct their birth. I think that the way that individuals want to give birth is an incredibly personal decision. And I think it's something people should be able to make those decisions about. Obviously, I want to make sure people are safe. And I, I really appreciate that Senator Hansen and Senator Fredrickson both have been continuing to work on this. I, I look forward to what potential guardrails could be put in place as a compromise moving forward, as I do think that maybe some additional guardrails would be necessary. But I do think there's been a lot of good debate here today and certainly a lot of good negotiation, I think, off the mic, and a lot of hard work. And so I do look forward to seeing what that is going to look like moving forward. I'm likely to support the underlying bill, LB676, here moving forward to the next level of debate to try to continue that negotiation. And I, I do appreciate hearing where everybody's at today. And thank you, Senator Hansen, for clarifying a little bit more of what this amendment does. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. Senator Moser, you're recognized to speak.

MOSER: Thank you, Mr. President. So I've been kind of listening to this discussion all afternoon and, and this evening, and I'm not comfortable with the bill. I like the amendment that Senator Fredrickson had, and I think he withdrew it prematurely in, in my opinion. These two amendments can be re-entered on Select. I voted no on AM1097. If we approve both these amendments and then LB676 gets 30 or 32 votes, there's no incentive for anybody to negotiate anything. And this is a, a bill that's going to-- there, there are just going to be some disagreements that are just going to have to stand. I don't think that some of these issues are subject to compromise. I, I, you know, I think once the state sanctions and gets involved in scope of practice, I think we're in trouble. I think the medical community should determine their own scope of practice and then come to us with a bill that, that covers everything. I, you know, I understand people want to have children at home, but if they want to do that, that's their decision. I, I just don't want to vote for something that I'm not 100% behind, I'm just not comfortable with it. Thank you, Mr. President.

KELLY: Thank you, Senator Moser. Seeing no one else in the queue. Senator Hansen, you're recognized to close on AM1097.

HANSEN: Thank you, Mr. President. I do want to clarify one thing. Actually, the, the liability part for the hospital, the one that they

brought me, is in AM655. And that is, I just want to read this here so people understand what it is. "A health care provider who accepts a transfer of a client from a licensed professional midwife shall not be liable for an outcome arising from actions or inactions of a licensed professional midwife. If a health care practitioner facility as defined in Section 71-414, a health clinic as defined in Section 71-416, or a hospital as defined in Section 71-419, including a rural emergency hospital, accepts a transfer of a client from a licensed professional midwife, the facility shall not be liable for an outcome arising from actions or inactions of the licensed professional midwife." That's specific to what's in the bill-- on the amendment, AM655, page 20, starting at line 17. So if they want to read that further, they can. AM1097 has all the other things that I mentioned before, recommendations the NMA had, the, the informed consent, the reporting requirements, the, the CPMs are now required then to provide two referrals to the mother saying, hey look, here's a physician, here is a CNM, I'm giving you a referral for it. If you want more information, if you decide not to go with me, here is some more information on where you can go. That's the whole purpose of that, make it a collaborative effort, so that the mother also knows she has other options as well as a midwife. But colleagues, we gotta give the mother an option. I've talked to a lot of mothers in the state of Nebraska and they feel a lot of times their only option is the hospital or nothing. I don't think that's right. I don't, I don't think 37 other states think it's right. Iowa just passed us two years ago, and they're doing really well. So I know sometimes we may not feel comfortable with something because we may not understand it as well, but remember the emails you got. Lean on those. These are mothers who have experienced home births, who've had home births. Listen to the colleagues in the Chamber who had it or have been involved with home births. If anybody has any questions, talk to my LA Ellie. She's a doula. She's been involved in many home births. She can tell you exactly how they go. But trust the mothers in Nebraska. Don't take away this option for them. They're asking for it, and we should listen. Thank you, Mr. President.

KELLY: Thank you, Senator Hansen. There is a request for a roll call vote. The question is the adoption of AM1097. Mr. Clerk.

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

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Dorn, voting yes. Senator Dover, voting yes. Senator Dungan, not voting. Senator Fredrickson, not voting. Senator Guereca, not voting. Senator Hallstrom, not voting. Senator Hansen, voting yes. Senator Hardin, voting yes. Senator Holdcroft, voting yes. Senator Hughes, not voting. Senator Hunt, voting no. Senator Ibach, voting yes. Senator Jacobson, voting no. Senator Juarez, voting yes. Senator Kauth, voting yes. Senator Lippincott, voting yes. Senator Lonowski, not voting. Senator McKeon, voting no. Senator McKinney, voting yes. Senator Meyer, voting yes. Senator Moser, voting no. Senator Murman, voting yes. Senator Prokop. Senator Quick, not voting. Senator Raybould, voting yes. Senator Riepe, voting no. Senator Rountree, voting yes. Senator Sorrentino, voting no. Senator Spivey, voting yes. Senator Storer, not voting. Senator Storm, not voting. Senator Strommen, not voting. Senator von Gillern, voting no. Senator Wordekemper, not voting. The vote is 22 ayes, 11 nays, Mr. President, on adoption of the amendment.

KELLY: AM1097 is not adopted. Mr. Clerk.

CLERK: I have nothing further at this time, Mr. President.

KELLY: Senator Hardin, you're recognized to close on AM655.

HARDIN: I'm going to waive.

KELLY: And waive. Members, the question is the adoption of AM655. All those in favor vote aye. All those opposed, vote nay. There has been a request to place the house under call. The question is, shall the house go under call? All those in favor, vote aye. All those opposed, vote nay. Record, Mr. Clerk.

CLERK: 41 ayes, 0 nays to place the house under call.

KELLY: The house is under call. Senators, please record your presence. Those unexcused Senators outside the Chamber, please return and record your presence. All unauthorized personnel, please leave the floor. The house is under call. The vote was underway. Roll call vote was requested. Mr. Clerk. This is for the adoption of the committee amendment, AM655. Mr. Clerk.

CLERK: Senator Andersen voting yes. Senator Arch not voting. Senator Armendariz voting no. Senator Ballard voting yes. Senator Bosn voting no. Senator Bostar not voting. Senator Brandt voting no. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting yes. Senator Clouse voting no. Senator Conrad voting yes. Senator DeBoer voting no. Senator DeKay not voting. Senator Dorn

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voting yes. Senator Dover voting yes. Senator Dungan voting yes. Senator Fredrickson voting no. Senator Guereca not voting. Senator Hallstrom voting no. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes not voting. Senator Hunt voting no. Senator Ibach voting yes. Senator Jacobson voting no. Senator Juarez voting yes. Senator Kauth voting yes. Senator Lippincott voting yes. Senator Lonowski voting yes. Senator McKeon voting no. Senator McKinney voting yes. Senator Meyer voting yes. Senator Moser voting no. Senator Murman voting yes. Senator Prokop. Senator Quick not voting. Senator Raybould voting yes. Senator Riepe voting no. Senator Rountree voting yes. Senator Sanders. Senator Sorrentino voting no. Senator Spivey voting yes. Senator Storer voting no. Senator Storm voting no. Senator Strommen not voting. Senator von Gillern voting no. Senor Wordekemper voting no. Vote is 23 ayes, 17 nays, Mr. President, on adoption of the committee amendment.

