

January 16, 1990

LB 163, 240A, 259, 259A, 397, 534, 601
730, 818-820, 834, 853, 1043, 1044, 1057
1076, 1098, 1148-1157

guess it is the third Beck amendment. All those in favor vote aye, opposed nay. Record, Mr. Clerk.

CLERK: 12 ayes, 14 nays, Mr. President, on the adoption of the amendment.

PRESIDENT: The third Beck amendment fails. Mr. Clerk, do you have anything for the record?

CLERK: I do, Mr. President. Mr. President, reminder, Reference Committee will meet in Room 2102 upon adjournment; Reference Committee, Room 2102.

Mr. President, new bills. (Read for the first time by title: LB 1148-1157.) Mr. President, a new A bill, LB 240A by Senator Hall. (Read for the first time by title. See pages 340-43 of the Legislative Journal.)

Retirement Systems Committee, whose Chair is Senator Haberman, reports LB 834 to General File. Appropriations Committee offers notice of hearing, as does Urban Affairs, (Re: LB 853, LB 1043, LB 1044, LB 1057, LB 1076, LB 1098) signed by Senators Warner and Hartnett as Chairs, respectively. (See pages 343-44 of the Legislative Journal.)

Mr. President, Committee on Enrollment and Review reports LB 259 to Select File with E & R amendments, LB 259A Select File with E & R, LB 534 Select File with E & R, LB 601 Select File with E & R, LB 730 Select File with E & R, LB 818 Select File, LB 819 Select File, LB 820 Select File. (See pages 345-46 of the Legislative Journal.)

And, finally, Mr. President, I have amendments to be printed by Senator Hefner to LB 163. (See pages 346-47 of the Legislative Journal.) And, Mr. President, a request from Senator Weihing to add his name to LB 397; and Senator Schimek to LB 163. That is all that I have, Mr. President.

PRESIDENT: Senator Wehrbein, would you like to say something this morning about adjourning until nine o'clock tomorrow. Wait a minute, we will turn you on. Now.

SENATOR WEHRBEIN: Yes, Mr. Speaker, I would do that. I move we adjourn until nine o'clock tomorrow morning, January 17.

January 18, 1990

LB 161, 1136-1171, 1181-1194

Mr. President, finally, I have a reference report referring LBs 1136-1171. (See pages 373-74 of the Legislative Journal.)

Mr. President, announcement, the Speaker would like to hold a chairmen's meeting tomorrow morning at eight-fifteen in Room 2102. The Speaker is calling a chairmen's meeting tomorrow morning at eight-fifteen in Room 2102. That is all that I have, Mr. President.

PRESIDENT: Do we have some new bills, Mr. Clerk?

CLERK: Mr. President, new bills: (Read LBs 1181-1194 by title for the first time. See pages 374-77 of the Legislative Journal.) That's all that I have at this time, Mr. President.

PRESIDENT: We'll move on to General File, LB 161, Mr. Clerk.

CLERK: Mr. President, LB 161 was a bill that was originally introduced by Senators Rod Johnson, Scofield, Coordsen, Baack, Weihing, Schellpeper and Elmer. (Title read.) The bill was introduced on January 5 of last year, Mr. President. It was referred to the Agriculture Committee for public hearing. The bill was brought to the floor with committee amendments attached. It was considered on April 5, Mr. President. At that time Senator Johnson made a motion to bracket the bill until January 1 of this year. I have pending the committee amendments. They have not been adopted yet, Senator.

PRESIDENT: Senator Rod Johnson, please.

SENATOR R. JOHNSON: Mr. President and members, the committee amendments are relatively straightforward. It is simple but I would like to share them with you and indicate that hopefully they are noncontroversial. There are four parts to the committee amendment. The first requires the Department of Agriculture to use other agencies when enforcement is necessary in the question of water quality. The Department of Agriculture is the lead agency in implementing this bill, but in many cases we have expertise, especially with water quality and other areas including the Department of Environmental Control, through their work; the Department of Health for the Safe Drinking Water Act and the State Resources Office and there is just a variety of different agencies that I think the department could turn to for assistance and I think the important thing is to make sure that

February 16, 1990 LB 42, 708, 923, 931, 1153, 1172, 1210
1211, 1244, 1245
LR 233

linear would be based on pipes, and we are talking about pipes, 260 feet of those or less would be exempted from the license, businesses working in those. For 160 square feet or fewer, you would be exempted from the license for those businesses doing those asbestos projects. And, in addition, we dealt with the committee amendment and the E clause has been added, and I'd ask very much for the advancement of the bill.

PRESIDENT: Thank you. The question is the advancement of the bill. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of LB 923.

PRESIDENT: LB 923 is advanced. Do you have anything for the record, Mr. Clerk?

CLERK: Yes, Mr. President, I do. Thank you. I have a Reference Report referring LB 1244 and LB 1245. That is offered by Senator Labedz as Chair of the Reference Committee.

Mr. President, priority bill designations, Appropriations Committee chaired by Senator Warner selected LB 1210, LB 1211; Senator Chambers has selected LB 708; Government Committee has designated LB 931 and LB 1172; Speaker Barrett has selected LB 1153; Senator Coordsen, LR 233CA.

Mr. President, committee hearing notices from Appropriations Committee and from the Business and Labor Committee, signed by their respective Chairs. That is all that I have, Mr. President.

SENATOR HANNIBAL PRESIDING

SENATOR HANNIBAL: Thank you, Mr. Clerk. Before we move on to General File, LB 82 (sic), I would like to take this opportunity to inform the body that Senator LaVon Crosby has in the south balcony 13 Girl Scouts and their leader from Calvert School in District 29. Would you girls all please rise and let us welcome you to the Legislature. Thank you for joining us today. Mr. Clerk, LB 42.

CLERK: Mr. President, LB 42 involves judicial salaries. The bill has been discussed on two occasions. I have pending,

February 16, 1990 LB 159, 163, 594, 656, 854, 989, 1018
1020, 1072, 1073, 1099, 1146, 1153, 1179
1221, 1222

problem. Thank you.

SENATOR LABEDZ: Thank you, Senator Wehrbein. Senator Schmit. Senator Schmit, on the Hefner amendment. Mr. Clerk, do we have anything for the record before we adjourn?

CLERK: Madam President, your Committee on Banking, Commerce and Insurance whose Chair is Senator Landis, to whom was referred LB 1072 instructs me to report the same back to the Legislature with the recommendation it be indefinitely postponed; LB 1073, General File, with amendments; LB 1153, General File with amendments. (See pages 851-52 of the Legislative Journal.)

Madam President, a couple of announcements. The Revenue Committee will meet in Executive Session; Revenue Committee, Executive Session in Room 1520 upon adjournment; Revenue upon adjournment in Room 1520.

