able to assist other agencies, other investigating committees, other individuals who are involved. I have pledged my cooperation to some of them with whom I have visited. I know that Senator Chambers feels the same way. I know that other members of the committee feel the same way. I hope that we are all pursuing the same goals, same objectives and that we can work together. I want to say again that this committee will act with propriety, honesty and integrity. We intend to obtain the best counsel we possibly can and we intend to protect the rights of the innocent and to pursue those who might have been less than innocent. Mr. President and members, I ask for a positive vote on the resolution.

PRESIDENT: That was the closing. The question is the adoption of the resolution. All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please. Record, Mr. Clerk, please.

CLERK: 32 ayes, 0 nays, Mr. President, on adoption of LR 5.

PRESIDENT: The resolution is adopted. You have some new bills, Mr. Clerk.

CLERK: Mr. President, I do. New bills. Mr. President, Senator Labedz would like to have a meeting of the Reference Committee now in the Senate Lounge. Referencing Committee in the Senate Lounge, Mr. President, right now. Senate Lounge for Referencing Committee. New bills. (Read by title for the first time LBs 341-355 as found on pages 183-87 of the Legislative Journal.)

PRESIDENT: We will be at ease for a few minutes for referencing and receiving a few more bills.

EASE

PRESIDENT: (Microphone not activated) and capable of transacting business. I propose to sign and do sign LR 3. Would you like to continue, Mr. Clerk, please.

CLERK: Yes, Mr. President, thank you. New bills. (Read by title for the first time LBs 356-372 as found on pages 187-91 of the Legislative Journal.)

Mr. President, I have a new resolution offered by Senator Hall.

February 1, 1989 LB 61, 90, 114, 183, 263, 264, 327 349, 389, 408, 412, 512, 744 LR 21, 22

Education gives notice of change of hearing location regarding LB 89 as well as notice of hearing. I also have notice of hearings from the Government, Military and Veterans Affairs Committee. That is signed by Senator Baack as Chair.

Your Committee on Government, Military and Veterans Affairs whose Chair is Senator Baack to whom was referred LB 263 instructs me to report the same back to the Legislature with the recommendation it be advanced to General File. LB 327 General File with amendments, LB 408 General File with amendments, LB 389 indefinitely postponed. Those are igned by Senator Baack. (See pages 536-37 of the Legislative Journal.)

Education Committee whose Chair is Senator Withem reports LB 744 to General File, LB 183 General File with amendments, LB 264 indefinitely postponed, LB 612 indefinitely postponed. Those are signed by Senator Withem as Chair. (See pages 537-42 of the Legislative Journal.)

Business and Labor Committee whose Chair is Senator Coordsen reports LB 412 to General File with amendments. It is signed by Senator Coordsen as Chair. (See page 542 of the Legislative Journal.)

Banking Committee whose Chair is Senator Landis reports LB 61 to General File and LB 349 to General File with amendments. Those are signed by Senator Landis as Chair of the Banking Committee. (See page 542 of the Legislative Journal.)

Mr. President, in addition to those items, resolutions, LR 21 by Senators Beyer, Goodrich, and Senator Abboud asking the Legislature to express its sympathy to the family of Opal Peterson. That will be laid over, Mr. President. (See page 543 of the Legislative Journal.) LR 22 by Senator Dierks asking the Legislature to recognize July 1, 1989 as Centennial Day for the Village of Elgin. (See page 544 of the Legislative Journal.)

Mr. President, Senator Lynch would move that LB 90 be placed on General File notwithstanding the actions of the Natural Resources Committee, Mr. President. That will be laid over. (See page 543 of the Legislative Journal.)