KELLY: The committee amendment is not adopted. Senator Hansen, you're recognized to close on LB676.

HANSEN: Thank you, Mr. President. Well, colleagues, here we are. Appreciate the vote and the trust. So, we'll take a final vote on LB676, but I'm not going to ask the Speaker to bring it back, because it's not-- we pretty much just gutted my bill. It's not what I want. And so, it's not what I promised a lot of people, it's not what the people of Nebraska are looking for. So, with that, vote how you want. Thank you, Mr. President.

KELLY: Thank you, Senator Hansen. Members, the question is the advancement of LB676 to E&R Initial. All those in favor, vote aye; all those opposed, vote nay. Record, Mr. Clerk.

CLERK: 40 ayes, 3 nays on advancement of the bill, Mr. President.

KELLY: LB676 is advanced to E&R Initial. Mr.-- I raise the call.

CLERK: Mr. President, next item on the agenda: General File, LB215 introduced by Senator Holdcroft. It's a bill for an act relating to criminal justice; it amends Section 83-1,135; it adopts the Clean Slate Act; provides for commun-- commutations; provides duties for the Department of Correctional Services, Board of Parole, Division of Parole Supervision, and Board of Pardons; harmonizes provisions; and repeals the original section. The bill was read for the first time on January 14 of this year and referred to the Judiciary Committee; that committee placed the bill on General File with committee amendments.

KELLY: Senator Holdcroft, you're recognized to open.

HOLDCROFT: Thank you, Mr. President. LB215 would allow model inmates serving life or otherwise lengthy sentences in the Nebraska correctional system to be considered for early release after serving a large portion of their sentence. This is commonly referred to as second look or second chance. The clean slate portion of the bill has been removed. I have visited every adult correctional center-- facility in Nebraska; some, multiple times. I have met with people serving life sentences, collectively called "lifers," who are model incarcerated individuals. They are mentors to younger inmates. They pose no harm to society. I can unequivocally and without hesitation say that I would be comfortable having many of them as my next-door neighbor. But because of their life sentence, they are condemned to never again breathe air as a free person. I would honestly tell you that before becoming a state senator and before serving on the Judiciary Committee, and before my visits to Nebraska's correctional facilities, I would have said, you do the time-- the crime, you do the time. But I believe that one of the most valuable attributes any politician can have is to hear both sides of any debate, and to be open and willing to change your stance on an issue. After visiting with some of these lifers and breaking bread with them, and talking to them one-on-one as human beings, I truly believe that the sentences of many of these individuals should be given a second look. Before being considered a candidate for this program, a minimum of 25 years will have been served, 30 years if the crime was committed after age 26. There is a detailed process to determine eligibility under the hosp-- auspices of the State Parole Board, with the final decision to grant commutation remaining in the hands of the Board of Pardons. And I want to just break from script here and say how important the role of the Board of Parole is in this process. Right now, the Board of Parole is not in this process. The process to file for commutation is that the individual sends a package directly to the staff of the Board of Pardons, who screens it and then makes a recommendation to the Board of Pardons. That's the current process. What we are recommending here is bringing in the poured-- Board of Parole, five individuals who review incarcerated individuals every day, hundreds per month, thousands per year, who have the ability to determine whether there's been rehabilitated, and then they can make a recommendation to the Board of, of Pardons. The Board of Pardons will still have the authority to grant or not grant the commutation. AM55-- AM556 removed the clean slate portion of the bill, and allowed the Revisor's Office to do some polishing of the bill. I very much value the thoughtful consideration that was given to LB215 by the Judiciary Committee.

LB215 and AM556 were voted unanimously to the General File on April 15. The basic underlying premise of our corrections facility is two-fold: protection of society at large, and the rehabilitation of those we choose to incarcerate. Requiring these individuals to remain in prison despite having been rehabilitated is a complete waste. The potential these individuals have to be not a drain on, but rather productive members of society-- mentors, coaches, grandparents, breadwinners, taxpayers, volunteers, leaders-- is of much greater value than spending the rest of their lives behind bars. Justice has already been served. The debtor-- the debts to society have already been paid. There will be a contemplative, well laid-out program in place to assure that individuals selected to receive a second look are worthy. I, I sincerely ask you, colleagues, for a green vote on LB215 and AM556. Before I finish, I know that many of you were called out today by PRO and given some, some guides on, on voting no on LB215. I kind of like to-- some of them, I think, are misleading, and so I'd like to go through them with the remainder of my time. The first one says LB215 creates a new process for individuals serving long sentences for offenses like murder and first degree rape to be released from prison in as little as 25 years. That is not a true statement. They would have to have served 25 years, and then they can apply to the Board of Parole to be considered for recommendation for a pardon. That will take time, then the recommendation would go to the Board of Pardons, who then can take their time on the-- on reevaluating, and then make a decision of whether to commute or not. So, "as little as 25 years" is a bit misleading. Most of these individuals will be serving 30 years; they will all be in their late 40s or early 50s and 60s. Trends have shown that recidivism drops off significantly after age 45, so to say that they're will be out as little as 25 years is a bit misleading. Victims are completely cut out of the process prior to release. When someone is sentenced to life in prison for first degree murder, victims' families expect their loved ones' murders to be behind bars for life, not released after a couple of decades. That is a true-- un-- untrue statement. In the bill itself, with guidance to the Board of Parole, it says that they will, they will involve community leaders and stakeholders in the review process to ensure that public safety and community concerns are addressed. And further, if a commutation is granted, they are to provide victim and community involvement through restorative justice programs. The Board of Parole shall offer restorative justice opportunities when appropriate, to allow the committed offender to make amends with victims and the community. Continuing on, number three, the committed offender has already had their day in court and been found guilty by a jury and sentenced by a judge who has weighed