Mr. President, a series of priority bill designations. Senator Wesely has selected LB 989; Senator Lamb, LB 1020 as one of the Transportation Committee priorities; Senator Lynch, LB 1146; Senator Nelson, LB 656; Senator Abboud, LB 1018; Senator Lowell Johnson, LB 594; Senator Hannibal, LB 1221; Senator Schmit, LB 854 as his personal priority, and LB 1099 and LB 1179 as committee priorities.

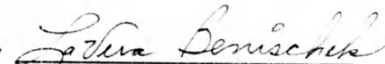
Mr. President, Senator Beyer would like to add his name to LB 159, an amendment; and Senator Beck to LB 1222. That's all that I have, Madam President.

SENATOR LABEDZ: Thank you, Mr. Clerk. Senator Langford, you have a motion up at the desk to adjourn. Would you like to make that motion, please.

SENATOR LANGFORD: Madam President, I move we adjourn until Tuesday, February the 20th at 9:00 a.m.

SENATOR LABEDZ: Thank you, Senator. We are...all those in favor say aye. Opposed. We are adjourned.

Proofed by


LaVera Benischek

March 13, 1990

LB 976, 1031, 1153

do operate under a little different set...well, a different set of statutes for process. In the past we have attempted to offer appropriations that were contingent, that is that they were, would not be approved until a proposal had been filed and then...the appropriation made, those efforts were always reversed by the body. This, to me then, is a very modest attempt to at least ensure the growers that they will have an opportunity to know before the check is written how the money is proposed to be used and respond if they choose to do so to the Ethanol Board.

PRESIDENT: Thank you. The question is the adoption of the Warner amendment. All those in favor vote aye, opposed nay. Senator Warner.

SENATOR WARNER: Mr. President, I assume in view of the time, I should ask for a call of the house.

PRESIDENT: Okay, the question is, shall the house go under call? All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 18 ayes, 1 nay to go under call, Mr. President.

PRESIDENT: The house is under call. Please record your presence. Those not in the Chamber, please return so that we may handle this last amendment. Senator Landis, would you illuminate your light, please. Senator McFarland, Senator Lindsay, Senator Firsch, Senator Robak, please. Thank you. Senator Hartnett, Senator Goodrich, Senator Owen Elmer. Senator Firsch. Senator Goodrich, Senator McFarland, Senator Chambers and Senator Firsch. Okay, did you ask for a roll call vote, Senator Warner? Okay. The question is the adoption of the Warner amendment. All those in favor respond aye, and opposed nay and we're having a roll call vote. Mr. Clerk.

CLERK: (Read roll call vote. See pages 1343-44 of the Legislative Journal.) 28 ayes, 4 nays, Mr. President.

PRESIDENT: The amendment is adopted. Do you have anything for the good of the cause, Mr. Clerk?

CLERK: I do, Mr. President. Mr. President, amendments to be printed by Senator Chambers to LB 1031; Senator Johnson, Firsch, Peterson and Beck to LB 976; Senator Barrett to LB 1153; Senator

March 14, 1990

LB 1031, 1064, 1153, 1222A
LR 239, 292, 293

CLERK: Senator Elmer voting yes. Senator Smith voting yes.

SENATOR HANNIBAL: A roll call vote has been requested. Please take your seats so that the Clerk can call the roll call vote and hear your responses. Senator Chambers, the house is under call. Would you please report to the Chamber. Do you want to wait for Senator Chambers, Senator Hall, or are you ready to go? Mr. Clerk, would you please call the roll.

CLERK: (Roll call vote taken. See page 1365 of the Legislative Journal.) 28 ayes, 7 nays, Mr. President.

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: The amendment is adopted. Any matters for the record?

CLERK: I do, Mr. President.

SPEAKER BARRETT: The call is raised.

CLERK: Mr. President, items for the record, amendments to be printed to LB 1064 by Senator Withem; Senator Schmit to LB 1031; Senator Crosby to LB 1153. (See pages 1366-68 of the Legislative Journal.)

Mr. President, new resolutions, LR 292 by Senators Rogers, Dierks, Wehrbein, and Schellpeper calls for an interim study. LB 293 by Senator Schmit asks the Legislature to congratulate the Wahoo High School boys' basketball team. And, Mr. President, a new A bill, LB 1222A by Senator Hartnett. (Read for the first time by title.) And I have amendments to LR 239CA by Senator Schimek to be printed. (See pages 1368-70 of the Legislative Journal.)

SPEAKER BARRETT: The next amendment, Mr. Clerk.

CLERK: Mr. President, I have nothing further to the committee amendments at this time.

SPEAKER BARRETT: We are then addressing the committee amendments. Senator Warner, we now are to the matter of the committee amendments, the adoption of the committee amendments, would you care to take the floor?

March 27, 1990

LB 1153
LR 11

and a roll call vote to make the Clerk's life a little easier, Mr. President.

PRESIDENT: All right. The question is, shall the house go under call? Do I see five hands? Let's have everybody's hands raised that is in favor of going under call so he can count. Keep your hands up, please, otherwise they... Anybody opposed to having a call of the house? We're under call. The house is under call. Will you please record your presence. Those not in the Chamber, please return to the Chamber, record your presence. Unauthorized personnel, please leave the floor. We're looking for Senator Ashford, Senator McFarland, Senator Scott Moore, Senator Schellpeper, Senator Chambers. We're looking for Senators Moore, Chambers and McFarland. Now we're looking for Senator McFarland. Senator Scofield, we're absent only Senator McFarland. Do you want to authorize to go ahead or do you want to wait? We'll go ahead. Ladies and gentlemen, the question is the advancement of the bill and there's a roll call vote. Mr. Clerk.

CLERK: (Read roll call vote. See pages 1612-24 of the Legislative Journal.) 33 ayes, 5 nays, Mr. President, on the motion to advance LR 11CA.

PRESIDENT: The bill is advanced. Do you have anything for the record, Mr. Clerk?

CLERK: Mr. President, one item, and that is a hearing notice from the Transportation Committee on a confirmation. That's all that I have, Mr. President.

PRESIDENT: May I introduce some guests, please, under the south balcony. Senator Korshoj has his sister, Betty Megrue and her husband, Gene, from Blair, Nebraska, and their daughter, Libby Megrue, from Omaha and friends, Voyne and Mabel Harris from Blair. Would you folks please stand and be recognized by the Legislature? Then in the south balcony Senator Beck has 50 fourth graders from St. Bernard's in Omaha with two teachers. Would you teachers and students please stand so we may recognize you? And thank you for visiting us today. We'll move on to LB 1153, please.

CLERK: Mr. President, LB 1153 was a bill introduced by Senator Barrett. (Read title.) The bill was introduced on January 16 of this year, Mr. President. At that time it was referred to

the Banking, Commerce and Insurance Committee for public hearing. The bill was advanced to General File. I do have committee amendments pending by the Banking, Commerce and Insurance Committee.