I have amendments to be printed from Senator Schellpeper to LB 114. (See page 543 of the Legislative Journal.) That is all that I have at this time, Mr. President.

and we don't have a system in our law to recognize that difference, when you make your change you resubmit your forms, your policies and your agents. Now, what are we going to do? We're going to approve them all, aren't we? But we're going to take them out and look at them and stamp them with another rubber stamp. It's unnecessary. So long as these items were approved by the department when they were initially brought to the state, they stay in effect while the transfer is made. If the provision is not here, unfortunately, that change of domicile will occasion a new filing of all of the forms we already have approved, totally unnecessary, therefore, the reason for this bill. It's standard practice elsewhere. I urge its adoption and advancement and applaud Senator Haberman for bringing this measure.

PRESIDENT: Thank you. Senator Haberman, did you wish to close? Okay, the question is the advancement of the bill. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 27 ayes, 0 nays, Mr. President, on the advancement of LB 61.

PRESIDENT: LB 61 advances to E & R Initial. LB 349.

CLERK: Mr. President, before that, if I may, items for the record. Mr. President, new bills. (Read title for the first time to LB 431A, LB 231A, LB 360A and 520A. See page 675 of the Legislative Journal.)

Urban Affairs Committee reports LB 240 to General File; LB 790 to General File; LB 125 indefinitely postponed; LB 494 indefinitely postponed. Those are signed by Senator Hartnett as Chair.

Senator Wesely has amendments to LB 733 to be printed; Senator Smith to LB 421. (See page 676 of the Legislative Journal.)

Mr. President, the next bill, LB 349, was a bill that was introduced by Senator Conway. (Read title.) The bill was introduced on January 11, referred to the Banking Committee, advanced to General File. I have committee amendments pending by the Banking Committee, Mr. President.

PRESIDENT: Senator Landis, are you going to handle those?

SENATOR LANDIS: Yes, Mr. Speaker, and members Legislature, this is a measure that allows basically state-chartered institutions, financial institutions, to hold a reinsurance trust account. A reinsurance trust account is for the purpose of reinsurance. Reinsurance means to have a risk and you have insurance for it but you reinsure the risk so that others then bear excess responsibility. It's a way of broadening the coverage for a risk that you might have. You reinsure even past the level of insurance some kind of a risk. That reinsurance can be the matter of a trust account which is held by a financial institution. Currently, federal law or rather our state law only allows a federal reserve member bank to hold such a reinsurance trust account. This bill redefinition and an expansion to cover state-chartered institutions as well. To use the new definition, the broadened definition of a qualified United States financial institution, we needed to make clear what companies we're talking about and we made a definitional change. We proposed and added in the committee amendments a change from "qualified United States financial institutions", which is one that could hold one of these letters of credit in trust, to "institutions which are determined either by the Securities Valuation Office of the National Association of Insurance Commissioners or the Director Insurance." Those two groups would be able to authorize financial institutions which could then hold reinsurance trust accounts and we made that change in the committee amendments. We went further than the phrase in the bill and gave it meaning as to who is able to grant the status of an institution that can hold one of these letters of credit in trust. The two people again are Director of Insurance or the Securities Valuation Office of the National Association of Insurance Commissioners. Why? Because they are a well-armed set of individuals who have access to a great deal of information that's pooled through the National Association of Insurance Commissioners. For that reason, I would urge the adoption of the committee amendment and then allow Senator Conway to describe the bill and move its advancement.

PRESIDENT: Any further discussion? If not, the question is the adoption of the committee amendments. All those in favor vote aye, opposed nay. I need a little help on the committee amendments, please. Thank you. Record, Mr. Clerk, please.

CLERK: 26 ayes, 0 nays, Mr. President, on the advance...or on the adoption of the committee amendments, excuse me.

PRESIDENT: The committee amendments are adopted. Senator Conway, are you going to handle the bill?

SENATOR CONWAY: Yes, Mr. President.

PRESIDENT: Okay.