all the evidence, and in many cases, they have exhausted all of their appeals as well. This bill just creates another appeals process. This bill has nothing to do with the courts. This is a process by which an individual applies to the Board of Pardons for a commutation, so it's not another appeal. The Board of Pardons already has a process to consider these applications, and has granted commutations in the past. Oftentimes, the gravity of the facts and correspondence from victims and their families opposing their release are the main reasons the board rarely grants commutation. Except for last year, when they granted commutation to an 82-year-old woman who had terminal cancer, the last time the Board of Pardons did a commutation was 12 years ago. 12 years. So much for the process. One of the last commutations-- it is the last commutation-- granted by the board was provided to Laddie District-- Dittrich in 2013. He served 41 years for murder, was considered a model inmate by many, but upon his release from parole, he committed felony sexual assault of a child just a few months after being released. That's why we need my bill: because we need people evaluating these individuals applying for a commutation, not staff members who are reviewing a package and have no knowledge or have never met with an inmate. The Board of Parole is the right avenue for these individuals to be evaluated, to be determined if they've been rehabilitated and are no longer a threat to society. That's why we need this bill, to avoid the situations that happened in 2013. Number six, the authority to commute a conviction-- offender's sentence is a constitutional power reserved to three constitutional officers: the governor, secretary of state, and attorney general. Attempting to statutorily modify the guiding principles of the Board of Pardons, even on a permissive basis, creates a slippery slope and invites the Legislature to further encroach on the board's power and how it operates. This bill does not take any power away from the Board of Pardons. It has absolute authority over granting or not granting commutations; it only brings in the Board of Parole to help with that process. There are no criteria listed for how the Nebraska Department of Corrections will identify inmates eligible for second chance relief-- that is not true. If they've served 25 years, they committed their crime before 20-- 26, and-- or, they served 30 years, then they're eligible. I mean, there's no if, ands, or buts. The, the Department of Corrections identifies those individuals to the Board of Parole; it's the Board of Parole who makes the recommendation to, to the Board of, of Pardons whether or not to consider that person for a commutation. The Board of Parole will need more staff to conduct risk assessments and engage your stakeholders. The fiscal note is undetermined at this point. I will finish--

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KELLY: That's your time.

HOLDCROFT: --next time. Thank you, Mr. President.

KELLY: Thank you, Senator Holdcroft. As referred to by the Clerk, there is a Judiciary Committee amendment. Senator Bosn, you're recognized to open.

BOSN: Thank you, Mr. President. In conversations with Senator Holdcroft, he has asked if he can open on the committee amendment, and I would defer all of that to him, if he's willing.

KELLY: Senator Holdcroft, you have 9 minutes, 48 seconds.

HOLDCROFT: Thank you, Mr. President. Yes, as I already mentioned, AM556 was the amendment to the original bill. The original bill had a clean slate portion of it, which would essentially automatically forgive misdemeanors and, and Class IV felonies. That received-- we did receive a letter from the Board of Pardons that objected to that, and to other things about the bill, and so based on that, we took the clean slate portion out of the bill with AM556. There was also some directory language ask-- telling, really, the Board of Pardons that they shall do this, they shall do that; that is all-- all those "shalls" have been changed to "mays." So, it's a suggestion, and certainly the Board of Pardons, being the individuals they are, will take or leave those as they see, see fit. So, that was what AM556 did to LB215. And now, if I could just finish up my last point here. It said the Board of Parole will need more staff to conduct the risk assessments and engage with stakeholders. The Board of Parole, five individuals appointed by the governor with six-year terms, holds over 100 hearings a month, about 1,200 hearings a year. We have done a survey within the current Corrections system, and with all the-- the people who would qualify under LB215 for hearings numbers 141. So, 141 out of 6,000 incarcerated individuals, with the Board of Parole conducting over 1,200 hearings a year, is not going to be a big impact on the Board of Parole. They may have to add one person, so it's not a big impact to the budgetary situation. With that, I'll yield the remainder of my time. Thank you, Mr. President.

KELLY: Thank you, Senator Holdcroft. Moving to the queue. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you, Mr. President. I rise in support of AM556 and LB215. I'm really thankful of Senator Holdcroft for bringing this piece of legislation to deal with second chances, to deal with giving

people a chance to, to show who they are and show how they improved themselves after a certain period of time. We're talking about men and women who in some cases have to serve 25 years. That means for 25 years, they have to show that they have worked on improving themselves, that they have done some things after they were incarcerated to improve their lives and improve themselves, and to show that, yes, maybe they deserve a second chance. But it's no guarantee that those individuals would be released; it's just giving them a shot to show to our pard-- first, to our Parole Board who can evaluate them, to look at them and see if, whoever they may be, have they done the things to rehabilitate themselves and put themselves in a better space than when they walked into our state institutions. And then, the Parole Board could, could say to the Pardons Board who may-- not shall-- they may decide on whether or not to commute their sentences. I don't think this is unreasonable. We talk about giving people second chances, having humanity, and wanting people to go inside these institutions and improve themselves. This is something that would incentivize that. And if you haven't spent time inside of our institutions, then you should, because you would see that there is men and women working every day to show that they are not the worst of themselves, that they are not the same person that they were when they walked into those doors. And I think there's a lot of people, 141 people, that at least deserves a shot. This is not infringing on anything; this is just giving people a shot, giving people a chance to show that they improved themselves. An individual under 26 of age at the time of their arrival would have to serve 25 years; somebody over that is 30 years. 25 years and 30 years is not some chump change, it's not some chump years. That just don't-- that don't go by. I'm 34 right now. That didn't go by too fast. Some days, I think it did, but it really didn't. You live through a lot, and you experience a lot, and you grow through a lot. People can change, and we have to realize that we currently have an overcrowded system. We're not saying just open up the doors, let everybody out; we're saying for this group of people who have shown that they have worked on themselves to improve themselves, let's give them a chance, let's, let's give them an opportunity to show that they're eligible for a second chance, and then maybe, just maybe, the Pardons Board might see fit to allow them a second chance. It's, it's-- there's no guarantee, you know? The Board of Parole will do-- will assess risks with community stakeholders and make recommendations, you know? There will be tailored reentry plans, including employment, housing, education, and mental health services, access to mentorship and restorative justice programs, and continuous monitoring and accountability during the parole period, and ongoing review of the program to make sure it's,

it's, it's working how it's supposed to and what it was intended to do. I don't think this is far-reaching, and if you don't know, in our Constitution, the Parole Board may advise the governor, attorney general, and secretary of state on the merits of any application, remission, respite, reprieve, pardon, or commutation, but such shall not be binding, and that's how it is in this bill. It's just saying the Parole Board would give a recommendation, and the Pardons Board could do what, what they please. I don't think that's unreasonable. I don't think that's encroaching on anything. I think that just saying, hey, we looked at this set of people; you may want to look at them, you may want to give them a shot. They've shown that they've done the right thing. Thank you.

KELLY: Thank you, Senator McKinney. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Good evening again, colleagues. I do rise today in favor of AM556 and LB215. First, I want to thank Senator Holdcroft for his leadership on this issue. Senator Holdcroft came into this body at the same time as I did, and I know was on the Judiciary Committee now for a third year, and he really has jumped in headfirst into this entire issue. There's a number of senators who are often invited to visit various events at State-- the State Pen or other facilities here in Nebraska, and I try to go to a number of those to make sure I understand different perspectives both from the, the wardens and the guards, but also the, the people who are incarcerated there, to better understand some of the issues they deal with, the living conditions they're in, and also just to get a, a handle on some of rehabilitation that's going on. Senator Holdcroft has been at, I think, every single one of those that I've gone to. He's been there listening, he's been there asking questions, and he's been there, I think, really trying to understand the system. And I, I really appreciate that, because I think when somebody gets into this job, it's very easy to say, oh, this isn't my background or this isn't a subject I'm interested in, and just, you know, kind of skate by. But I, I appreciate somebody who's willing to do the work. As you could tell from his opening, I think that this bill comes from a lot of the hard work that he's done, and understanding that there is a balance between people serving their time and certainly serving-- you know, doing the, the time now that they've done the crime. But then also, the other side of that is understanding that rehabilitation does have a, a chance here in Nebraska, and understanding there are those who, through their own efforts and through not just years but decades of commitment to understanding underlying issues and understanding the harms that have been caused, can find themselves in a situation where