PRESIDENT: Senator Landis, are you going to take those amendments first, is that the...? Okay. Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, LB 1153 comes to us from Senator Barrett. It is an outgrowth of the S & L bailout phenomenon. As part of the arrangement for that, there was the admonition that states will pass appraiser licensure. Why? Because a major reason for the S & L failures of the eighties was the overappraisal of property that inflated the asset value or the claimed asset value of S & Ls. In fact, when land values went bust, when S & Ls had to rely on their assets to cover their losses, their assets weren't there. Their asset and liability balance sheets were inflated, and there really was not the hub of value to support the risks underwritten by the S & Ls. And what had happened was that S & Ls had found sweetheart appraisers who would go out and give those inflated values in excess of their real measure, in some cases with complicity, perhaps in other cases through incompetence. The list of proponents of this measure is quite long. The Banking Committee took testimony from the director of the real estate commission, who worked, I think, diligently in drawing the material together for this bill. The Nebraska Bankers Association, the Kansas-Nebraska League of Savings Institutions, the American Institute of Real Estate Appraisers, the National Association of Independent Fee Appraisers, and two more professional societies as well. The bill itself, which Senator Barrett will describe to you, creates some discipline authority in the state real estate commission, and also creates a five-member real estate appraiser licensing and certification board. It's not to be of an advisor nature, but in fact to assist the real estate commission in the carrying out of this act. The powers and duty of the board are enunciated, and from there there are two types of appraisers that are created--licensed and certified. The requirements for creating either the licensure or the certification status for yourself, as an appraiser, are established in the law the qualifications appear. And, furthermore, the act has as its goal continuing education for both licensed and certified real estate appraisers, and, secondly, the requirement that licensed and certified real estate appraisers comply with generally

acceptable standards of professional appraisal practice, plus ethical rules, that in the event they fail to do so they are disciplinable and are capable of losing their license or their certification. Now the committee amendments themselves are basically done for the purpose of taking what were some amendments to the green copy and give you a single, white copy of the bill to read. So it's to make the bill more legible. There are some changes, as well, in the white copy of the bill from the green copy. They include some legislative intent, indicating the advisory appraiser board is not simply advisory, it is an independent portion of the real estate commission, except that they may conduct their...their activities through the commission's office and staff. Paul Quinn and his support staff will assist this appraiser board. Secondly, there is a continuation of the list of exemptions of appraisers who are not covered by this act, those include employees of the federal government, persons who...or state agencies, persons who render estimates or opinions for the purpose of taxation, real estate taxation, for example a county who would go out and hire an appraiser, and, third, people who are giving testimony in condemnation proceedings, these people are exempt from the act. Beyond that, mostly it is rewording of the provisions, although there is an increase in the fees set by our appraiser statutes to cover some of the increased costs of administration. I would move for the adoption of the amendments and then Senator Barrett will be able to explain and justify the measure.

PRESIDENT: It's a little difficult...are there...is there anyone else that wishes to speak on this? All right. Okay, we have amendments to the committee amendments, I understand. Shall we take those up now, Senator Landis?

SENATOR LANDIS: Yes.

PRESIDENT: Okay.

CLERK: Mr. President, Senator Barrett would move to amend the committee amendments. (Barrett amendment can be found on page 1346 of the Legislative Journal.)

PRESIDENT: Senator Barrett, you wish to take up your amendments to the committee amendments.

SPEAKER BARRETT: Thank you, Mr. President, yes, I will. I think Senator Landis has done a good job of giving you a general

idea of the bill itself as a result of the outgrowth of the S & L bailout which took place. And the bill is a result of the...is a result of the Financial Institutions Reform, Recovery and Enforcement Act of 1989. And Title XI of that act deals, as Senator Landis says, with appraisers. It specifies that after July 1 of 1991, all appraisals in connection with federally related real estate transactions must be done by state licensed or state certified appraisers. And that is the purpose of...the primary purpose of the bill. The amendment that I'm offering to the Standing Committee amendments is basically technical in nature, with a couple of possible exceptions. And I'll share with you the highlights of those two exceptions. These were prepared, by the way, these Standing Committee amendments were prepared in consultation with the real estate commission, the financial institutions of the state, the staff of the Banking Committee of the Unicameral, and probably the biggest change, one of the two biggest changes, they strike Section 4 of the definition of affected industry and make changes in the makeup of the five-member appraiser board. Essentially, the amendment would require that three of the five members be appraisers, and that the other two members of that appraiser board be representatives of financial institutions and also real estate licensee's. And probably the other major change in the Standing Committee amendments would be to make the committee amendment to provide for two, instead of three, levels of appraisers, licensed and certified. And I think Senator Landis touched on this as well, we make two levels of certification, licensure and certification. And I think the rest of them are technical in nature. Mr. President, I would move the adoption of...my amendment to the committee amendments.

PRESIDENT: Thank you. Now, you're going to have to tell me if you want to speak or not. Lights are coming off and on. Senator Nelson, did you wish to speak? Okay. Senator Schmit, on the...Senator Schmit, did you...okay. Senator Scofield on the amendments to the amendment. No, I guess there...nobody else wants to talk about it. Senator...oh, Senator Pirsch, your light did not come on, so...have you talk. Thank you. You may speak.

SENATOR PIRSCH: Okay. I didn't know our lights worked, I guess. Thank you, Mr. President.

PRESIDENT: They don't.

SENATOR PIRSCH: Senator Barrett, if you would yield to a question.

PRESIDENT: Senator Barrett, please.

SPEAKER BARRETT: Yes.

SENATOR PIRSCH: You're striking Section 4, which talks about the affected industry. And that means then you're striking a representative from an affected industry. Is that why we're doing that?

SPEAKER BARRETT: Well, I think the original, the original bill called for a majority of the members to be from the real estate industry. They would have a majority representation on the appraiser board. The committee...the amendment that I've offered says that three out of the five members would be appraisers, and the other two representatives would be from a financial institution and they must be real estate licensee's.

SENATOR PIRSCH: So there is no need then to keep that definition of affected industry. What did that, what did that refer to?

SPEAKER BARRETT: It's used in the makeup of the board. It's a...

SENATOR PIRSCH: Right.

SPEAKER BARRETT: It's a term that came down from the feds, it's been stricken from the bill.

SENATOR PIRSCH: Oh, okay, so the representatives are identified by some other way then, then...

SPEAKER BARRETT: Yes.

SENATOR PIRSCH: ...then by that.

SPEAKER BARRETT: Yes.

SENATOR PIRSCH: Thank you.

PRESIDENT: Senator Robak, did you wish to speak? Your light showed...okay. Is there anyone else that wishes to speak on the

amendment to the amendment? Senator Barrett, did you wish to close on your amendment?

