

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate March 31, 2023

KELLY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the fifty-fourth day of the One Hundred Eighth Legislature, First Session. Our chaplain today is Pastor Ben Schlegel, Salem Mennonite Church, Shickley, Nebraska, in Senator Brandt's district. Please rise.

PASTOR BEN SCHLEGEL: I invite you to join me in prayer this morning. God, our Heavenly Father, we thank you this morning for another day that you have granted to us. You created us in your love and you sustain us, meeting our needs each day. God, you are good to all people and you are near to all who call on you in truth. So draw us near to you today, as we call on your name and ask for your divine wisdom and assistance. You have created the Earth and all that is in it. You have given humankind the task of being stewards of creation and you establish government as an authority to do what is right and good. Lord, those who take on the responsibility of governing are given a serious duty of doing good, these 49 individuals working for what is best for the nearly 2 million people of Nebraska. Lord, I thank you for these individuals who have accepted this calling to govern and I ask that they would seek and receive your wisdom and insight and strength to do what is good and right. Father, I ask that you would help these legislators to display the fruits of your spirit in their lives and work. When it is easy and especially when it is difficult, fill them with love, joy, peace, patience, kindness, goodness, faithfulness, gentleness and self-control. And ultimately, God, I ask that the activities of this Legislature would reflect your mercy and truth and bring honor and glory to your holy name. I ask these things this morning in the name of your son, Jesus Christ. Amen.

KELLY: I recognize Senator Moser for the Pledge of Allegiance.

MOSER: Please join me in the pledge. 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 fifty-fourth day of the One Hundred Eighth Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

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

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

CLERK: I have no corrections this morning.

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

CLERK: There are, Mr. President. Report of registered lobbyists for March 30, 2023, is in the Legislative Journal. Additionally, agency reports electronically filed with the Legislature can be found on the Nebraska Legislature's website. Motions to be printed: Senator Hunt to LB583, LB584; Senator Conrad to LB585; Senator Hunt to LB586; Senator Hunt to LB597, LB598; and Senator Conrad to LB617. That's all I have at this time, Mr. President.

KELLY: Thank you, Mr. Clerk. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR70. I recognize Speaker Arch for a message.

ARCH: Thank you. Colleagues, it's Friday and I want to give my announcement and tell you a little bit about next week, what I see coming. I'll remind you that next week, we have two late nights, Monday and Tuesday nights. On Monday, we will adjourn around 7 p.m. with no break for dinner. On Tuesday night, I plan to adjourn no earlier than 9 p.m. It will likely be later. Legal precedent requires us to adjourn no later than 11:59 p.m. on late nights. Can't go into the next day. On Tuesday, we will have a dinner break at 5:30 with the provision of a meal. It is my intention to maximize the time we do have available to us in our last 37 days. I'm confident that we will get to several major pieces of legislation, including the budget, revenue taxation bills. We see that going on now. Additionally, I'm working with senators to determine what other measures we may have time to debate yet this session. As you can see from today's agenda, after Senator Briese's property tax credit bill, we will debate on Monday Senator Sanders' priority bill, LB583, the TEEOSA foundation aid and special education supplemental aid bill. And that is-- those are the-- that's the package that is forming with regards to revenue. Today, it is my intention for us to work through the lunch hour, as announced last week, and adjourn at 3 p.m. Thank you, Mr. President.

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KELLY: Thank you, Mr. Speaker. Mr. Clerk for items.

CLERK: Mr. President, first item on the agenda, LB683, introduced by the Transportation and Telecommunications Committee. It's a bill for an act relating to broadband; amends Sections 86-331, 86-333, 86-1103 and 86-1309; creates the Nebraska Broadband Office and provides duties; changes provisions relating to broadband access map, state broadband coordinator and the Nebraska Broadband, Broadband Bridge Fund; harmonize provisions; repeals the original section; declares an emergency. The bill was read for the time on January 18 of this year and referred to the Transportation and Telecommunications Committee. That committee placed the bill on General File. There are committee amendments pending, as well as amendments to those committee amendments pending as well, Mr. President.

KELLY: I recognize Senator Geist for a two-minute refresh.

GEIST: Thank you, Mr. President. Yes and we are gathering again today to talk about the broadband coordinator. This is a new position that is-- the bill is actually the framework that will set up the broadband coordinator who will answer directly to the Governor. He will-- he or she will have their administrative needs taken care of through the Department of Transportation. This individual will work closely with not only the Governor, but the PSC, the Transportation and Telecommunications Committee and those that are the vendors who will help deploy and construct our broadband that will go specifically to the unserved areas of Nebraska, the most high-cost and expensive areas, and then work to underserved after the unserved are served. We're looking at the potential of \$100-400 million coming through this coordinator. It's a huge job. It's a job, as the title indicates, of coordinating all of these activities and making sure that the unserved for broadband in the state of Nebraska are served. It's very important that we attach the committee amendment--

KELLY: One minute.

GEIST: --AM870, to LB683. I look forward to answering any questions as we go through the day. Most of you have the information that you need. We've talked offline. So if you have any of those still lingering, please feel free to pull me aside or ask me on the mike. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you. Is this a refresh or is this my time on the mike?

KELLY: I'm sorry. Yes, one-minute refresh on your amendment.

M. CAVANAUGH: Thank you. AM1095 requires that this new office fall under the Open Meetings Act and conduct itself as such. It is to add transparency to the process. As Senator Geist mentioned, this is a large amount of money and we have just given complete authority to the Governor's Office over this money so that they do not have to work with the Legislature on how this money is spent and allocated. So I think that it is important that we at least have some level of public transparency since we won't have public hearings around the money and the money's utilization and we won't have authority or oversight on the money. This at least gives the people of Nebraska the opportunity to know in advance what is happening. The, the committee amendment does have an annual report and hearing, but that is not an opportunity for the public to voice their concerns.

KELLY: That's your time, Senator, and you are next in the queue.

M. CAVANAUGH: Thank you, Mr. President. So, so as I was saying, AM1095 is an Open Meetings Act amendment requiring this newly formed office in the Governor's administration to abide by the Open Meetings Act. We are moving this program, the BEAD program, out of the PSC's jurisdiction and the PSC is required to abide by Open Meetings Act. We're moving this massive program, hundreds of millions of dollars, from the elected body of the PSC, an elected body, I would like to remind this elected body, that elected two new members this past year. So clearly the people of Nebraska are making choices about who they want representing them at the Public Service Commission. So we're taking this massive program away from an elected body, the Public Service Commission, and we are giving it to the Governor's administration. We are not putting in guardrails for oversight on the money. In fact, this committee amendment takes away one of our own authorities in oversight over the money. So I'm asking this body to put a guardrail in of public transparency in an Open Meetings Act stipulation. It was said to me yesterday that they have to abide by

the Open Meetings Act. If that is true, then there should be no problem in codifying that and clearly stating it in this amendment to this legislation. This is a really big deal what we are doing, colleagues. This is a very, very important thing that we are doing. We are taking away the authority of an elected body and giving it to an unelected body and moving it from one area of government to another. And we are also watering down the oversight of it all. We are on a path to take away our own ability and authority to govern with all of these little drips of water that we keep doing where we abdicate our own authority. Colleagues, I really hope that you will consider what we are doing with LB683, how we are growing government with LB683 and how we are growing it without much conversation or intention. To be perfectly blunt, this piece of legislation feels like an attack and an assault on the Public Service Commission and I am not comfortable with attacking another elected body in this way.

KELLY: One minute.

M. CAVANAUGH: Many people have expressed to me off the mike-- and I encourage you to express it on the mike if this is how you feel, but many of you have come and expressed to me that you are frustrated with the Public Service Commission and that you are irritated with how slowly this has been going on. So let's blow up the system, right? Let's blow up the elected process. Let's blow up the people's voice because of your personal irritations. This is an attack on the Public Service Commission and this is sloppy. We're giving the Governor carte blanche over money. No oversight from us. I really thought more people would engage on this conversation.

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

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I actually stand in support of Senator Cavanaugh's amendment. Transparency is important to all of our constituents and I want you to always remember that. But frankly, I am not in support of the underlying bill and I want to walk you through why. I have someone talking on my left side so I'm going to talk a little bit louder here so I can think straight. Yesterday, I was at the Med Center with my son and there was-- a couple walked in, a little bit older than me, and the gentleman walked into a healthcare facility complaining that

he had to wear a mask and making sure that everybody in the room heard how unhappy he was about wearing a mask. And then he abandoned his wife at the counter when she was checking in and she turned to him to ask a question because he had walked away and she needed some information. And he goes, I can't hear you with this mask on. And she looks at him and she says, the mask is not on your ears. And the reason I'm telling you that story is because I kind of feel like we got masks on our ears for this bill right now, guys. Because although I couldn't participate in debate yesterday, I did listen to debate. And I go back to the early funding of broadband where we threw millions of dollars at it, but we never really asked for anything in return. And so the state really did not do a very good job of tracking how the money was spent and what it was spent on. We were just, like, here, here's some money. Please give us broadband. Now we got better at it and started to measure what we treasure, which we should always do in government when we're handling tax dollars especially. But the one thing that we should never do is make Nebraska an autocracy. And that's what I think this bill is doing, is that although-- and I got to tell you, I asked several people that I know-- and I won't point you out-- why we're so willing to get things up to the Governor's Office when the executive branch has screwed up our prisons, screwed up unemployment insurance, screwed up Mead, Nebraska. I mean, the list is long of things that fall under the executive branch that have been screwed up over the last decade or so. And people said, well, because they like this Governor better than the last one. They didn't trust the last Governor. Now, I can't speak on that because I tried my freshman year to meet with our last Governor a lot and he refused to meet with me. But what I can say is that we have movement forward already and certain other guardrails have already been put into place. So why are we still willing-- and, you know, outside of what Senator Cavanaugh said about ignoring the elected officials, to me, that's not the issue as much as why would we give anything to the executive branch to screw up one more time? It doesn't belong in the executive branch. And if we're concerned about where the money goes and how it's spent, I feel the concern is much like what happened when we first started giving out the money. If you track our errors when it comes to broadband, the list is very, very long. There is no reason that a state the size of Nebraska with the population we have and the amount of money that we've invested in it, that it shouldn't be better than it is now. And I don't think changing it to the executive branch is

going to make any difference. The problem is, again, we don't measure what we treasure. We write checks, but we don't have expectations that we'll get back what we believe we need. And part of that-- and I can tell you that because I've gone back and read the transcripts-- is because people didn't know what to ask for. It's kind of like, like when we talk about things like blockchain you know? It's people choose to understand what they choose to understand. If you choose to understand technology as opposed to what people put in your ear, but you actually research it--

KELLY: One minute.

BLOOD: --you have a better grasp-- did you say one minute, sir?

KELLY: Yes, one minute.

BLOOD: Thank you. You choose to grasp the topic at hand. But I want you guys to actually listen. I, I can tell by people's faces that everybody has already made their mind up how they're going to vote and they're just waiting for this to be over and that's cool. But at the very least, please vote for Senator Cavanaugh's amendment because it does make it a better bill. And if you're against transparency, then don't stand on your mike and tell me how you're there for your constituents because I have yet to meet a constituent who says transparency is not important. Thank you, Mr. President.

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

JACOBSON: Thank you, Mr. President. Well, Senator Blood really kind of makes my point and that is it hasn't worked. I'm a rural senator. We want broadband. The dollars are going to be available. If we don't make this happen while those dollars are available, it's never going to happen. So I'm tired of waiting on the PSC. We've had new membership now coming into the PSC, but the PSC has failed us and it's time for someone to take control of this and the Governor intends to do just that. So I fully support AM870 and I don't care who introduced AM1095. I could have introduced it myself and I'd be voting against it because I don't want to put any more roadblocks out there. The Governor is in charge of the agencies not today. We allocate millions and millions of dollars to the agencies every year. So they report to

him. So I'm not concerned at all about the transparency any more than I've been concerned about the transparency with the PSC. But the problem is, is we still got mapping that's insufficient. And yet, we've got-- I've got people in my district and, and across the state in rural areas that want broadband and we're tired of waiting for it and we're tired of being demagogued on it. And we want somebody focused on this, someone that's going to actually make this happen and that's what the Governor has got in mind and that's why I fully support AM-- or LB683 and AM870. And I'm not interested in putting more roadblocks up there in the eye-- in the, in the guise of transparency. I want this done. So I'm going to vote against LB1095 [SIC, AM1095], vote in favor of AM870, and the underlying bill, LB683. Thank you.

KELLY: Thank you, Senator Jacobson. Senator Murman has some guests in the north balcony: high school FFA students from Lawrence-Nelson, Nebraska. Please stand and be recognized by your Nebraska Legislature. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President, and good morning, colleagues. I was hoping, as we continue to kind of work through the mechanics of the BEAD funds and kind of how this change in regulatory infrastructure may impact our shared goals of advancing access to broadband services across the state and bridging the digital divide, that if Senator DeBoer would be willing to answer some questions or yield to some questions that might be helpful to building the record and understanding.

KELLY: Senator DeBoer, would you yield to some questions?

DeBOER: Yes, I would.

CONRAD: Thank you. Senator DeBoer. I know that you've been a member of the committee for some time and have really dug in, as is your practice, to a lot of the details and nuances in the underlying issues and proposals. So I was just hoping perhaps that you could help me understand and other colleagues understand how much discretion, perhaps, is available for whether it's the PSC or this new state agency to administer the BEAD funds? How closely regulated, how many federal strings are attached to this, you know, roughly \$400 million

grant that comes into the state? From a general perspective, if you could help us understand.

DeBOER: Yeah. Senator Conrad, the, the BEAD money is even more tightly restricted than other monies we've gotten in the past. This applies only-- I mean, we have to get to the unserved areas. Those areas are the highest cost, the most difficult to get to. The feds will be watching us and making sure that we do these things all according to a series of restrictions that they've put on place on these dollars to make sure that they are not just deployed, but also maintained after they're deployed in a way that is appropriate. So this is a-- there are some restrictions on this program that have not been on some of the programs we have utilized in the past.

CONRAD: OK. That, that's very helpful because some of the feedback I received from stakeholders after we embarked on the initial debate was questions about whether perhaps the Legislature could put some guardrails around the fund, say, for example, an equal distribution by congressional district or something to that effect. And I understand from some brief conversations that that may not be permissible under the federal rules. And I, I just wanted to make sure to raise that idea and kind of tease out the, the reason behind it. Would that be consistent with your understanding, Senator?

DeBOER: So my understanding is that since it has to go to unserved areas, for example, in Congressional District 2, there would not be many areas that fit the unserved--

CONRAD: OK.

DeBOER: --designation, whereas in Congressional District 3, there would be many, many areas that would--

CONRAD: Right.

DeBOER: --fit that designation. So I think it would be impossible to try to balance those things and still fit within the federal program.

CONRAD: Thank you so much, Senator. And, and just one final question, if, if I could be so bold. I know that you worked to put together the reporting requirement at the committee level. And I was just wondering perhaps if the committee may be open minded to making that reporting

requirement a bit more responsive, say, for example, maybe monthly reports or quarterly reports. Just so that all stakeholders in real time have a little bit more information instead of just a one-year lookback as to what was done. And that might help to foster a course correction if need be, instead of just once-a-year kind of lookback. I don't know if that was something you discussed at the committee level or not. But if it was something that you might--

KELLY: One minute.

CONRAD: --open to, I, I would love to hear your thoughts about that. Thank you, Mr. President.

DeBOER: I know that I did have a discussion one time about a quarterly. I think that would probably be something more informal rather than formal with a, with a public hearing, which was what was important to me about the annual report and hearing. I do think, though, that one of the things that hasn't been mentioned on the microphone is that these folks who are doing-- whoever the BOD, the broadband office director, is, as well as the folks within that office, will be working hand in glove with the Public Service Commission. They have to because the Public Service Commission will continue to operate their own program and we obviously don't want overlap between the two programs. So they're going to have to be in constant communication. So it won't just be us with oversight over this office, but also the Public Service Commission.

CONRAD: Thank you so much, Senator. Appreciate it.

KELLY: That's your time, Senators. Thank you, Senators Conrad and DeBoer. Senator DeKay has some guests in the north balcony, members of the O'Neill, Nebraska FFA. Please stand and be recognized by your Nebraska Legislature. And Senator Hansen has guests in the north balcony, FFA members from Blair, Nebraska. Please stand and be recognized by your Nebraska Legislature. Senator Blood, you're recognized to speak.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I still stand in support of Senator Cavanaugh's amendment, but not necessarily in support of the underlying bill for the reasons I stayed on the mike the first time. I thought it was interesting that a senator stood up

and talked about they don't want any more roadblocks to broadband not getting done. Transparency is the opposite of a roadblock. No matter who put that bill up there, I'd be against it. Well, well, that-- you just told everybody you're against transparency. If you want it done, you want transparency. Transparency promotes accountability. It also, most importantly, provides information to our constituents because it is, frankly, quite often our constituents that catch something in a hearing when they're reading through the transcripts and say, wait a minute, that guy owns that construction company that just built that new road, that councilperson, that senator, that Governor. Being transparent holds people accountable, but most of all, it allows our constituents to hold us accountable about what their government is doing. It's also how we abolish corruption. You know, we have heard so much from so many of you about how you felt the last election was corrupt. And I'm not going to sit here and argue the point on the mike because we're not debating that bill or any of those bills. But what I'm going to tell you is that why is one type of alleged corruption worse than this type of corruption? That's hypocrisy. Corruption threatens good governance. Why would you not want to put these guardrails in place and, and create better transparency? It's not a roadblock to how public-- to have hearings open to the public. It's the opposite of a roadblock. It allows state participation from the people who we work for. It also makes sure that when they utilize their resources, we get to see how those resources are dealt out. I'm always confused by you guys when you know how are you going to vote and you keep your heads down when we're trying to debate. And periodically, some will stand up on a mike and pontificate to try and discredit what you just said. But otherwise, it's quiet, like crickets. And I don't understand that because debate is healthy and it's-- it helps us make good decisions if we listen to the debate. We also better understand where people are coming from. You know, you were willing to believe again that there was voter fraud. There was a group from the Bellevue area that traveled all over Nebraska and showed a PowerPoint. And they alleged that Senator Day and I supposedly cheated when we won our elections because how could we have possibly won against two strong Republican men? Well, we won because we worked our butts off. But I-- by the way-- and I don't know if Senator Brewer remembers when they came and talked to Government Affairs, they said they're going to circle back with the information that proved their point because apparently they had cell phone data

that showed that people had shown up at the poll-- at the drop boxes multiple times. It's been a year and a half, two years since we had that hearing. I'm still waiting for that data. I don't know, maybe they turned it into the Government Committee, but I've never seen it. We like to plant seeds of fear. We like to plant seeds of misinformation because apparently, that's what politics is all about right now. That's why we need transparency. I don't care if you're a Republican, a Democrat, a libertarian, the Marijuana Party, the Green Party. I have yet to meet a constituent that didn't want better transparency. This is--

KELLY: One minute.

BLOOD: --this is not a roadblock. This is good government-- this is good government. And it's not going to hurt you to vote yes for the amendment because you got the votes for the underlying bill. And what you're doing is making it better. Transparency is never a bad thing. Transparency is not a roadblock. Transparency holds us accountable because we will not be here forever and we want to make sure that whatever we leave is pristine and responsible for whoever comes behind us. Thank you, Mr. President.

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

DeBOER: Thank you, Mr. President. First of all, I do believe that-- well, I talked to committee counsel and they-- or he instructed me that, in fact, the Open Meetings Act would apply. I don't see any reason why then we couldn't make that explicit here, but it would already apply to the, to the program, to the broadband office. I wanted to take a second to defend the Public Service Commission here. I support the bill. I think the bill is a good idea. You know, it may not be perfect, but it's, but it's darn good. And so I support the bill and I, and I would hope others would support the bill. We've tried to put in some transparency measures here. I think that the broadband office director, whoever that is, if we asked he or she for more frequent updates. I suspect we would be able to get them. I suspect that because they have to put in place, for example, a long-range plan for Nebraska and broadband deployment in general by I think August-- August is right. So they have to get that in place. I'm sure that whoever those folks are will be sharing that information

with us when they get it. But I do want to say something about the deployment of broadband in Nebraska so far and that is to say that although the Public Service Commission has had a couple of years with the Broadband Bridge Act, which try and say that five times fast, but they've had a couple of years with the Broadband Bridge Act. It has not been bazillions of dollars. The need-- when I ask for sort of back-of-the-envelope figures on what it's going to cost to get fiber to everyone in Nebraska, the number is astronomical. It's multiple billions with a "B" of dollars. So although \$400 million is going to get us a long way to connecting those unserved areas, we're still not going to get everyone, not with the amount of money that we have. This is an absolutely huge undertaking. So the fact that the Public Service Commission has not been able to (a) get it done in the last two or three years that the-- well, I think it's two years that the Broadband Bridge Program has been going in which they get something like \$20 million or \$40 million a year. I mean, that isn't enough money to get it done. The amount of money it's going to take to get it done is very, very large so the amount of time it's going to take is not short either. The Public Service Commission has done a commendable job and they have only had-- let's say they've had 11 years, I think, with any money at all. I mean, they were not created to deploy broadband. They also regulate things like taxi cabs. They regulate the, the wired phone service. I'm not saying that the Public Service Commission has done anything wrong at all. I think they've done an admirable job and they owe-- and we all owe them a debt of gratitude because when we first tried to do a program like the broadband BEAD program, it was housed elsewhere and it didn't go quite so well. It takes a little time to figure all of this out. So if you know a public service commissioner, they're probably feeling pretty, pretty low these days because we're all trashing them on the microphone. I think you should all say thank you to them because I think they do a good job. That being said, they have a lot of things to regulate. They're already in charge of the Broadband Bridge Program, which is the state money. They're doing the Capital Projects Fund money. They have a lot of things to do. Creating the broadband office--

KELLY: One minute.

DeBOER: --will allow someone to work on some of these issues themselves to coordinate across all of the different agencies that are involved, including the Public Service Commission, so that we can get

broadband out to everywhere in the state. This is a big undertaking. The technology changes, the supply changes, supply line difficulties. All of these things exist together as we're trying to get these things done. I'm going to collect my thoughts and speak one more time on the microphone on this issue. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. Colleagues, as Senator DeBoer just said, and as I also previously said, they are subject to the Open Meetings Act. This amendment makes it explicitly clear that they would be subject to the Open Meetings Act. So I'm not really understanding what Senator Jacobson's objections are because he wants less transparency in how this massive amount of money is being spent. I find that to be a concerning statement. The Public Service Commission, many of you come up and complain to me about them. Let me just say the Governor just appointed in January my opponent from my reelection to the Public Service Commission. I don't have a problem with Mr. Mirch being on the Public Service Commission. I think that's wonderful for him, great opportunity for service. He clearly has an interest in service. But I do think it does point to the fact that I'm not doing this because I've got, like, some great desire to support the Public Service Commission. I'm actively trying to keep authority with the person who ran against me because I think it is the right thing to do. Yes, it is a regulatory body. Yes, it has been slow. Yes, this is a great deal of money. And yes, we are creating a new office in the administration of the Governor and taking away an authority from an elected body. And we should be having a conversation about that. If you want to get on the microphone and yell about less government oversight, by all means, do. But I would encourage and ask my colleagues to engage in the conversation around what we are doing. I only have one more time on the mike on this amendment and then we'll go to a vote on this amendment and then we'll move to the next thing on the agenda or the next amendment available to us and that's fine. I just would ask colleagues to codify and clarify that we are going to hold them accountable, that they should be subject to open meetings, that there is no question as to whether or not they are subject to open meetings. It is believed that they are. This just makes it clear that they are. So I would hope that this would be an uncontroversial amendment even if I am the one introducing it. We are, in this bill,

handing over massive amounts of money to the administration. We should be responsible in how we do that and we should care about the potential for exploitation--

KELLY: One minute.

M. CAVANAUGH: --of weaknesses in the oversight process if we do not care about the integrity of oversight. I do not assume that anyone is going to have ill intent in the work that they are doing. But I also am not going to assume that if somebody does do something inappropriate with their position of power, that it's OK for us not to have any reasons or steps for them-- for the rest of us to know about that and to take correctional steps. Government oversight is important and essential and we cannot be good stewards of taxpayer dollars without it. Thank you, Mr. President.

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

GEIST: Thank you, Mr. President. I can't let this go unanswered. Let's see. I'm hearing irresponsible, not transparent, no oversight, corrupt. Folks, this is just wrong. In this bill, they are subject to the Open Meetings Act. This amendment is not needed. In the amendment, AM870, the director and his people will report annually to the Transportation and Telecommunications Committee. They will file a report every year. They will come before the committee. They will defend where they are. They will say where they have been, what changes have been made. To say that this is not transparent is absurd. It is the same way we treat every other agency, every other agency director in government. I'm going to read to you what applies in the Open Meetings Act so I hope you hear it. Public bodies covered under the act-- under Section 84-1409.1, public bodies covered under the Open Meetings Act include: governing bodies of all political subdivisions of the state, (ii) governing bodies of all agencies of the Executive Department of State Government created by law, (iii) all independent boards, commissions, bureaus, committees, councils, subunits, or any other body created pursuant to law, (iv) all study or advisory committees of the executive department of the state, whether continuing or limited existence, (v) advisory committees of the governing bodies of political subdivisions of the governing bodies of agencies of the executive branch of state government or the

independent boards, commissions, etcetera, and (vi) instrumentalities exercising essentially public functions. It is so incredibly clear that this is covered by the Public Meetings Act [SIC] so quit calling it not transparent, corrupt, irresponsible, and that there's no oversight. There obviously is. Thank you, Mr. President.