perhaps they deserve just the opportunity for a second look. I guess the only frustration I have, colleagues, is, is one that's been echoed by a number of people who work in this, this area, is that I think Senator Holdcroft's bill does not go far enough in certain circumstances. I think the fact that it is just a recommendation-- obviously, the, the Pardons Board can make whatever decision they want. And so, I think this bill is a step forward. I think the bill is a step towards understanding and appreciating rehabilitation. But I also do wish that we had a few more, I guess, teeth to what is, what is in this bill. But I think, in the current situation we find ourselves in, and the curtain-- current environment, this bill is something positive. And I think that the people who it seeks to help, which are the people who are currently incarcerated and the community, benefit from the information being gathered by the Parole Board and having that information then presented to the, the Board of Pardons who can then analyze that information and then make an informed decision. So, I guess I, I want to just echo some of the sentiments, also, that Senator Holdcroft made with regards to the objections that have been raised here. There is no statutory or constitutional problem with his bill. It does not force the Board of Pardons to do anything at all; that's simply a red herring. And in addition to that, it, it really does, I think, gather the information necessary to make sure that they're making informed decisions about who has or has not been rehabilitated so that negative situations that cause danger to public safety are not recreated and are not the case. And so, I know Senator Holdcroft laid a lot of those out in his opening, but I just wanted to lend my support and certainly my appreciation for all of the hard work that's gone into this. I also want to say thank you to Senator McKinney for his leadership on this issue; I know that both he and Senator Holdcroft, on the Judiciary Committee, have worked hard to reach what I think are responsible and reasonable compromises that seek to achieve the goal which is to understand that mercy is an important aspect of our justice system, but only once somebody has actually served their time and been rehabilitated. So, this bill, I do think, seeks to strike that balance, and I would absolutely encourage my colleagues' green vote on AM556 and LB215.

KELLY: Thank you, Senator Dungan. Senator Hughes, you're recognized to speak.

HUGHES: Thank you, Mr. President. I rise today and stand in support of LB215, and I'll support the amendment, AM556. I don't have a lot to say on this. I don't have a not-- lot of knowledge. I'm not on Judiciary. But my, my-- I'm just going to share my experience. So, being a senator, you get invited to a lot different things. And I had

a constituent that actually works at Concordia University in Seward, and she reached out to me and invited me to, like, a banquet at the correctional facility here in Lincoln, and I believe it was the Circle of Concerned Lifers. Was a little nervous, outside my comfort zone, but I just kind of looked at these things like if we're going to be, just like today, talking about legislation that deals with numerous issues like this, it was important that I get some knowledge about what's going on and, and, and see, you know, our different prisons. And I have been to-- I actually have one in District 24; we have the York facility that is the women's correctional facility. I've been there a couple of times. Anyway, got invited to this banquet. It was-- and got to meet a lot of the, the men there, and they kind of went around and they shared stories, and they shared with all the programs that are available that they can take, what they've done for betterment for themselves, you know, talked about maybe how they came in and, and kind of bucked the system and were always in trouble, and then came to the realization that, you know, maybe they can make a better life for themselves, even if they are in there with no chance, supposedly, of getting out. But it was very eye-opening. And you think these people are going to be scary, and I'm sure there are some scary ones in there, but the ones at this banquet are some, you know, men that, that could be your neighbors, that you wouldn't even know, so. And then, Senator Holdcroft, who-- we started in this legislative body together, has really delved in. He is on the Judiciary Committee and has spent a lot of time with this, and I, I very much value the time he spent and what he has found and, and worked on. And so, when he started working on this bill, I was very interested in it. This bill does not just let people out after 25 years; it just says-- it takes that Board of Parole to actually look at all the documentation, what these, these folks have done to get better, and, and makes a recommendation-- that's what it does-- to the Board of Pardons. And then, the Board of Pardons has the ultimate say and makes that final call. And when they present a package to the Pardons, they can have, you know-- you can get information from testimonials from people on the outside, victims, all the things, and that Board of Pardons makes the final call. But there's nothing wrong with some of these folks having a second look and a second chance. When I was at this meeting, there was a story of a, of a man in there that-- and I don't know the details, and I didn't get all the details, and there's always, there's always more to the story-- but when he was younger, about 19-- I believe he was 19 or 20-- he was in a gang, and he, he killed someone in another gang, and ended up in jail for life. And he's now-- I, I don't even know how guess he's old. 40s, maybe? 50? And I look at that, and I think, OK, he did-- I have a 19-year-old son; he actually

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just turned 19 on Easter. And we know what dumb things that you might do when you're 18, 19, 20, at a younger age. You have no impulse control, right? You, you-- your brain's not developed yet. And so, he did something really dumb, and I'm, I'm not trying to minimize taking someone's life, but [GAVEL] if you have served your time and really made changes, owned up to what you've done, don't these people also deserve a second chance? And I think they can bring value on the outside as well. In the case I'm talking about, this person really worked with inmates in there and tried to get them on the right path so that they can get back out and, and have a full life. So, that's where I stand with this. I support the, the bill as-is and the amendment, and I turn back my time. Thank you.

KELLY: That's your time, Senator. Thank you, Senator Hughes. Senator Clouse, you're recognized to speak.

CLOUSE: Thank you, Mr. President. Would Senator McKinney yield to question?

KELLY: Senator McKinney, would you yield to a question?

McKINNEY: Yes.

CLOUSE: OK, thank you, Senator. As I was looking at this bill, I was looking at the opponents, and one of them is the Reentry Alliance of Nebraska Racial Justice Policy Group. Do you know what that is, and why they would be opposed?

McKINNEY: I thinks the, the-- the majority, if I remember right, of opposition on this bill was to the, the portions that Senator Holdcroft cut out in the amendment.

CLOUSE: OK.

McKINNEY: The, the opposition to the bill, if I remember right, sitting on the committee, nobody-- I don't remember-- maybe one, and I don't think one talked about this portion of the bill. It was more so about the clean slate piece that he struck out the bill. But as far as the second chance piece of this bill, I don't really remember much opposition, if any.

CLOUSE: OK. Good. Thank you.

McKINNEY: Yep.

CLOUSE: Senator Holdcroft, I-- can I see if he would yield?

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KELLY: Senator Holdcroft, will you yield to a question?

HOLDCROFT: Yes, I will.

CLOUSE: Yes, thank you, Senator. Similar question. The Board of Pardons, do you know what their concern was? Or do they-- are they think-- just, just asking, are they think we're putting too much more work on them, or, or do you know what the status was there?

HOLDCROFT: Sure. First of all, can I go back to your first question? Who did you say opposed?