SPEAKER BARRETT: No, just move for the adoption of the amendment, Mr. President. Thank you.

PRESIDENT: We'll have to have a roll call on this, if you kind of stick around. And the situation is the adoption of the Barrett amendment to the committee amendments. All those in favor vote aye, opposed nay. Mr. Clerk.

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

PRESIDENT: The amendment to the committee amendment is adopted. May I introduce a couple of groups, please, that are here. In the south balcony Senator Rogers has 40 eighth grade students from Centura Public Schools, in the Boelus-Cairo, Cairo-Dannebrog area, with their teacher and a sponsor. Would you folks please stand and be recognized by the Legislature, please? Thank you. And Senator Crosby and some others have guests also in the south balcony. We have 40 representatives of the Council of Catholic Women, including Gloria Dierks. They're from various parts of the state. Would you folks please stand and be recognized? Thank you for visiting us today. Mr. Clerk.

CLERK: Mr. President, Senator Crosby would move to amend the committee amendments. (Crosby amendment appears on page 1367 of the Legislative Journal.)

PRESIDENT: Okay. Senator Crosby, please.

SENATOR CROSBY: Thank you, Mr. President and members. My amendment is the bill...the original bill is LB 1174. And, as you see on the board, the...it is printed in the Journal on page 1367. This amendment addresses the same urgent problem that LB 1174 was introduced to correct earlier this session. And I want to point out that this amendment is exactly the same as the Judiciary Committee amendment to the bill which was advanced to the floor on February 21st but, because of our backlog, will probably not be considered this session. I think that's an understatement at this stage of the game, right. (Laughter.) This matter came to light in Lincoln, but it affects the state, counties, cities and villages, in fact, every political subdivision that has eminent domain powers. The

problem is simply this, during the course of many condemnations proceedings, the condemnee will be left in possession of the property and will be given use of the property until the proceeding is complete. This is true for several reasons, many times it will be in the interest of the condemnor and the condemnee to have someone in actual possession of the property while the proceedings are taking place. If the property taken is part of a large project involving several different owners, the proceedings involving the different interests may progress on different time tables. So it just makes good sense to leave certain owners in possession until the entire project is ready to begin. And, most importantly, we have a statute, Nebraska Revised Statute 76-714, which precludes a condemnor from dispossessing the condemnee "until the condemnor is ready to devote the property to a public use". The same statute also provides that the condemnor's title, or interest in the property is not perfected until the property is put to the use for which it is taken. This has been the law in Nebraska for 40 years, and there is no argument with that. It probably served to prevent a lot of abuse in condemnation proceedings, but abuse is a two-way street. And let me tell you how that statute can work to the detriment of the taxpayer. During the condemnation proceedings for Lincoln's new landfill, after the condemnation awards had been made, but before the proceedings were complete, the city left several of the previous owners in use and possession prior to putting the land to public use. Apparently use and possession wasn't enough for one condemnee, he decided to take his land with him. In fact, he took over 200 dump truck loads of dirt with him. When the city applied for a restraining order, they were informed that they better settle, because their title wasn't complete until they were ready to put the land to a public use. The result was that when the city was ready to take possession, there were 20,000 cubic yards of dirt removed. (Laugh.) Creative, okay. As I said before, this loop hole was discovered and exploited here in Lancaster County, but its implications are truly statewide. The solution which was arrived at with the help of the Judiciary Committee is this amendment. What this amendment says is that we leave the present statutes alone that allow a condemnee to remain in possession, but we make him liable for diminution in value caused by the...purposeful removal of real or personal property for the condemned property, unless previously agreed to in writing by the condemnee and the condemnor. Also, bear in mind that at this stage the condemnation award has already been paid into the court. This amendment is important. It's statewide in

its application, and it's been drafted to be as specific as possible. I hope that all of you will support the amendment. Thank you.

PRESIDENT: May I ask if there is anyone who wishes to speak on this, please? Please hold your hand up. If not, apparently so. Senator Crosby, did you wish to close?

SENATOR CROSBY: All I want to say is I hope you'll vote yes for the amendment. Thank you.

PRESIDENT: All right. Mr. Clerk, back to your battle station. All those in favor will respond in the positive, and in the negative, no. Mr. Clerk.

ASSISTANT CLERK: The vote is 32 ayes, 1 nay, Mr. President, on the amendment to the amendment.

PRESIDENT: Excuse me. The amendment to the amendment is adopted. Any further amendments to the committee amendments? Okay. Now we're back on the committee amendments. Does anyone wish to speak on the committee amendments, the adoption of the committee amendments? Senator Conway, would you like to close, please, on the adoption of the committee amendments.

SENATOR CONWAY: Thank you, Mr. Member, or...Mr. Member, Mr. President and members. LB 1153, as it was introduced and brought before the committee and was reworked by that committee, part of that rework was predicated on the fact that PL10173, Title XI, at the federal level, made some adjustments from the time the green copy came out until the time that the bill was introduced. And so we made those adjustments accordingly. Nebraska, without question, is way ahead of almost any other state relative to those things that we needed to change to become in compliance with that public law. And we ought to be proud of the fact that we were far ahead of most of the country with respect to changes. The changes that we did have to make, though, are predicated primarily on those public law changes that were necessitated having a separate board oversee the appraisal of these properties. It's needed in Nebraska. It will put us out on the front edge of what's going on. The law, officially, will not take effect for another year in terms of the public law, and by that time we will have ours up and operating and we'll have even one more legislative session to make any other fine-tunes that might be necessary. So, it's a

March 27, 1990

LB 466, 1153

very good piece of legislation, and I think Nebraska law will probably be the model for many other states as they go to enact their legislation. So, with that, I offer the committee amendments and strong support for LB 1153.

PRESIDENT: Thank you. The question is the adoption of the committee amendments. We're going to try the lights, so all of those in favor vote aye, opposed nay, and we'll see if they work. Record, Mr. Clerk.

CLERK: 27 ayes, 1 nay, Mr. President, on adoption of the committee amendments.

PRESIDENT: The committee amendments are adopted. Do you have anything further on the bill, Mr. Clerk?

CLERK: Mr. President, Senator Hartnett would move to amend. (Hartnett amendment can be found on page 1625 of the Legislative Journal.)

PRESIDENT: Senator Hartnett, please.

SENATOR HARTNETT: Yes. Mr. President, members of the body, the amendment I bring is basically LB 466, which was heard last year and amended by the Banking Committee. And, simply, what it does it reduces...amends Section 76-544 to reduce the continuing education requirements of abstractors from six hours to three hours. Every two years a course is approved by the abstractors board of examiners. And basically, what it does, it was...advanced out of the Banking Committee. And, with that, I'd ask for the adoption of this amendment.