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

MOSER: Thank you, Mr. President, and good morning, colleagues. Good morning, Nebraska. So we're having a discussion of broadband deployment and the relative success of that endeavor so far. And the argument that the Public Service Commission is elected and is somehow more appropriate to serve this function I think is lost on the fact that the Governor, too, is elected. And if the Governor makes decisions that don't enhance broadband, then that's on him. I think the Governor is motivated to do this because he's the chief executive in the state and he looks over the state to see what needs we have and whether we-- whether government is addressing those needs. And the Public Service Commission has worked very hard. They've been responsive to anything that I've asked them about, but they have a very wide range of things to regulate. I mean, they regulate telecommunications, of course, natural gas, utilities, major oil pipelines, railroad safety, household goods movers, passenger carriers, grain warehouses, keeping track of, of grain dealers and whether they have the grain in their bins that they claim to have, construction of manufactured and modular homes and recreational vehicles, high-voltage electric transmission lines, and private water company rates. So they certainly have a lot on their plate. This bill is not going to take everything in broadband away from the Public Service Commission. They're still going to be integral in this moving forward. We're going to-- we will get massive amounts of money to address the broadband problem and we need to get this right. And I think the Governor sees this as a challenge and I think he-- and I haven't talked to him for weeks. But I-- in my vision of the discussions we've had, I think that he sees this as a challenge that we need to address in Nebraska and I think he feels that this bill will help address it. The point person, this broadband director, is going to look at everything that happens and set off any alarms if things are not going correctly. You know, if the Governor were a Democrat, we wouldn't even be having this discussion. Some of the

angst is just because broadband has been kind of a Democratic issue, I think, and this gives the Governor some added oversight and authority to address this problem. And I think a lot of the objection to this bill is political claptrap. Thank you.

KELLY: Thank you, Senator Moser. Mr. Clerk for some items.

CLERK: Thank you, Mr. President. Quickly, motion to-- motions should be printed. Senator Hunt to LB626; Senator Conrad to LB629, LB631, LB644, LB647 and LB664. That's all I have at this time, Mr. President.

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

DeBOER: Thank you, Mr. President. Continuing kind of what I was talking about last time, I did hear on the microphone somebody complaining about mapping not having been done sooner to help us in our endeavor of getting broadband out to everywhere. I will agree that I wish mapping had been done sooner, but that falls on us, colleagues. Senator Brandt, my freshman year in 2019, had a bill to work on mapping. Senator Bostelman has had several bills on mapping. I have had several bills on mapping. We just haven't been able to get apparently the right bill or the right time. The feds have been behind on mapping. It is due to this BEAD program and a renewed effort to get broadband out from the federal level that we have the increased efficacy of our maps because they have finally gotten some, some real work done on mapping and that's the mapping that we're now going to have. Of course, mapping is a very difficult question because as soon as you print a map, it is immediately obsolete when something changes right away. So the upkeep of that mapping and the, the renewal of that map is going to be an ongoing problem, which brings me to another point, which we have largely not discussed, which I think we ought to have on the record and which I think we ought to be thinking about as a body. Because just because we're going to get fiber in the ground to everywhere doesn't mean we're done with broadband in Nebraska. That's the problem, see? It's going to be incredibly expensive to upkeep our broadband grid once we get it in the ground or on the wires, as it were. The broadband-- so we made a choice two years ago, I think, to say that we were going to give funds for basically 100 by 20 only, which is pretty much just fiber, which is pretty much just a kind of technology we deem right now to be future proof. We think that fiber

is going to get us as far as we need to go on the Internet in terms of having access for folks. But the problem is just because you've dropped fiber in the ground and you've connected it to people, that doesn't mean that it's going to stay that way, right? Somebody's going to dig through some glass at some point or somebody is going to-- you know, a-- some animal is going to chew through something or something like that or the pieces that connect a house to the grid are going to break. These things all need to be upkept. Not to mention the fact that somebody's got to take care of billing. Somebody's got to take care of customer service for all of these folks in these very high-cost areas. Now, there is a tail, which means that if you take money to build in these areas, you have to provide service to them for a time. But we as a state are going to have to think about how are we going to support the upkeep of that? And the Public Service Commission, whether there's a broadband office, whether there isn't a broadband office under this bill or not, the Public Service Commission is going to have a very important role in making sure that we can keep our system going after we build it and that's no small task. So the Public Service Commission, regardless of the broadband office, is going to have a very large role to play in the future of broadband in our state.

KELLY: One minute.

DeBOER: As a regulatory body over all of these issues, they're going to have to figure out how to, how to keep it going. When the federal money is gone, they're going to have to figure out how to keep it going. And this body is going to have to make some very serious decisions about how to keep it going, what we're going to do to keep that broadband in place once we get it there. So I just wanted to bring that to everyone's mind that there, there is a lot of work to be done, not just in the short term to get broadband out, but in the long term to keep broadband going. So as we're talking about these things and we're thinking about how we're distributing the work, I just want to say there's enough work to go around. And under my understanding of how this bill works, the Public Service Commission would retain a lot of the responsibility for keeping the broadband going once we get it out. So I think they retain a very important role here. I think they've done an admirable job in the--

KELLY: That's your time, Senator.

DeBOER: --challenged processes-- thank you, Mr. President.

KELLY: Thank you, Senator DeBoer. Senator Blood, you're recognized to speak. This is your third opportunity on the amendment.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I was actually not going to come up a third time, but that's what I love about debate. Sometimes it's-- it encourages you to come back and set the record straight. You know, when you cherry-pick what words you hear in a sentence, that makes for bad debate. I just want to clarify, nobody said anything was corrupt. What we said was transparency prevents corruption. Transparency prevents corruption. And then we're told, well, we don't need this because it's clear that there's going to be-- the Open Meetings Act will apply to this. Well, friends, I can sit down here this afternoon and I could probably find multiple-- just from memory-- bills that people brought forward asking us to codify things. We just want it on record. We want it in the bill so it's clear and there's never any question in the future as to whether it should be transparent or not. You guys codified a bill several years ago for Senator Bostelman and it was in reference to Mead where you voted yes, that people couldn't use seed corn, coated seed corn, off label. That's already a law, friends. But heck, we did something. We codified it. Now everybody knows in Nebraska, you can't use it off label, which is right. You do it once, but you can't do it again? Is it because you aren't caring for that senator right now or is it because you truly believe there will be full transparency? Because that would be something really new for our executive branch. And friends, it was just a week or two ago-- I think it was, like, around on the 19th or 20th. I remember reading an article that our executive branch was not releasing any events schedule for the first time in decades. And our executive branch is being criticized by multiple parties, not any one party, saying that they don't understand why our constituents can't know where the executive branch is going to be and what they're going to be doing until after the fact or the day of. And I'm pretty sure our media is frustrated by that as well. So you can cherry-pick words, but the bottom line is that when things are public, when things are transparent, it's good government. You can go ahead and say, well, they're already going to have to be transparent. Well, OK, but I like codifying it. You've codified a lot of things that were already law. This is something that I still don't believe is clear and it's not going to hurt anybody to add it to the bill. And the fact

that you're resistant to add it to me seems very suspect. You want your bill to go through, what's the fact of adding a little extra ounce of transparency? Because, friends, I'm got to tell you what I'm seeing. The same branch that you're protecting say-- says is the right branch, I'm saying the opposite of transparency. If you're not willing to share your schedule, if you're not willing to let Nebraskans know where you're going to be and what you're going to be doing, that's not very transparent. But yet we're going to have millions and millions of dollars and something very important that needs to be done. And we've set a date, which I do appreciate. I like dates, but what I don't see is the consequences of not meeting that date besides people not getting proper broadband. Will that person lose their job? Maybe we should have that in writing. Will that person have a contract that says if you don't have these things done by a certain date, you're out of a job? Because we do that with any other job except for the ones that usually pertain to big government. If you were in a normal job like that and had that much money to, to manage, they would be setting goals for you. And if you couldn't meet those goals over and over again, you'd lose your job.

KELLY: One minute.

BLOOD: But that's out of my hands. I can pick this apart all day long. I'm not going to do that. But I, again, will say that when you say words out of sentences, it doesn't change the meaning of the original sentence. What we said was transparency prevents corruption. We didn't see anybody was corrupt. We're saying it's good government. So actually listen to the debate. Or whoever your staff person is who might be picking those words out for you to hand them to you, tell them to listen to the entire sentence. Thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Machaela Cavanaugh, you're recognized to close on the amendment.

M. CAVANAUGH: OK. I don't believe you told me last time that it was my last time. Just flagging that for next time. I thought I had another time to talk. So closing on the amendment, AM1095 just makes it clear that this office is subject to the Open Meetings Act. I understand that it is understood that they are already subject to that. This just makes it clear in statute, in the formation of this office, that they are subject to it. It's a clarification of what we believe to already

be the case. And to Senator Blood's points, I am not accusing anyone of corruption. I believe it is our responsibility to ensure that we have a judicious use of taxpayer dollars, that we have the ability to execute oversight on that use and that we put as many guardrails as the body deems necessary. And I believe in more guardrails than it appears the rest of the body does. That's fine. We can have a difference of opinion on that. That doesn't mean I'm accusing people of cronyism or corruption. We have a difference of opinion and it is OK to have a difference of opinion. I am not trying to accuse the Governor of anything improper, any impropriety whatsoever. I don't think that the Governor has ill intent. I do, however, think that we have a responsibility. And it is not because the governor is a Republican. I don't think a political party is indicative as to whether or not you are vulnerable to bad decision-making or corruption. I think it is important to have safeguards around millions of dollars and to make it clear that public input matters. This is not about political party. I have enjoyed a much more communicative relationship with this Governor than in the previous administration. I very much appreciate that and value that. I do not care what anyone's political party is. That is irrelevant to me. I do think somehow we got a little sideways on the conversation at hand. Somehow this morning, we're feeling a little punchy towards Senator Machaela Cavanaugh. I'm talking about the same things I was talking about yesterday sans the coffee mug conversation. I care about government oversight. I care about protecting the taxpayer dollars. This is a really big thing we are doing and it doesn't feel-- and I could be very wrong, but it doesn't feel like the majority of the body is even paying attention to what LB683 does. But it is a big deal, it is a big step and I think that we should be much more deliberative in how we approach such an important step.

KELLY: One minute.

M. CAVANAUGH: I don't agree with moving this program out of the PSC to a new office in the Governor's administration at this time. I also don't agree that it is essential or necessary at this time. I think that we can keep it where it is and do an interim study and figure out the best steps forward. I would like us to be more thoughtful and intentional and deliberate in doing this. This has nothing to do with the Governor personally at all. As a Governor in-- that actually comes from a rural parts of the states, I think he has a great deal invested

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in deploying broadband across the state and I am excited about that. I hope that you all will consider voting for AM1095. Mr. President, I would like a call of the house and a roll call vote. Thank you.

KELLY: Thank you, Senator. The-- 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: 12 ayes, 3 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 to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Dorn has some guests in the north balcony. They are some fourth graders from Paddock Lane Elementary in Beatrice, Nebraska. Please stand and be recognized by your Nebraska Legislature. Senator Dover would like to recognize the physician of the day, Dr. Lane Handke of Pierce, Nebraska. Please stand and be recognized. Senators DeKay, Bostar, Wayne, Erdman, von Gillern, please return to the Chamber. The house is under call. All unexcused members are now present. There's been a request for a roll call vote. The question is the adoption of AM1095. Mr. Clerk.

CLERK: Senator Aguilar. Senator Albrecht. Senator Arch voting no. Senator Armendariz voting no. Senator Ballard voting no. Senator Blood voting yes. Senator Bostar not voting. Senator Bostelman voting no. Senator Brandt voting no. Senator Brewer voting no. Senator Briese voting no. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Conrad voting yes. Senator Day. Senator DeBoer voting yes. Senator DeKay voting no. Senator Dorn voting no. Senator Dover voting no. Senator Dungan voting yes. Senator Erdman voting no. Senator Fredrickson voting yes. Senator Geist voting no. Senator Halloran voting no. Senator Hansen voting no. Senator Hardin voting no. Senator Holdcroft voting no. Senator Hughes voting no. Senator Hunt. Senator Ibach voting no. Senator Jacobson [voting no]. Senator Kauth voting no. Senator Linehan voting no. Senator Lippincott voting no. Senator Lowe voting no. Senator McDonnell voting no. Senator McKinney not voting. Senator Moser voting no. Senator Murman voting no. Senator Raybould voting yes. Senator Riepe voting no. Senator Sanders voting no.

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Senator Slama voting no. Senator Vargas voting no. Senator von Gillern voting no. Senator Walz voting yes. Senator Wayne voting yes. Senator Wishart not voting. Senator Day voting yes. Vote is 11 ayes, 32 nays, Mr. President, on adoption of the amendment.

KELLY: The amendment is not adopted. I raise the call. Mr. Clerk, items.

CLERK: Mr. President, some items quickly. Motions to be printed: Senator Conrad to LB671, LB684, LB705, LB706; Senator Machaela Cavanaugh to LB709; and Senator Conrad to LB727. Next item in regards to LB683, Mr. President. Senator Machaela Cavanaugh would move to offer AM1097.

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

M. CAVANAUGH: Thank you, Mr. President, colleagues. AM1097 inserts, after "report," or any other matter related to broadband office-- the broadband office on page 6, line 9. So this is where we require a report and public hearing to allow for an opportunity for public comment on the report or any other matter related to the broadband office. I'm sure this is too much public input for this body so it'll have the same outcome as the last several votes. But here I am doing the definition of insanity, trying over and over again to get this body to engage. I know, I know. I'm about to sneeze. Sorry. Sorry, I have a tickle in my throat and it is now moving to sneezing so I guess keep your distance from me. I don't know how much more time we have on this bill. So the Nebraska Strategic Broadband Plan-- how much time do I have left?

KELLY: 8:20.

M. CAVANAUGH: Thank you. This was shared with me from the interim broadband director, broadband office, Nebraska Department of Transportation. One would almost think we don't have to do anything. There's already, apparently, a broadband office. So the Governor made an executive order and now there's a broadband office and-- oh, wait. We're taking the authority away from another entity and giving it to that office so we do have to do something. So there is, in my mind, an unanswered question as to whether this is constitutional. It probably

is because we have not defined broadband. We haven't defined it as a common carrier or not as a common carrier. But in our constitution, if it were defined as a common carrier, it would be unconstitutional for us to take this authority away from the broadband office-- or from the Public Service Commission and give it to the Governor. We cannot do that, which for me begs the question, should we do it? If we already have in the constitution that we can't take specific authority, really the original authority of the PSC away and give it to the Governor, should we be taking any authority away from the PSC and giving it to the Governor? An excellent question that I'm sure no one else will entertain. OK, so we do have a broadband draft strategic plan from the department. It has the overview. Broadband enables essential activities of residents and improves society through different channels such as economic development, healthcare, public safety, government services and education. The country will see the largest-ever investment in broadband by the federal government of over \$100 billion nationwide, with Nebraska receiving \$245 million to \$325 million in funding over the next five years. Governor Jim Pillen issued an executive order 2302, established the Nebraska Broadband Office housed under the Nebraska Department of Transportation. The purpose of the Nebraska Broadband Office is to provide for policy-level direction and coordination across all levels of government in order to reach the goal of connecting 99 percent of households to high-speed Internet, Internet by 2027. Therefore, the Nebraska Broadband Office, in coordination and consultation with impacted stakeholders across the state-- sorry. I had a note from one of my colleagues that I, I talk too fast sometimes so I'm going to slow down-- across the state, developed the Nebraska Strategic Broadband Plan. Included in the Nebraska, Nebraska Strategic Broadband Plan are four goals geared towards addressing issues in the realms of distance learning, telemedicine, tribal engagement, libraries and rural connectivity. State and federal funding is critical to ensure the state can accomplish these goals. Disclaimer: the Nebraska Strategic Broadband Plan is subject to changes based on internal and external stakeholder feedback that will be solicited on an ongoing basis. The execution of the strategies, goals and metrics identified in the plan relies on the funding timelines of the Federal Communication Commission, FCC, and National Telecommunications Information Administration, NTIA. Programs administered by these agencies are evolving and the timelines are unknown. The Nebraska

Broadband Office will review the plan and update it based on new information. Problem statement: as the number of Nebraska-- of Nebraskans, I think it-- as the number of Nebraskans-- just flagging that. Page 3, there is a typo. It says Nebraska and I think it meant to say Nebraskans. As the number of Nebraskans with access to computers and Internet increases, the digital divide continues to grow.-- Just gonna make a note there-- continues to grow. In Nebraska, 13.26 percent of locations are unserved or underserved and 105,000 households lack acceptable access to the Internet. A driver of limited access includes an unfavorable business case for investment, especially in rural areas. The drivers for the adoption gap are affordability, devices and literacy. The Nebraska Strategic Broadband Plan identifies strategies that will address gaps to expand access and close the digital divide. Thank you for the feedback. I'm going to pause there because next is recommendations and I just want to give a shout out to my former colleague, Dwayne, because we used to read documents out loud together to catch any errors. It is a very useful thing to do when you read things out loud, including all of the commas, periods, etcetera. It, it's like-- I think it's called double-proofing. So it was very intense, very intense to read. It's intense to read something out loud. It's really intense to read something out loud with all of the commas, parentheses and parentheses dash, mid dash, long dash. So shoutout to Dwayne if you are watching today-- he sometimes does-- that I am doing this solo and I miss doing it with you. Recommendations through, through the American Rescue Plan Act (ARPA). Infrastructure, Investment and Jobs Act, (IIJA), and E-Rate, Special Constructors (E-Rate), state and local governments have access to federal funding resources-- I'm going to pause here for if the department is listening. There's another error there on that sentence. It just needs to be moved up. It's indented-- federal funding resources-- also, federal might need to be capitalized-- resources to bridge the digital divide. Per BEAD, B-E-A-D, Nebraska now has a mandate to connect every unserved location across the state,--

KELLY: One minute.

M. CAVANAUGH: --turning around broadband deployment into a strategic imperative at a local level. Based on these opportunities, the Nebraska Strategic Broadband Plan includes recommendations to achieve specific goals. The implementation of these goals can be found in

detail in the GOALS AND ACTIONS section. And for transcribers, GOALS and ACTION are both capitalized. In bold, next page, goal 1: bolster economic opportunity by connecting 99 percent of residents, particularly those in rural communities, to high-speed internet by 2027. Strategies: 1. prioritize deployment and target funding in areas where a negative business case for investment for the under-- unserved and un-- under-served exist.

KELLY: That's your time, Senator. Senator Brandt has some guests in the north balcony: Fillmore Central FFA students. Please stand and be recognized by your Nebraska Legislature. Senator Machaela Cavanaugh, you're recognized to speak.

M. CAVANAUGH: Thank you. And to the Department of Transportation, I am marking this up as I go along. Happy to give you a copy of it since I'm already reading it out loud. It may as well give you-- save you some time on proofing it. Although I would not, I would not live and die by my edits. I am not a grammatical wizard by far. OK. One-- under strategies: 1. prioritize deployment and target funding in areas where negative-- a negative business case for investment for the unserved and under-served exists. Consider greenfield deployment to reduce the costs of investment and increase competition in the future. I'm going to stop there. I don't know what greenfield deployment is and I so far don't know that it is defined. So I just want to make sure that our, our plan is something that people can understand. 2. set a high cost per location threshold to, to expand coverage for harder-to-serve areas. 3. utilize location-level mapping and analytics to assess areas of critical need and to target areas that require subsidies. Goal 2: expand digital inclusion and adoption to achieve affordability, access, and digital literacy by 25 percent by 2027. Strategies: 1. conduct a landscape analysis of existing digital literacy programs and develop strategies to address any gaps. 2. conduct digital navigator pilots within targeted populations, evaluate strategies that work and leverage public-private partnerships to build skills and confidence in the use of technology. 3. partner with libraries across the state to get every library access to an internet service of 100 mbps or greater period. Goal 3: enable Nebraska to thrive by fostering and supporting a digital economy by 2027. Strategies: 1. expand workforce programs to prepare and support industry to address labor shortages that are barriers to deployment. 2. improve delivery of government services leveraging technology and facilitate a culture of innovation and

efficiency-- efficacy-- efficiency. 3. ensure investments in broadband leverage existing strategies and programs already in place to improve the digital economy. Goal 4: develop robust collaboration across Nebraska communities through broadband by 2027. Strategies: 1. link the operations of infrastructure and public, private and community broadband networks to encourage collaboration and ensure resiliency. Now, here's the question. Nope, never mind. That's-- I'll save that for a later time. 2. leverage open access deployment and ensure that connectivity to network infrastructure is available during emergencies. Key findings, which probably should be carried over. That's at the bottom of page 4. That header should be carried over to the top of page 5 Key findings. The Nebraska Strategic Broadband Plan includes ten key findings: (1) build the capabilities of the broadband office, (2) set a vision and run diagnostics to align policy objects and feasibility to achieve program goals, (3) build location-level mapping ampersand-- not the word "and but ampersand-- analytics capability. You might want to consider changing that to the word "and."

ARCH: One minute.

M. CAVANAUGH: Thank you. Comma (4) set deployment strategy, (5) design a competitive and nimble granting process that ensures price discovery through competition and develop application materials, (6) execute and elevate proposals based on robust criteria that considers viability and the efficient use of funds,-- I am going to just stop there. I don't want to edit that because then I'm going to hand this to the department and they're going to be like, why did she put a little mark right there between seven, between six and seven? I just-- I'll put a highlighter mark there so that I know that that's where I'm stopping for the next time on the mike and the ampersand might be totally acceptable. I don't know if mapping and analytics, like, that's-- might be a statement that--

ARCH: Time, Senator.

M. CAVANAUGH: Thank you.

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

HUNT: Thank you, Mr. President. Good morning, colleagues. Good morning, Nebraskans. Today is a day that is recognized annually. It's the Transgender Day of Visibility. TDOV is today, Friday, March 31. And I wanted to share an encouraging message for trans and gender-expansive kids in Nebraska. But what I would like to start with that I'd really like to say is I'd like to share a message actually with other parents of trans kids and speak to them in Nebraska, specifically across our state. I want to start by acknowledging that it can be difficult to navigate the journey of having a child who identifies as transgender. You may have had certain expectations or assumptions or hopes about your child that have been challenged. You may be feeling a range of emotions, from confusion and fear to sadness and grief. You may be struggling with how to support your child while also navigating your own feelings and your own reactions and your anxiety about the reactions of other people in your community or your family. It's not a journey that you expected or that you planned for, but you're here because you love your child and you want to support them. I know that having a child come out as transgender can be a confusing and scary time for you, especially in a world that can be so hostile to trans people. But please know that you're not alone and there are so many people who care about you and your child and your child's future. It's important to remember that your child is still the same person they've always been, even if their gender or gender identity is different from what you expected. They still have the same likes and dislikes. They have the same sense of humor. They have the same unique personality that makes them who they are. All that has changed is their understanding of who they are and what feels true to them. I want you to know that you're not alone. There are lots of parents who have gone through similar experiences and there are resources and support available to you. It's important to seek out information and guidance from experts in the field of gender and sexuality, as well as from other parents who have been through what you're going through. One of the most important things you can do for your child is to love them unconditionally. It's understandable if you're feeling scared or uncertain about what their future holds, but your child needs to know that they are loved and valued no matter what, exactly who they are. They need to know that you are on their side in a world where so many people are not going to be on their side. It's also important for you to recognize that your child's identity is a fundamental aspect of who they are and it's not

something that can be changed or cured. Trying to force your child to conform to societal norms or expectations or suppress themselves can lead to really profound harm, including depression, suicidal thoughts and risk-taking behaviors. But the good news is that supporting your child can lead to better mental health outcomes, including reduced rates of those things. So it's totally natural to have concerns about your child's safety and well-being because we know that transgender people face higher rates of discrimination, violence, mental health issues. But it's important to know that your child is not alone, that you are not alone, that there are lots of people and organizations working to make--

ARCH: One minute.

HUNT: --the world a safer and more accepting place for trans kids and trans adults and the families and communities that love and care for them. One of the most important things you can do as a parent is to be an advocate for your child. This means speaking up when you encounter discrimination and ignorance and judgment and educating others on what it means to be transgender. Nebraskans, it also means advocating for policies and laws that protect the rights of transgender people, such as laws that allow transgender people to use the restroom that aligns with their identity, to get medically necessary healthcare, to be treated like everybody else in society. I want you to know that you're not alone. And on my next time on the mike, I'll continue my thoughts on this. Thank you, Mr. President.

ARCH: Senator Machaela Cavanaugh, you're recognized to speak and this is your last opportunity.

M. CAVANAUGH: Thank you, Mr. President. Thank you, Senator Hunt, for highlighting the significance of today, Trans Visibility Day. I, I heard from some young people in my life. I heard from them several times this week and then this morning, from my cousin and talking about Trans Visibility Day and what students are organizing to do today to acknowledge it. So I appreciate you reminding us all about that. I'm going to continue reading the broadband draft plan, strategic plan. OK, so (7) set up oversight functions and report on results, (8) ensure external stakeholder engagement, (9) establish strong internal project management and (10) identify additional funding for broadband to ensure the long-term sustainability for

one-time capital investments. The goals, actions and key findings will ensure successful implementation of the Nebraska Strategic Broadband Plan. So this is what I was going to ask earlier. Just general question, the comma. The goals, actions and key findings. How many people would still put a comma after actions? The great comma debate. I'll let other people weigh in on the great comma debate. It's against my nature to not put a comma there, but I understand that our grammatical standards have shifted. So feel a little uneasy about the lack of comma after actions, but I think it's OK. Next steps-- new paragraph. The Nebraska Strategic Broadband Plan outlines short and long-terms-- term steps to bridge the digital divide. In the short-term, the broadband office needs to continue codifying new office-level-- there's a space between the dash and level, not sure if that's correct or not-- office-level capabilities and baseline the current state of broadband across Nebraska. Ongoing refinement of individual grant strategies through federal funding and agencies is necessary in mobilizing to execute funding. The Broadband Office, in partnership with the Public Service Commission and state leadership must identify risks and conduct mitigating planning to avoid barriers to deployment and adoption. The long-term steps include identification of permanent funding for the sustainability of the state's broadband infrastructure and programs. I am probably not being-- giving this its full fidelity of, of double-proofing because I haven't been announcing when things are capitalized. It is also important that the capital "B" Broadband, capital "O" Office engage and coordinate with stakeholders throughout the process. Capital "N" Nebraska will apply for every funding opportunity offered through the capital "U" capital "S" capital-- space capital "T" Treasury, capital "D" Department and capital NT-- capital "N" capital "T" capital "I" capital "A." The share of funding that Nebraska is-- capital "N"--

ARCH: One minute.

M. CAVANAUGH: --is estimated to receive is \$245M - \$325M over the next five-- number 5-- years. The next steps are to develop a competitive grant program for capital "B" capital "E" capital "A" capital "D," or BEAD, that includes criteria and matching requirements for sub-recipients and update the capital "P" Plan annually as broadband programs evolve. Conclusion-- this is the next header-- Conclusion, new paragraph. Capital "T" The capital "N" Nebraska capital "S" Strategic capital "B" Broadband capital "P" Plan was first step-- was

the first step in providing clear direction with the goal of connecting 99 percent-- number 99 percent sign-- of households to high-speed broadband and developing plans to implement effective strategies.