CLOUSE: Well, the first one was the Reentry Alliance of Nebraska Racial Justice Policy Group, and I didn't, I didn't bother looking it up, but--

HOLDCROFT: I'm--

CLOUSE: --and then, the other one is the Board of Pardons. They had some op--

HOLDCROFT: OK, I'm looking at the committee-- oh-- report, and I'm--

CLOUSE: I think it was the online.

HOLDCROFT: Oh, you're talking about the--

CLOUSE: Online, or--

HOLDCROFT: On the what? I'm--

CLOUSE: I think was the online--

HOLDCROFT: Oh, the online comments. OK. Yeah, sure. Yes, that's probably-- that's true. The Board of Pardons had two concerns. The first part was the, the safe, safe environment-- not safe environment, the clean slate. The clean slate piece, which would automatically remove people's-- from people's history any misdemeanors or Class IV felonies. So, that, that also caused some problems, if you look at the report, from, from the, the county attorney's association; county attorney associations are now neutral. The, the bankers association, they came in neutral; they're now OK with it, when we took that out. The Consumer Data Industrial [SIC] Association also. And the, and the courts, Corey Steel's group, they are also-- they were concerned about how much it would cost, and there's a large fiscal note with this originally, because they would have to, you know, do this function of

wiping people's histories clear. So, that-- once we took out the clean slate, they all came over. I don't think there were any opponents or neutrals. But they did-- we still had the letter from the department [SIC] of pardons. They're-- they came in-- most of it was on the clean slate piece, but they did take objection to us telling them that if they did not-- there were certain things they were supposed to do if they do not grant a commutation, and the-- there were words like "shall" identify specific things, they "shall" provide a plan, they "shall" have another hearing within a certain period of time. Those have all been changed to "mays," which is-- so, it's a suggestion, it's not binding. And that-- although I think the Board of Pardons-- obviously if you came today, they're still not crazy about this idea, but I, I-- we tried to address as many of the issues they had in their letter.

CLOUSE: OK. Thank you. And then, I had another question about the numbers or how many would qualify, and you mentioned that. And then the victims of the crimes, I am assuming that they would have the same process as-- in front of the Board of Pardons, you know, present their case if they were opposed, or something like that.

HOLDCROFT: Yes, actually, it would be the Board of Parole who would reach out to the victims.

CLOUSE: Sorry.

HOLDCROFT: And the, and the Board, Board of Parole would hold a, a public hearing. Unlike the Board of Pardons, they do a public hearing, but they don't allow the individual to be at the hearing. But the Board of Parole actually holds their hearings at the correction centers, so the individual would be there, they're open to the public, so victims, supporters, they can all come to the public hearing, and the Board of Parole will all-- take that all into consideration.

CLOUSE: OK, thank you. That's all I have.

KELLY: Senator Clouse-- thank you, senators. Senator Holdcroft, you're next in the queue.

HOLDCROFT: Well, I was going to-- I, I will cover the, the committee report. The committee came out-- it came out 8-0 out of committee after, after the amendment, and so I appreciate the support of my fellow Judiciary members. At-- for testimony, for actual testimony, we had 25 proponents. Most of them, I would say 20, were family members who came and pleaded-- I mean, the-- appreciated their-- the effort

that we were making, talked about their family members who were incarcerated who would benefit from this. A lot of tears. And also, the Mental Health Association came as a proponent, the ACLU came as a proponent. And this is interesting: the Nebraska Chamber of Commerce, the Greater Omaha Chamber of Commerce, and the Lincoln Chamber of Commerce all came as proponents because they're looking at these individuals coming out. Many of them, again, are going to be in their 40s and their 50s; they're going to mature individuals, they're going to be very unlikely to, to recidivate. They are going to have some skills, which is what Director Jeffreys is all about, the director of the Department of Health-- I mean, the Department of Corrections; he's working those reentry programs. So, they're going to come out with some skills. And also, the Nebraska Criminal Justice [SIC] Attorneys Association was a proponent. I mentioned the Nebraska County Attorneys Association came out as an opponent initially, but they are now neutral with the, with the amendment. So, it was a very positive hearing; kind of got us down the road. A couple other things I'd just like to mention, and this came from a discussion with Senator Wordekemper, is what happens after they get their commutation. So, if they get a commutation, they go back to the Board of Parole, and they're just like another parolee, someone who's granted by parole. Every parolee has to have a transition plan to transition back into community. In that plan, they have to have a job, they have to have a place to live, they're going to have a parole officer who's going to be monitoring them, and they're going to have-- and they require them to have some kind of support, whether it's family, whether it's organizations like RISE, whether it's-- Metro Community College in Omaha takes a big part of this. And so, once-- even after they're commuted, they are not just jammed out, they're just not released into society; they go into the parole system, they have a parole officer who they report to regularly. If there's requirements for drug testing, they'll do that. But there is an after-commutation process. And with that, I'll yield the remainder of my time. Thank you, Mr. President.

KELLY: Thank you, Senator Holdcroft. Senator McKinney, you're recognized to speak.

McKINNEY: Thank you. I rise still in support, because I think this is good legislation. There are benefits to this, this bill. It incorporates evidence-based assessments and community involvement to ensure safe integration. It's cost savings; it reduces costs associated with long-term incarceration for aging and rehabilitated-- rehabilitating individuals. And on the topic of individuals who serve long terms, the statistics show that people who serve, serve long-term

sentences, their recidivism rate is low. Most rarely go back. It is a low recidivism rate, so that's something to think about. It incorporates restorative justice. It provides a framework for accountability, victim healing and community restoration. Workforce for reentry-- it offers a structured pathway for formerly incarcerated individuals to re-enter the workforce and contribute to the economy. It also deals with human dignity-- dignity and rehabilitation, and recognizes the capacity for change. It supports redemption and second chances. I think we all should have a capacity for change, redemption, and second chances, because none of us is perfect. And yes, these individuals have made mistakes, or made big mistakes, but if they have worked over a period of time to improve themselves, taking programming that was offered, making sure they mentor peers while inside, and do the things that everyone says that they should do, I think it's more than reasonable to say, let's give them an opportunity to be reevaluated by the Parole Board, who may-- who, who can give a recommendation to the Pardons Board, who may-- may or may not take it; they don't have to. But at least, according to the constitution, I might add-- if you don't believe me, get your constitutional book and go to page 25, the bottom. It says "The Board of Parole may advise the Governor, Attorney General, and Secretary of State on the merits of any application for remission, respite, reprieve, pardon, or commutation but such advice shall not be binding on them." That is clear in the amendment, that is clearly in the bill. So, any conversation about encroachment is invalid because the constitution spells it out, and this bill is according to the constitution. So, the arguments that are outside the window are invalid. There is no encroachment. This bill is following the constitution and making sure that nobody's separation of powers is being intruded on. And that's OK, because all we're saying is let's give people a second chance. Is that too much to ask for, a second chance? Our state is facing a growing incarcer-- growing incarceration costs, aging prison population, and a need for smarter ways to deal with individuals that are incarcerated in our criminal justice system. This helps responsibly reduce the prison population, increase parole success rates, and build safer communities while restoring hope and purpose to individuals who have worked for change. We always say we want people to work, we want people to pull themselves up by their bootstraps. We want all these things for people to do, and this bill lays that out for people to work to improve themselves and show that they may deserve a second chance, if the Pardons Board so see it fits, see it fits. So, I think it's reasonable, and I appreciate Senator Holdcroft for bringing this, this legislation again, you know? I think it-- I, I, I really do. And I think you all should vote for it. I know it's

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late, but I will tell you, you should all vote for AM556 and LB215.
Thank you.