PRESIDENT: Thank you. Senator Schmit, please, on that amendment. No. All right, the question is the adoption of the Hartnett amendment. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of Senator Hartnett's amendment to the bill.

PRESIDENT: The Hartnett amendment is adopted. Anything further on it?

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

PRESIDENT: Okay. Now, on the advancement of the bill. Senator Schmit, please.

SENATOR SCHMIT: Mr. President and members, I just want to go on record, because I believe it's important that the body recognizes that Congress has said there's a problem with the S & L industry, and so therefore we are going to solve the problem by requiring certain actions be taken and education be taken, the creation of the appraisal boards, et cetera, et cetera. Ladies and gentlemen, the problem with the S & Ls is not going to be resolved by passage of this bill in order to keep the federal government happy. I do not disagree with the passage of the bill. As has been indicated, Nebraska has been ahead of the rest of the nation in this area. But the problems...the problems within the savings and loan industry are real, they are deep, and their problems are of long standing, and their problems are going to be with us for a long time. And we are going to continue to see billions, upon billions of dollars, taxpayer dollars, poured into an industry that is basically not managed well at this time. There are a number of problems that have been caused by government. I'm not going to go into that at the present time, but I want to point out that October 6, 1979, the deregulation of the cost of money by Mr. Volker and President Carter precipitated many problems for the savings and loans which then caused them to recognize that they were in trouble, so they got into new businesses for which they were not properly equipped. And they became participants in many of the ventures where there had formerly only been lenders. They were not equipped for that, they were not trained for that, and as a result we find ourselves in the situation we are in today. I would predict that we're going to see losses far in excess of those which have been outlined by the administration and by the Congress, because we have not yet today resolved the problems that face the savings and loan industry. Furthermore, the problems in other parts of the country are far more excessive than they are in Nebraska. But what it means is that Nebraska citizens are going to continue to pay out a substantial portion of our income to bail out ill-advised and ill-managed savings and loans in other parts of the country. And failure to recognize that the industry is basically sick is going to cause us to spend many dollars over the next few years that ought not be expended. Somebody says, what can you do about it. Well, ladies and gentlemen, the gentleman who was placed in charge of the industry reconstruction program walked away from it, because he said it

wasn't operable. We're going to find other individuals who will do the same thing. The Congress has attempted to pass a bill that will bail them out, and they do not have the situation in a manageable condition. In the meantime, if you have seen the list of properties that have been advertised for sale that are owned by savings and loans, it's like the New York City catalog, the New York City phone directory. We will see billions, upon billions of dollars of taxpayer dollars spent to make new billionaires, who will be in a position to benefit from the financing that will be available to certain individuals and certain entities at the expense of the taxpayer. If the final analysis is ever drawn on this situation, ladies and gentlemen, it will be a day of infamy for this country of ours. And to the extent that we do not acknowledge it and discuss it and talk about it and try to correct it, we are all guilty. So we have no choice but to pass this bill. But, if anyone thinks the passage of this bill is going to make it impossible...

PRESIDENT: One minute.

SENATOR SCHMIT: ...or possible to correct the ills of the past, we know better. I don't believe it's touted that way. Senator Landis did not explain it that way. But the basic problems of the savings and loan industry are still there and going to be there because they were impregnated in the institution of finance back in the 1970s, and they were...became worse in the eighties, and as we stumble into the nineties they're going to continue to be there. It's unfortunate, because the Congress is not going to acknowledge the basic problems and take remedies to correct it.

PRESIDENT: Thank you. Senator Barrett, please.

SPEAKER BARRETT: Thank you, Mr. President and members. Just a couple of things for the record, I suppose, as much as anything. As I indicated earlier, the purpose of LB 1153 is to bring Nebraska into compliance with the federal law. And, yes, Senator Schmit, there are multitudes of problems out there yet. And this is an effort to at least start in the right direction, as far as I'm concerned. Congress passed Title XI because of the S & L problem, and they found that inflated appraisals were a part of the S & L problem. They found that conflicts of interest among appraisers, thrift operators, real estate developers, a lot of problems out there. So, as a result, they mandate that effective July 1, 1991, all appraisals which are

done in connection with any federally insured or guaranteed loan must be made by state licensed or state certified appraisers. Nebraska already has licensed appraisers. However, Title XI, as passed by the Congress, requires us to change the law so that we will be in compliance with some additional federal requirements. We need to pass the bill in 1990, so that appraisers can begin to take the appropriate examinations, the appropriate courses to get licensed or certified in preparation for that July 1, 1991 deadline. We need to get the new appraiser licensing and certification board in place before then. We need to get them approved by the federal appraisal subcommittee. If we don't, anyone buying a house or other property, after July 1, 1991, and financing it through an FDIC insured institution, could find the appraisal being made by an appraiser outside the State of Nebraska. It's estimated that 95 percent of real estate transactions will be federally related, and they will require federally approved state licensed and certified appraisers. So, we're working with some preliminary guidelines as handed down, the last one, February 28th from Congress. They are preliminary from the federal level. We could expect some changes perhaps next year. But I think we need to implement this bill now, this year, appoint the appraiser board and allow the continuing education and examinations to proceed. So, with that, Mr. President, I would urge the body to adopt and advance the bill. Thank you.

PRESIDENT: Thank you. Senator Schmit, please, followed by Senator Nelson.

SENATOR SCHMIT: Mr. President and members, I concur fully with what Senator Barrett has said. And I agree with the intent of the bill, and I agree that it should have been done a long time ago. And I agree that Nebraska was far ahead. My principle concern at the present time is that we seem to want to look to the future and say we're going to do this and we're going to prevent chicanery in the future. The facts are that the reason the savings and loan industry lost a lot of money was because the problem was originally precipitated by the deregulation of the cost of money. But once the...once the chicanery and the mischief began, then caution was thrown to the winds. I read an article in the Wall Street Journal, some time ago, there had been 29 prosecutions for illegal activity of individuals associated with the savings and loan industry. There had been 15 convictions, and not one individual had been sentenced to a single day in jail. Now, ladies and gentlemen, that gives