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

HUNT: Thank you, Speaker Arch. Today is Trans Day of Visibility and I'm sharing a message for the parents of trans youth in Nebraska and anywhere they may be listening. Parents, one of the most important things you can do as a parent, no matter who your child is, is be an advocate for your child. That means speaking up when you encounter ignorance or discrimination. It means educating others on what it means to be transgender. It also means advocating for policies and laws that protect the rights of transgender people. You might be concerned or anxious about the reactions of others in your community, including family members, friends and neighbors, people in your church, people in your neighborhood and your town. Unfortunately, transphobia and discrimination and ignorance is still very common and it can be really difficult to navigate these behaviors and attitudes. But it's important overall, above and beyond everything else, to stand up for your child and advocate for their rights and for their well-being. And that might mean having difficult conversations with loved ones. Lord knows I've had them. A couple of rough Thanksgivings for sure. Speaking out against discrimination. And it means seeking support and communities and resources that affirm your family for the loving family that it is. I also want to emphasize that your child's identity is not a reflection of your parenting or your values. It's simply a part of who they are and it's important to love and accept them for who they are. It's not a reflection of your parenting. It's not a reflection of any kind of morality or values that you have in your home. But if you have a child that comes out to you, you should be proud that they felt you were a safe person to tell that to. That is a win for values and morality in your home. Your child needs your love and support now more than ever and I want to encourage you to be a source of encouragement and comfort for them. And if they feel safe talking to you about this stuff, then Mom and Dad, you're doing exactly the right thing. Of course, supporting your child as they come out can also bring up feelings of grief and loss and confusion. I think it's normal to mourn a little bit a vision you had for your child's future and to feel uncertain about how your relationship with

them might change. But I want to reassure you again that your child is still the same person you have always loved. Your child is the same person you have always loved, just with a deeper understanding of who they are. And doesn't that happen to every child? Doesn't that happen to all of our children? They change. We have dreams for them. They get their own ideas about life and things and we have to come to terms with that because we made another person and they get to have a life just like everybody else. It's the same for trans kids. It's exactly the same. Ultimately, I want you to know that your love and acceptance can make a world of difference in your child's life. By standing by them and loving them and affirming them and protecting them, you're sending them a powerful message that's going to set them up for the rest of their life that they are valued and loved for exactly who they are. And as you continue on the journey together through their life, I encourage you to keep an open mind, to educate yourself and to seek out resources and support when you need it. The good news is that things are changing. Things are changing in this country and things are changing in Nebraska, despite what you see in your Nebraska Legislature. Every day, more and more people are waking up to the reality that gender is not binary, that trans people deserve the same rights and respect as everyone else. Or even the view that--

ARCH: One minute.

HUNT: --thank you, Mr. President-- even the view that they might not understand being transgender, they might not even accept it or like it or get it, but that in Nebraska, in this country, we believe in principles of freedom and equality and individuality and we're willing to leave people alone and figure out who they are. That's a good thing. And you are a part of a movement for change and making a difference in this world. I would be happy to take anybody else's time this morning to continue this kind of address and these thoughts I'm making to parents of trans youth in Nebraska on today, Trans Day of Visibility. Thank you, Mr. President.

ARCH: Senator Bostelman would like to recognize 36 students from the fourth grade from Cedar Bluffs Elementary that are located in the north balcony. Students, if you would rise and be welcomed by your Nebraska Legislature. Senator Vargas, you are recognized to speak.

VARGAS: Thank you very much. I haven't weighed in on this very much and generally, I'm supportive of the concept. I have many of the same questions that Senator Cavanaugh brought up. The reason I wanted to weigh in is because I'm still-- and I had a conversation with Senator Geist about this and whether or not we need to fund this through General Funds. If there's indeed a need to potentially get a reimbursement here on the back end, that maybe what we can do is utilize some other types of cash funds that-- if it's going to be truly one time so that we can actually fund this and not have a General Fund obligation. My members on the Appropriations Committee know once we fund something in General Funds, we typically tend to fund it in perpetuity. And I'd like to try to avoid that if this is indeed trying to leverage federal funds. The other side of this is we should be looking at the Universal Service Fund and if there's something that we can do statutorily that would allow us to fund this program. More-- and this is-- the other thing I wanted to weigh in is more of a comment because even in our committee hearings on appropriations side, we talked about, you know, this is adding new FTEs. It's creating, creating new-- a new office within an agency. And often when that happens, if there is new intent, if there's new program-- new programming that's needed within this broadband sector or goal, if there is a decrease or a limitation of programs and services happening at the PSC level or they're taking up something new, we have a responsibility to look at right-sizing a program. Even if it is another constitutional agency, we have funds. We give them the cash fund authority to do work. And I'm not entirely sure yet on what the answer is on what they would be doing less of on the PSC side because if that is the case, then there should be a look at whether or not they need the full authority of funds to-- that we provide them as an agency-- sorry, as an Appropriations Committee. So it is a bigger question because, you know, oftentimes we see efficiencies in government. You know, we've, we've combined agencies in the past. We have, we've done that several times on-- in the last six years and we've done that with, with a couple of different agencies. We've been able to reduce redundancies and reduce FTEs and, and lower PSLs. And in this instance, I'm, I'm, I'm still unsure on what the long-term trend is for reducing potential staff on the PSC side, if that is part of the intent or if they're just brand-new tasks that are being provided for this office. And also what the growth trajectory be on the ten FTE, at least on what I've seen, is going to be within this

bill because I won't be here. You know, this will be a future Appropriations Committee. It'll be for our-- some of our, our newer members like Senator Lippincott, Senator Armendariz, and Senator Dover that will still be here when they see this office within an agency grow. And, you know, we are growing a lot of things right now. We are spending more funds right now on, on water infrastructure projects and then on a lot of different programs. And I want to make sure that we are accounting for what the growth looks like in these programs outside of federal reimbursable funds. So it's a, it's a note to my colleagues and a note to even my members on Appropriations. We've been having this conversation on what are we-- how are we planning for this office growing if it is indeed going to pass? I care about broadband. I care about the-- equity and addressing the digital divide. It has been a perennial, you know, conversation in our committee that we don't know why there isn't more being done with existing funds within NUSF. And I'd like, I'd like to do anything we can to, to speed up the processes. We did some work on that last year as a Legislature as well.

ARCH: One minute.

VARGAS: But it's clear that the office on its own, I think just to what Senator Cavanaugh's point, isn't going to solve the issue. It's the intent, it's the goals, it is the metrics, it is how the office is going to be aggressive on making sure that they are leveraging the federal funds and federal programs to get things out. What we don't want to happen is we have turnover in Legislatures and, and colleagues of mine and then we're asking the same questions on why isn't it doing as much as it should, why isn't doing its intent? And I won't be there to ask those questions. Those will be future members. But these are the important questions that we should be asking ourselves and also important for us to, to be in the record when people view these transcripts. So with that, I appreciate the time. Thank you very much.

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

J. CAVANAUGH: Thank you, Mr. President. Well, I just had a-- one comment that Senator Machaela Cavanaugh mentioned. It was the Oxford comma she was defending. And I would consider myself an Oxford comma stan, which I think Senator Hunt can correct me if that was the right usage of that phrase. But I do appreciate Senator Hunt. The stan

phrase, not the Oxford comma. I appreciate Senator Hunt drawing attention to the fact that today is the Trans Day of Visibility and I would yield the remaining time to her if she wanted to share some more thoughts on that.

ARCH: Senator Hunt, 4:30.

HUNT: Thank you, Mr. President, and thank you, Senator John Cavanaugh. I don't know why I became the keeper of the lexicon of youth slang, but trust me, from talking to my kid and some of the pages, I don't think that I know as much as you think I do. But I know that "stan" actually originates from an Eminem song that was probably popular when you were young, so. Not into Eminem. Well, me neither, to be honest. But today is Trans Day of Visibility and it's a great day. This is a day that's been recognized for several years. It's about hope and encouragement for the trans community. It's about the courage to be who you are. Be out, be unapologetic and live your life just like everybody else because that's the same thing that every person deserves in Nebraska. And I wanted to share a message to parents of trans youth in Nebraska and to anyone else who may be listening. The really good news about having a trans child is that things are changing in this country. Things are changing in this culture, even if you don't see that here in this Legislature. Every day, more and more people are waking up to the reality that trans people deserve the same rights and respect as everyone else and you, by supporting and loving your child for who they are, are part of a movement that is pushing for change and that's making a difference in this world for acceptance and love and for the health of our kids, the mental health and emotional health of our kids. It's important to listen to your child and it's really, really important to trust them. This might involve using a different name or different pronouns. It might involve medical interventions such as puberty blockers. It will involve, you know, mental health counseling and therapy for, for your child and for your family. And these are all decisions that should be made in consultation with your medical professionals and with your child. I want to assure you that seeking medical interventions for your child is not a decision that is made lightly. And I know that you're not making this decision lightly. I know that you're not letting your child, "dictate" what their healthcare is going to be. I know that you take this seriously and that it's a decision made with the best interest of your child in mind. Healthcare has shown to improve mental

health outcomes for youth, to reduce depression, to reduce the risk of suicide, and overall to improve communication and connection within families. And that's what we need now more than ever. Even if your child doesn't choose to pursue medical interventions, which many don't, it's important to support them in their identity. And that might mean making changes in the home environment. It might mean making changes in their school environment, such as changing their name on official documents or advocating for gender-neutral restrooms in their school or standing up for them when they want to join a sports team and making sure that the coach and the faculty are allied with you and your family and your child to make their goals of extracurricular activities and participation--

ARCH: One minute.

HUNT: --a reality for them. Thank you, Mr. President. As a parent, it's so important to take care of yourself as well. This might mean seeking therapy or support from friends and family and it's OK to have your own emotions and struggles with this journey. And it's OK to take care of yourself so that you can be there for your child. I think one thing that I did right-- and of course, time will tell, you know, what's right-- but I think it's very important not to put these struggles on your child, however, to not use your child as a therapist or a mental health counselor or to have them help you work through your anxiety. You have to be a rock for them and stand there for them and make sure that they know they are a beautiful and unique individual who has your unconditional love and support and who deserves support from their communities, from their school--

ARCH: Time, Senator.

HUNT: --and from their lawmakers. Thank you, Mr. President.

ARCH: Senator Raybould, you are recognized to speak.

RAYBOULD: Thank you, Mr. President. I'd like to yield my time to Senator Megan Hunt.

ARCH: Senator Hunt, 4:50.

HUNT: Thank you, Senator Raybould. Parents, all of your children are beautiful and unique individuals. All of your children are born

perfect and all of your children are going to make decisions in their lives throughout their life that challenge your vision for them, that may disappoint you, that may lead you to think about life differently or opened your eyes to, to [RECODER MALFUNCTION] Frankly, I think that we all do that for our parents. I bet that every person in this body, you know, even to the very most far-right, radical conservative, I bet all of you have stories about your childhood, about a time when you challenged your parents, about a time when you felt like the black sheep in your family, about a time when you rebelled or broke the rules or disappointed a parent or taught a parent something, taught them a lesson. I think I did to my parents. I can think of examples like that, and my child is certainly doing that for me. Our children are not broken, our children are not sick. There's nothing wrong with them, and there's nothing wrong with you. There's nothing wrong with your parenting or the morals or integrity or values that you have brought them up within your home. You are on a journey together as a family, and with love and acceptance all of you can thrive. Remember that you are not alone and there is a whole community of people who love you, who trust you, and who believe you are an amazing parent. I do, and I'm a state senator, so maybe that means something. Maybe not. I understand overall that learning your child is trans can be a really overwhelming experience and you can be unsure of what is coming next or who to turn to. But your child is still the same amazing and wonderful individual you have always known and loved. Your child's gender doesn't change who they are as a person, and it's only one aspect of their incredible personality. It's not the only thing about them. It's not the most important or interesting thing about them. It's just one aspect of the person they are who you love. Your love and support and acceptance and validation will make all the difference to them in their life. It's essential to remember that your child needs you now more than ever. Your love and support will help them navigate the challenges they face, including bullying, discrimination, and bigotry. Being a kid can be a difficult and isolating experience for even the most normal kid. Even the most regular-degular kid you've ever seen. But with your love and support, your child and all children can have the strength to face these challenges head on, flourish, support each other, love each other, and be a generation that is a force for positive change. That is a force for love and acceptance. When I was a kid, I, I knew, I knew that I liked girls when I was in, like, first grade, honestly, like, as soon as, as soon as I had

crushes on boys, I also had crushes on girls. And I didn't think anything of it because I didn't, I didn't, I didn't think anything. I had, I had no ideas instilled in me that there was something wrong with that. So I was able to just kind of, like, go on life as usual and not think anything of it. And because I didn't have that stigma, I didn't really let it bother me.

ARCH: One minute.

HUNT: And that's the power of stigma is it makes young people and kids feel like there's something wrong with them out of nowhere for no reason. And it was when I got older in high school that I really did start getting bullied. I really started getting targeted by my peers. I got left out of things. I ate lunch by myself every day either in the band room or in the bathroom for over a year, for many, many, many years. And the bullying that I faced, as you know, with all the privilege that I have, it makes me feel so encouraged to see that for many kids today, it's just not like that anymore. Thank you, Mr. President.

ARCH: Senator Hunt, you're recognized to speak, and this is your third opportunity.

HUNT: Thank you, Mr. President. And, colleagues, I'd be happy to, to take more time if you'd like to yield it to me. Because of the experiences I had growing up as a queer kid in Blair, Nebraska, there was one other gay kid, and now he is, like, wildly-- we're still friends-- he's, like, wildly successful. He does musicals on cruises. So he's one of these performers that lives on the cruise, basically, and does performances. And he was like the top drama kid and the top singer. And so I think he's happy and he's exactly where he wants to be. And both of us experienced a lot of bullying in school. You know, my senior year of high school with support from my parents who were very worried about me-- boy, we got more than eight hours of stories about that for sure. But I, I actually left high school about halfway through my senior year, and I started taking remote classes and I started taking some college classes for college credit at Dana College in my town. And that's why I ended up going to Dana College, because I was struggling so much emotionally at the time because of the bullying I experienced. And I already had a couple of credits from taking, like, a history class or something at Dana College while I was still a

senior in high school and just being able to go to the college classroom, it doesn't have to be college, just being able to go to a different classroom as a 17-, 18-year-old where nobody knew me, nobody cared if I was gay or straight or what. I looked around the room and there were other queer people there, and no one, no one cared. And I had literally never experienced that in my own school growing up, even though we're in the same town, you know, 7,000-person town, same community, but just removing me from this classroom and putting me into this one made all the difference for me, I think, in many ways. And there were other things we could have done. But so far toward the end of my senior year, that ended up being what I wanted to do. And then I continued at Dana College. They gave me a scholarship, which was really nice. And so that's where I went to school because I was terrified of graduating with debt. And so I finished my school there. But the point is, I, I went on to meet a very nice man. We got married, we had a baby. We got divorced. So it goes. Many of us have a similar story, and we co-parent our child together with love and with support for each other. We model love for our son, and he's having an amazing childhood. He's having a great childhood. So when my son came out to me, and it has been a journey, and I think part of that is because we don't have the same stigma we have today around talking about identity and, you know, anything, you know, hetero pessimism is a word that is a newer word in our lexicon, but I like. Just hetero pessimism, which is the idea that-- John Fredrickson just gave me a little side-eye, the idea that, you know, being heterosexual straight isn't for everybody, and that's fine. And this is a more, you know, accepted view right now in society, which is great. And it gives kids at an age-appropriate time-- you know, I knew I was attracted to girls when I was in first grade. And, you know, a lot of you who are straight probably knew you were attracted to the opposite sex at a young age, too. You probably had crushes in kindergarten and first grade and things like that, and so do gay people. And my, my son was no different.

ARCH: One minute.

HUNT: Thank you, Mr. President. And he communicated that to me and his dad. And so, you know, like, like any family, just like I talked to my parents about my crushes when I was a kid. But one thing that I was so anxious and so fearful of when he came out was the bullying. Because, boy, I feel like I went through every medication in the book. I, I had

a wonderful therapist who honestly set me up with a lot of skills for life that I think have gotten me to where I am today because I was able to access that mental health care as a teenager. A lot of emotional regulation skills that I still use that have made me successful as an adult, and I saw this in the future for my child. And that made me really anxious because I know how hard it had been for me and I shared this with my child--

ARCH: Time, Senator.

HUNT: Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. I would yield my time to Senator Hunt if she wants to finish the thought.

ARCH: Senator Hunt, 4:50.

HUNT: Thank you. Thank you, Senator John Cavanaugh. And I would take more time if anybody would like to yield it to me. I, I shared that anxiety with my son, and I think that I became a little bit of a worrywart in a way that stressed him out. And, you know, he'd come home from school and, you know, I'd have his favorite snack ready. When we're not in session, of course, because I'm never home when he gets home from school now. But I'd say, how was your day? And then, and then the sentence. Did anybody say anything? Any other parents know that sentence? Did anyone say anything? Anyone do anything to you? Like, we've all said this sentence to, to our loved ones, our children that we care about after they come home from school. And every day my kid is like, no, oh, my God, no, mom it's fine, stop asking. Like, just this, this teen energy that is the most normal reaction a kid could have. And I started to realize that I was putting my anxiety that I had about my own childhood and my own experiences on my kid that was causing him anxiety that wasn't even there until I sort of projected mine onto him. He's not being bullied. He's popular. He has tons of friends. He's played cello and upright bass for two years now and is first-chair bass, and he does, like, sectionals and lessons with the other kids. And everyone thinks it's really cool that he's good at music. He started track. You know, LB575, that makes me pretty nervous, but he started track. I'm not saying anything to make

him nervous. I'm saying good for you. I'm glad that you're involved in a sport, this is going to teach you, you know, team building. It's going to teach you all kinds of lessons that you need for life. And I was never in sports. I was in all the arts things and all the academic things. But it makes me so proud that I've got a jock, like, what? Me? And so as my child grows up and reveals these things to me, as all of our children do, as every normal child does, which my child is normal, all I see is that my kid is having a great life, a great time in school. He started a club called the Young Author Society in seventh and eighth grade-- for seventh and eighth and sixth graders. And they get together on Thursdays and they have a prompt for the week. And whatever style of writing they like to do, whether it's prose or poetry or short stories or nonfiction, whatever, they write something based on that prompt, and they all share it with each other and critique each other's writing. And then they submit their writings to-- for publication to youth anthologies, to youth publications, things like that. How cool is that? My kid had this idea and it's helping his classmates get published for their writing. I'm so proud. That's so cool, especially for a latchkey kid who's got a single mom who's down here all day long with a two-hour commute. Right? So all of my worries about my kid getting bullied, going through the same stuff that I went through in high school and junior high, and I ask him about this and he says, no, mom, nobody's bullying me. Not your teachers? Does your teachers do your pronouns or saying anything? Did anybody say anything, as I said? No, mom, they get it. They're doing it right?

ARCH: One minute.

HUNT: Yeah, mom, I told you it's no big deal, they get it. Stop asking. And I'm, like, is anybody bothering you? And he said verbatim, no, the only people who have anything to say about it are the people who work with you. The only people who have anything to say about it are lawmakers In Nebraska. We don't have TV. We cut the cord a long time ago. We've got Netflix and Hulu and stuff but-- so we don't have the news on. We don't have MSNBC and Tucker and whatever on all day where he's hearing these messages. He doesn't hear these messages anywhere but from this Legislature, but from his mother coming home and saying-- he says what you do today? And I said, well, we filibustered a bill for eight hours that would take away essential medical care for trans kids. And he's, like, what? Why? When Senator

Kathleen Kauth dropped that bigoted, hateful bill that targets my family--

ARCH: Time, Senator.

HUNT: Thank you, Mr. President.

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

RAYBOULD: Thank you, Mr. President. You know, when I, I hear Senator Hunt talk about her children, it reminds me of my husband's absolute favorite poem. It's by Kahlil Gibran from the poet. And it says: Your children are not your children. They are the sons and daughters of Life's longing for itself. They come through you but not from you, And though they are with you yet they belong not to you. You may give them your love but not your thoughts, For they have their own thoughts. You may house their bodies but not their souls, For their souls dwell in the house of tomorrow, which you cannot visit, not even in your dreams. You may strive to be like them, but seek not to make them like you. For life goes not backward nor tarries with yesterday. You are the bows from which your children as living arrows are set forth. The archer sees the mark upon the path of the infinite, and He bends you with His might and His arrows may go swift and far. Let your bending to the archer's hand be for gladness; For even as He loves the arrow that flies, so He loves also the bow that is stable. So thank you, Senator Hunt. And with that, I'd like to yield you the rest of my time.

ARCH: Senator Hunt, 3:20.

HUNT: Thank you, Mr. President. Thank you, Senator Raybould. I would like to ask you to send that poem to me. That was really-- I really like that about how your children's souls dwell in houses you cannot visit. Whoo, I know that's right. When Senator Kathleen Kauth introduced, literally for no reason because she's ignorant about the topic honestly, this bigoted, hateful bill that targets my family and it targets children in Nebraska, Ash and-- Ash, my son, and his friends and my, my friends and my peer group in Omaha, we were 50 percent shocked, I guess, of, like, why would you do that that's so hateful and bad. I guess we know what kind of person Kathleen Kauth is now, Senator Kauth, that was mainly the reaction. And the other

reaction was, well, that'll go nowhere because no one, until Senator Kathleen Kauth has introduced something that's so hateful and bigoted and discriminatory, and a bill like that would be not taken seriously. It would be kept in committee. Somebody who introduced that would be ostracized as a backbencher, certainly. I mean, this is the kind of thing Senator Mike Groene used to do that Senator Kathleen Kauth is now doing. And it's not behavior that's taken seriously or respected from members of the body. So as hateful and bigoted as it was, and as much as this showed Senator Kathleen Kauth's character, that was kind of the end of it. It's like, well, we know in Nebraska we don't really get into this stuff and so it's not likely to be a problem. And then we had the hearing. The hearing where parents waited in the hallway, kids waited in the hallway, prepared their testimony, prepared their speeches, got up the courage and practiced and got, you know, intestinally "fortitudinally" ready to come and address their state Legislature in the capitol of our state, driving from all over Nebraska to tell us what they think about Senator Kathleen Kauth's bigoted bill that perpetuates discrimination and hate in our state,--

ARCH: One minute.

HUNT: --targeted at the most vulnerable people among us, children. They stood out in the hallway and waited for seven-plus hours to be turned away by Senator Ben Hansen, Chairman Ben Hansen, who ran that committee. People were crying. People were frustrated and angry. People had prepared for a long time to come and speak to their Nebraska Legislature, and Senator Ben Hansen turned them away. So what are we asking people to do in Nebraska? We ask them to engage with their Legislature. We ask them to invest civically in what matters to them. We have young people come up in the balcony every day, and many of you who supported that bigotry from Senator Kathleen Kauth, go and talk to these kids and say, come on, kids, vote. Keep it up, kids, you're doing everything right. Thanks for coming to talk to your government. And then when they do come and talk to the government and tell them something that matters to them, people like Senator Ben Hansen--

ARCH: Time, Senator.

HUNT: --send them away.

ARCH: Senator Albrecht would like to recognize eight students and a teacher from high school, 10th through 12th grade, Wayne FFA from Wayne, Nebraska, and they are located in the north balcony. Please rise and be recognized by your Legislature. Senator Conrad, you're recognized to speak.

CONRAD: Thank you, Mr. President. I'd yield my time to Senator Hunt, if she so desires.

ARCH: 4:45, Senator Hunt.

HUNT: Thank you, Mr. President. Thank you, Senator Conrad. Colleagues, I'd be happy to take any time from any of you as well. Thank you for that consideration, Senator Conrad. We have a problem in this Legislature of how seriously we are taking the struggles that this position calls us to. And one of those things is not discrimination against kids. It is not. But it's taking up this entire session. And that's your choice, because the terms of how the session was going to go was made clear over a month ago when we said if LB574, this bigoted, hateful bill introduced by Senator Kathleen Kauth in her freshman year to make a name and pander to the Tucker Carlson's of the world, if that comes out and is taken seriously, we're going to filibuster every bill. And now you're acting mad or surprised or frustrated. Now you have any negative emotion about that whatsoever. The promise being made must be kept, right? You've messed around and you're finding out and, you know, a, a clip of me speaking here went a little bit viral last weekend of me saying something like, no one holds a grudge like me. I don't care if I'm petty. If you think I'm petty, basically is what I was saying. But actually, the ones holding the grudge are all of you against trans and gender-expansive kids in our state. It's your stubbornness, it's your stubbornness that has us here. Not mine. All I have to do is stand up at this microphone and tell the truth about my life. Tell the truth about my experience from when I was a queer kid to now as a parent. And if we've got 21 more bills to hear and they're all going to go 8 hours on General File, I've got 21 times 8 hours of stories to tell about the truth about my life. And that's something none of you can match, actually, because none of you can stand up and say, here's the truth about my life that says why we should discriminate against Senator Hunt's kid. None of you have a story that you can stand up and say, here's an experience I've had in life that makes LB574 OK. You're dug in. You're stubborn.

And when your constituents come back to you and say, boy, Senator Machaela Cavanaugh and Senator Megan Hunt, Senator Conrad and all of those people in the Legislature, they really messed up this session and prevented a lot from getting done. If you're telling the truth about your life, you'll respond to them, actually, it was my behavior and my choices and me that prevented things from getting done because I wanted to discriminate against kids more than I wanted to do something for you.

ARCH: One minute.

HUNT: And to hear some of you tell it, to hear some of you talk about the conversations you had at the doors with your constituents, the letters and emails that you get, your constituents should like that. If you tell the truth to your constituents, which is the reason we didn't get anything done this session, is because I wanted to discriminate against children more than I wanted to help you, then your constituents should be OK with that because you're all saying things like, actually, my constituents want me to support LB574. My constituents want me to discriminate against kids. But we know that that's not true. There may be-- not may, there are certainly vocal super minorities of people who reach out to you who are coordinated by groups on Facebook, primarily.

ARCH: Time, Senator.

HUNT: Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. I would yield my time to Senator Hunt.

ARCH: Senator Hunt.