SENATOR CONWAY: Mr. President and members, LB 349 brings Nebraska law on our credit for reinsurance into conformity with the model law that was enacted by the National Association of Insurance Commissioners. We followed that law as of 1985 and conformed with that. And our current law in Nebraska patterned after that act. What 349 simply does is incorporates the amendments that have been enacted through the National Association of Insurance Commissioners since that time and, basically, what it does it expands the opportunity for reinsurance funds to be invested are only with what had previously been defined as federal reserve institutions but to what's now called qualified United States financial institutions or, in other words, it allows insurance companies to invest their trust funds under the reinsurance trust funds in Nebraska state regulated banks as well as those that are federally So it's a minor alteration that clears up the question of whether or not they can use other financial institutions in Nebraska as well as those that are federally So I think Senator Landis, through the committee amendments, pretty well described the bill and it really is bringing us into conformity and allows these funds to be in state banks as well as our federally chartered banks. So, with that, I offer the advancement of LB 349.

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

CLERK: 27 ayes, 0 nays, Mr. President, on the advancement of 349.

PRESIDENT: LB 349 advances to E & R Initial. LB 176.

CLERK: LB 176, Mr. President, offered by Senator McFarland. (Read title.) The bill was introduced on January 5, referred to Business and Labor, advanced to General File. I have Business and Labor Committee amendments pending, Mr. President.

PRESIDENT NICHOL PRESIDING

PRESIDENT: Welcome to the George W. Norris Legislative Chamber. It is always good to have one of our own members be our chaplain of the day and this morning we have Senator Scott Moore with us. Would you please rise for the invocation.

SENATOR MOORE: (Prayer offered.)

PRESIDENT: Thank you, Senator Scott Moore, very fine. Roll call, please.

CLERK: I have a quorum present, Mr. President.

PRESIDENT: Thank you. Did you make any mistakes in the Journal?

CLERK: We did not make any mistakes in the Journal, Mr. President.

PRESIDENT: Very good. How about any messages, reports or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 327 and recommend that same be placed on Select File; LB 408, LB 412, LB 61, LB 349 and LB 176. (See pages 684-85 of the Legislative Journal.)

Mr. President, Senator Baack has designated LB 183 as his priority bill, and I have a series of gubernatorial appointments from the Governor. Those will be sent to Reference Committee for referral to the appropriate Standing Committee. That is all that I have, Mr. President.

PRESIDENT: Thank you, sir. We'll move to number 5, LR 25, Mr. Clerk.

CLERK: Mr. President, LR 25 was introduced by the Appropriations Committee and signed by its members. It is found on page 607 of the Journal. (Read resolution.)

PRESIDENT: The Chair recognizes Senator Hannibal, please.

SENATOR HANNIBAL: Thank you, Mr. President, members of the Legislature, as been read to you, the resolution, LR 25, has been brought to you by the Appropriations Committee and I have

SENATOR LINDSAY: Mr. President, I move that LB 61 as amended be advanced to E & R Final.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed may. The bill is advanced. LB 349.

CLERK: 349, Senator, I have E & R amendments pending.

FRESIDENT: Senator Lindsay.

SENATOR LINDSAY. Mr. President, I move that the E & R amendments to LB 349 be adopted.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. They are adopted.

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

PRESIDENT: Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move that LB 349 as amended be advanced.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. LB 176.

CLERK: 176, Senator, I have E & R amendments pending.

PRESIDENT: Senator Lindsay, please.

SENATOR LINDSAY: Mr. President, I move that the E & R amendments to LB 176 be adopted.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. They are adopted.

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

PRESIDENT: Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move that LB 176 as amended be advanced.

PRESIDENT: You've heard the motion. All in favor say aye.

answered. I don't think we will until we get to talk with a lot of people out there who have concerns with this concept. I am talking now about Class II and III schools. I am talking about even some of the Class VI schools, and as long as we have that problem, I think we need to take it easy, tread water, so to speak, do an interim study, and I believe this bracket motion provides for that concept. Thank you.

PRESIDENT: Thank you. The question is, shall the bill be bracketed until January 15, 1990? All those...Senator Dierks.