KELLY: Thank you, Senator McKinney. Senator DeBoer, you're recognized to speak, and waive. Senator Dungan, you're recognized to speak.

DUNGAN: Thank you, Mr. President. Senator Holdcroft, would you yield to just a couple of questions?

KELLY: Senator Holdcroft, would yield to questions?

HOLDCROFT: Yes.

DUNGAN: Thank you, Senator Holdcroft. Can you just briefly speak to the age breakdown, and why you decided on 25 years for one and 30 on the other?

HOLDCROFT: Yes. So, studies have shown that the human brain now matures to-- about the age of 24 to 25. So, if you committed your crime at 25 or younger, you're still considered-- the, the, the brain is not fully mature, and so you're not as-- you're more likely to offend. Therefore, the time that you should wait than for the opportunity is-- should be less, so it's 25 years. If you're 26 years or older, well, then, you should know better, is the bottom line. And so, you serve 30 years. Now again, if you, you do the math, that'll put you in your 40-- late 40s and early 50s either way, and that is, you know, studies show that "recidicisism," that is the likelihood to, to recommit crime, falls off significantly after age 45. So, we're taking, taking advantage of a couple things: first, the age of maturity of the brain, and then secondly, the age when recidivism drops off significantly.

DUNGAN: And-- thank you for that. I really appreciate that. And just, last-- second question I'll ask you is, do you believe, from the folks that you've talked to-- you kind of just spoke to this a little bit, but do you believe that, that the 25-- let me rephrase all of my questions there. Those numbers are just when they're eligible for this, correct? It's not automatically saying they're going to get a recommendation from the Board of Parole to then do the commutation, correct?

HOLDCROFT: You're absolutely correct. So, that is just when they hit a threshold. They still have to get an, you know, an appointment, essentially a slot with the, the Board of Parole. And the Board of Parole does not have to-- depending on the situation, they may want to take more time to contact victims, to contact support people. And so,

yeah, that-- when they get that threshold, it's not automatic; they still got to go to the Board of Parole, they still have to be recommended to the Board of Pardons, and the Board of Pardons still has the authority to say yea or nay on commutation.

DUNGAN: OK, thank you, Senator Holdcroft. Colleagues, the reason I ask that is these numbers, I think, are based on data; they're based on some actual analysis that I know Senator Holdcroft and others have looked into. I know that once somebody reaches those later ages, as he stated, the recidivism drops off precipitously, and there is just very little data to show that when somebody is released at that age after serving a long sentence there's a likelihood to reoffend. In addition to that, in the event that somebody is incarcerated for, say, a very violent crime, and has not taken advantage of any of the rehabilitative possibilities while in custody, I simply don't believe that the recommendation from the Board of Parole is going to be that there be any action taken on them. And, even if the recommendation is that they do ultimately do the pardon, then ultimately, the, the, the Board of Pardons doesn't have to do that, either. So, I think that this reflects a very common-sense compromise approach to picking the, the numbers and the dates involved, and when somebody is actually eligible for this. I once again want to say that Senator Holdcroft, I know, has put a lot of effort into this, and I do think that the data reflects what he's trying to do here. So, colleagues, I would encourage your green vote on AM556 as well as LB215. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. Senator Brandt, you're recognized to speak.

BRANDT: Thank you, Mr. President. Would Senator Holdcroft yield to a question?

KELLY: Senator Holdcroft, will you yield to questions?

HOLDCROFT: Yes.

BRANDT: Senator Holdcroft, I did not have an opportunity to talk to you; you've been on the mic quite a bit tonight. But my questions follow the same lines as Senator Dungan's. And doing the math, individuals under the age of 26 at time of offense is eligible after 25 years. You get sentenced at 18 as an adult; 18 and 25 is 43 years. Underneath that, then, they are eligible five years before, that would put them at age 38. Does that-- is the math working correctly?

HOLDCROFT: Well, yes, that's obviously the low, low age.

BRANDT: That's the absolute low, yes.

HOLDCROFT: But the five years to be eligible means they only start the process. I don't think they can-- they cannot be [INAUDIBLE]-- recommended to the Board of Commutation [SIC] before 25 years.

BRANDT: Yes. And then on the next-- the other category is age 26 or older. Assume age 26, and then that one, you have set at 30 years, so that would-- 26 plus 30 equals 56, minus the 5 would be 51. Why the 25 versus 30? Why were they not both the same?

HOLDCROFT: Well, it comes down to that maturity date. We kind of decided that age 26 is where you-- you're considered to be-- your brain is to be fully mature, and therefore you will-- you jump to the, the higher period of time for your penalty. So, younger than that-- I mean, we just-- we had to pick some, some time, and, and that, that seemed to work out as far as what the studies say about the maturity of the brain.

BRANDT: So, there's no doubt in my mind, in your service on the Judiciary Committee, you've made a yeoman's effort. I mean, you got good notes, you visited all the prisons, you've talked to a lot of people. I consider you very knowledgeable on pardon and parole. How many murder 1 do we have in the system? Do you know that number?

HOLDCROFT: I do not know that number. I could probably find that number. But what we did was we asked the Department of Corrections for how many people have essentially served more than 25 years, or fit into these things, and it comes out to 141. So, this bill, upon adoption, would apply to, to 141 individuals.

BRANDT: Is there a limit to how many times an individual can apply? I mean, is there any concern that individuals will game the system and after they get rejected-- they're applying through parole for the, for the pardon eligibility, but they-- they'll do that every month or two months, however often they meet, and that you'll now have 140 individuals that'll, that'll just add to the workload of parole without any real hope?

HOLDCROFT: Well, that'll be up to the Parole Board, or the Board of Parole, to manage. And they do that now. I mean, there are individuals that come up for parole that don't get parole. And so, then the Parole Board sets a future date, then, for it to be reconsidered, and I expect them to use that same kind of philosophy.

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BRANDT: So, the Parole Board is the one that gives them the expectation of a date. You don't, you don't get to just apply every time, is that correct?

HOLDCROFT: That's correct.

BRANDT: And then, I guess, the last question-- and I think you were involved with this-- on geriatric release. Can a murder 1 individual be eligible for geriatric release? Do you know?

HOLDCROFT: I, I don't know. I remember that, and I-- but I don't remember exactly what the law says now on that.

BRANDT: All right. Well, I appreciate, appreciate your work on this. I guess my only concern is that 25 years; I'd like to see that be more. And we've been listening to the debate. Thank you.