HUNT: Thank you, Senator Dungan. And I'd be happy to take time from any other colleagues as well. Thank you, Mr. President. There are certainly people who reach out to you, who reach out to your offices, who are organized on platforms like Facebook and Telegram, many of whom are part of far-right radical groups that organize their members to contact you who say that what they want you to do this session is discriminate against kids, so you should feel comfortable telling them

then that's exactly what I'm going to do. I'm going to throw the whole session away for you because that's the priority in our district. Listen to how silly that sounds. That's how you sound. That's how you sound. By being so stubborn and so determined that you want to discriminate against trans kids. Senator Armendariz, Senator Dover, Senator Albrecht, Senator Lippincott, Senator Brandt, who's really disappointed me, Senator von Gillern, who's really disappointed me because he knows and ostensibly cares about my family, which now we know. You should be comfortable going to your constituents and saying more than doing anything else this session, I wanted to discriminate against trans kids and they should be fine with that because if that's what they want you to do, then you did your job. Well done. For parents of trans kids, your child needs you. You don't need the Nebraska Legislature. Your child has a long life ahead of them. A long, exciting, interesting life that may or may not include a future in Nebraska because of decisions made by this Legislature in the next 30 days. So don't hang the future of your family on what this group of bigots decides to do with the future of your family. What we do actually has nothing to do with your family. The love and support and encouragement that you're able to have between each other together is more powerful and more important than what any of these senators I've named can do to you. Being a trans kid can be so difficult and so isolating, but with your love and support, your child can have the strength to face these challenges head on and understand and know that they're just as normal and cool and regular as everybody else. As a parent, it can be challenging to figure out how to best support your kid. What's it going to mean at school? Do we have to change their name legally? Are we going to do that yet? Are we going to explore medical interventions? Do we need to do that yet? What is my child comfortable with? What is it they're asking for? How can we make changes at home and at school and in the places they spend their time to make them feel more supported and affirmed? But it's also important to educate yourself about the challenges that trans youth face and to be an advocate for their rights. This can include supporting their access to essential healthcare, advocating for inclusive policies and laws, standing up against discrimination and bigotry wherever it rears its--

ARCH: One minute.

HUNT: --head, wherever it rears its head. Thank you, Mr. President. By being informed and by being vocal, you can help ensure that your child's rights are protected and that they can live a happy and fulfilling life. I mean, I've always been comfortable with public speaking and comfortable with, you know, people knowing my business, I guess, there's nothing I do in public that I don't want everybody to know. That's something my parents taught me from a young age because they were early adopters of the Internet. And they told me in the '90s when we were on BBSs and message boards and chat rooms, they told me in the '90s, like, don't put anything on the Internet that you don't want everybody to know. And that's how I've always lived my life, don't put anything out there that you wouldn't want people to find out. So I've always been like, I've always had a level of comfort with that.

ARCH: Time, Senator.

HUNT: Thank you, Mr. President.

ARCH: Senator Brewer would like to recognize some special guests hosted by the Lincoln Council for International Visitors. Today, we have members of the Armenian Parliament with us in the north balcony. If you would rise and be recognized by the Nebraska Legislature. Senator Day, you're recognized to speak.

DAY: Oh, sorry. Thank you, Mr. President. Good morning, almost afternoon, colleagues. As Senator Hunt mentioned earlier, today is Trans Day of Visibility and I did want to take some time on the mike today just to read about the history and some accomplishments of transgender Americans to try to honor these people in the best way that we can today. So I found an article from National Geographic that I think is really great that's titled: How historians are documenting the lives of transgender people. The term "transgender" wasn't coined until the 1960s, but people have always challenged the gender binary. Here's a look at their history, from ancient civilizations to the modern rights movement. And this article is from June 24, 2022. In 1952, a young woman sat down to write a letter to her family. The act itself was nothing remarkable, Christine Jorgensen was 26 and preparing to return to the United States after undergoing some medical procedures in Denmark. But the contents of Jorgensen's letter were entirely unique. I have changed very, changed very much, she told her

family, enclosing a few photos. But I want you to know that I am an extremely happy person. Nature made a mistake, which I have corrected, and I am now your daughter. As the first American to undergo gender confirmation surgery, Jorgensen would arguably become the world's most famous transgender woman of her era. Her remarkable transition from a male-presenting soldier to a polished, feminine public figure would be a watershed in trans visibility. The word "transgender" didn't exist at the time. It wouldn't be coined for another decade or become widespread until the 1990s. But transgender history began long before Jorgensen brought it into broader public awareness. Documenting that history isn't always straightforward. But Jules Gill-Peterson, an associate professor of history at Johns Hopkins University, says it's, it's much more extensive and joyful than you might think. Though stigma, violence, and oppression are a part of trans history, Gill-Peterson says trans people still lived really interesting, rich, happy, flourishing trans lives, and they left plenty of evidence behind, she says. They generally are hiding in plain sight. There's ample evidence of gender variance throughout human history. Among the earliest are accounts of Gala and Galli, priests assigned male at birth who crossed gender boundaries in their worship of a variety of goddesses in ancient Sumer, Arcadia, Greece, and Rome. Other cultures acknowledged a third gender, including two-spirit people within indigenous communities and hijra nonbinary people who inhabit ritual roles in South Asia. Some who challenged the gender binary occupied official roles. During the short reign of the Roman Emperor, best known as Elagabus-- Elagabalus-- sorry, probably mispronounced that-- who ruled from CE 218-222, the male-born leader adopted feminine dress, requested to be referred to as she, and expressed a desire for genital removal surgery. Shunned and stigmatized, Elagabalus was assassinated at age 18 and thrown into the Tiber River. Albert Cashier, a figure from the 19th century, was more secretive. He served bravely in over 40 battles as a Union Army soldier in the U.S. Civil War. One of at least 250 people who, though assigned a female sex at birth, fought in the war as men. His war, his war record was challenged after he was outed decades later. Though--

KELLY: One minute.

DAY: --thank you-- though his military comrades defended him and kept his military pension-- and he kept his military pension, Cashier was eventually confined to a mental institution and forced to wear women's

clothing. In the early 20th century, medical advances made hormone therapy and gender confirmation surgery possible. Thanks in part to doctor and reformer Magnus Hirschfeld's Institute for Sexual Research in Germany, founded in 1919, medical gender confirmation changed both trans people's lives and public conceptions of gender. Nonetheless, early surgery attempts were crude. For example, one of the institute's first gender confirmation patients, German transgender woman, Lili Elbe, died in 1931 after a failed uterine transplant. In the 1950s, Jorgensen, a U.S. Army veteran, sought both hormone therapy and a series of gender-affirmation surgeries in Denmark and the U.S. along the way. She became a sensation.

KELLY: That's your time, Senator.

DAY: Thank you, Mr. President.

KELLY: Senator Blood, you're recognized to speak.

BLOOD: Thank you, Mr. President. I stand in support of Senator Cavanaugh's amendment and still undecided about the underlying bill. But with that said, I wanted to share something that I saw when I came in this morning. When I came in this morning, and for most people that may not know this, we park on the east side and cross a very busy street, and that's usually the entrance we enter on depending on where our office is located, and it was great because somebody had taken some chalk and drawn a really nice trans flag right in front of the steps. And when I came in this morning, staff was pulling out a hose. And I walked up to them, I said you know what today is, right? Maybe you could, like, keep it there another day. But they had apparently received complaints and were now trying to, to eliminate what was not hurting anybody. And it's Friday, they could have taken care of it on Monday. They could have taken care of it over the weekend. But apparently someone's offended by the trans flag. So I thought since it may very well no longer be there, I haven't gone back out and checked, I want people to know that that trans flag made its debut in 1999 and that the light blue and pink symbolizes traditional colors for baby girls, baby boys, and the white represents the movement. And the people in the movement: intersex, gender neutral, those transitioning. But what I really like about the symbolism behind that flag is that no matter which way you fly it, it's always correct. No matter which way you fly it, it's always correct. And it symbolizes finding correctness

as an individual. And I think that that's a powerful statement. And, and again, I've talked about it before, my husband was in radio for 40 years. Music has always been the thing that binds us together. And I don't know about other people, but when I go by things that I want to remember, I try and remember a song. And every song that I could think of pertained to shame: Nirvana, Taylor Swift, Pink, Harry Chapin, Kanye West, Johnny Cash, Jane's Addiction, Bob Dylan, Etta James, Depeche Mode, Notorious B.I.G., Justin Timberlake. That's all I could think of in, like, 30 seconds. But how shameful is it that we can't even be tolerant enough, tolerant enough to ignore a chalk picture, a chalk picture. You know what I'm offended by on our grounds? I'm offended by the cigarette butts and the chunks of gum that people spit out. I'm more worried about that because that is disrespectful to our institution and this historic building. You know what else I'm offended about? The fact that it doesn't seem to occur to anybody that they're being invited to a debate. You don't have to like the topic, but how many times every single day during, during what we've been doing the last few weeks, have you said-- have you been in been told, come and talk to me about this. Come and debate me about this. Let's chat. Let's have a conversation. Let's have a dialogue. But instead, we're broken down into little communities or we're in our office working, which I can respect because I know some of us have to work to pay our bills because this certainly does not pay our bills. But you're missing an opportunity, you're missing the opportunity to say--

KELLY: One minute.

BLOOD: --I believe this way or that way because this is what my constituents have asked of me. You heard Senator Hunt challenge you. She knows what her constituents want. And gosh, when I go to that area, they tell me how much they love Senator Hunt, by the way. And we might be voted by-- in by our constituents, but we represent all of Nebraska. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. I would yield my time to Senator Hunt.

KELLY: Senator Hunt, 4:50.

HUNT: Thank you, Mr. President. I appreciate the support from my colleagues. Senator Day is sharing some interesting and important historical information that backs up the truth, which is that trans people have always existed. But she's also-- not but-- and she's also describing some very primitive early medical procedures that were sought by transgender people in the past. And I, I want colleagues and Nebraskans to know that that's, of course, not how healthcare works today. That's, of course, not how gender-affirming care or essential medical care for, for minors especially works today. For adolescent gender care, parental involvement and consent is always, always required. No gender care related services are provided to patients under 19 without parental consent in Nebraska. And there are many types of medical procedures that you can do under age 19 without medical or without parental consent, but gender-related care is not one of them in Nebraska. In Nebraska, currently, any irreversible or partially irreversible medical treatments require evaluations from two different, two different licensed medical health-- excuse me, two different licensed mental health practitioners. So that could be psychologists or psychiatrists. The patient has to meet the diagnostic criteria of gender incongruence and it has to be marked and sustained over time and these are national standards of care from the American Medical Association, from the Psychological Association. In Nebraska, adolescents and parents and guardians have to demonstrate the emotional and cognitive maturity required to provide consent for the treatments, mental health concerns of the patient that might interfere with diagnostic clarity, you know, if the patient has any mental health challenges that might impede their ability to consent, that has to be addressed sufficiently so that gender-affirming medical treatment can be provided, patients and their parents are informed of possible reproductive effects, and the patient has had to reach the onset of puberty. Also, colleagues, I don't know if you know, Senator Hardin and Senator Lippincott, genital surgery is not done on minors. So, I mean, I think that there's a lot of ignorance still that exists about what we're actually talking about when we talk about the bigotry and hate and discrimination that's being perpetuated by Senator Kathleen Kauth by introducing this bill, but also by Senator Hardin for voting for it, also by Senator Lippincott for voting for it, and certainly by Senator von Gillern and Senator Brandt and Senator Linehan and by Speaker Arch as well. It's coming from a place of ignorance. It's coming from a place of fear. And I think historically

there has been a lot of fear and confusion about what being transgender means. But today, in 2023, it means being normal. It means that you're just like everybody else. You're not, you know, deified by your tribe. You're not, you know, bestowed with some kind of ritual meaning or something. You don't have to get surgery. You don't have to get hormones. You don't have to do anything.

KELLY: One minute.

HUNT: Thank you, Mr. President. In a free society where we value individual-- individuality, we trust our neighbors to make decisions that are best for them. It means you can be whoever you want to be. It means that we trust parents to raise their kids in Nebraska. We know they're doing the right thing. If they weren't, we've got safeguards in place for that. We've got all kinds of laws and policies against abuse, against mistreatment, making sure that kids are getting to school, making sure that kids are getting nutrition. Not that any of you support that, certainly, you know. But in Nebraska, we take care of our kids and we don't need to pass this new law to take away the ability to take care of our kids that would be passed from a place of fear and ignorance.

KELLY: That's your time, Senator.

HUNT: Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Day, you are recognized to speak.

DAY: Thank you, Mr. President. And thank you to Senator Hunt for providing some modern day context to what I was discussing on the mike just a second ago about some of the history behind the transgender movement and essentially helping us understand that transgender people have existed for the entirety of human existence and that these, these ideas that there is this some kind of modern day what people are calling, quote unquote, social contagion. And that's why we're seeing a rise in the number of transgender people who identify as a, a gender different from the sex that they were born-- assigned at birth is not reality. I wanted to provide some historical context to the transgender movement, but also to help people understand that transgender people are just like everybody else and have just as much

of a rich and important history as we all do. Starting in the mid-20th century, trans activists began pushing for wider social acceptance, and there were-- and were instrumental in some of the earliest attempts to gain civil rights for the LGBTQ Americans. In 1959, trans people, drag queens, and others fought back against Los Angeles police, who had been targeting trans women in random arrests at Cooper Donuts, a cafe popular with the LGBTQ community. Dubbed a riot, the incident involved LGBTQ people throwing donuts and other items at police in an effort to stop the harassment. Other early organizing efforts included an uprising by San Francisco drag queens at Compton's Cafeteria in 1966 and the establishment of Transvestia, a magazine that served the transgender and gender nonconforming community for decades, and trans and gender nonconforming people like Marsha P. Johnson and Sylvia Rivera participated in the 1969 Stonewall Uprising, which stoked the broader gay pride movement. But though figures like Johnson and Rivera fought systemic injustice against LGBTQ people, they often found themselves defending their rights within their community. At the 1973 pride parade, Rivera was told she wouldn't be allowed to speak and was booted off the stage after she grabbed the microphone anyway. However, trans people continued to fight societal prejudice and persecution on many different fronts, challenging laws forbidding them from marrying, enabling discrimination, and threatening their right to live openly in society. They did so even in the face of violence, banding together to form communities of mutual support in the name of trans liberation. Look at us, we're battling for survival, wrote trans masculine author Lesley Feinberg in 1992. We are struggling to be heard. In 1999, trans activist Monica Helms designed a symbol that would come to define a movement, the transgender pride flag, using blue and pink stripes, colors with deep connections to gender assignment. The flag also featured a white stripe to represent people who are intersex, transitioning, or nonbinary. Despite the burgeoning transgender pride movement, an unprecedented awareness of trans people in the U.S., the marginalization of trans and nonbinary people continues. In 2021 alone, the Human Rights Campaign estimates 50 trans and nonbinary people were murdered. A whopping 82 percent of transgender people report having considered suicide and 56 percent of trans youth surveyed in one 2022 study said they'd attempted it in the past. The National Center for Transgender Equality reports that more than one--

KELLY: One minute.

DAY: --thank you-- more than one in four trans people has experienced a bias driven assault. Those rates are even higher for trans women and people of color. The last thing I wanted to say in my last few seconds is just that I think for many of us, we understand the power and the joy that comes from truly accepting who you are as a person. And I feel like when we are actively using the power of the law to prevent that from happening for people, we are making an absolutely devastating mistake in Nebraska. I yield the rest of my time. Thank you, Mr. President.

KELLY: Thank you, Senator Day. Senator Conrad, you are recognized to speak.

CONRAD: Thank you, Mr. President. I'm happy to yield time to Senator Hunt, if she so desires.

KELLY: Senator Hunt, that's 4:52.

HUNT: Thank you, Mr. President. Thank you, Senator Conrad, for the time. And I'd be happy to take time from any of my other colleagues who would care to give it. I have a few more thoughts to share about the way healthcare actually works for gender-expansive kids in Nebraska. It should surprise no one, you know, we all get all kinds of emails and messages like, you know, that we're cutting off the penises of little boys or something like that. And that's worrisome, right? You know, you get a message like that and you think, well, we, we mustn't do that. And of course, we mustn't do that. We don't do that. That's not how healthcare works. In minors, surgical interventions are extremely rare, and they are only reserved for the most severe cases of gender dysphoria. The only type of surgery that minors can get is top surgery. That's it. They don't get any bottom surgery at all. And in addition to the criteria that I mentioned earlier about the patient meeting the diagnostic criteria of gender incongruence that it's sustained over time, that the adolescent and the parents have the emotional and cognitive maturity to consent, that, that they've received evaluations from two different licensed mental health providers, there's already a lot of gates that you have to get through to get this type of care. And for surgical intervention, you have to do all of that and you have to have had at least a year of hormone

therapy. So once again, this is not stuff that is cheap. It's often not stuff that's covered by insurance. Therefore, it's not even accessible to many Nebraskans, including my family. You know, even, even a state senator in Nebraska can't access this type of care. So for a surgical intervention, the patient has to have had at least a year of hormone therapy if medically appropriate. And the patient has to have lived for a minimum of one year fully transformed in their affirmed gender prior to a consultation. So they don't even get a surgical consultation until they've been socially transitioned and living as their gender for a year. They also have to have two letters of support from qualified licensed mental health providers, psychologist or psychiatrist, who have experience with gender incongruence and mental health. They have to have one letter from a licensed mental health provider, psychologist or psychiatrist, who's well known to the patient who's been treating them for over a year. So one of those letters has to be from someone who's been treating them for over a year. It's not like you go on-- online and you get the service dog certificate. No, you have to have actually been seeing this provider for a year. And you have to have one letter from another mental health care provider. You also have to have multiple appointments with a surgeon. And so, I mean, I just want to-- I didn't mean to make this point, but I just wanted to drive home the point that this care is not given out freely. It's not very accessible. It's not common, frankly. And the less stigma and the more acceptance we have in society for gender-diverse people, honestly people are choosing different types of interventions. Some people only socially transition, don't--

KELLY: One minute.

HUNT: --do any medical transition at all. And part of the reason for that is that they feel affirmed. And that is a great thing. Whatever somebody chooses to do to, to live as solidly in their identity as they want to do is fine. I mean, I know there are members of this body who've had hair replacement treatments, who I'm sure there are those of you I do not know who have taken Viagra. I'm sure there are those of you who have gotten Botox or filler, who wear makeup, who prefer certain types of shoes because they make you feel prettier or you think they look better with your suit. All of these things are gender affirming. We, you know, cisgender people in this body, we do it just like everybody else and so do trans people. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Dungan, you're recognized to speak. This is your third opportunity.

DUNGAN: Thank you, Mr. President. And I, I want to say thank you to my colleagues who've been talking about some very important issues on this Trans Day of Visibility. I know that there's not a lot of people listening right now, but I do think a lot of the comments and points that have been made are not only important for folks to hear, but I think they're important for people at home to hear as well. So I, I do want to say thank you for that. I want to take my last time on the mike though to situate us back on to the bill here with LB683, because I know we're coming up for a vote with cloture, I think, relatively soon. And I said early on, I think yesterday that I was not entirely sure how I felt about this bill. And the reality is, I think that there's good arguments on both sides. I've had a lot of emails from constituents who have been asking questions about it and talking about that. So I've genuinely appreciated the debate we've had regarding some of the issues that Senator Machaela Cavanaugh raised. And I think my biggest concern is how to balance efficiency with oversight. And I think there was a lot of conversations we had around that last amendment with regards to whether or not the Broadband Office would be subject to oversight and public opinion. And I think that that was addressed by some conversations on the amendment and also Senator Geist got up and spoke about that. And so I was just wondering if Senator DeBoer would yield to a couple of questions given her, her placement on that as well.

KELLY: Senator DeBoer, will you yield?

DeBOER: Yes, I will.

DUNGAN: Senator DeBoer, I think, you know, obviously the last amendment, which I voted for, because I do believe that we should ensure that there is public oversight, made sure that this commission was subject to the Open Meetings Act. In your opinion, based on your review of this and also your conversations with Senator Geist, do you believe that the Open Meetings Act would apply to this, this commission?

DeBOER: I do. And I also asked our legal counsel for his opinion about that so I think everyone is, is sort of very clear. And so I'm glad

we're making a very clear record that the Open Meeting Acts-- Open Meetings Act would apply to the Broadband Office. I think it's important for us to state that and, and to have that as one of the many pieces of oversight that we will have over the Broadband Office. As you know, I believe in this body's oversight over these various different departments and commissions and things of that nature.

DUNGAN: Yeah, and I, and I agree with that. I think, again, the concern that I've had expressed by constituents, as well as my own concerns, is that whenever there's this consolidation of power with a lack of oversight, I think we place ourselves in a precarious situation moving forward. What else-- I guess you voted for this bill in committee. Is that correct?

DeBOER: I did.

DUNGAN: What else about this bill or what provisions were added in that made you comfortable that there was at least adequate or some oversight with regards to public being able to see what dollars are being spent and what decisions are being made?

DeBOER: So, yeah, I think that one of the things is this annual report that is required to be made, that the annual report also includes a public meeting. And why that's important is because in the PSC when there is a challenge, there's an opportunity for whoever the challenger is to come and make their, their case. And there is some sort of public visibility of that as well. So I wanted to have the opportunity, if this isn't going well, if something starts to not go well, to annually, not just this year, but going forward have the ability to talk to the Broadband Office, both as a committee of senators, but also so that the public can come and say, hey, you know, we feel like we are not being addressed in this part of Nebraska, what's going on here, so we can have a discussion about this long-range plan because there is a requirement under the BEAD Act federally that there be a long-range plan. And that I think that one of the things that the, the Broadband Office has been--

KELLY: One minute.

DeBOER: --explained to me is that they would have that plan and also do more with actual interaction with the, the areas that these

projects are presented to. So the villages, the, the, the county governments, the, the people in that area. And we've seen more of that in recent years, but there really is a need to talk to the public about here's the, here's the group that's, that's proposing to come in and build broadband in your area. How do you feel about that? And that's something that the Broadband Office, I think, would be specifically able to do perhaps better than the Public Service Commission. So there might in fact be more public interaction with some of these things.

DUNGAN: Thank you, Senator DeBoer. And I think that sums up a lot of the, the concerns I had. I still have concerns, but I definitely think there's been efforts made to sort of alleviate those. And so I'm, I'm interested to continue having this conversation. Thank you, Mr. President.

KELLY: Thank you, Senators Dungan and DeBoer. Senator Day, you're recognized to speak. This your third opportunity on the amendment.

DAY: Thank you, Mr. President. I was finally getting to my favorite part of the article here. Excuse me. The push for equality and visibility extends into academia, where historians like Gill-Peterson are working to document trans lives. Stories of trans people were passed along from elders and handed down via oral stories. We've always been our own historians, says Gill-Peterson. And those who would punish or diminish transgender people often inadvertently preserved their stories. Historians draw on extensive evidence in medical literature, court records, and police reports, sources that, though, though biased, capture how transgender people lived and expressed themselves in the past. As a historian, the biggest issue I face is not how hard it is to find materials, it's that there's too much to write about, Gill-Peterson says. I don't have enough time in my career. But as historians know, it can be tricky to apply modern concepts to the past. Should historians use terms like "transgender" when they refer to people who lived before the word existed? And how should they write about people who didn't have the option of sharing their pronouns or may not have wanted to come out as gender divergent? Ultimately, just as there is no single transgender experience, there was no one way to be trans in the past, and there's no handbook for approaching transgender history. Gill-Peterson says that these questions reflect modern preoccupations with labels. Instead, she

says, historians should unearth the many stories of people who challenged the binary, letting their lives speak for themselves. First, though, says Gill-Peterson, historians and the public alike must turn their back on the idea that the existence of transpeople is a recent phenomenon and learn how to find their stories. LGBT history is not physically hidden from us, she says. It's hidden from our imagination about the past. I yield the rest of my time to Senator Hunt.

KELLY: Senator Hunt, that's 3:04.

HUNT: Thank you, Mr. President. Thank you, Senator Day. I'm happy to take time from any of my other colleagues as well throughout the rest of this day. Today is Transgender Day of Visibility, and there are many high schools throughout the state where there are students organizing walkouts today in the high schools in protest of anti-trans bills like the bigoted, hateful, discriminatory bill against children introduced by Senator Kathleen Kauth. I want to tell kids today who are choosing to walk out of their high schools that I support you. I support you using nonviolent means to try to make a difference in the world, to spread a message about something that matters to you. And I want to encourage you all to stay safe and to protect each other and to, to have each other's backs no matter what happens. And I'm, I'm proud of you for taking a risk and putting yourselves out there to protect your fellow students and to fight for a future without discrimination. I also want to take a minute today, during the Trans Day of Visibility, to speak directly to trans kids in Nebraska. And I want to acknowledge the unique challenges that you face as you navigate your life. And I know it can be, be difficult to feel so different from your peers. And that you might face discrimination and bigotry from people who don't understand or accept you. But you're not alone. You're loved. And there's nothing wrong with who you are. In fact, I want to celebrate the uniqueness and the gift that you are. You are beautiful and your gender is an important part of who you are. It's something that should be celebrated, not hidden or suppressed or anything to be ashamed of. You have a unique perspective on the world and your experiences and--

KELLY: One minute.

HUNT: --insights are valuable and important just because of who you are. I know it can be hard to stay positive in the face of discrimination and prejudice, but I want to encourage you to keep moving forward. There are so many people out there who love and support you, even if it doesn't always feel like it. You are part of a community of people who have faced similar struggles and who have found strength and resilience over generations in the face of adversity. Your identity is valid and real no matter what anybody says. You have the right to be yourself in the way that feels most authentic to you, just like everybody else. So don't let anyone else tell you who you are or who you should be. You're the one who knows your truth. You're the only one who can be who you are and it's up to you to live your life as you are. And I support you and love you for that. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator John Cavanaugh, you are recognized to speak.

J. CAVANAUGH: Thank you, Mr. President. I would yield my time to Senator Hunt if she would have it.

KELLY: Senator Hunt, that's 4:55.