thieving a new description. If you want to steal, you steal not hundreds or thousands or millions, but billions, and you do it in the form of a business, and you hire yourself attorneys and you use the taxpayer money to pay the attorneys, and you walk away scot-free, and you probably find yourself back in business in a very short time. A young lady who used to work for this Legislature is now working for the FSLIC and last summer came back for a visit and mentioned the fact that as they close these savings and loan institutions and moved from one to the next and the next they find many of the same principles involved as they go down the road, which means that it doesn't seem to be any impediment to employment to have been involved in the failure of a savings and loan, you just go on down the road to get a new job, put on a new hat and go to work again. My question is this, as long as you don't punish the people who stole the money, what discouragement is there in trying to keep them from repeating the process? This is a step we have to take, it's an important step, it undoubtedly was a step that had it been taken a long time ago it might have prevented some of the problems. But as you look...as you look forward, I ask you to look backward also and try to keep in touch with our representatives in Washington and ask them what is really being done with the present situation. It's bad enough that we lost hundreds of billions of dollars, but it is going to compound the error, ladies and gentlemen, if we allow opportunists to now come in, buy properties for pennies on the dollar, which are being financed, in effect, by the taxpayers. We're going to make a whole new crop of billionaires who just happen to be in the right place at the right time, know the right people and have the right amount of financing. I wouldn't mind if some low income person was able to buy one of these homes at a bargain price because the S & L dumps it on the market, it's not going to happen. What's going to happen is that some individual is going to buy 1,000 homes and put them back on the market and earn 1,000 percent on his investment, and no one is ever going to be the wiser. I'd ask you to keep in touch with your congressional delegation, I believe they are...I know they are aware of it. They're trying to do something about it. But back here in Nebraska we, unless you read an out of state newspaper, you never read anything about it. From time to time we have read a few things in the Lincoln Journal, but very few. Nothing, I might add, in the Omaha World-Herald.

PRESIDENT: Thank you. Senator Nelson, please.

SENATOR NELSON: Yes, just one small question. I certainly agree with Senator Schmit. In fact I think all of us have just been made aware that this problem is not a \$160 billion problem, it's a \$200 billion problem and more. And I know that the goals of Senator Barrett and we probably have our hands tied, but I guess from what has happened in HUD you can go past and nothing happens. And the kid steals a hamburger and he probably will go to jail for 30 days, and that's how I look at it. But my question of Senator Barrett, I know realtors can make their own appraisals and they are trained and so on in that, do you anticipate this...any additional cost into the homeowner and buyer and selling a home because of these regulations?

SPEAKER BARRETT: Senator Nelson, it's hard for me to say at the present time, but I would anticipate that the lending institutions probably would pass through any higher costs for the appraisals. I would have to say, yes, as far as I know. But that is up to the institution.

SENATOR NELSON: I probably agree with you. I think basically some time past the...if you called in an appraiser you're adding two or three hundred dollars to the price of a home. So I suppose this is another one of those additional closing costs. Thank you.

PRESIDENT: Senator Conway, please.

SENATOR CONWAY: Call the question, please.

PRESIDENT: Thank you, that won't be necessary, you're the last one. Senator Barrett, would you like to close on this?

SPEAKER BARRETT: Thank you, Mr. President. I think probably it's all been pretty well said. Two major points, we're going to set up an independent real estate appraiser licensing and certification board; we're going to have two levels of appraisers in Nebraska, licensed and certified. Present licensee's will be grandfathered in at the licensee or licensure level. With that, I would urge the body to advance the bill. Thank you.

PRESIDENT: Thank you. The question is the advancement of the bill. I think our lights are working, so all those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

March 27, 1990

LB 1055, 1153, 1153A

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of 1153.

PRESIDENT: LB 1153 is advanced. LB 1153A.

CLERK: LB 1153A, Mr. President, introduced by the Speaker. (Read title.)

PRESIDENT: Senator Barrett, please, on the A bill.

SPEAKER BARRETT: Thank you, Mr. President. The operative date for the beginning of the new appraiser board is January 1st of '91, so the first year's appropriation is only for implementation and a half a year. I think it's self-explanatory. The A bill provides some money from appraiser license fees, fifteen-six-fifty, I believe it is, 15,650 already in the real estate commission's fund to be transferred over to the appraiser's boards fund. So I would move for the adoption of the A bill.

PRESIDENT: Thank you. The question is the advancement of the A bill. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 29 ayes, 0 nays, Mr. President, on the advancement of 1153A.

PRESIDENT: The bill is advanced. May I introduce some guests, please, in the south balcony Senator Robak has 17 eighth graders from St. Francis Junior High in Humphrey, Nebraska with their teacher. Would you folks please stand and be recognized, from Humphrey. Thank you for visiting us today. Mr. Clerk, shall we move on to LB 1055.

CLERK: Mr. President, LB 1055 was a bill introduced by Senator Hall. (Read title.) The bill was introduced on January 9 of this year, Mr. President, at that time referred to the Revenue Committee. The bill was advanced to General File. I do have committee amendments pending by the Revenue Committee. Mr. President...

PRESIDENT: Senator Hall, are you going to take the committee amendments first?

SENATOR HALL: Mr. President, members, there is a motion, I

March 29, 1990

LB 220, 976, 1055, 1153, 1153A, 1221, 1246A
1247

SPEAKER BARRETT: Thank you. The question is the adoption of the Chambers amendment to the amendment. Those in favor vote aye, opposed nay. Have you all voted? Have you all voted? Senator Chambers. Roll call vote has been requested. Members, please return to your seats. The question is the adoption of the Chambers amendment to the Johnson amendment. Mr. Clerk. Excuse me, members, please return to your seats. (Gavel.) The call is not raised. Please check in. All members please check in. Senator Smith, please, record your presence. Senator Beyer. Senators Goodrich, Moore, and Scofield, the house is under call. Senators Moore, Goodrich, and Scofield, the house is under call. The question, again, the adoption of the Chambers amendment to the Johnson amendment to LB 976. Mr. Clerk, call the roll.

CLERK: (Roll call vote taken. See pages 1734-35 of the Legislative Journal.) 11 ayes, 18 nays, Mr. President.

SPEAKER BARRETT: Motion fails. The call is raised. Next item.

CLERK: Mr. President, Senator Landis would move to amend.

SPEAKER BARRETT: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I move to adjourn until tomorrow morning at nine o'clock.

SPEAKER BARRETT: Would you care to amend that to eight o'clock, Senator Landis?

SENATOR LANDIS: I certainly would.

SPEAKER BARRETT: Thank you. Any items to read in, Mr. Clerk?

CLERK: I do, Mr. President. Your Committee on Enrollment and Review respectfully reports they have carefully examined engrossed LB 220 and find the same correctly engrossed.

Mr. President, I have a new bill, LB 1247 offered by the LR 232 Special Investigative Committee. (Read for the first time by title. See pages 1735 of the Legislative Journal.)

Mr. President, LB 1153 is reported to Select File, LB 1153A, LB 1055, LB 1221, and LB 1246A, all those on Select File.

March 29, 1990

LB 902, 976, 1019, 1153

Mr. President, Senator Haberman would like to add his name to LB 902, and to LB 1019 as co-introducer. Mr. President, Senator Byars has amendments to be printed to LB 1153. That is all that I have. (See pages 1736-40 of the Legislative Journal.)