SENATOR DIERKS: I would like to ask for a call of the house and we had better have a roll call vote.

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

CLERK: 13 ayes, 1 may to go under call, Mr. President.

PRESIDENT: The house is under call. Will you please return to your seats. Those not in the Chamber, please return to the Chamber and record your presence. We have a call of the house and a roll call vote. Please look up to see if your light is illuminated. We will have the roll call vote in regular order. We are looking for Senator Chambers, Senator Coordsen, Senator Langford, Senator Warner, Senator Scofield, Senator Pirsch. Senator Warner, would you turn on, please. Thank you. We are looking for Senator Pirsch and Senator Chambers. Okay, we are all here and the question is, shall the bill be bracketed? And we have a roll call vote in the regular order. Will you please hold the conversation down so the Clerk can hear your response. Mr. Clerk.

CLERK: (Roll call vote taken. See page 828 of the Legislative Journal.) 12 ayes, 32 nays, Mr. President, on the motion to bracket.

PKESIDENT: The motion fails. The call is raised. Mr. Clerk, do you have anything for the good of the cause?

CLERK: Yes, Mr. President, I do. Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 61 and find the same correctly engrossed; LB 176, LB 312A, LB 327, LB 349, LB 412,

those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

ASSISTANT CLERK: (Read record vote as found on page 947 of the Legislative Journal.) The vote is 44 ayes, 0 mays, 1 present and not voting, 4 excused and not voting, Mr. President.

PRESIDENT: LB 327 passes. LB 349.

ASSISTANT CLERK: (Read LB 349 on Final Reading.)

All provisions of law relative to procedure having been complied with, the question is, shall LB 349 pass? those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

ASSISTANT CLERK: (Read record vote as found on pages 947-48 of Legislative Journal.) The vote is 43 ayes, 0 nays, 2 present and not voting, 4 excused and not voting, Mr. President.

PRESIDENT: LB 349 passes. LB 416.

ASSISTANT CLERK: (Read LB 416 on Final Reading.)

All provisions of law relative to procedure having been complied with, the question is, shall LB 416 pass? All those in favor vote aye, opposed nay. Have you all voted? Record, please.

ASSISTANT CLERK: (Read record vote as found on pages 948-49 of the Legislative Journal.) The vote is 38 ayes, 3 nays, 4 present and not voting, 4 excused and not voting, Mr. President.

PRESIDENT: LB 416 passes. LB 502.

ASSISTANT CLERK: (Read LB 502 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 502 pass? those in favor vote aye, opposed nay. Have you all voted?

ASSISTANT CLERK: (Read record vote as found on pages 949-50 of the Legislative Journal.) The vote is 43 ayes, 0 nays,

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LB 48, 49, 61, 176, 226, 298, 327 349, 391, 398, 408, 416, 458, 459 502

2 present and not voting, 4 excused and not voting, Mr. President.

PRESIDENT: LB 502 passes. While the Legislature is in session and capable of transacting business, I propose to sign and do sign LB 391, LB 398, LB 458, LB 459, LB 48, LB 61, LB 176, LB 298, LB 327, LB 349, LB 416 and LB 502. May I introduce some guests, please, of Senator Hefner. Under the south balcony we have Mr. and Mrs. Darrell Henry of Coleridge, Nebraska. Would you folks please stand and be recognized. Thank you for visiting us today. Mr. Clerk, something for the record?

CLERK: Mr. President, your Committee on Education reports LB 226 to General File with amendments, signed by Senator Withem. Agriculture Committee reports LB 49 to General File with committee amendments, signed by Senator Johnson as Chair. That's all that I have, Mr. President. (See page 950 of the Legislative Journal.)

PRESIDENT: Thank you. We'll move on to Select File. LB 408.

CLERK: Mr. President, the first bill on Select File, LB 408. The first order of business are E & R amendments.