KELLY: Thank you, Senators Brandt and Holdcroft. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. I'd like to yield my time to Senator McKinney.

KELLY: Senator McKinney, 4 minutes, 55 seconds.

McKINNEY: Thank you, Senator Holdcroft. Senator Brandt, somebody with geriatric-- on-- applying for geriatric release-- well, somebody with a murder 1 couldn't apply for a geriatric release. Senator Brandt. Somebody that has murder 1 cannot apply for geriatric release under geriatric parole. It's a-- it's-- they're not eligible. The, the reason for the 25 years is accounting for the science, and also accounting for people getting sentenced when they're young. The data still shows, even if somebody was 18 and served 25 years, their chance of-- to recidivate is low, it's like 1%. I don't think that's too low. It's giving them an opportunity to go from a teenager to a 40-year-old woman or man, to show that they have changed. I don't think that's unreasonable. If they have not taken the programming, did the classes, worked to improve themselves, they will not even be recommended by the Parole Board. All this is asking for is an evaluation by the Parole Board who, who could give a recommendation, and the Pardons Board does not have to take it. That's all this is doing, is saying, look at, look at Tom Brandt; since he's been in jail for 25 years, has he done the things that we expect of people prior to ever giving them a consideration? If people are messing up, they never get to that evaluation hearing. So, I don't think it's unreasonable. I think we should consider that. I think this is a super reasonable bill. It's

just saying if people have showcased an improvement in self, we give them a potential opportunity to be evaluated by the Parole Board. Then, a Parole Board evaluates them, gives, gives a, a recommendation to the Pardons Board, who don't have to take it. They could say, "No, we don't have to listen to y'all." They could literally say that. It's just an advisement, it's not binding. So, I think we have to think about that. This is not saying just let people out for free, or not hold them accountable; this is not saying apply, apply, apply because it-- you can't. It's not possible. If you're eligible, you can get another hearing, but you cannot keep applying. That's not even possible now for people who are parole-eligible. The Parole Board has to set a hearing for you, you can't just apply to the Parole Board. They will complete risk assessments, they will involve the community. This is a holistic approach prior to, to ever saying we recommend this person for a possible commutation that may or may not have to get taken. I think we should consider that. It's not-- it, it, it-- it's not-- I don't think it's asking too much. It's applying everything that we've listened to, and saying, set these parameters, somebody under 26 is different than a-- sentenced under 26 is different than somebody who was 26 and older that commits an offense. I think that's a different-- that should be a different standard, and that's is all this trying to do. And they'll-- my other word of advice: read the amendment, please, if you haven't. Don't take my words for it, don't take PRO's words for it; please sit down and read the amendment and form your own opinion. Please, before you take a vote, read the amendment. That's bare minimum for us, as senators. Read the amendment, and then form your opinion. Don't take my advice and don't take PRO's advice; sit down and read the amendment, and then form your opinion on where you're going to go. But if you don't read the amendment, I don't see how you could just say no. Thank you.

KELLY: Thank you, Senator McKinney, and you're next in the queue, and that's your final time on the amendment.

McKINNEY: Again, please read the amendment if you haven't. And I will tell y'all again, I know people are saying this is intruding on something, but according to the Nebraska Constitution, the parole-- "the Board of Parole may advise the Governor, Attorney General, and Secretary of State"-- that's who makes up the Board of Pardons-- on "merits of any application for remission, respite, reprieve, pardon, or commutation but such advice"-- and this is clear in the bill-- "shall not be binding on them." So, they don't have to listen. I think this is fair. It's, it's just saying, let's give people hope, let's give people a chance to show that they improved themselves, because if you walk through these prisons and you talk to these men and women,

there's a lot of them that are honestly trying. There's a lot of them that honestly have improved themselves. There's a lot of-- and there's honestly a lot of them that are not the same person they were when they went in. It's men and women in there that's been sentenced since the '70s and '80s. If somebody can't change in that time-- that's more than I've been alive. If they're not-- if they're not able to change in that time, I don't know when they will. And if they don't, then they won't even get considered. But if they have, if they have, I think it is fair and reasonable to give them a chance for the Parole Board to evaluate them. What is so scary about an evaluation? I-- that is an honest question for anybody that's thinking no. What is so scary about an evaluation by the Parole Board to see if people have improved themselves? What is so scary about that? You might be tuning me out, but that is a legitimate question. What is so scary about the Parole Board evaluating somebody who, let's say, for example, was sentenced at the age of 18, and after 25 years, for the parole board to look at, look at them and see, have they improved themselves? See, have they taken the programming? See, have they just been-- become a better person? What is so wrong, what is so scary about that? Can you ask yourself that question? What is so scary about that? Is it scary that somebody could be 18, and after 25 years, they became a better person? They, they have three degrees, they've taken every program possible since being inside? Because I want to let you in on a secret: it's people in here-- in there right now that fit that description. Was sentenced at a young age, have more degrees than most people in this room, and taking every program possible to improve themselves, and they also work to mentor their peers inside and the young people coming inside to try to encourage them never to go back to where they're at. What is so scary about that? What is so scary about the Parole Board evaluating somebody? Because the Pardons Board, no matter what, has to listen. Is a recommendation that scary, that we'll, we'll find out that there are people in our system that have improved their lives? I-- I'm per-- I say it all the time, I'm perplexed. If somebody could go in at the age of 18 and, after 25 years, acquire three degrees, take every programming possible, mentor peers inside, hold clubs and do all those things, what is so scary about them getting evaluated by the Parole Board? Isn't that the people that people say we want to return to society, people that have improved themselves? Please tell me what's so scary about that. I'm waiting. Give me a reason. Can you? Because there's people in there that fit that description, that very description, that I have met, Senator Holdcroft have met. Thank you.

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KELLY: Thank you, Senator McKinney. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you, Mr. President. I'd like to yield my time to Senator Dungan.

KELLY: Senator Dungan, 4 minutes, 55 seconds.

DUNGAN: Thank you, Mr. President, and thank you, Senator Cavanaugh. Colleagues, I know we're getting down to the wire here today. I'm not entirely sure as to when we're going to adjourn, but I know it's a late night, and I know that people have had a long day. And so, I think that it-- it's important that we continue to have this conversation, I think, into the evening, but also tomorrow if possible. This is a bill that I want-- I want to be very clear: Senator Holdcroft, this is his priority bill, and he has worked very hard on it. And in speaking with a number of my colleagues, I think that there's just a lot of folks who are a little bit distracted, maybe, at the end of the day; there's a lot going on. And so, I, I want to make sure that, as we have a discussion about this, we're being clear-eyed not just about what the intention of the bill is-- which is, I think, to capture the idea of rehabilitation and ensure that people who do take the proper steps to rehabilitate themselves and serve their time are permitted a second look-- but also how it works, because I think there's been a lot of confusion about what the actual mechanisms of this bill are with regards to whether or not it's an automatic pardon, whether or not somebody-- what, what people have to do to be eligible. And so, I think it's important that we continue to have that, that chat maybe off the mic, and people can think about it tonight, and maybe tomorrow morning, we can continue that conversation. But to be very clear-- and Senator McKinney, I think, did a great job of outlining this-- this bill is permissive. And when I say it's permissive, what I mean is, after a certain period of time, which is very long, and after a certain amount of information is collected, this allows for a group of people to look at all of the pertinent data, look at all the pertinent information, and then make a decision as to that, that pardon. And this is not a decision that is made lightly, it's not a decision that's made willy-nilly; it's a decision that is made based off of years of work and effort that has gone into people trying to make their life better. Colleagues, I guess I, I just want to leave you briefly with a story, or a-- just a, a thing that really hit home for me. One of the first times I went into the Nebraska State Penitentiary was for a meeting of a group of men called the Circle of Concerned Lifers. And this is a group that many in this body have already met with and talked to; this is not a