SPEAKER BARRETT: Thank you. You have heard the motion to adjourn until eight o'clock in the morning. A machine vote has been requested. All in favor of adjourning until tomorrow morning at eight o'clock vote aye, opposed nay. Voting on a motion to adjourn until tomorrow morning at eight o'clock. Please vote if you'd care to vote. Have you all voted? Have you all voted? Was there a request for a roll call vote? I'm sorry, I did not hear. Request for a call of the house. Shall the house go under call? All in favor vote aye, opposed nay. Record.

CLERK: 22 ayes, 0 nays to go under call, Mr. President.

SPEAKER BARRETT: The house is under call. Members, check in please. Members, record your presence. Those members off the floor, please return. Senators Goodrich, Scofield, Korshoj, the house is under call. Members, return to your seats for roll call vote. (Cavel.) Return to your seats for a roll call vote. The question is adjournment. Mr. Clerk, proceed.

CLERK: (Roll call vote taken. See page 1741 of the Legislative Journal.) 17 ayes, 18 nays, Mr. President, on the motion to adjourn.

SPEAKER BARRETT: Motion fails. Next item, Mr. Clerk.

CLERK: Mr. President...

SPEAKER BARRETT: Call is raised.

CLERK: Mr. President, the next amendment to the Johnson amendment is by Senator Landis.

SPEAKER BARRETT: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, it strikes me that a number of our colleagues have voted with their feet on this last motion to adjourn, and that both Senator Pirsch, Senator Johnson and myself are suffering from the difficulty of trying to get 25 votes with 38 people on the

it's an issue which is based on moral, religious, ethical principles and there is not going to be a resolution, so I will write them what my view is but not try to change their mind and that I have no expectation of doing that. What we're doing here is expressing our opinions and not one vote is going to change, not one mind-set is going to be altered. But I do believe things should be put into the record because there is an educational function that must be served by the Legislature and the record of what we do and say emerges from our debates. So, for that reason, as long as we discuss this issue and whenever we discuss it, I'm going to put into the...

SPEAKER BARRETT: Time.

SENATOR CHAMBERS: ...record those things I think ought to be there.

SPEAKER BARRETT: Mr. Clerk, you have a motion on the desk.

CLERK: Mr. President, I do. I have a priority motion. Senator Korshoj would move to adjourn until Monday morning, April 2nd at 9:00 a.m. May I read some items, Mr. President.

SPEAKER BARRETT: Have you items to read in?

CLERK: Very quickly. Senator Barrett has amendments to be printed to LB 1153. (See pages 1759-61 of the Legislative Journal.)

Senator Haberman would like to add his name to LB 1184, LB 1229, LB 610, LB 431 and LB 1088 as co-introducer. That's all that I have, Mr. President.

SPEAKER BARRETT: Thank you. The motion before the house is one of adjournment. All in favor say aye. Opposed no. A machine vote has been requested. Will members please return to your desks and record your presence. Those members outside the Chamber, please return and check in, please. Senator Moore. Senators Schmit, Labedz, Haberman. Senator Wehrbein, the house is under call. The house is still under call. The question is adjourning until Monday morning at nine o'clock. Those in favor of that motion vote aye, opposed nay. Have you all voted? Have you all voted? Record. Record vote has been requested.

CLERK: (Record vote read. See pages 1761-62 of the Legislative

April 3, 1990

LB 1153
LR 11

CLERK: 26 ayes, 3 nays, Mr. President, on the advancement of LR 11.

SENATOR HEFNER: The resolution is advanced. Next bill, LB 1153.

CLERK: Mr. President, LB 1153, Senator, I have E & R amendments pending, first of all. (See E & R amendment AM7201 as found on page 1736 of the Legislative Journal.)

SENATOR HEFNER: Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move the adoption of the E & R amendments to LB 1153.

SENATOR HEFNER: All in favor say aye. The E & R amendments are adopted.

CLERK: Mr. President, Senator Byars would move to amend the bill. Senator, it's on page 1739. It talks about an instrument submitted for recording in the register of deeds office. (See Byars amendment AM3212 as found on page 1739 of the Legislative Journal.)

SENATOR BYARS: Oh, yes, thank you.

SENATOR HEFNER: Mr. Byars, Senator Byars.

SENATOR BYARS: Thank you, Senator Hefner and members of the body. This is, in effect, was a bill that was introduced last year and is being attached to this bill as an amendment which was brought to me by the Nebraska Association of County Officials for the registers of deeds throughout the State of Nebraska. It is primarily a change in providing additional space on the front page of the recording document and changing the fee schedule in order to allow them to simplify the matters in recording... in recording instruments. There was strong support for this bill when it came to the committee by all of those parties affected, and I would urge the adoption of the amendment.

SENATOR HEFNER: Anyone else wishes to talk on this? Senator Byars, your closing? He waives off closing. All in favor for the amendment vote aye; all those opposed vote nay. Have you

all voted? Record.

CLERK: 26 ayes, 0 nays, Mr. President, on adoption of Senator Byars' amendment to the bill.

SENATOR HEFNER: The amendment is adopted.

CLERK: Mr. President, Senator Barrett would move to amend the bill. The amendment's on page 1759 of the Journal. (See Barrett amendment AM3223 as found on page 1759 of the Legislative Journal.)

SENATOR HEFNER: Senator Barrett.

SENATOR BARRETT: Mr. President and members, this little amendment is a result of some of the work that E & R did upstairs on the bill after General File, and all of the changes that are contained in this amendment that I'm offering were made at the suggestion of E & R, but they went beyond the scope of what they thought they could properly do in an E & R amendment so it was felt that we should go in this direction. It simply clarifies a definition, an exemption, and what must be contained in the appraiser's license, and it clarifies that the new Appraiser Board has the authority to adopt and promulgate rules and regulations regarding continuing education and other fine tuning. I would consider it a technical amendment, but I would ask for its adoption.

SENATOR HEFNER: Any other discussion? Seeing none, Senator Barrett, would you care to close? He waives closing, so all of those in favor of the amendment vote aye; those opposed vote no. Have you all voted? Please record, Mr. Clerk.

CLERK: 27 ayes, 0 nays, Mr. President, on adoption of Senator Barrett's amendment to the bill.

MR. HEFNER: The amendment is adopted.

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

SENATOR HEFNER: All those in favor of advancing the bill to E & R Engrossing say aye. Contrary, the same. Motion carried. The bill is advanced.

CLERK: Mr. President.