HUNT: Thank you, Mr. President. It can be scary to come out and live openly as a trans person, especially if you're young, especially if you're afraid of rejection or violence, especially if you're not sure how your family will react or your teachers. And, kids, it's important over everything else to prioritize your safety, to prioritize your safety and seek supportive allies who can help you navigate the challenges you may face. But I want to encourage you to keep pushing forward and keep living your truth. You deserve and you will have a full, authentic life. And you do have the strength and courage inside you to do so. You have so much to offer the world and your presence is a gift. Never forget that there are people out there who see you and appreciate you for who you are. You have the power to create change and to make the world a better and more accepting place for future generations of all kids, not just trans kids, all kids who face-- who are vulnerable, who might face discrimination, who might face bullying, who went through the kinds of things that I went through as a kid. My world was difficult in some ways as a kid, and I don't see those same difficulties necessarily in the world my son lives in today

because of generational work done by advocates. And it can be so discouraging when you're doing this work, when you're putting your heart and soul into a, a cause that matters to you. When you're seeing the arc of the moral universe bending toward justice. And then out of nowhere, someone like Kathleen Kauth gets appointed, and now we're dealing with a ban on healthcare in the Nebraska Legislature. And then this is something that's going to have consequences for future generations of kids who need essential medical care. All because of one person. But I want to tell you that you're bigger than one person. You're more than the sum of anything this Legislature can do to you to impact your life. And that you have the power to live your most authentic self. That you are beautiful, unique, loved, and you're making a positive impact on the world. I'm really proud of those kids who are organizing walkouts today in their schools. Civil disobedience is how change is made, public opinion always comes before changes in the law. It's always a groundswell of grassroots support and effort and energy and protest that makes politicians like us change our minds about something and you're just part of that process. You're along for the ride, just like everybody else. You don't have to finish the work. You don't have to complete it, but you can't give it up. And I'm right there with you in that fight. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt. Senator Erdman, you're recognized to speak.

ERDMAN: Question.

KELLY: Senator Erdman, could you approach, please? Senator Erdman withdraws his request to cease debate. Senator Machaela Cavanaugh, you're recognized to close on AM1097.

M. CAVANAUGH: Thank you, Mr. President and colleagues. We are very close to voting on the underlying bill, LB683, and I, I just want to talk about this one more time. There's several news articles today around different aspects of concerns and issues in, we'll say, judgment in the government within departments and agencies in the administration. There's more than one on more than one topic, more than one area. I'm not trying to insinuate that there is any ill intent with the creation of this office, but I do think that it is important and prudent for us to have more guardrails of oversight. And by more I mean just the typical ones, just the ones that we already

have. Let's just not give those up. That's what I'm asking for here. Let's not give up our guardrails for government oversight, the ones that we just sort of inherently have as part of our duties as the Legislature. So AM1097 just expands the scope of what a public hearing could be. It does not limit it to being on just the report, but any business of the new Broadband Office. I think it would be prudent to instill greater transparency into this new office. But I realize that we've gotten to the point where we are not interested in our own jobs and roles as a branch of government, so there we are. For the Trans Day of Visibility, I appreciate so much for Senator Hunt standing up and speaking to the trans community and for Senator Blood for pointing out the erasing of the trans visibility on the front steps of this building on Trans Visibility Day. It somehow feels like it is foretelling the work of this body that this building seeks to erase trans people from our communities, from our public discourse. And we literally erased trans people from the conversation of public discord and passive peaceful protest by erasing the chalk flag on Trans Visibility Day. What an unfortunate message to send.

KELLY: One minute.

M. CAVANAUGH: Thank you, Mr. President. I think we are getting to the end of this so I will just call of the house, roll call vote, regular order. Thank you.

KELLY: Thank you, Senator Cavanaugh. There's been a request to-- for a call of the house, for a call of the house. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 20 ayes, 3 nays, Mr. President, to place house under call.

KELLY: The house is under call. Senators, please record your presence. Those unexcused senators outside the Chamber, please return to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. Senator Kauth recognizes some guests in both balconies. They are fourth graders from Wheeler Elementary in Omaha, Nebraska. Please stand and be recognized by your Nebraska Legislature. Senators McKinney, Vargas, Clements, and Wayne, please return to the house. The house is under call. Return to the Chamber. All unexcused senators are present. The question is the

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adoption of AM1097. All those in favor vote aye-- request for a roll call vote. Mr. Clerk.

CLERK: Senator Aguilar. Senator Albrecht voting no. Senator Arch voting no. Senator Armendariz voting no. Senator Ballad voting no. Senator Blood voting yes. Senator Bostar not voting. Senator Bostelman voting no. Senator Brandt voting no. Senator Brewer voting no. Senator Briese voting no. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Conrad voting yes. Senator Day voting yes. Senator DeBoer not voting. Senator DeKay voting no. Senator Dorn voting no. Senator Dover voting no. Senator Dungan not voting. Senator Erdman voting no. Senator Fredrickson voting yes. Senator Geist voting no. Senator Halloran 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 Kauth voting no. Senator Linehan voting no. Senator Lippincott voting no. Senator Lowe voting no. Senator McDonnell voting no. Senator McKinney not voting. Senator Moser voting no. Senator Murman voting no. Senator Raybould voting yes. Senator Riepe voting no. Senator Sanders voting no. Senator Slama voting no. Senator Vargas voting yes. Senator von Gillern voting no. Senator Walz voting yes. Senator Wayne voting yes. Senator Wishart not voting. Vote is 11 ayes-- excuse me, Senator DeBoer voting yes. The vote is 12 ayes, 32 nays. Mr. President, on adoption of the amendment.

KELLY: Thank you, Mr. Clerk. AM1097 fails and is not adopted. Mr. Clerk, for a motion.

CLERK: Mr. President, Senator Geist would move to invoke cloture pursuant to Rule 7, Section 10.

GEIST: Vote regular order.

KELLY: There's been a roll call-- a request for a roll call vote, regular order on the motion to invoke cloture. Mr. Clerk.

CLERK: Senator Aguilar. Senator Albrecht voting yes. Senator Arch voting yes. Senator Armendariz voting yes. Senator Ballad voting yes. Senator Blood not voting. Senator Bostar voting yes. Senator Bostelman voting yes. Senator Brandt voting yes. Senator Brewer voting yes.

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Senator Briese voting yes. Senator John Cavanaugh not voting. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Conrad voting yes. Senator Day voting yes. Senator DeBoer voting yes. Senator DeKay voting yes. Senator Dorn voting yes. Senator Dover voting yes. Senator Dungan voting yes. Senator Erdman voting yes. Senator Fredrickson voting yes. Senator Geist voting yes. Senator Halloran voting yes. Senator Hansen voting yes. Senator Hardin voting yes. Senator Holdcroft voting yes. Senator Hughes voting yes. Senator Hunt not voting. Senator Ibach voting yes. Senator Jacobson voting yes. Senator Kauth voting yes. Senator Linehan voting yes. Senator Lippincott voting yes. Senator Lowe voting yes. Senator McDonnell voting yes. Senator McKinney not voting. Senator Moser voting yes. Senator Murman voting yes. Senator Raybould voting yes. Senator Riepe voting yes. Senator Sanders voting yes. Senator Slama voting yes. Senator Vargas voting yes. Senator von Gillern voting yes. Senator Walz voting yes. Senator Wayne voting yes. Senator Wishart voting yes. Vote is 43 ayes, 1 nay, Mr. President, to invoke cloture.

KELLY: The motion for cloture is adopted. Members, the first vote is on the committee amendment AM870. All those in favor vote aye; all those opposed vote nay. Mr. Clerk.

CLERK: 46 ayes, 1 nay, Mr. President, on adoption of the committee amendment.

KELLY: AM870 is adopted. The next vote is on LB683 to advance to E&R Initial. All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 43 ayes, 2 nays, Mr. President, on advancement of the bill.

KELLY: LB683 advances to E&R Initial. Raise the call. Mr. Clerk, items for the record.

CLERK: Mr. President, Senator-- motions to be printed: Senator Conrad to LB732; Senator Hunt to LB753; Senator Machaela Cavanaugh to LB757; Senator Conrad to LB768; Senator Machaela Cavanaugh to LB769; Senator Hunt to LB775; Senator Lowe to LB775; Senator Machaela Cavanaugh to LB792; Senator Machaela Cavanaugh to LB799 and LB805; Senator Conrad to LB810. Next bill on the agenda, Mr. President, LB243. First of all,

I have a motion from Senator Machaela Cavanaugh, pursuant to Rule 6, Section 3(f) to indefinitely postpone LB243.

KELLY: Pursuant to the rules, Senator Briese, you're recognized to open on LB243.

BRIESE: Thank you, Mr. President. And good afternoon, colleagues. I rise to present LB243. The amended version of LB243 is the property tax component of the package of income tax, property tax, and school funding reform. And I first want to thank Governor Pillen for his vision and leadership on the issue of tax and education funding reform. And I further want to thank Chairwoman Linehan and my fellow members of the Revenue Committee for their leadership and work on these issues. The amended version of LB243, when coupled with Senator Sanders' LB583, can provide everyday Nebraskans with a transformative measure of property tax relief. In doing so, we will further provide a transformative change to how we fund education in Nebraska. And why do we need this? Tax Foundation tells us we continue to have the 10th highest property taxes in the country. Handout that's going to be coming around from WalletHub suggests we're number nine. We have the 10th highest ag property taxes in the country. We have the 8th highest residential property taxes in the country. And those numbers suggest that, yes, we're making progress, but when we're talking about growing our state, those rankings still are not conducive to attracting and retaining residents. They're not conducive to attracting investment and employment in Nebraska. We need to do more. Nebraskans also deserve a fair and balanced tax structure, and we don't have that now. Gross state and local sales tax collections settle around the \$3.2 billion mark annually. Gross property tax collections settle in around \$5.1 billion annually. If we subtract the Property Tax Credit Fund, the LB1107 credit, the community college credit, net property taxes collected in the state are around \$4.2 billion, and that's 30 percent more in property taxes than sales tax. That's an enormous disparity and that is not fair and balanced. And if you really want to hear from folks who think they are treated unfairly by our tax structure, come out to rural Nebraska and talk to some ag folks, and you're going to get an earful. The amended LB243 represents one component of the comprehensive plan to deliver income tax, property tax, and education funding reform. And as you heard the other day, it's part of a comprehensive package. It's a package that's going to provide income tax relief to everyday Nebraskans, substantial property tax relief to

every owner of property in Nebraska. It's going to accelerate tax relief for our seniors where it's going to get more dollars to our schools. It's going to increase special ed funding in schools. It's going to help young couples with childcare costs and it's going to increase investment in childcare. And so there really is a lot riding on this package. And there's an amendment to the bill, I believe it's AM977, that Senator Linehan will get a chance to introduce at some point today. But because of the motion we have in place, it's not going to get up for a bit. So I'm going to speak to AM977. AM977 does several things. In Section 13, it brings an amended version of LB243. This amendment to LB243 would increase the statutory minimum in the Property Tax Credit Fund over the next six years to \$560 million per year, then with an escalator after that. Currently, the Property Tax Credit Fund is funded at about \$313 million a year. Under AM977 in 2024, it would be 388; in '25, it would be 428, in '26, it would be 468; then 488, then 515, and then \$560 million with the escalator kicking in after that. The escalator would increase that amount based on increases in valuations of real property. Section 15 of AM977 brings an amended version of LB242. LB242 deals with the Property Tax Incentive Credit. We often refer to that as the LB1107 credit. It was put in place with 11-- LB1107 in 2020. It's a refundable income tax credit against your income taxes paid for a certain percentage-- excuse me, is a refundable income tax credit against income taxes for a certain percentage of K-12 taxes paid. This percentage is set by the Department of Revenue based on the amount dedicated to the-- to this program. For tax year 2023, the amount is set at \$565-- \$560 million. After that, it increases by the allowable growth percentage, which is defined as the percentage increase in any of the total assessed value of all real property in the state from the prior year to the current year. That's current language. However, that increase is currently also capped at 5 percent at a 5 percent annual increase. AM977 would remove that cap. And based on historical data over the previous ten years, it would generate an average annual increase of \$9 to \$10 million per year going back into the hands of our property taxpayers. The next component of AM977 found in Sections 1 through 8 includes LB589. The LB589 component is the revenue cap for schools, and I've introduced similar measures in previous years. This one, because of how we've designed it, is less onerous than what we-- what I proposed in previous years. The cap in AM977, in a nutshell, limits a school's overall annual increase in total revenue to 3 percent. Its property

tax asking authority is then adjusted to meet that 3 percent overall revenue limit. Now the 3 percent revenue cap is adjusted upward for the following factors: growth in poverty students, growth in LEP students, and student enrollment growth. But we take a factor of those percentage-- those percentages. There's also an exception for high-growth districts. High-growth districts can take a, a little higher percentage of their enrollment growth. So here, here's a basic example. If you have a school that has 1,000 kids, but they're not a high-growth district, they've been maintaining at roughly 1,000 kids for the previous 3 to 5 years, they acquire 20 new kids and they're not poverty or LEP kids. And that's a 2 percent increase in enrollment. And under the terms of the bill of the LB or excuse me, AM977, that 2 percent is multiplied times forty hundredths or 0.4 and that result is added to the 3 percent. So it'd be 3 percent plus 0.8 or a three per-- 3.8 percent revenue cap to reflect the changing needs of schools because of enrollment growth. Now, this revenue cap can be exceeded by a 70 percent vote of the school board or a 60 percent vote of the public at a special election. And note that this limit does not apply to grants, bonds, voter-approved bonds, or QCPUF bonds. And it doesn't apply to amounts approved in a levy override. The school district can also carry over unused authority to avoid the use-it-or-lose-it scenario. But you're asking yourself, why is this cap necessary? Well, with Senator Sanders' bill, we're talking about injecting another \$305 million of state money into public education in Nebraska. And I personally am not comfortable doing that without some mechanism to try to ensure those dollars yield property tax relief. And that's what this cap does. It's there to attempt to ensure that those additional dollars that we are going-- intending to put into public education in Nebraska do yield tax relief. But at the same time, we have these exceptions built in and the override authority that really protects the ability of schools to do their job. So we're not going to choke off public education with this cap. We're simply trying to ensure that these dollars we're going to inject into public education yield property tax relief. The next piece of AM977 is an amended version of Senator Murman's LB783. And I would like to ask Senator Murman if he would yield to a question, please.

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

MURMAN: Yes.

BRIESE: Senator Murman, would you like to discuss your portion of AM977 dealing with the community colleges?

MURMAN: Yes. The amended version of the bill limits the levy-- lev--levying authority of community colleges, and it does assure them that they will be funded to 3.5 percent increase per year. And if the Legislature in future years does not fund the community--

KELLY: One minute.

MURMAN: --colleges at a 3.5 percent increase, they-- the community colleges will be allowed to levy up to that 3.5 percent increase each year. And at the same time, any existing bonds that the community colleges have now they can levy to pay off the existing bonds that they have. Of course, community colleges are very important to our state, and the Legislature has pledged going forward to continue funding them and increase at 3.5 percent. You know, just some of the workforce that they, they do train right now is very important to the state, industries such as education, healthcare,--

KELLY: That's time, Senators.

MURMAN: --manufacturing. Thank you.

KELLY: Thank you, Senators Murman and Briese. Senator Machaela Cavanaugh, you're recognized to open on your motion.

M. CAVANAUGH: Thank you, Mr. President. Colleagues, this is the IPP motion that goes up before any other amendments go up. And as such, and I think that we should get to the committee amendment. When I am done with my opening, I do intend to pull this motion. As I think most of you are aware, when we had our rules debate at the start of this week, we changed how we handled motions. And so to navigate and work within the new rules, myself and Senator Hunt and Senator Conrad proactively filed motions on all of the priority bills at every stage of debate. So we're going to run into this on every bill. And generally speaking, I'm OK with pulling the motion to IPP before any committee amendments go on the board because the intention isn't to outright kill any of these bills or to prohibit any of the work that has gone into creating packages or as sometimes known, Christmas trees, out of committee, but is to slow down the work of the

Legislature. Some senators have started proactively putting up motions after our motions, and so then I am faced with the, the question of what to do with my next motions? If I want to withdraw my motion to IPP so that the committee amendment can get up, then my next motion still blocks the committee amendment. So do I want to have that filed? Do I want to put that on the board? If I'm withdrawing this motion so that we don't block the committee amendment, then that is going to be problematic. So then I withdraw that motion after I speak on it for ten minutes, and then the next one goes up and I speak on it for ten minutes and I withdraw it. And then we get to the committee amendment. Today, what I'm going to do is not have my other motions up. I'm just going to have this motion. I'm just going to spend this time on this motion. And when I am done speaking on this motion, I'm going to withdraw it. And then I believe other motions will be in order after that, and that will be to that introducer's purview as to whether or not they maintain those motions on the board. So this is the "funzy" stuff that happens when we change the rules and we are where we are. So once my motions are no longer viable or in the order, then I have given up my ability to file motions on this bill today. Just clarifying that because, like, everyone voted on the rules and I don't think anybody actually paid attention to what they were doing or understood because I heard, like, 15 different versions of what the rules change did. So there we go. I know that there are lots of parts to this bill, and I'm sure that there will be a great deal of discussion around all of the different parts of this bill. I am in opposition to the elimination of the levy authority of community colleges, which I believe is LB783. I am also-- I think it is LB589 is the other one that I am in opposition to that the veto-- the levy override. I believe in strong public schools and I believe in a community's ability to make their own choices if they want to have a levy override to increase investment for various reasons and projects. And I don't believe that the Legislature needs to restrict the public's ability to vote. The public will decide when they vote on the levy overrides whether or not they want the levy override. I don't agree with this body legislating away the public's voice in this conversation. And that is what I believe LB589 and LB783 do. LB309, change in interest rate relating to property tax refunds. So changes the interest rate-- interest percent on refunds of property tax from 9 percent to 14 percent. I'm not entirely sure what that means, so I'll have to look at that closer. LB28-- I'm looking at the document that

was distributed by Senator Briese that you should have on your desk. It's orange. So white paper, orange slides with white font and then white slides with black font. I'm not sure what the font is. It looks like it's probably Arial. So thank you, Senator Briese, for distributing this, this PowerPoint. I think they're PowerPoint slides. I guess, I don't know that they're PowerPoint slides. They look like PowerPoint slides. It's helpful. It's very helpful to know what, what's in the, the contents of the bill. And I don't know if maybe the Revenue Committee put this together or if Senator Briese put this together, but I would say to all the committees that are putting out Christmas tree bills, I very much value this document because I think it helps the entire body know what we are debating a little bit more readily. So PowerPoint slides, orange font, white-- or orange background, white font, white background, black font. And so the bill contents have LB243, the underlying bill; LB28, the changes provisions relating to decisions on appeals under the Tax Equalization and Review Commission Act; LB242, change provisions of the Nebraska Property Tax Incentive Act; LB309, change in interest rate relating to property tax refunds; LB589, adopt the School District Property Tax Limitation Act; LB783, eliminate the levy authority of community college areas. Eliminating the levy authority, and I understand that there's some, I don't know, maybe compromise around that or mechanism where if we don't honor our fiduciary responsibility that they get their authority back. Again, I don't agree with taking away the public's ability to have control over whether or not they pay more taxes for education in their communities. If the public wants to pay more in taxes for education in their communities and it goes to a vote of the people, why are we taking that away from them? Why are we taking away the people's voice? So I'm looking over at the queue. I don't have my opera glasses, but I can see that there are people in the queue and it's a very short queue. I'm kind of surprised that people aren't going to, like, love on this tax package like they did on the other one. But I do look forward to revisiting how to claim your property tax income tax credit. So we will be discussing that on this bill because we have a Property Tax Credit Fund and it is when you get your property tax statement, there is a line on your property tax statement that says it's a state, it's a state credit. So there is a state credit, there's a fund, there's two funds, there's a fund that goes directly to your property taxes and you see it on your property tax statement. Then there is the property tax--

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KELLY: One minute.

M. CAVANAUGH: --credit, income tax credit-- property tax fund income tax credit fund. I'm-- I'll get the, I'll get the phrasing correct later. But that is where you get your property tax, your state aid for property tax. Your state relief on property taxes comes through your income taxes. So for those who own property and who own property and don't pay income taxes, but pay property taxes, you don't pay income taxes maybe because you don't make enough money to pay income taxes, you still must file your income taxes in order to get your property tax relief. So we will be spending some time digging in on that process. And if you are a renter, you don't get this at all.

KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you. Oh, I withdraw my motion.

KELLY: MO164 is withdrawn. Mr. Clerk.

CLERK: Mr. President, LB243, introduced by Senator Briese. It's a bill for an act relating to the Property Tax Credit Act; amends Section 77-4212; changes the minimum amount of relief granted; and repeals the original section. The bill was read for first time on January 10 of this year and referred to the Revenue Committee. That committee placed the bill on General File with committee amendments, Mr. President.

KELLY: The opening on LB243 has already occurred. Senator Linehan, you're recognized to open on the committee amendment AM977.

LINEHAN: Thank you, Mr. President. And I think Senator Briese started this, but I'm going to ask the rest of the people of the Revenue Committee and Senator Erdman to kind of explain their part. So, Senator Bostar, would you like to explain the part of the amendment that was your original LB309? Would you yield for question, please?

KELLY: Senator Bostar, will you yield?

BOSTAR: Yes, I will. So LB309 is a very simple bill that changes an interest rate related to refunds from counties. So this effort really started two years ago. Senator, Senator Halloran brought legislation that would change this particular interest rate from zero to 9 percent. And what this interest rate relates to is if the-- if a, if a

county owes a taxpayer money, this interest rate would apply to that transaction. And why this is important is because if a taxpayer is late in filing their taxes, getting their taxes paid, they owe the county interest on that unpaid tax liability. And taxpayers are charged an interest rate of 14 percent. So the reverse up until two years ago was that if the county was holding on to a taxpayer's money and not getting it sent back out to a taxpayer, they owed zero percent interest. Thankfully, two years ago, Senator Halloran got that changed, got that moved up to 9 percent. That was amended into a Senator Hansen bill and we passed two years ago. This simply takes that from the 9 percent that was already established and takes up to the 14 percent so that we have a level of tax equity going both directions when it comes to property tax liability. So if you owe the county money and you're late on paying, you're going to owe 14 percent interest. If the county owes you money, which happens, and they're late on paying you, which happens more often than you would think, they owe you 14 percent interest. So this is simply a means of ensuring that we are holding the government to the same standards that the government is holding the people. And that's really all the bill does. Thank you to the committee and thank you for the opportunity to speak a little bit about what we're trying to do here today.

LINEHAN: Thank you, Senator Bostar. Appreciate that. Then I would like to ask if Senator Erdman would yield, would--

KELLY: Senator--

LINEHAN: --like to ask Senator Erdman a question?

KELLY: Senator Erdman, would you yield to some questions?

ERDMAN: Yes, I would.

LINEHAN: Thank you, Senator Erdman. Thank you, Mr. President. Senator Erdman, your original-- well, it's not exactly original, you have the LB28--

ERDMAN: Correct.

LINEHAN: --part of this bill. Would you like to explain?

ERDMAN: Yes, I would.

LINEHAN: Thank you.

ERDMAN: I introduced LB28, Senator Linehan, and the objective of that was to try to bring the commission to the table to discuss what the solution is to having such a long wait to have a hearing with TERC. The committee was kind enough to work on that amendment-- on that introduction of that bill, and they advanced it with this opportunity. If you make an appeal to TERC and you haven't had a decision made by the next time your next tax statement is due, the valuation shall remain as it was before they tried to raise it. The caveat that the committee put on, and I, I appreciate that, is if when you do have a hearing and the TERC rules against you, the taxpayer, you will have to go back to the date of filing and pay the taxes plus the interest. And I, I appreciated that so much. I think that's an opportunity for us to help prevent some of those things that Senator Bostar just talked about. That's LB28.

LINEHAN: Thank you. Thank you, Senator Erdman. Senator Murman, would you yield? I'd like to ask Senator Murman some questions, please.

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

MURMAN: Yes.

LINEHAN: So, Senator Murman, your original LB783, you introduced that on behalf of Governor Pillaen, did you not?

MURMAN: Yes, correct. I really appreciate the help of the Governor on this and yourself and the Revenue Committee and the community colleges also to get this bill to the place where it actually is supported now by the community colleges.

LINEHAN: And I think when you were-- Senator Briese had asked you a question. So part of the reason they have agreed to this is that if we don't keep our bargain on replacing their property tax revenue with state funding and increase it-- is it 3.5 or 3 percent every year?

MURMAN: It's actually 3.5 percent guaranteed increase.

LINEHAN: So if we don't increase that, then they can take some of their property taxing authority back, right?

MURMAN: Yes, that's correct.

LINEHAN: Is it just enough to make up for whatever we didn't-- the Legislature didn't?

MURMAN: Yes, they would-- if we don't fund them at a 3.5 increase per year, if the state doesn't fund them at a 3.5 percent increase per year, they still have that levying authority to levy through property taxes to get to 3.5 percent increase per year.

LINEHAN: And on their bonding, I think that-- is that limited to 2 percent when they need to build their capital or what-- they don't call it-- what-- they call-- what do they call their funding for building? Is it capital fund?

MURMAN: Yes, I believe that's correct. Whatever bonds are in place now for when this bill goes into effect, actually, they can continue to levy to pay off those existing bonds.

LINEHAN: Levy 2 percent. Is it 2 percent?

MURMAN: I believe that's 2 percent.

LINEHAN: Yeah. And then-- but even if so, you or your neighbor, they pay that 2 percent, then can they get-- will that be part of their property tax income tax credit that they file?

MURMAN: Well, there's no, no longer a reason for property tax credits after-- for concerning community colleges after this goes into effect.

LINEHAN: Except, except on the bonding. We can still--

MURMAN: Yes, that is correct. It's still in effect on the bonding.

LINEHAN: So basically, the community college is going to be kept whole and increasing and but it won't be on property tax anymore, it's going to go completely to the state.

MURMAN: Yes, that's correct. And it, it won't be necessary to do it with a credit as long as the state funds them totally to 3.5 percent.

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LINEHAN: Thank you. Am I forgetting anything about the bill that I should be asking about?

MURMAN: No, I think that covers it pretty well.

LINEHAN: Thank you, Senator Murman. Senator Briese, you had-- I don't-- did you get to all your parts of the bill?

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

BRIESE: Yes.

LINEHAN: OK. So I think this is one where I didn't have a bill in it. So this is part of the package that goes along with the income tax cuts that we did yesterday. This is a property tax portion, as we said multiple times yesterday and we'll repeat as long as we're on this bill, when we get-- we figure out the fiscal notes, because we all know we don't get a fiscal note until we actually get to the next step after we pass it on General File, then we'll have to make-- Senator Briese would yield to a question?

BRIESE: Yes. Yes.

LINEHAN: So we are both committed, are we not, to make sure that whatever we, whatever we do for income taxes will be matched by property taxes?

BRIESE: Yes, we are.

LINEHAN: And we are committed to that because the seven years we've been here now, you, you can't get either one done without the other, right?

BRIESE: Yes, has to be something in it for everyone.

LINEHAN: And then hopefully-- I've heard the rumor that we're going to-- as soon as we are done with this bill we're going to go to the-- Governor Pallen's and Senator Sanders' education funding bill.