one-off occasion. And it's a group people who are serving life sentences or very long sentences who are committed to the possibility of rehabilitation amongst themselves, but I think almost more important than that, they mentor and they work with other people in custody who are likely to get out, because they want to make sure that they help those young men improve their lives and take steps to actually not just rehabilitate the issues that are going on with them, but to try to actually take responsibility for what they've done and ensure that when or if they ever get out, they create a better world for themselves and for those around them. And I was at this meeting of the Circle of Concerned Lifers, and a gentleman got up, and he did a recitation of a poem, and it was a poem that was about-- he'd written this, and it was poem about all of the things that he wished his father would have taught him but never taught him because his father was incarcerated. And he went through, and he said all the things that he wishes his dad would have taught him. It was things like shaving, like how to throw a football, things like that. And what made it especially powerful was it was the same things that he wishes he could have taught his son because he was in custody. And the particularly poignant moment about all of this was that his son was also incarcerated with him at the State Pen, and he was sitting in the audience to listen to that poem. So, he, he read this poem about all the things he wishes his dad would have taught him to his son, saying I'm sorry that I wasn't able to teach you those things, but I'm happy I can be there for you now. And I've had a chance to speak with him and his son about all of the efforts for rehabilitation they've gone through while they've been in custody; years of work, years of therapy. And for the possibility for them to even have the chance at rehabilitation, for them even to have a second chance to maybe even think they're eventually going to be able to get out and continue to contribute to society, is what this bill seeks to do. So, colleagues, take the evening, think about this. Senator Holdcroft can answer your questions. He's been a fantastic resource here tonight. But this is about just giving people a possibility to maybe prove that they've made proper efforts. And it's about mercy, which is something I think we all believe in here in this Legislature. Thank you, Mr. President.

KELLY: Thank you, Senator Dungan. And you are next in the queue, Senator Dungan, and waive. Senator John Cavanaugh, you're recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I thought I was never going to get to talk. Senator Dungan has been talking a lot. So-- and I love it. Love to hear it. So, I rise in support of AM556 and LB215, and I haven't talked yet tonight, and I haven't really talked much today. I

was listening during the debate on the previous bill, and I appreciated a lot of the conversation. And I was just saying how-- always trying to be consistent about things. So, I, I really do-- and Senator Dungan was hitting on this-- I really appreciate Senator Holdcroft's work here on this bill. He's been here for now-- I think you're in-- he's in his third year, Senator Hold-- third year. And he's been on the Judiciary Committee, and he's got my spot on Judiciary, which is what I feel like. I want to-- I've always wanted to be on judiciary. I even tried to trade him for it during the Committee on Committees assignment time. But, you know, I didn't try to push him out or anything, because part of it is Senator Holdcroft's done a great job on Judiciary. I do really appreciate and respect his perspective there, and how he's thrown himself into this work. Any time I go to something, I've-- I see Senator Holdcroft there. Went to the, the opening of the halfway house in-- north of Cuming Street at about 24th-- I'm trying to remember exactly where it was. [INAUDIBLE] or three-quarter way house, maybe it was, but a step-down approach for folks, and getting people-- it has wraparound services, treatment, job preparedness. It has where people can get from, you know, a multi-person room to a one-person room, and they can get, you know, increase their level of back to normalcy from incarceration. And in-- the, the whole purpose of that is to increase success, decrease recidivism. And so, I remember right after the first session, saw Senator Holdcroft at that, and I was very impressed. And I've seen him, as Senator Dungan was saying, at the Circle of Concerned Lifers meetings, and I've seen, you know, times-- he's been there more times than I have because I always hear or see him there, or hear about him being there. And so, he's really invested himself in this, learned a lot about this, and I, I see this bill as the result of that journey of investing himself in this learning about our system and what is going to be successful in terms of saving the state money, decreasing recidivism, increasing success. And, and of course, one of the things that we don't like to talk about here, but is sort of a charitable aspect of, of seeing that people have put in the work and been successful, and giving them a, a second look, you know, is what this is. It's-- the, the amendment eliminates the clean slate act, which I am not happy about. I would-- I like the clean slate act. I'd like it to stay in there. So, this is a compromise where Senator Holdcroft has, has made a little bit more of a step away from what I would like to see, and to-- in the interest of moderating this bill and getting folks on board. I appreciate the conversation between Senator Holdcroft and Senator Brandt about the timeline, the 25-year timeline, and I really appreciate Senator McKinney's comments on that, that somebody ages-- you know, the-- if you're looking at-- I think it's age 18 is

eligible after 25 years; age 26, eligible after 30 years. Those folks, you know, age out of being involved in the criminal life, essentially. You know, our whole goal when we have somebody incarcerated is to get them in a position that, when they return to society-- because 90-some percent of these people return to society-- our whole goal is to get them in a position where they are not going to reoffend, because the goal is to not have crime. And so, this group of folks who have been in for a long period of time, who have done the programming, who have put in the work and gotten more mature, like those of us who are-- as a person of 44, I think I'm more mature than I was when I was 18-- they put in the work, and they are not-- they are diminishingly likely to reoffend at that point. And so, keeping them locked up costs us money; keeping them, you know, is, is punitive at that point, not rehabilitative. And they have the byproduct of-- we get those folks out in the community, they can be mentors. And all this bill does is doesn't guarantee that they get out, it doesn't force anybody to get out-- to release them. It just puts people in a position where they're going to have an opportunity to be looked at, to have their story told, to be able to present their case. So-- I'm going to run out of time here, but-- and I think we'll probably pick this up tomorrow. But I'm in favor of AM556 and LB215, and if you have any questions off the mic, I'm happy to talk about them with folks. Thank you, Mr. President.

KELLY: Thank you, Senator Cavanaugh. Mr. Clerk, for items.

CLERK: Mr. President, an amendment to be printed from Senator Lippincott to LR19CA. Approved reference report from the Referencing Committee for two gubernatorial appointments. And finally, a priority motion: Senator Lonowski would move to adjourn the body until Friday, April 25 at 9:00 a.m.

KELLY: Members, you have heard the motion to adjourn. All those in favor, say aye. Those opposed, nay. The Legislature is adjourned.