PRESIDENT: Senator Moore, please.

SENATOR MOORE: Mr. President, I move we adopt the E & R amendments to LB 408.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. They are adopted.

CLERK: Mr. President, the first amendment I have to the bill is by Senator Barrett. Senator, I have AM306, it's on page 692 of the Journal.

PRESIDENT: Senator Barrett, please.

SENATOR BARRETT: Thank you, Mr. President and members. Yes, this little amendment is on page 306 or rather 692 in the Journal. It affects only the exchange program, Mr. President. The original bill put a limitation on which would have prevented an exchange student from attending a high school within 150 miles of his own school. We heard from a superintendent in Columbus who said we may have some students who would like to go

March 2, 1989 LB 48, 61, 161, 176, 298, 327, 334 349, 354, 354A, 391, 398, 416, 458 459, 502, 542

adopted...or, excuse me, as amended be advanced.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. LB 354.

CLERK: LB 354, Senator, no amendments to the bill.

PRESIDENT: Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move that LB 354 be advanced.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. LB 354A.

CLERK: On 354A, Senator, I have no amendments to the bill.

PRESIDENT: You've heard the motion...Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move that LB 354A be advanced.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. Mr. Speaker, did you wish to say something about the time of the meeting tomorrow morning before we adjourn?

SPEAKER BARRETT: Thank you, Mr. President, just a reminder that we will convene at eight o'clock tomorrow morning for the purpose of reading, I believe it is LB 92, the big bill. Thank you. Eight o'clock, tomorrow morning.

PRESIDENT: Okay, Mr. Clerk, do you have something for the record?

CLERK: Mr. President, I do: Senator Rod Johnson would move that LB 161 be placed on General File pursuant to Rule 3, Section 19, and that will be laid over.

Your Enrolling Clerk has presented to the Governor as of eleven-o-five this morning bills read on Final Reading this morning. (Re: LB 391, LB 398, LB 458, LB 459, LB 48, LB 61, LB 176, LB 298, LB 327, LB 349, LB 416, LB 502. See page 956 of the Legislative Journal.)

Banking Committee reports LB 542 to General File with amendments

March 7, 1989

LB 48, 61, 92, 92A, 147, 147A, 154 176, 298, 327, 349, 360, 360A, 391 398, 416, 441, 458, 459, 502

PRESIDENT NICHOL PRESIDING

PRESIDENT: Welcome to the George W. Norris Legislative Chamber. We have with us this morning as our chaplain of the day Reverend Steve Janovec of the People's City Mission in Lincoln. Would you please rise for the convocation.

REVEREND JANOVEC: (Prayer offered.)

PRESIDENT: Thank you, Reverend Janovec. Roll call, please. Record, Mr. Clerk, please.

CLERK: We have a quorum present, Mr. President.

PRESIDENT: Thank you. Any corrections to the Journal this morning?

CLERK: No corrections, Mr. President.

PRESIDENT: Do you have any messages, reports or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 147 and recommend that same be placed on Select File; LB 147A, Select File.

Mr. President, Enrollment and Review reports LB 154, LB 360, LB 360A and LB 441 as correctly engrossed, both those items signed by Senator Lindsay as Chair of the Enrollment and Review Committee. (See pages 1003-04 of the Legislative Journal.)

Mr. President, communications from the Governor. (Read communications regarding signing of LB 391, LB 398, LB 458, LB 459, LB 48, LB 61, LB 176, LB 298, LB 327, LB 349, LB 416, LB 502, LB 92 and LB 92A. See page 1004 of the Legislative Journal.)

Mr. President, an appointment letter from the Governor appointing Ms. Kathy Campbell to the Child Abuse Prevention Fund Board. That will be referred to Reference. (See page 1005 of the Legislative Journal.)

I have a report from the Job Training area for the Department of Labor, Mr. President. That will be on file in my office. (See page 1005 of the Legislative Journal.)