BRIESE: Yes.

LINEHAN: OK. All right. I, I think this is really, this is really a lot of property tax relief. And I think the things that are really important about it, one of the things we and everybody knows this, we depend on property tax in Nebraska for too many things.

KELLY: One minute.

LINEHAN: You get your property tax statement, there's 8, 12 people on your statement levies. So being able to take one whole system off property taxes and have the state pay for it is a very big deal and I hope we can get all your support on this bill. Thank you, Mr. President.

KELLY: Thank you, Senator Linehan. Mr. Clerk, for an item.

ASSISTANT CLERK: Mr. President, Senator Erdman would move to amend the committee amendments with AM1079.

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

ERDMAN: Thank you, Mr. President. Again, I want to thank the Revenue Committee for their help with this proposal. What this amendment does, it is, I believe, the solution to help TERC catch up to the long logjam they have on hearings that we have been dealing with since 2011 when they eliminated one of the members of the TERC Commission. There was four before 2011, and since then we've been functioning on three. So what the amendment does beginning July 1, 2023, we're going to add one commissioner. We'll go from three commissioners to four, which will then allow them to have at least 25 percent more hearings. It is my impression from talking to the commission that the support staff will not need to be increased, but it will be that such we'll add one more commissioner. LB-- or excuse me, this amendment also includes that the new member needs to be a lawyer. So we'll have two lawyers and two people who have certificates of assessment. And so we'll have two of those, two of each. And so what it also does, it raises the minimum that, that they can have a hearing as an individual commissioner. Right now, it is set at \$1 million and this amendment would raise it to \$2 million, which therefore would allow to have more single commissioner hearings, which would also expedite the situation with having more hearings and getting the decisions made more quickly. And as we move through the amendment, it also talks about the fact

that when we have these-- more commissioner hearings with a single individual commissioner, they can write more reports on an expedient manner and get that done. One of the things that has happened in regards to the TERC Commission is they have been on the same salary since basically 2007, only with a cost of living increase. And so what this does, it moves their salary from what they have now to being tied to the Supreme Court justices' salary. And the amendment states that it would be 75-- 85 percent for those who are lawyers and 75 percent of the Supreme Court justices' salary for those who are just assessors or assessor-- has an assessor certificate. So the difference between those who just have an assessment certificate and the lawyers, the lawyers would be as acting as a judge when they have a hearing, a two-panel hearing. And it's important that I think these people are compensated fairly. I have been trying for at least seven years to try to come to a solution to try to help our taxpayers get a fair and expedient hearing on their valuations. And I think this is a great step forward to solving the issue with TERC so that they can hear the cases that they need to hear. It is my impression that last year they had about 900 protests. There were several of those, a significant number, were actually settled before they got to the hearing. And so every year we have a few that drag over and it extends the amount of time before they can have a hearing. So I think this is an opportunity for us to fix the TERC issue. I would like to see if this is exactly the solution so I would encourage you to support this and we move forward with making a difference in people's lives on how much taxes they pay and when they pay them. If you have any questions, I would be surely glad to try to answer those. Thank you.

KELLY: Thank you, Senator Erdman. Senator Briese, you're recognized to speak.

BRIESE: Thank you, Mr. President. I stand in general support of AM1079. I think Senator Erdman laid out the case why it's necessary and be advisable to put that in place, and I will be supportive of that. But I did have a couple other questions about the-- [RECODER MALFUNCTION] if Senator Murman is available for a couple of questions.

KELLY: Senator Murman, would you yield to some questions?

MURMAN: Sure.

BRIESE: Thank you, Senator Murman. I think Senator Linehan probably hit upon some of these items, but there is general agreement from the community colleges to what you put in, or what you're proposing here with your component of AM977. Would that be fair to say?

MURMAN: Yes, we did work with the community colleges to get them to actually support the proposal as amended.

BRIESE: And fair to say, one of the keys to that support was allowing them to regain some taxing authority if the state falls short on their commitments.

MURMAN: Yes, that's correct. We definitely realize the importance of community colleges, so we want to keep them whole with the guaranteed increase and that's built into the bill with the amendment.

BRIESE: Yes. And I think that they retained some, or regained some taxing authority if our commitment to keep replacing their property taxes with a three and a half percent increase year to year, if we fall short on that or if we fall short in our other component of aid of community colleges, which is our state aid to community colleges, that fair to say?

MURMAN: Yes. You know, there will be years going forward we don't have the revenue we have now, so they are guaranteed to have that levy authority to continue to fully fund their, the community colleges.

BRIESE: Yes. And I think at the hearing, they made clear that they wanted to retain their ability to be able to levy for capital improvements and we, we left that ability alone, correct?

MURMAN: Yes.

BRIESE: OK. Very, very good. Thank, thank you, Senator Murman. I appreciate your work on that bill and getting that into a form that should be acceptable to everyone involved.

MURMAN: Thank you.

BRIESE: You bet. Thank you. And speaking of being acceptable to everyone involved, you know, the lesson from the last couple of years was that successful legislation in this body really has to accommodate

several competing interests. And that's what happened with LB1107 in 2020 and LB873 in 2022. And that's what we have here, legislation that accommodates many competing interests. And if you don't like every aspect of the overall package, LB754, LB583, the amended LB243, you know, join the crowd. You know, I'm not a fan of everything we're talking about here myself with, in particular some of the other parts of the package. But it is a package deal and there's an awful lot at stake here and we have to remember that, that they, they do stay together. And I do think that we really need to respect the package. You know, if you want to encourage investment in child care, you need to respect the package. If you want to help young families out with child care costs, you need to respect the package. If you want to put more dollars into urban schools and rural schools, you need to respect the package. And if you want to put more state dollars into special education, you need to respect the package. And if you want to give our seniors some tax relief, you need to respect the package. And no doubt there's an item or two in the overall package that you'd like to tweak and rest assured, there are some things I'd like to tweak too, but it is a package that a whole lot of time and effort went into--

KELLY: One minute.

BRIESE: Thank you, Mr. President. --and we do need to respect it. And the package itself of education funding, property tax relief, income tax relief, they only move forward together as a package. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. And thank you to Senator Briese and my colleagues on the Revenue Committee. I rise in support of AM1079. I think that Senator Erdman worked very hard to come to some consensus there with regard to the issues that are currently facing TERC. But before I get more into that, I just want to kind of take a second to genuinely thank Senator Briese and Senator Linehan for their leadership on this issue. And I've talked to Senator Briese both in Revenue and outside of that about the effort that I think has gone into this package. And we're talking about a number of bills here that are all addressing different sort of symptoms of an over, of an overarching problem. But the big part of that problem is that the property taxes in Nebraska are too high. And when I was out

campaigning and knocking doors and talking to folks, I think the one thing that was genuinely agreed upon by a lot of people was that property taxes needed to be addressed. And the only real difference that I think we saw on a regular basis, pardon me, was how to address those issues. And so when you talk to folks about what we can do to address property taxes, there's a number of answers. And I think that this package aims to address a bunch of different problems all at once. And the thing that I've noticed throughout my entire time in the Revenue Committee thus far, was that Senator Briese was very, very open to conversations from competing interests. I know that there were conversations among schools, amongst the community colleges when they spoke with Senator Murman about his bill, and frankly, I've been really impressed with the ability to try to get people together to come to some common sense solutions to problems that we all admit are too, are too high. And so I just want to start with that general appreciation of the work the committee has done thus far. For those who looked at the committee statement, you'll see that I was present not voting on this package, and I'm going to spend a little bit of time today on the mike if I can get back in and also probably, I assume on Monday, when we roll back into this conversation, talking about parts of the package that I think are really positive and that I think are good. And then also talking about parts of the package that I have hesitations about or issues. And if I could just sort of lay out my general concerns. I think they can be boiled down into two overarching issues that I see. And neither one of these are aimed at any individual part of the package, but one is maintaining that local control and subsets of that concern are things like making sure that schools and community colleges can continue to meet the needs that they have. And then the second overall concern that I have just in looking at this is the overall cost to the state. We don't obviously have a complete fiscal note on this yet. And so I don't know what the fiscal office is going to say the overall, the overall cost is going to be. But some estimates have the combination of the LB1107 fund along with the property tax credit by 2026 or 2027, costing the state of Nebraska \$2.2 billion. Now, we're in the middle of a real opportunity here as a state, I know, to sort of put ourselves in a good situation moving forward economically, but for those who are paying attention during the, the income tax or corporate tax debate, one of my major problems was that I want to make sure that we're being fiscally responsible into the future. Again, we all agree that

property taxes are too high and I absolutely want to do whatever we can to alleviate those burdens on everyday people, on farmers, on folks in urban communities. But when you're looking at a cost, a price tag, a part of this of potentially billions of dollars, I start to have hesitations and concerns that we're ultimately going to be putting ourselves in a position moving forward where we're not able to fulfill our obligations to schools, K-12 education or the community colleges. And so one of my number one concerns, or number one goals as a state legislator is to not put us in a position where we are unable to do the things that we promised we would do. And I think state aid to schools is a fantastic idea. It's something I campaigned on.

KELLY: One minute.

DUNGAN: Thank you, Mr. President. It's something I campaigned on. It's something I spoke about at great length. But if we're going to implement a system or a structure that is fundamentally based on the state providing aid, we have to make sure that there's sufficient money to do that. And so I anticipate as this debate goes on, you're going to hear me talk a little bit more about the things that I really, really like about this package and the things that cause me concern. I legitimately don't know at the end of the day how the vote is going to turn out on this. I generally support the package, but I do think it's important that we talk about some of the problems that were raised in the Revenue Committee. I think it's important we hear from the perspectives of the community colleges and of the schools. But again, overarching, I think that Senator Briese and the committee has done a fantastic job of trying to reach consensus. We just have to make sure we're in a good position moving forward. Thank you, Mr. President.

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

BLOOD: Thank you, Mr. President. Fellow senators, friends all, those of you who didn't sneak out for lunch, which is a very small handful, I actually stand in support of the underlying bill and its amendment. I'm not sure about Senator Erdman's amendment. I'm still reading it. But I do think there's some tweaky stuff that needs to be done. I kind of agree with Senator Dungan, and I love that you're trying to get multiple bills through an omnibus bill. I think that's especially

important this year. So I think that that's kind of a great thing. But here's the issue that I have, and I'd ask that Senator Briese yield to a question.

KELLY: Senator Briese, will you yield to some questions?

BRIESE: Yes.

BLOOD: Thank you, Senator Briese. The reason I'm asking you is because my concern is directly with the Property Tax Credit Act part of it. So, you know, for the last two years- two bienniums, I've brought forward circuit breaker bills, yes?

BRIESE: Yes.

BLOOD: And I like those because they focus relief. They deliver tax credits to Nebraskans whose property taxes are too high in relation to their annual income. And this is not a gotcha question in any way. I sincerely want to know why, why don't we incorporate these circuit breakers into these bills? Because I think that if we're really trying to help Nebraskans, we should be helping Nebraskans with property tax, the ones that need it the most. And you don't always need it the most at a certain financial level. Is there any part of you that has any interest in maybe amending the mechanism of LB211 into this bill?

BRIESE: Thank you for the question, Senator Blood. And I appreciate your focus on property tax relief as well. And you're, you focus like you say in the past on bills that would tend to be more of a circuit breaker. I would consider something like that. I don't think I want, interested in doing that with this proposal here, but it probably is something that going forward I should look into as well. But at this point, this bill, this package, this amendment, not particularly interested.

BLOOD: Can, may I ask why?

BRIESE: I think as is, it presents, again, you go out to rural Nebraska where I come from and you start talking to people about property taxes and they don't care about circuit breakers. They just want relief. They just want relief and they need relief out there. They are extremely concerned about the inequities in our tax structure and our school funding structure. Like I said earlier, go talk to some

ag people out there and they're not interested in circuit breakers. They just want a more fair and balanced tax structure, which we do not have. And so efforts like this, these, are certainly efforts to arrive at a more fair and balanced tax structure.

BLOOD: Thank you, Senator Briese. And that's exactly why I'm bringing this forward again, is that we want to do something that's fair and balanced. And to be really frank, I traveled the state all summer long talking about things like circuit breakers and unfunded mandates, because that helps make it fair and equal, because the tax credits are triggered once property taxes reach a certain percentage of a person's income. So what better way to be fair, especially to a farmer struggling because it's been a bad year, a rancher that's having to deal with losing cattle because there was a flood. I feel like we have opportunities to really help people and doing something just straight across the board doesn't necessarily help and help us to focus relief on those who really need it. And I know my bill also pertained to people who lived in apartments. We don't need that part of the bill for something like this. We just need the mechanism to provide focused relief, because I truly believe that if we utilize the circuit breaker bill, which for those that--

KELLY: One minute.

BLOOD: --haven't heard us talk on, it is similar to how electrical circuit breakers are triggered when electric, electricity surges. It's a disrupter. That I'm going to kind of be a broken record on this because I really believe that it would make the bill better, not distract from it, but really get help to those who are most in need when it comes to property tax relief. So thank you, Senator Briese, and thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Murman, you're recognized to speak.

MURMAN: Thank you, Mr. President. First of all, I just want to make a quick note. I think I said the capital levy on community college is 2 percent. It's actually 2 cents. So I just wanted to correct that. You know, I was talking about the importance of community colleges, and I didn't quite get done with what I wanted to emphasize there. The 38th District is covered by Central Community College in Hastings and

Mid-Plains Community College in North Platte and McCook. I've seen the firsthand value of these two institutions bring to my community in a positive way. And other community colleges that others may be more familiar with in their communities would be Southeast, Metro, Western and Northeast community colleges. And, you know, some of the industries that they really focus on and we definitely have a workforce shortage, education, health care, manufacturing, retail trade and construction, of course, are some of the industries that we definitely have a shortage. And those are some of the industries that the community colleges focus on, especially. And as senators, you know, we've talked a lot about the most, one of the most important things we hear from our constituents is we need property tax relief in Nebraska. And right now the state is sitting on projected to be a \$2 billion reserve, and constituents are demanding that we get relief from property taxes, so we have the opportunity to do that right now. And with the change in funding community colleges, it amounts to about a 5 percent decrease in property taxes when it goes into effect. So it will have a large effect. And I guess I could just finish that I am definitely in support of LB243, LB970 with AM977 and in general support of AM1079 by Senator Erdman. Thank you very much.

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

HUGHES: Ow. Sorry, that shocked me. Thank you, Chairman. I stand and I support LB243 with the amendments, AM977 and AM1079. When I ran this year for this position, one of the biggest things I heard about was our property tax issue, which ultimately is a school funding issue. And I know that is kind of the next piece of the puzzle coming after this bill. But in general, I do support this and I know the committee and all these different pieces have worked together with all the parties to come up with an agreeable package. I was just meeting with our community colleges out in the lobby and they worked, initially, I know they were opposed to some of the things in it and they worked through that and I had my biweekly Zoom with my, the superintendents in my area and the ESUs and part of the cap. I know the schools have worked very diligently with Senator Briese on that and have come up with a very, I think, equitable solution that all parties feel comfortable with. So I appreciate the work that's been done on this and as I've mentioned, in general I support. Thank you.

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

von GILLERN: Good afternoon, colleagues. I also rise in support of LB243 and the two amendments, AM977 and AM1079. Speaking as a member of the Revenue Committee, it was interesting to hear the hearings on each one of these, but I also mainly want to echo what has been said several times already, and that is that nearly every constituent I talked to when I was campaigning brought up property taxes as a, as an, as, if not their top issue, it was certainly in the top three. And my commitment to them was to come, come down here and do what I could to move that needle. So I'm pleased to support all of the underlying bills to LB243. I'll just hit a couple of highlights on a few of them. The Property Tax Credit Act, of course, Senator Briese has already talked about. LB28, which Senator Erdman brought was, that went through several different gyrations and several different iterations before it came to its final draft. But increasing the members of the board of the TERC committee seems to be a great resolution there that really solves what some of the solutions we talked about were treating the symptoms, not the problem and this really seems to be a solution to the problem. And then I'll jump forward just to talk about the Community College Funding Act. Obviously, that shifts that out of the property tax burden that we get in our statements for all of us that own homes or property and moves that to state funding, which is a huge, huge impact. And again, the collaboration that's happened with the community colleges to make that happen has been terrific. And my last comment would be regarding public school funding. Elkhorn is one of the districts that I represent, and I had conversations with representatives from the Elkhorn District because they're a fast growing district, and I'm grateful to Senator Briese and to the Governor's Office for working with some of those fast growing districts to work out a solution that works for them and provides safety gaps for them to obtain the funding that they need when they're growing at such an accelerated rate. So with that, I again, I support AM1079, AM977 and the overarching bill, LB243. Thank you.

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

IBACH: Thank you very much, Mr. Chairman. I would just echo a lot of the comments that have been mentioned here at the last few comments. My district, District 44, in southwest Nebraska, when I was

campaigning, our number one concern was property tax as well. And as I was writing my column this morning for the newspaper, I outlined a lot of the bills that are contained in this package. And they, they check a lot of the boxes that we discussed during my campaign and even since then on my Tuesday morning phone call. So I would just echo my support for LB243 and the, the amendments, AM977, and support the package as well and hope that we can move this forward. Thank you, Mr. Chairman.

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

J. CAVANAUGH: Thank you, Mr. President. I would ask if Senator Erdman would yield to a question.

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

ERDMAN: I'd be glad to.

J. CAVANAUGH: Thank you, Senator. I just wanted to continue the conversation you and I were having off, off the mike, on the mike. And just to kind of start off, can you give us what does TERC stand for?

ERDMAN: Tax Equalization Review Committee.

J. CAVANAUGH: Tax Equalization Review Committee.

ERDMAN: Yes, sir.

J. CAVANAUGH: And they are an appeals board, is that right?

ERDMAN: Basically, that's what they are.

J. CAVANAUGH: So if I have a complaint about my property taxes, I would appeal it to the, the TERC. Is that right?

ERDMAN: Yeah, if I could explain that. So the Board of Equalization, which is your county commissioners, will hear the valuation increase from their assessor of the recommendation for an increase, and then the Board of Equalization will make a decision whether they agree with the assessor or not. And if they do agree with the assessor and it's an increase that you're not willing to accept, then you have an

opportunity to appeal to TERC, and TERC is the first place you make that appeal so that you have an opportunity to describe to TERC why your property shouldn't be assessed what they're asking to assess it at.

J. CAVANAUGH: OK. Well, thanks for that clarification, or, and so the TERC board is currently three individuals, is that right?

ERDMAN: That's correct.

J. CAVANAUGH: And in the last couple years, I just saw in the paper this week, ag land valuation has gone up 14 percent I think in the last year. Does that sound about right?

ERDMAN: That sounds right.

J. CAVANAUGH: And so in a world where land valuations are going up as quickly as they have been, more people are objecting to those assessed increases. Does that sound right?

ERDMAN: That's correct. Not only land prices, but also residential properties as well.

J. CAVANAUGH: Right. Yeah. All real estate--

ERDMAN: Correct.

J. CAVANAUGH: --evaluations. And so your proposal here is to add another person to help address that increase in number of appeals?

ERDMAN: Yes, sir. It would increase at least 30, 25 percent, perhaps maybe even as much as 30 percent more hearings. And the reason I say it'll be more is because we're raising the minimum from \$1 million to \$2 million, which allow for more, more one single commissioner hearings.

J. CAVANAUGH: OK. Can you, can we back up and kind of cover that answer? So you're, you're increasing the number of people who can do the job so then we'll have more--

ERDMAN: Right.

J. CAVANAUGH: --work will be done. But you are also changing the dollar amount in contest that can be heard by one TERC commissioner.

ERDMAN: Yes, sir. Yes, sir. Right now, if you have a property that's valued more than \$1 million, the statute requires you to have a two-person hearing. So you have to have one attorney and one person with an assessor's license has to be involved in the hearing. So if we raise that from \$1 million to \$2 million, then we can have a single commissioner hearing so the people can hear more hearings in the commission.

J. CAVANAUGH: OK. And do you know, has it been \$1 million for the entire time we've had the TERC?

ERDMAN: I do not know the duration of that, but it's been a long time.

J. CAVANAUGH: OK. And so that's kind of, in the interest, obviously, of efficiency, but also in light of the fact that inflation and everything--

ERDMAN: Correct.

J. CAVANAUGH: --the amount we were talking about in controversy is not proportionate to what it was back when this started.

ERDMAN: Correct.

J. CAVANAUGH: So, well, I appreciate the clarification, Senator Erdman. I think I will be in support of at least of your amendment and I appreciate your--

ERDMAN: OK.

J. CAVANAUGH: --your diligence on this. He and I talked about this.

ERDMAN: Thank you.

J. CAVANAUGH: He gave me a history lesson about the TERC, which I don't know if everybody necessarily wants to hear on the mike. So I won't, so I won't continue that. But I do appreciate that he's a wealth of knowledge on this subject, if you want to know the history of it. But this sounds like, I don't know where I'm at on the whole

package at this point, but I do appreciate Senator Erdman's work on AM1079. And allowing, well, basically what this sounds to me like it will allow, summarize my conversation with Senator Erdman is, individuals, everybody in the state of Nebraska that owns property, you get assessed by your county assessor, you get a notice probably pretty soon actually of what it's going to be for the next year. And then you can go and protest that to your local county--

KELLY: One minute.

J. CAVANAUGH: Thank you, President. --Board of Equalization. And then they, you can present your case to them and then they can rule for you, against you in terms of whether you're right that they've overvalued your property, usually. I don't know if anybody's ever argued that it's been undervalued. And then if you lose that, it sounds like you get to appeal to this TERC board and they are having more and more appeals that are coming to them as a result of this increase in valuations we're seeing. And so the work flow is getting so far behind that individual's taxes are remaining at that higher level, I think until they get revalued or get to appeal in front of the TERC. So this sounds like a, a solution to that problem and to allow more people to have their cases heard in a more timely fashion. So that's, I appreciate your, your information, Senator Erdman, and your work on this. Thank you.

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

ERDMAN: Thank you, Mr. President. Senator John Cavanaugh, thank you for the questions. That's exactly very well-described what you, how you described that. One of the things that happens is, generally it's about a 50-50 split on the decision of TERC, whether they side with the taxpayer or with the county. And so it's not always one way or the other, it's about a 50-50 split. I want to just say for the record, whatever that means, that I have been involved in several TERC hearings and they handle those in a very professional manner. And it is an opportunity for the taxpayer to feel like their protest has been heard fairly. They give plenty of time for the individual to make their case. And it's, it's a very, very relaxed atmosphere. And oftentimes, even if the TERC doesn't rule in their favor, they feel like they've had a great opportunity to share why they think their

values should be different than what the assessor thinks. So I do appreciate the support. I, I did have a concern or a question, I should say. In the original amendment as I presented it, it had said it will go into effect July 1 of '23, and there's no emergency clause on that. So between General and Select, I may have to make an adjustment on that. But other than that, that pretty well describes what we're trying to do. And I do appreciate the fact the Commission came and we had a discussion about what the solution is, and I believe this is a great step forward to solve that problem. Thank you.

KELLY: Thank you, Senator Erdman. Senator Albrecht, you're recognized to speak.

ALBRECHT: Thank you, Mr. President. I just rise in support of LB243, AM977 and AM1079. You know, when sitting on the Revenue Committee, we really have had a lot of bills to listen to, like 102 or 103. And to be able to pull bills together that we really feel like are clean, have been worked on a long time, have been negotiated, whether it be with the Governor or with the senators here on the floor, or the, like, for instance, the community colleges. I mean, they were very diligent in being in front of us and helping us understand their needs. And I represent Northeast Community College up in my district. And Dr. Barrett and, and some of her folks came down often to talk to us about these bills and what could work and would work and, and can work, because we did all come to an agreement in the end. Senator Erdman, you know, I applaud him when it came to anything to do as a, from one county commissioner to another. I know the, the depths of how, how important it is when you own a home and you have to go in front of the county commissioners and try to figure out a way to, to make it work for you so your taxes are affordable, compared to those people around you, and then if you don't get an agreement from us, then you have to go to TERC. That is a long, drawn-out, I think being a county assessor and/or being on the TERC board is probably one of the hardest jobs in our state. It is fully backed up in most years just because there's so much going on and so many different changes. So anything we can do to help that process is important. I did want to point out on the committee statement, Senator Briese's bill, the LB243 came out 7-1. Senator Erdman, 8-0 on LB28. Senator Briese on LB242 came out 8-0. Bostar, excuse me, Senator Bostar at 3, his LB309 came out 8-0. Senator Briese's LB589 came out 7-1, and Senator Murman's LB783 came out 8-0. Not real sure, I don't have a copy of Senator

Erdman's, but I know that he came around and spoke to each and every one of us on the TERC bill. So hats off to our new Revenue staff. I mean, it's incredible the work that they've done as well. And Senator Briese, this is, like, your day. Most of this is something that you've been working on since we've been here the last seven years. This has always been on our mind as one farmer to another. And I appreciate all the work that you've put into this as well. So with that, I just hope everybody will celebrate and get LB243 over the, over the line. Thank you.

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

BRIESE: Thank you. Thank you, Mr. President. Thank you, Senator Albrecht, for your kind words. And I appreciate your unwavering commitment to property tax relief as well. And earlier, someone was maybe questioning the sustainability of what we're doing here, but, you know, we talked about that at great length when we were dealing with Senator Linehan's bill and her, I guess it was LB754. You know, I am confident in the long-term sustainability of the entire package. The Governor's folks, the budget director in the part of administrative services, he's done extensive evaluation and modeling of this. And it looks, it looks very positive. And again, we have a resilient ag-based economy that's prepped to weather the cycles that we might encounter going forward. And the tax relief envisioned by the entire package really is going to create even more growth and economic stability. But going back to the Governor's numbers, you know, even with the package in place as the Governor proposed this, we're going to have a cash reserve in excess of \$1.4 billion a year going forward. And you couple that with the ending balance, and we're looking at \$2 billion laying there every year with this in place. And again, you might ask, but what assumptions were used? And his analysis assumes budget growth higher than what we're going to put in place this biennium and it assumes revenue growth, I believe a .8 percent for this biennium and 2.5 percent for the next biennium. And you have to remember that on average revenue grows at 4.75 percent and he's using 2.5 percent for the next biennium. So those are very conservative numbers. Those are, it's a very conservative posture to take. And plus, these cuts are being, or these programs are being phased-in, incrementally. And by doing that, we're doing it in a responsible way. They're being stair-stepped. It's been cash-flowed. The entire package has been cash-flowed multiple times, multiple ways. And it passes the

test. And I'm confident in the sustainability of what we're proposing here. Thank you, Mr. President.