April 4, 1990

LB 1055, 1153, 1153A, 1221, 1246, 1246A
LR 11, 239

SENATOR WITHEM: ...they are going to vanish again, and will surface again maybe once again when the Legislature meets and starts talking about this. You also notice in this article, Regent Blank talks about what we really need is stronger centralized coordination. We regents have always favored that. That is, with the risk of offending some people, hogwash. They have never favored that. They have opposed it. As a matter of fact, it is interesting that they said what we really need is stronger coordination, they said that two days ago. Now that Senator Warner has his amendment up, they are back there in the rotunda saying, oh, no, don't do that, public hearings, all of these other silly reasons to oppose the Warner amendment. What they really want to do is to be left alone. They want to spend a quarter of our state budget without having any sort of oversight over it. That is what they really want, and they will continue to want that until this Legislature steps forward. If you are serious about doing something this session on higher education coordination, you ought to vote no on the bracket motion.

PRESIDENT: Time.

SENATOR WITHEM: If you want us to continue to wrestle with this, then you ought to vote in favor of the bracket motion. How you vote, frankly, is your own concern.

PRESIDENT: Thank you. The question is, shall the bill be bracketed? All those in favor vote aye, opposed nay. Record, Mr. Clerk.

CLERK: 4 ayes, 18 nays, Mr. President, on the motion to bracket LR 239.

PRESIDENT: The bill is not bracketed. Do you have something on it, Mr. Clerk?

CLERK: I do, Mr. President. May I read some items for the record.

PRESIDENT: Yes, please.

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined engrossed LB 1055 and find the same correctly engrossed, LB 1153, LB 1153A, LB 1221, LB 1246, LB 1246A, and LR 11CA, all of those

April 9, 1990

LB 1124, 1153, 1153A, 1221

21 ayes, 24 nays, Mr. President.

PRESIDENT: The bill fails to pass. LB 1153.

CLERK: (Read LB 1153 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 1153 pass? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Record vote taken as found on page 2003 of the Legislative Journal.) 44 ayes, 0 nays, 1 present not voting, 4 excused not voting.

PRESIDENT: LB 1153 passes. LB 1153A, please.

CLERK: (Read LB 1153A on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 1153A pass? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Record vote taken as found on pages 2003-04 of the Legislative Journal.) 44 ayes, 0 nays, 2 present not voting, 3 excused not voting, Mr. President.

PRESIDENT: LB 1153A passes. May I introduce some guests, please. Under the south balcony, Senator Rex Haberman has two guests, Eddie Nichols of Max, Nebraska, and Phyllis Gardner from Max, Nebraska. Would you folks please stand and be recognized? Thank you. Senator Scott Moore has guests under the south balcony, Mr. and Mrs. Carl Geis of Seward, Nebraska. Would you folks please stand? Thank you. Mr. Clerk, LB 1221.

CLERK: (Read LB 1221 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 1221 pass? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Record vote taken as found on pages 2004-05 of the Legislative Journal.) 45 ayes, 0 nays, 1 present not voting, 2

April 9, 1990

LB 431, 1031, 1055, 1059, 1109, 1124, 1141
1153, 1153A, 1221, 1246, 1246A
LR 11

retarded in our state. But let's do so in a fashion that makes sense, that is accountable, and we understand exactly what we're getting for our money. And, so these could have been met, both of these goals could have been met with language the Appropriations Committee put out, but that language was rejected. Instead money was added and language deleted, and so that is what's put me in this quandary. I hope, as we work through this issue, and I think we should take some time, it's a 2 million dollar issue, we should try and understand what we hope to accomplish through this change. And I would like to see, on the part of those particularly promoting this amendment, a commitment to deal with this problem and correct these problems, and that might ease my concerns and allow me to vote for this. I need to hear from supporters of this that they know there is a problem and want to deal with this...

PRESIDENT: Time.

SENATOR WESELY: ...problem, otherwise we simply get ourselves into a cycle and a Catch 22 that will not ever end and continue down the road with further problems.

PRESIDENT: Thank you. While the Legislature is in session, and capable of transacting business, I propose to sign and do sign LB 1109, LB 431, LB 1055, LB 1124, LB 1153, LB 1153A, LB 1221, LB 1246, LB 1246A, LR 11, and LB 1141. Senator Warner, please, followed by Senator Hannibal.

SENATOR WARNER: Mr. President, members of the Legislature, again, I indicated earlier that as we go along I would at least inform you of the status of the reserve fund as we go. And, as indicated earlier, LB 1059, and that's the only thing we can key to on this because it does make a difference, if this amendment is adopted, and if 1059 is overridden, why there will be a million four left that could be overridden this year and still maintain the 3 percent reserve. However, if this is overridden, if you look out beyond into the next biennium, we would be in a two and a half million deficit situation. But that is no legal requirement to observe that. But it is something that one needs to keep in mind, that assuming that the growth is something less than 6.5 percent in each of the two years in the following biennium, why we would certainly have a problem. On the other hand, if 1059 is not overridden, why then there is something like 3.6 million left, even though this is overridden. And that then is not so tight. But you should keep in mind that as we go

April 9, 1990

LB 163, 1055, 1099, 1124, 1153, 1153A, 1221
1246, 1246A
LR 427

LB 1055, LB 1124, LB 1153, LB 1153A, LB 1221, LB 1246, and
LB 1246A.)

I have an explanation of vote by Senator Landis and a study resolution by the Banking Committee, that is offered...signed by its membership, Mr. President. (LR 427. See page 2032 of the Legislative Journal.)

Mr. President, the first motion I have with respect to overrides of legislation is LB 163. Senator Rod Johnson would move that 163 become law notwithstanding the objections of the Governor.

SPEAKER BARRETT: Senator Rod Johnson, please.

SENATOR R. JOHNSON: Mr. Speaker, members, my comments will be short and, hopefully, to the point. I guess LB 163 is a substantial policy choice question this Legislature is going to have to make. I know that you have been lobbied heavily on both sides of this issue, and I can appreciate that, and I hope that you've made up your mind. I'm not sure that the debate will add much to the vote that you're about to cast, but I wanted to get some things in the record nonetheless. You know as we all get these notices from the Governor as to why she vetoed the bill, I'm not sure they serve any service other than to piss us off. But I'm at the point right now where LB 163 has three points in it, her veto message, that tell us how she feels about LB 163. The first is she says the first is that LB 163 fails to build upon the work commissioned by the Legislature, past work. Then she mentions a bill I passed in this Legislature a few years ago to commission a study to look into the solid waste problems that Nebraska has. That study pointed out we have a substantial number of solid waste or landfills in Nebraska that have really some substantial environmental and health risk problems to Nebraskans. I realize that, that's what the purpose of this bill has been from the beginning is to begin the process of moving ourselves forward to deal with solid waste. Granted, it doesn't help clean up the contamination that is there, but we have other programs that are designed to help, walk in and start the process of looking at water contamination problems that exist with SPAs or special protection areas. Senator Schmit and I carried a bill this year, LB 1099, which did not make it through the process, but again is a bill that would have helped us deal with some of the contamination problems that exist. What this bill does is basically say we recognize that EPA is going to be coming down in this state very soon, within probably