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

DUNGAN: Thank you, Mr. President. And thank you again, colleagues, for sort of explaining how some of these things work. And again, I rise in favor of AM1079. I will admit that I was unfamiliar with TERC before my time on the Revenue Committee, but through the conversations we've had and through the tireless work of Senator Erdman to come in and do his best to sort of reform or at least talk about TERC on a consistent basis, I feel like I've learned quite a bit and so very appreciative of his work there. And I do think that adding an additional TERC member and ensuring that they are properly paid is going to be a really good way to sort of speed up that process. As a total selfless plug, I also had a bill this year to increase the pay for court interpreters because they have not had a pay raise since, I believe, 2004. So in the interest of raising salaries for folks who do incredibly hard work, I would just encourage the Appropriations Committee to continue to consider my request to raise the pay for court interpreters. But back to this bill. I want to go into a little bit more detail about some of the concerns that I have. And I think that, again, we'll talk about this at great length over the next day or so. But one of the major concerns when I go to that sort of subpoint of the local control that we're talking about is this provision that we see in the overall package that places these caps on the, the property tax asking authority of schools. We saw a wide array of opinions from the schools as they came in and that's part of the reason that I don't have my mind made up about this is because we had the Lincoln Public Schools, for example, come in as neutral. And similar to other debates we've had here, neutral doesn't necessarily mean support. It doesn't mean opposition. And Lincoln Public Schools, whom I represent, expressed to me their concerns. And I've heard those concerns and I share some of those concerns, but they also understand that this is part of an entire package as we've discussed previously. And so I want to highlight a couple of those. I think my biggest overarching issue with the theory of what we're doing here is we're putting into place these property tax, called caps essentially, on how much the authority can increase over a period of time. While in concept, I understand the desire to sort of limit that to reduce

property taxes, I think that we start to run into a complicated situation when we're telling schools or districts what they can or can't ask for in a world where we don't always know what their needs are going to be. Now, the structure of this proposal that's contained in the AM, I think it's incorporating LB589 essentially with a number of modifications that were made, which we can speak about more later as well, is that they're sort of a base growth that is set and this was explained a little bit earlier. There's a base growth for that tax asking authority, and that growth is assumed to be about 3 percent plus various other factors. And then there are ways that school districts can request additional property tax asking authority. The base growth for school districts, 471 or less students, as I understand it, is that base growth plus 7 percent, if it's approved. For schools that are between 471 students and about 3,044, I believe it's base growth plus 6 percent. For school districts that are in that 3,044 to 10,000 student range, it's base growth plus 5 percent. And then for school districts that contain more than 10,000 students, it's that base growth plus 4 percent. So when I first looked at that, I guess one of my initial concerns and we talked about this in the committee a couple of times, is that seemed a little bit upside down to me. It seems to me that the school districts that have more than 10,000 students are the ones that are likely going to need the most growth. And so I guess one of the questions I would have--

KELLY: One minute.

DUNGAN: Thank you, Mr. President. --is whether or not that could be modified or flipped. In addition to that, now that we kind of have talked about the actual structure, it's the very concept of putting that, that cap in place that I think is somewhat problematic to me. There are mechanisms in order to override that base growth assumption, as I've, as I've already said, but once we place these in statute, future Legislatures could come back and modify that in a way that could be unsustainable for those schools. I do trust that our schools are going to utilize their tax asking authority in a responsible way and I believe that an influx of state aid is going to overall reduce property taxes, as we have seen modeling for. And so I don't think it's necessary to put those lids in place, or those caps in place, rather. And my concern is that a cap being put in place is going to ultimately down the road result in reduction of those percentages. And so I can talk a little bit more about that later, but that's at least

the first of, of some of my concerns with regards to the, the caps. Thank you, Mr. President.

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

RAYBOULD: Thank you, Mr. President. You know, I think we all recognize how vitally important our public school system is to each and every community. I kind of say they put the unity in community and, but also in every, in every area, we are facing property taxes. And I've heard Senator Dungan talk and others, senators speak that when they were out walking and knocking and listening to their constituents, they heard that is the, the number one problem that they all raised how, the property taxes. And yet when you explain to them, you know, that the state of Nebraska historically is ranked 49th in the amount of funding they contribute, 49th in all the states in the United States in contributing to our public education system. I'm not saying that the state of Nebraska doesn't, but if you compare it to all the states in the United States, it has a very, very low ranking. And so I am really cautiously optimistic about all the hard work the Revenue Committee went into coming up in crafting property tax relief and they are to be commended. I also talk about, it's a trust issue. I just, and I know Senator Ibach as a county commissioner, was a former county commissioner, Senator Erdman, several other people. Senator Dorn, county commissioner. So we, we bring a little bit of baggage with us to this job, knowing that I remember when I started, Nebraska did away with state aid to cities and counties, and that was it, it just opened up a nice deficit in our otherwise balanced budget when that happened. And then the state of Nebraska said, oh, by the way, we're not going to reimburse you for all the jail holds. We would hold inmates after they've been sentenced, but there was no place for them in the penitentiary. And they said, you know, we're just, we're just not going to pay you those jail reimbursements. And, you know, I really would like to see this be a huge success because this is what all our constituents all across the state of Nebraska hope and pray for some type of relief when it comes to property taxes. But I also like the idea of circuit breakers. We should have economic indicators that tell us we're, we're trending towards an area that it might be problematic for a lot of the school districts. And so we, we should have something embedded in it like Senator Blood had spoken about, because I don't want this to be the scenario was like Lucy and Charlie Brown with the

football and Lucy makes all these promises and then at the very last second, boom, that football is, is pulled away. But I do think Senator Dungan talked about that all the school districts should have equal access to that same rate of revenue growth that they can utilize appropriately. And we, we know that this is a wonderful step in the right direction. So I thank the Revenue Committee, and I'd like to yield the rest of my time to Senator Dungan.

KELLY: Senator Dungan, that's a minute, 56 seconds.

DUNGAN: Thank you, Mr. President, and thank you, Senator Raybould. I think that you're correct that there are just these general concerns with regards to trust and making sure that this is targeted. But again, I'm going to keep reiterating this because I don't want to be taken out of context with my comments. Property tax relief is incredibly important and we have to do something and I think that this package reflects a real effort to reach that. But it's the specifics of the bills that are difficult. And again, on AM977, incorporation of the school, the caps of their, their tax asking authority. I know that one of the other concerns that was raised is that schools obviously are already struggling to meet increasingly complicated needs of students. Many schools are currently understaffed. You know, they're putting significant pressure on existing staff to do more with less. And this measure, the concern that we have is that this measure would hypothetically exacerbate that if schools are not able to meet their particular needs. Another part I know that people were concerned about and I think the Omaha World-Herald raised this, is that there are certain areas where schools may be prevented from accessing their districts full valuation growth. I know they cited, for example, ag land values increased about 14 percent over the past year, but this bill would keep rural schools from accessing the vast majority of that revenue was one concern. Now, I understand that part of the education package being considered could potentially help offset that. And I think that's again, part of the conversation that has to happen and, and not in a vacuum. But long story short, if we have schools that are not able to meet their needs because they're not able to access the complete increase in valuation, I think that that's going to be a problem. So I continue to be concerned about that. Again, some schools are opposed to this, other schools are neutral. I don't recall if any school districts were in favor of it, but I do think that there are differing opinions and those concerns are valid because we don't want

to implement a structure that later on could potentially be utilized in such a way to prevent schools from meeting the needs of their students and their staff. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President. I wanted to chime in because I heard Senator John Cavanaugh and Senator Erdman talking about the Board of Equalization and Senator Erdman, both Senator John Cavanaugh and I, at one point in time, worked for the Douglas County Board of Equalization scheduling the appointments for people to come in and protest their property taxes. It was not one of my favorite jobs because as you can imagine when people are coming in to protest their property taxes, they have some very colorful language to use in that process. I do also remember that at that time we had phones, I mean, touch-tone phones like we have now. But they were those like beige phones that you had the, you know, pick it up on top. And it was really for a teenager, quite an eye-opening experience. So I just wanted to note that since I heard the other Senator Cavanaugh and Senator Erdman talking about the Board of Equalization or the BOE, as we used to call it. So with that, I'll yield the remainder my time. Thank you.

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

DeBOER: Thank you, Mr. President. I was wondering if Senator Briese would yield to some questions.

KELLY: Senator Briese, will you yield to questions?

BRIESE: Yes.

DeBOER: Senator Briese, I wanted to give you a heads up on what I was going to ask you, but I didn't. We just didn't get a chance to do that there.

BRIESE: That's all right.

DeBOER: I am assuming that this problem is fixed, but I am asking you because every time we have one of these, we've had this discussion and I just want to make sure that it is fixed. So there have been in the

past when we proposed caps of this sort, problems where schools when their valuation goes up a certain percent but they can't recoup all of what the valuation goes up, but yet it's counted against them in the TEEOSA formula, then they won't be able to make up the difference between what's counted against them because they're not able to raise it because of the cap, but what they are required to raise under TEEOSA. So have, I assume you have fixed this so I would just love to hear what, what is the solution for that?

BRIESE: Well, the board themselves, the board itself is allowed to on the larger school districts, allowed to exceed the 3 percent plus the adjustment for enrollment growth, LEP growth, poverty growth, 3 percent plus whatever those factors would be. But the larger school districts could then increase that by a board vote of up to 7 percent. Excuse me, that three plus another four, the 3.5, whatever the case may be, plus another 4 percent. The next-sized smaller school districts could go up 5 percent. And so there's a, a cap on what they can do, but they are allowed to increase it by a very substantial margin. And the difference really between the bill, the caps we had previous years and this year, is that previous years it was simply a property tax asking cap that floated with other revenue sources. But because of the way it was designed, the overall revenue cap, which probably would lead into a spending cap, the overall revenue cap could be considerably less than 3 percent. For example, a school that was funded 50 percent by property taxes, 50 percent by other revenue sources, they could find themselves with a one and a half percent revenue cap under previous iterations of this bill. So we made that adjustment to ensure that that did not happen. But what we have here with the 3 percent, I think, is, you know, if you look at school spending the last several years.

DeBOER: Senator Briese, let me, let me just, because we've made all of these arguments, those are great. I'm trying to get to a very particular one. So what I'm trying to say is, have you done something with the TEEOSA formula so that they're not required to raise money, but they're not allowed to under this cap, or how did you solve that problem?

BRIESE: We have not, I would say the short answer is that we have not changed the TEEOSA formula with this.

DeBOER: So.

BRIESE: I don't think, I don't think that's a concern. I'd be happy to talk with you off the mike about that, but I do not think that's a concern here.

DeBOER: And you think--

BRIESE: School districts have not raised that concern with us. They have to some extent as their valuations go up, their TEEOSA aid goes down and there's going to be some of those districts, they want to ensure that they can access sufficient revenue to do that. And with the ability to override that cap, I think those schools are in general agreement that they can access those dollars. The 4 percent I mentioned, there are some large districts out there that would like to raise that amount, but I, I don't think it's necessary. I think they are kept sufficiently whole with the current formula.

DeBOER: So the local effort rate being, let's say, dollar five?

BRIESE: Yeah.

DeBOER: They're required to raise, well, the lid, the levy lid is a dollar five, they're required to raise that.

KELLY: One minute.

DeBOER: And because their valuations go up, they can no longer raise a dollar because this cap limits them. Even with all of the overrides or whatever, they're in a position where they can only raise 97 cents, let's say, after all of those other things have been sort of raised and they've got, they've exceed, they've done everything they can. They're at 97 cents, but they're required to raise a dollar. Then that three cents of gap they can't raise, so TEEOSA doesn't pay for that? We haven't, we didn't, we didn't do anything to pay for that gap?

BRIESE: No, but that's what this formula does, allows them to replace that lost state aid with property tax revenue.

DeBOER: OK. I guess I didn't understand how, but I'll ask you off line. Thank you, Mr. President.

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Floor Debate March 31, 2023

KELLY: Thank you, Senator DeBoer and Senator Briese. There's no one in the queue. Senator Erdman, you're recognized to close on AM1079.

ERDMAN: Thank you, Mr. Speaker. I'll make this brief. I think the discussion was thorough and very well thought out. I appreciate the support that has been shared on the microphone and I would encourage you to vote yes, green on AM1079. Thank you.

KELLY: Thank you, Senator. The question is the adoption of AM1079. All those in favor vote aye; all those opposed, nay. There's been a request for a call of the house. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 14 ayes, 1 nay 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 to the Chamber and record your presence. All unauthorized personnel, please leave the floor. The house is under call. All unexcused senators are present. Senator Erdman, there's a vote open, would you accept call-in votes?

ERDMAN: Yes.

KELLY: Senator Erdman states yes. We are now accepting call-ins on the adoption of AM1079.

CLERK: Senator Machaela Cavanaugh voting yes. Senator DeBoer voting yes. Senator Bostar voting yes. Senator Wayne voting yes. Senator Moser voting yes. Senator Lowe voting yes. Senator Brandt voting yes. Senator Clements voting yes. Senator Fredrickson voting yes. Senator Albrecht voting yes. Senator DeKay voting yes. Senator Day voting yes. Senator Conrad voting yes. Senator McDonnell voting yes. Senator Arch voting yes. Senator Vargas voting yes. Senator Riepe voting yes. Senator Blood voting yes. Senator Raybould voting yes. Senator Geist voting yes. Senator Ben Hansen voting yes. Senator Kauth voting yes. Senator Walz voting yes.

KELLY: Record, Mr. Clerk.

CLERK: Senator Sanders voting yes. 37 ayes, 0 nays, Mr. President, on adoption of the amendment.

KELLY: AM1079 is adopted. Mr. Clerk.

CLERK: Mr. President, raise the call.

KELLY: Raise the call.

CLERK: Mr. President, the next amendment, AM1077 from Senator Hunt.

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

HUNT: Thank you, Mr. President. Good afternoon, colleagues and Nebraskans. Let's see. I wanted to bring this amendment because I agree that property tax relief is something that Nebraskans definitely want, but this relief package as written is leaving out a significant portion of the population. Many Nebraskans who are the most financially squeezed are not able to own property. If we're trying to ease the burden of inflation on household budgets, we should also give a break to those who rent their homes. My district has a very high proportion of renters and their rent continues to go up as landlords experience inflation and are more squeezed by property taxes. Yes, both the landlords and the tenants are having to tighten their belts in the economy right now and I think it's fair to use some of the surplus we have right now to give them both a break. In Nebraska, you have to work 60-hours a week at minimum wage to afford a modest one-bedroom rental at fair market pricing. In Nebraska, there are 65,000, 65,077 extremely low-renter income households, and 66 percent of them are severely cost burdened, meaning they spend more than half of their income on housing. As a renter myself, you know, it really doesn't matter how much property tax we give people, give homeowners, people who own homes that they rent out, people who own buildings that they rent out, property tax for them is great, but that never trickles down to the renter. And we have conversations about this every year in here about, well, one way, kind of this trickle down philosophy of, well, one way that we're going to help low-income people in Nebraska is by helping the landlords. And then, maybe I would love to hear from who thinks this, but maybe you think that if the landlords get a break on their property taxes that they'll reduce the rent. As a renter for the last, I don't know, since I was 18, you know, my rent has never

gone down. My rent went up significantly this year by \$250 a month, so that's a huge rental increase for me. And AM1077 would give some relief to renters in my district and in all of our districts. It would do this by implementing a refundable income tax credit for renters of a home or a residence within the state of Nebraska. The proposed refund would fall between the minimum of \$200 or 4 percent of the total amount of rent paid during the taxable year and a maximum of \$1,000. If this amendment passes, the tax credit would begin in the 2023 tax year. There's growing fear that property tax credits given to the owners of these properties are not being passed on to the renters. We can no longer give large tax credits to these owners without certainty that the renters will also see some form of relief. This sort of tax credit is nothing groundbreaking and is meant to be in lieu of property tax credits already widely available to the owners of these properties. I'm willing to work with anybody who's willing to agree on the need for this amendment. And what it would do is grant renters in the state access to existing property tax credits for homeowners. Hard working families in Nebraska have been facing significant increases in the cost of rent for the past few years. For example, the median rent price in the state was \$909 from 2017 to 2021. Today, in 2023, the median rental price is \$1,295, and that's \$205 per month higher than the median rent was one year ago. And that actually reflects the raise in rent that I receive at \$250 a month. From the U.S. Census Bureau, the Nebraska Quick Facts, they're saying the median rental price in 2023 is \$205 higher than the median rent was one year ago. It's clear that rent is rising in the state, as the March 2023 median is 42 percent higher than the 2017 to 2021 median. Similarly, Nebraska has seen wage growth in recent years, but not nearly enough required to keep pace with a 40 percent increase in the price of rent. Average hourly earnings increased 7 percent in 2022, but when adjusted for inflation, real earnings increased by less than 1 percent. The credit proposed by this amendment would help these Nebraskans at a time when wages aren't rising fast enough to keep pace with the cost of living. Renters do not escape property taxes either. They pay property taxes through increased rent, and these taxes fall disproportionately harder on low-income families. In Nebraska, property taxes account for 5.3 percent of the income of the poorest 20 percent, and that's people with income less than \$24,000, while representing just 3.2 percent for the top 1 percent, and that's income greater than \$463,000. Finally, there's an equity component to this

bill, as well. As white Nebraskans own homes at a much greater rate than other races and ethnicities in the state, white Nebraskans own homes at a rate of 71 percent in 2020, whereas just 27 percent of black Nebraskans, 57 percent of Hispanic Nebraskans, and 51 percent of other races and ethnicities owned homes. As the current credit is only available to homeowners, it leaves out a significant portion of Nebraska's black, indigenous and people of color. LB, or AM1077, would ensure that all Nebraskans have equal access to policies enacted by the Legislature to reduce property taxes. Some of the sources for that data include the U.S. Census Bureau, an article from the Federal Reserve in Kansas City. This is an amendment that did have a hearing. It was originally LB747, introduced by Senator Cavanaugh and several other senators in past years, and it has support from many organizations in Nebraska. We also know that in Nebraska we have a shortage of 51,306 affordable and available rental units. When there's a shortage of affordable and available rental units, renters are forced to pay more of their income than is affordable on their housing. In Nebraska, 67 percent of very low-income renters and 86 percent of extremely low-income renters are cost burdened by their housing situation. Very low-income households are those that earn between 30 and 50 percent of the area median income and extremely low-income households are defined as those that earn equal to or less than 30 percent of the area median income. In fact, 68 percent of extremely low-income renters are extremely cost burdened by their housing situation, which means that they pay more than 50 percent of their income on housing. That's according to the National Low Income Housing Coalition in 2023. More specifically, in Lincoln, 42 percent of all renters at all income levels are cost burdened by their housing situation, and 85 percent of extremely low-income renters are living in unaffordable housing. That's according to the U.S. Department of Housing and Urban Development from 2022. With the shortage of affordable housing and so many Nebraska renters cost burdened by their housing situation, the tax credits provided by LB747, which is this amendment AM1077, would offer much needed support by reducing renters income tax liability. This amendment would provide support for renters similar to the support provided by the refundable income tax credit program created in 2020 that provides an income tax credit for homeowners that pay property taxes to the state. While homeowners enjoy many tax benefits, renters do not. This amendment would begin to correct that situation and move our state toward greater equity.

KELLY: One minute.

HUNT: Thank you, Mr. President. Providing renters with a tax credit could offer significant financial relief. Rent is a significant expense for many people, and low- to middle-income families often struggle to meet this expense. A refundable income tax credit of 4 percent of the total amount of rent paid during a taxable year up to \$1,000 could help alleviate this financial burden. It would provide much needed financial assistance to renters who are not eligible for property taxes, credits given to property owners. This is an important amendment that could have significant benefits for renters in Nebraska. I urge you to support AM1077 so that renters can receive the financial assistance in this time of inflation that they need and deserve. Thank you, Mr. President.

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

M. CAVANAUGH: Thank you, Mr. President, and thank you, Senator Hunt, for introducing this amendment. I introduced LB747 this year to provide income tax credit for renters because I actually spoke on this in my earlier remarks on this bill. We have a property tax income tax credit fund, and it is funded through taxes collected at the state level. The state does not levy property taxes. I believe Senator Wayne talked about this yesterday or the day before when we were debating a different tax package. Property tax is not levied at the state level. It is a county local tax. And part of what we have pushed down to that level for funding is education. The property tax income tax credit fund was created so that individuals could recoup a portion of their property taxes that are paid for public education through their income taxes. That is why it is not part of the property tax credit that you see on your property tax statement. I feel like I am saying a word salad right now because I am saying the same words in different order. They do mean different things. We have a property tax credit on your property tax statement from the state. We have a property tax income tax credit that you get through your income taxes, which you have to file in like two weeks. So, what this amendment does and what LB747 does is expands who is eligible for the property tax credit, income tax credit, because renters do not get a portion of the property tax credit that their landlord gets. It is not given to them and it is not their, their, their rent is not decreased. And I would challenge every

member of this body to challenge that statement. I don't believe a single landlord has lowered the rent, probated it based on the property tax credit that they receive through the income tax credit fund. I, of course, always stand for correction and I challenge anyone to challenge that statement. So as such as income taxpayers who pay into the fund, who are basically funding their own landlord's property tax credit without getting a decrease in their rent, I believe it is only the right thing to do to allow them to also participate in this program. Maybe there's a better way to do this. Maybe if you are a landlord and you get this tax credit, perhaps you have to carry it into and prorate the rent for your tenants. But until we come to that conclusion, I think that this is a very fair and equitable amendment to the property tax income tax credit fund. And since tomorrow is April and we have to file our taxes--

KELLY: One minute.

M. CAVANAUGH: Thank you. --in April, I think it is important to re-up the public's knowledge about the property tax credit income tax fund. So if you go to the Department of, Nebraska's Department of Revenue's website, or if you just Google Nebraska property tax credit, it'll take you to the appropriate page. And then on the revenue page, it is the Nebraska property tax credit. There is a tax lookup tool. There is a county personal ID and other instructions. We did do a two-year look-back last year because it was so underutilized when it first was implemented that even CPAs weren't filing this claim for their clients. So last year we did a two-year look-back so that you could apply for the previous year's tax credit that you haven't received.

KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you.

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

DUNGAN: Thank you, Mr. President. I just I'm rising again to continue part of the conversation I started earlier and want to clarify, I'm not trying to just drone on and on about this. These are just legitimate concerns that I think we'd expressed in the committee or at least had questions about with regard to the underlying bills that are

being compiled into this package. I do briefly want to speak to AM1077. We did hear the original version of that bill, and I would agree that I personally have never seen a rent go down based on a property tax credit. I was a renter for a number of years and I have a number of friends who are still renters. And we had a discussion regarding rent at one point over the last couple of days. I don't know, they're all starting to blur together. But I actually got a number of texts from people when they heard this comment made about rent going down because of property tax going down, and they all said that they would love to benefit from that and they haven't seen it yet. So I do think that we have a number of folks who are renters, and I think that it's important we keep them in mind. Sometimes I think it's easy as property owners to forget that there's a large chunk of folks out there who are renters. And I've also seen time and time again this sort of derision around renters and this idea that renters are somehow hurting neighborhoods or don't care about their property. But I have a number of friends and a number of colleagues who rent on a regular basis, and I don't think of them as lesser, and I certainly don't think of them as people who don't care about their neighborhoods. And so I just want to make sure that we say that on the record to anybody watching at home. It may sound like a silly delineation, but the folks who are renters, I think, do get left behind at some of these conversations. So I want to make sure that's clear. Going back to part of the conversation that I began regarding some of the underlying parts of the package in AM977 when we're talking about the original LB589, which is those caps on schools and their ability to go beyond that 3 percent in order to raise their, their asking, their taxing authority. There are mechanisms built in, as I, as I stated, to go past that 3 percent. The bill sort of contemplates two different options that you can utilize in order to go past that 3 percent. The first of those is a vote of 70 percent of the school board, allows you to go past that 3 percent and then up to the, the allowable additional percentage. I know that originally that was actually a higher number and it was reduced down to 70 percent. And I think that's yet another example of Senator Briese and others finding common ground and trying to reach some consensus. And the only concern that I have around that is not necessarily the number, but as I stated I think previously in the committee, my concern is that if this becomes a function of the school board, that every single school board election from here on into perpetuity is going to be solely

essentially based on candidates saying whether they will or will not ever vote to go beyond that 3 percent. While that may be an issue that is important to many, I'm concerned that that's going to become such a sole focus of these elections that it's going to become problematic and not allow for conversations to center around other issues that the public may have regarding schools and regarding funding mechanisms. And so that's one of the issues I have there. I think the larger issue and this is a conversation that perhaps some of my colleagues can get into more than me because they had seen this, is that the other way that you can override that, that asking authority past the 3 percent is a vote of the people. And on the face of it, a vote of the people is oftentimes, I think, one of the best ways to conduct questions as to whether or not the public wants to pay a certain amount of money for a certain thing. But this bill says that you can only override that 3 percent asking authority with a 60 percent vote of the people, 60, 60 percent vote. And I find that problematic when I believe almost every other mechanism we have for a Democratic vote is 50 percent plus one.

KELLY: One minute.

DUNGAN: Thank you, Mr. President. And when we start creating these overly burdensome sort of asking requirements on public votes, I think it becomes somewhat problematic. And so hopefully some of my colleagues can speak more to that. I know there were some folks who would ask me questions about that, and I think that maybe they had had a number of questions about the history of voting in Nebraska, so that might be a conversation they get into later. But those are the two mechanisms to override that 3 percent, a 70 percent vote of a school board or a 60 percent vote of the people. Personally, I find trouble with the 60 percent, but again, I understand the 70 percent was a compromise. So I just wanted to make sure I raised that point here on the mike and we'll continue to have this conversation. Thank you, Mr. President.

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

J. CAVANAUGH: Thank you, Mr. President. I rise in support of AM1077 and I still waiting to make my decision on the overall bill. I think I've got some time. So I agree with what's been said about renters

and, and that we aren't doing enough for renters. And I specifically appreciate what Senator Duncan just said. So I looked up the information from University of Nebraska, Omaha owners versus renters for US places, 2020. The city of Omaha is listed at 36 percent of citizens or residents of Omaha are renters. And so that's about 129,000 people in the city of Omaha are renters. And that's quite a few. A lot of them live in my district, and they wouldn't get any benefit from the property tax credit fund because they can't claim their rent on as a deduction, although they're paying, paying the rent to live there. It's coming out of their income. So if they were able to be paying for a mortgage rather than a rent, they would be able to get that deduction. So I think this is an important change. I would just point out, I know, you know, we're having kind of a conversation about rental versus ownership. And sometimes it's not just, you know, there's a lot of reasons why people are renting. They don't have a down payment for a house is really probably a big one. Location affordability. I, my rent the last apartment I rented before I bought my house was at about the same amount as my mortgage. And so people who are renting are paying a huge amount of their paycheck, from their perspective, the cost is about the same. They're just not building the equity in the home. They're not getting the tax benefits that we give to individuals who are buying property. And so this is an opportunity to make sure that we're treating a third of the people in Omaha the same as the other two-thirds. And I just did want to address, echo some of Senator Dungan's comments about renters being members of our community. Like I said, my district has a high number of renters, and particularly in the neighborhood where I live, a lot of folks rent houses in my, I don't actually know, now, nine years that I've lived in my house, I've had renters on either side alternating over those years. And they were medical students and researchers at the University of Nebraska Medical Center, and they would be there for about four years and then they'd rotate out and they were great neighbors. Some of them, you know, had kids. Some of them were very good at the block party with my kids and so it's a lot of fun, you know, having those folks around, even though I know when they're medical students, it's going to be short-term stay. But my point is that just because they are not the owner on the deed of the property doesn't mean they're not a member of the community in my neighborhood and my district. And so I think it is important that we make sure we're finding ways to treat renters the same as we're treating

property owners. So with that, I guess I support AM1077 and I would yield the remainder of my time. Thank you, Mr. President.

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

JACOBSON: Thank you, Mr. President. It's great to be speaking on topic today on, on an issue. So I thought I'd probably weigh in here and take on the challenge that has been laid down about renters and about landlords and why they don't pass the property tax savings through. The fact is, they do. But it doesn't mean a reduction in rent, it means less of an increase in rent. OK. So from the renter standpoint, when we underwrite a loan for someone who wants to build a multifamily or any kind of rental property, we're going to look at what's their principal, what's their interest and what's their taxes. Real estate taxes. We're also going to look at repairs and maintenance. So what motivates somebody to build these properties and make them available for somebody to rent to begin with is whether or not it works. And guess what? Like capitalism, it's an amazing thing, capitalism. I mean, I've just been amazed at how capitalism works, that if somebody starts making a significant amount of money in one area, then other people rush in and they do the same thing and the profits come down. OK. Supply, demand, competition, capitalism. Amazing thing. It's made America great. And I can tell you that when you look at property taxes and how much they've gone up, the fact that we have a property tax rebate on what you're paying for your public school taxes, real estate taxes, is what's keeping your rental rates from going higher than they are today. And I'm not saying your rate, they don't go up because if somebody has been paying attention, interest rates have gone up 500 basis points this year. In layman's terms, that's five percentage points in interest. Take five percentage points times the value of the property that you're renting and look at what that cost your landlord. If he passed that entire cost through to you, you don't want to know what that rent would be. So I'm telling you, it does get factored in. Now, I know I'm going to get all kinds of emails and I get it. I got them last year when I made this same statement, but is the truth. The truth is you are getting that property tax rebate because your landlord would be raising your rent more if he wasn't getting that rebate and if he was making a whole bunch of money, trust me, there would be others building apartments that you could move to and live in cheaper if there was that much money to be made. I'm also going to put

my banker head out for a minute and talk to you a little bit about buying homes. People of color, people who have handicaps, people who are in a protected class, there are all kinds of programs available to you through the federal housing programs. I serve on the board of the Federal Home Loan Bank of Topeka. We have a first time homebuyer program. You can qualify between, from between \$7,500 and \$10,000 in down payment assistance for a first time homebuyer. You can get into a home for as little as 5 percent down. So home buying is available and it is out there for lower-income people and people of color and people in protected classes. And we do those loans all the time. So there are opportunities there. And I get it every time there's some kind of a tax rebate or something on the tax side, we're all going to run and say, how can we do the low-income people? And I'm telling you, there are programs out there today. Let's don't confuse what we have here now. There's also questions in terms of how do we do this on the 60 percent vote.

KELLY: One minute.

JACOBSON: And Senator Dungan, I appreciate you bringing that up. Let me explain to you that when you get out in the school districts in rural Nebraska, who owns the bulk of the land in and around the school districts, it's ranchers and farmers. How many are there, though, as compared to the people who live in town? Very little. So if we don't get a higher percentage voting, yes, they're the ones that are paying the taxes, are paying the new bond issue, so if we're going to raise property taxes, the people that are paying the bulk of them would like to have a little bit better weigh-in. And that's where that 60 percent number comes in. I'll talk to you off mike if you want to have some other questions on it. Thank you, Mr. President, because I know you're about to cut me off. Thank you.

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

M. CAVANAUGH: Thank you, Mr. President. Well, I hope that that is true, that the cost is passed on. But when we enacted this policy in 2000, in 2020, rents did not go down. So I am not arguing that property owners, property tax credit funds should go down. I am arguing that renters who pay income taxes should be getting a reimbursement as well. And maybe there's a different mechanism for how

to do this. If you are proper, if you are a landlord and you collect this, then you must prorate the rent, I don't know. That seems like a little bit too much nanny state government getting involved in business to me. But we are taxing at a state level individuals who are renters and they are not enjoying this tax credit. And you do not have to actually be an income taxpayer in Nebraska to enjoy this tax credit. So I think that my intention with LB747 was to create some level of parity. Now, not all renters are lower income, but a lot are, a significant number are lower income. In my district, there is a mix of renters of lower income and higher income. I have multiple apartment buildings in Regency on the lake that are not inexpensive. I also have rental properties in my neighborhood that are definitely for lower-income families and individuals. I have rental property, apartment buildings behind Westroads Mall that are definitely lower income. I think that there might even be one that is a Section 8 property. So, you know, it takes all kinds and I'm just trying to find parity in all of this. And this amendment, and maybe I'm wrong, maybe this amendment does take away from a property owners tax credit, but I don't think that it does. I think it's just giving a tax credit to renters. And I have been pretty staunchly opposed to most tax credits since I've been here and tax incentives, unless. This a big unless, unless they benefit those that are economically disadvantaged. The tax package that we just moved yesterday, this tax package cutting taxes is great. We want to put more money in the pockets of the people of Nebraska, great. We seem to continually overlook the working poor in everything that we do in every policy that we enact. Senator Hunt is giving us an opportunity to do something about that.

KELLY: One minute.

M. CAVANAUGH: The last amendment that we voted on, Senator Erdman's amendment, almost everyone voted for it because it was a good amendment. I challenge you, colleagues, I challenge you to consider LB, AM1077 because it's a good amendment. Stop voting down party lines. Look at what's best for your constituents and do the right thing. I haven't seen a lot of that. I've seen a lot of partisan voting, a lot of partisan voting. Like, I don't believe that most of you are anti-government oversight, but you vote against my amendments because they're mine. It's, well, it's rude, first of all, not to me, but to the people of Nebraska. It's rude.

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

BLOOD: Thank you, Mr. President. Fellow Senators, friends all, I am not sure where I'm at on AM1077. I do like the concept. I am in support of AM9, I can't see the board, AM77, and still on the fence with LB243 and, and let me tell you why. So you hear me talk again about circuit breaker bills and there is a reason I do that. Same thing, the reason I talk about unfunded and underfunded mandates. Sometimes when we talk about property taxes, we come out with these, well, how about every time, we come out with these grandiose bills that you really have to pick apart and you really have to look at and there's all these tiers and, and I love property tax relief, but we ignore the easiest ways to do it. Circuit breaker bills and unfunded mandates and under-funded mandates are two of the easiest ways that we can do something immediately to lower property taxes. Most of you guys remember last fall when Governor Ricketts held a press conference and he encouraged people to claim their property taxes. Tax credits, excuse me, as you heard Senator Cavanaugh talk about. And shortly after that, the Platte Institute rightly called him out on the shortcomings of this effort. The effort they said, and I agree, is taxpayer active rather than taxpayer passive. In other words, Nebraska taxpayers had to put in work if they are to claim their tax relief that they already had paid on their property taxes. Taxpayer passive relief comes from simply lowering the tax burden on the front end. That's why I like circuit breaker bills. I don't think people should have to come to us with their hands out. Please, may I have my money back? And you've heard people say it. We need to give them their money back. But why are we making them beg for it? So we know in our state, as you've also heard on the mike today, that low-income taxpayers often pay the largest percentage of their incomes in taxes than high-income taxpayers. And you guys know that when it comes to property taxes, what you pay isn't based on your ability to pay, but on the value of your property. And that's why I keep talking about LB211, because we actually had tiers for ag and for renters, which we're talking about as well, and for everybody else who owns property. And so I'm seriously considering bringing an amendment forward and I hope you guys strongly consider this because it doesn't hurt the bill. It helps the bill where it creates a new mechanism for delivering tax credits to individuals who prop, whose property taxes are too high in

relation to their annual income. Kind of makes sense. It's not rocket science. This concept again called a circuit breaker. Senator John Cavanaugh and I had, can't say your name today, Senator John Cavanaugh and I last year or the year before, maybe, had a very extensive conversation about why circuit breakers are so awesome. Why would we not want to get relief to those that need it the most? Why are we always so willing to do this across-the-board thing? And these tears when we have a mechanism that's been used in multiple states. In fact, if I remember correctly, and I'm going to have to look at my notes before I say it, 18 U.S. states and territories are currently using this system to address tax grievances. So we know that it's been done in other states. So we're not testing it. Not rocket science, not a what-if type of a solution. It's a solution that is going to get targeted tax relief to those who need it the most. Why is that a bad thing? I bet you, for the vast majority of your constituents, if you said, hey, if you had a tough year and you automatically got a break on your taxes, would that be a good thing or a bad thing?

KELLY: One minute.

BLOOD: I'm guessing they're going to say that would be a good thing. But, you know, I can't speak for every Nebraskan, and I'm just telling you friends, I'm hoping that somebody carries on this tradition because no matter how much I talk about this, it seems to always fall on deaf ears. And that's OK. But I plan on training many who come behind me on what circuit breakers are all about. I'm going to make sure the issue just keeps getting pushed because let's make our property tax relief fair and targeted for those who are really, truly in need of the relief. Thank you, Mr. President.

KELLY: Thank you, Senator Blood. Senator Conrad, you are recognized to speak.

CONRAD: Thank you, Mr. President. And good afternoon, colleagues. I rise in support of AM1077 and am keeping an open mind as to AM977 and the underlying primary measure LB243. Initially, I want to add some kind of general global comments. First, I'd like to extend my gratitude to Senator Briese and members of the Revenue Committee for their ongoing leadership in being very collaborative in their approach over the course of the last many months to try and address concerns about these measures and to put forward thoughtful, considerate ideas

for how to best allay some of those concerns, address some of those concerns, and put forward an ever, more thoughtful package as we have been working together on these issues over the past many months. I know the school districts and other stakeholders in my district have been very appreciative of Senator Briese's approach, and I just wanted to add my thanks publicly on the mike as well. The other global notes that I want to lift for this point in the discussion, mirror, in many ways, the concerns that I had with the income tax package that Senator Linehan and the Revenue Committee brought forward earlier in the week. I am generally concerned about aspects related to sustainability when it comes to the uncertainty of our economic, present and, well, future, more so than present, and really want to have an opportunity to do a deeper dive with that package and the budget and take into account where we are with the upcoming forecast. And then I'm also a bit concerned about some of the equity aspects related to various component parts in the legislation. I do think that Senator Hunt's amendment is important from an equity perspective, and as I noted earlier, I frequently look at the legislators guide to districts at a glance put out by the Legislative Research Office. And you can see that my district in north Lincoln is frequently, if not the highest, one of the highest districts in terms of rentals, rental properties and citizens who rent their home. And so this would indeed provide a significant amount of equity for my constituents and those similarly situated in other districts across the state. The other piece that I do really look at very deeply from an equity perspective is how we are treating the community college resources and funding piece. I believe very, very firmly in having a critical focus on not only our, the great work of our K-12 schools, but also our institutions of higher education, whether that be community colleges, state colleges or the university. And I know when the community college piece was first introduced that it caused a great deal of consternation for folks in my district and the community college network across the state, because we know how important they are to developing our workforce needs. We know how important it is for those community colleges to stay nimble, to meet local and regional needs when it comes to developing workforce and meeting working families and working students' needs. And I'm very pleased to see that there has been a lot of thoughtful negotiations from that original proposal to where we are today. I'm still thinking deeply about it because I'm concerned that the state may not be good on their promises in terms of resources if

we have future economic uncertainty. But I am feeling better that some of those concerns overall have been addressed through process.

KELLY: One minute.

CONRAD: Thank you, Mr. President. The last couple pieces that I just wanted to lift and I know we're running short on time this afternoon and we'll return to the debate, to the debate next week, but is really just to echo and give voice to some concerns that I've been discussing with Senator Dungan and Senator John Cavanaugh in relation to the mechanics of the soft cap. Number one, I want to continue the conversation with Senator Briese and others about ensuring a uniform approach and an equitable approach for both the smaller and the larger districts as to kind of how that soft cap works in terms of their growth rate. The other piece that I am concerned about and I really do want to continue the conversation about, is the other component of the soft cap piece which would allow for an override through a vote of the people. But it's different than we see in any other action of direct democracy.

KELLY: That's your time, Senator.

CONRAD: Thank you, Mr. President.

KELLY: Senator Machaela Cavanaugh, you're recognized to speak. This is your third opportunity on the amendment.

M. CAVANAUGH: Thank you, Mr. President. Colleagues, I know we're getting to the end of our day, and I know how sad we all will be to part ways for two days. But I wanted to go back to what I originally started talking about, which is the property tax income tax credit. OK. So you go to the Department of Nebraska revenues Web page and you can Google Nebraska Property Tax Credit or you can go to revenue.Nebraska.gov/about/Nebraska-property-tax-credit. On that web page you got the Nebraska property tax look-up tool, the council, the county parcel ID search. So the property tax income tax credit is based on the property taxes you pay for your specific school district. So I live in Omaha and we have multiple school districts. I represent three. I represent Millard School District, Omaha Public School District and Westside School District. I live in Westside School District. My brother, Senator John Cavanaugh, lives in Omaha Public

School, School District. So when we file our income taxes, we are filing our property tax credit for a different credit because we do not pay the same amount in property tax for education. We pay a different rate. So this is based off of your school district, which is, I have had many conversations. I don't know if she recalls them or not, but I've had many conversations with Senator Linehan where she has patiently explained to me why we did this the way that we did over the years. And I think I finally, after two or three years of having these conversations, understood the mechanism and the reason for the mechanism. So I am grateful to Senator Linehan for her perseverance in educating me. OK, So you go to this website and you have to look up your county number. Well, you don't have to look it up. You might know your county number, but your county number. So Douglas County is number 28. And then you have to figure out your, and if you have a CPA, they will do this for you. Um, this didn't used to be, as I said, the first year, it wasn't really worth it. We've put a lot more money into this fund, so it's definitely worth it, definitely worth it. You do not want to not get this credit. So you go in, if you do the tool kit, look up and if you're doing your taxes online, oh, I put down Fillmore. Fillmore is not my county. Personal ID search, so you got to do a personal ID search. Oh, I guess I need to do that through the, that's through the Douglas County. OK. So when you go to your county number, then you can look, you, it has the websites hyperlinked. Thank you to the Department of Revenue for that. So the website to your county is hyperlinked and I'm just waiting for it. It's doing that little circle dance that it does. So then when, once I get to that, I believe it's taking me to the county assessor's website and I look up my property tax and it'll give me a number and then it'll give me the parcel number, which is what I'm looking up. And then I go back to the property tax tool kit lookup and you put in the year, the county--

KELLY: One minute.

M. CAVANAUGH: --the parcel number and the property tax number and then it'll give you the information that you need to fill out your tax form. The process has gotten better. I think we improve each year with it. It is a new tax thing. So, you know, the first couple of years it, it was real clunky. It's never going to be not clunky because it is a complicated step through process of what you're trying to do. But I think that it is still in, intuitive enough that you could probably do it even if you don't have a CPA. I don't have a CPA. I do my own taxes

and I've done it myself several times and I would not say that I am a tax or math wizard, but I seem to be doing OK on this front. So maybe it's because I only make \$12,000 a year, so my taxes are pretty straightforward. So, yeah, so just make sure you look up the Nebraska property tax, income tax credit fund on the Department of Nebraska Revenue's website before you fill out your taxes. You can always apply for it later.

KELLY: That's your time, Senator.

M. CAVANAUGH: Thank you.

KELLY: Senator Hunt, you're recognized to speak.

HUNT: Thank you, Mr. President. This amendment that we're discussing, what it says is for taxable years beginning or deemed to begin on or after January 1, 2023, under the Internal Revenue Code of 1986, as amended. A refundable tax credit against the income tax imposed by the Nebraska Revenue Act of 1967 shall be allowed to any individual who rents a house, apartment or other res, residential unit in this state during the taxable year for use such, as such individual's primary residence. The credit shall be equal to the greater of (a) 4 percent of the total amount of rent paid by the individual during the taxable year, or (b) \$200. But in no case shall the credit exceed \$1,000. This would be a great way to loop renters into the tax relief that we are giving homeowners and property owners in Nebraska. We know, especially after the pandemic, right, that when renters can't afford their rent, the landlords don't get that income. A thriving property owner, the ability of a property owner to be successful depends on the ability of their tenants to make their rent. So given that we have some new resources in the state right now, I think we've put some very mindful guardrails around the provisions of AM1077 and I would encourage your green vote on this, on this measure. Before I close on this, I wanted to, you know we're probably going to adjourn kind of soon. And today is the trans day of visibility. Transgender Day of Visibility. And this is an annual day of recognition for transgender people in the United States and around the world. And this morning, I spoke to parents of trans youth. And I also want to talk to the kids themselves about their identity and how special it is and the unique challenges they may face because of it. I know that being trans in a world that is still so often hostile to people who don't conform to traditional

gender roles can be incredibly difficult. It can feel isolating and overwhelming, but I want you to know that you're not alone. There are people who love and accept you exactly who you are. The truth is, being trans is a gift. It means that you're brave enough to be true to yourself, even in the face of adversity. It means that you have the courage to break down walls that society has erected around gender and to define your own identity on your own terms. That is always something to be celebrated and never something to be ashamed of. I know it can be hard to see the beauty in yourself when the world around you can be so hostile. But I want you to know that there are people who see you for who you are, who love and appreciate you for that, and that your identity is not something to be hidden away or denied. It is something to be celebrated and embraced. You may encounter people in your life who don't understand or accept you. They may, you know, take up a lot of the Nebraska Legislature. They may say hurtful things and try to invalidate your feelings. But I want you to know that their ignorance is not your fault. You are not responsible for educating anyone. You're not responsible for changing anybody's mind. You're only responsible for taking care of yourself and being true to who you are. I also want you to know that there are resources and support systems out there for you. There are people and organizations that exist solely to help and support trans kids like you.

KELLY: One minute.

HUNT: Thank you, Mr. President. Finally, I want to leave you with a message of hope. As difficult as things can seem, just know that it will get better. Society is slowly but surely becoming more accepting and supportive of trans people. And I truly believe the future is bright for people like you. One day you will be able to live in a world where your identity is celebrated and accepted without question. And until then, know that there are people who are rooting for you, who are fighting for you, and who love and celebrate you for who you are. I also have a message for those who seek to deny health care, essential medical care for people in the transgender community. It's a message of truth, of morality and of compassion.

KELLY: That's your time, Senator, and you're next in the queue. This is your third opportunity, and then you'll have your close.

HUNT: Thank you, Mr. President. First, let's acknowledge the hypocrisy of religious far-right conservatives who seek to pass discriminatory bans on essential medical care. These are the same people who claim to be defenders of freedom and liberty, yet they seek to deny transgender individuals the freedom to live as their true selves. They claim to be the guardians of morality, yet they would deny transgender youth the medical care they need to live happy, healthy lives. And they claim to be the champions of compassion, yet they would subject transgender youth to a lifetime of suffering and discrimination. We must call this hypocrisy out for what it is. These bans are not about protecting children, as proponents claim. They are about denying transgender youth their basic human rights. They're about imposing the values of a small vocal minority on an entire population, and they're about perpetuating a culture of hate and intolerance that has no place in a free, democratic society. Let's be clear. Gender affirming care is not some radical new concept. It's not a social contagion. It's not a new thing at all. It's a recognized and accepted medical practice that has been shown to improve the health and well-being of transgender individuals. It's supported by numerous medical organizations, including the American Medical Association, the American Psychological Association and the World Professional Organization for Transgender Health and the World Health Organization. To deny transgender youth access to this care is not only discriminatory, it's potentially life threatening. We also must remember that transgender youth are not some monolithic group. They're not all the same. They're individuals, each with their own unique experiences, identities and challenges. Some may choose to transition, while others may not. Some may have supportive families and communities, while others may face discrimination and rejection, but no matter what their individual circumstances are, they all deserve the same basic human rights and dignity. We also have to acknowledge the tremendous courage and resilience of transgender and gender non-conforming youth. Despite the discrimination, violence and hatred they may face, they continue to fight for their right to live and be their true selves. They're a reminder of the human spirit's capacity for hope and for change. They are a testament to the power of love and compassion to overcome even the greatest of challenges. We need to stand, all of us in solidarity with trans youth. We must reject the hypocrisy of those who seek to deny them their basic human rights. We must recognize and celebrate the unique gifts and talents they bring to our communities and to our state. And we have to work

together to build a world where everyone, regardless of their gender identity, can live free from discrimination, fear and oppression. As we've seen in recent years, there's been a disturbing trend among some religious far-right conservatives to pass discriminatory bans on medically necessary care for trans youth. They argue that it goes against their religious beliefs and that they're just trying to protect children from making irreversible decisions about their bodies. But let's call it what it really is, hypocrisy. These same individuals claim to value individual freedom and parental rights, but when it comes to trans youth and their families, suddenly they're willing to throw those values out the window. They claim to be protecting children, but in reality, they're causing harm and perpetuating a dangerous narrative that leads to increased rates of violence against trans youth. The reality is that gender affirming care is not a decision.

KELLY: One minute.

HUNT: Thank you, Mr. President. The reality is that gender affirming care is not a decision that is made lightly or without proper medical guidance. It's a process that involves years, extensive evaluations, counseling, medical treatment under the guidance of trained professionals, and it's important to note that this care has been shown to significantly improve the mental health and well-being of trans youth. Denying youth access to medically necessary care is not only discriminatory, but also deeply harmful. It sends a message to these young people that their identities are not valid and that they are not deserving of the same rights and respect and opportunities as their peers. It perpetuates a cycle of stigma and shame that can have lifelong consequences. We have to call out this hypocrisy for what it is. We cannot allow discrimination to be disguised as religious freedom. Thank you, Mr. President.

KELLY: Thank you, Senator Hunt, and you're recognized to close on AM1077.

HUNT: Thank you, Mr. President. We cannot allow discrimination to be disguised as religious freedom. We cannot let trans youth be used as political pawns in a game of power and control. We must stand with them, support them, and fight for their rights to live authentically and with dignity. As a society, we've made progress in recent years

recognizing the rights of transgender individuals, but there are still those who seek to roll back those gains and deny them the support they need. This is particularly evident in efforts to ban gender affirming care for minors, which not only violates their basic rights, but ignores the overwhelming medical evidence that supports its use. We are all created equal, and that includes transgender youth. They are not a threat to society or to anyone's religious beliefs. They are simply individuals who deserve to live their lives with dignity and respect, free from discrimination and oppression. And to all the trans people watching and listening, to the parents who are watching, not just in Nebraska, but around the country, because, because of the media attention, honestly, that's been on the Nebraska Legislature because of this bill. Happy trans day of visibility. I'm proud of you. I love you. AM1077, which is up on the board now, is an amendment that would return some property tax relief. It would take the property tax relief that we're giving to property owners in our state and include renters in some of that by giving them a tax credit based on what they pay in rent. Thank you, Mr. President. And I would like a call of the house and a roll call vote.

KELLY: Thank you, Senator Hunt. There's been a request for a call of the house. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Record, Mr. Clerk.

CLERK: 14 ayes, 3 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 to the Chamber and record your presence. All unauthorized personnel please leave the floor. The house is under call. All unexcused senators are now present. The question is the adoption of AM1077. All those in favor vote aye; all those opposed vote nay. There was a request for a roll call vote. Mr. Clerk.

CLERK: Senator Aguilar. Senator Albrecht voting no. Senator Arch voting no. Senator Armendariz voting no. Senator Ballad voting no. Senator Blood voting yes. Senator Bostar not voting. Senator Bostelman voting no. Senator Brandt voting no. Senator Brewer voting no. Senator Briese voting no. Senator John Cavanaugh voting yes. Senator Machaela Cavanaugh voting yes. Senator Clements voting no. Senator Conrad voting yes. Senator Day voting yes. Senator DeBoer voting yes. Senator

DeKay voting no. Senator Dorn voting no. Senator Dover voting no. Senator Dungan voting yes. Senator Erdman voting no. Senator Fredrickson voting yes. Senator Geist voting no. Senator Halloran 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 Kauth. Senator Linehan voting no. Senator Lippincott voting no. Senator Lowe voting no. Senator McDonell. Senator McKinney voting yes. Senator Moser voting no. Senator Murman voting no. Senator Raybould voting yes. Senator Riepe voting no. Senator Sanders voting no. Senator Slama voting no. Senator Vargas voting yes. Senator von Gillern voting no. Senator Walz not voting. Senator Wayne voting yes. Senator Wishart. Vote is 13 ayes, 30 nays, Mr. President, on the adoption of the amendment.

KELLY: AM1077 is not adopted. I raise the call. Mr. Clerk.

CLERK: Mr. President, your Committee on Urban Affairs, Chaired by Senator McKinney, reports LB629 to General File. Additionally, amendments to be printed: Senator DeBoer to AM1090 [Re LB243]. New LRs: Senator Walz, LR79. That will be laid over. Additional LRs: Senator McDonnell introduces LR80. That will be laid over as well. Name adds: Senator Lippincott name added to LB243 and LB754. Finally, Mr. President, a priority motion. Senator Hughes would move to adjourn the body until Monday, April 3, 2023, at 9:00 a.m.

KELLY: The question is, shall the Legislature adjourn for the day? All those in favor state aye. Those opposed, nay. We are adjourned.