PRESIDENT NICHOL PRESIDING

PRESIDENT: (Microphone not activated.) ...George W. Norris Legislative Chamber. We're privileged to have with us this morning, as our chaplain of the day, Reverend Stuart Firnhaber of the Lincoln Correctional Center. Would you please rise for the invocation.

REVEREND FIRNHABER: (Prayer offered.)

PRESIDENT: Thank you, Reverend Firnhaber, for your message this morning, we appreciate it. Roll call, please.

CLERK: Quorum present, Mr. President.

PRESIDENT: Thank you. Do you have any corrections to the Journal?

CLERK: No corrections, Mr. President.

PRESIDENT: Any messages, reports or announcements?

CLERK: Mr. President, Senator Chambers has amendments to be printed to LB 89. New A bills, LB 739A by Senator Hannibal; and LB 747A by Senator Chizek. That's all that I have, Mr. President. (Read by title for the first time. See pages 1216-17 of the Legislative Journal.)

PRESIDENT: Thank you. We'll move on to the resolutions. LR 52.

CLERK: Mr. President, LR 52 is a resolution offered by Senator Morrissey. It's found on page 1138. It congratulates the Falls City Sacred Heart boys basketball team for winning the Class D-1 State Championship.

PRESIDENT: Senator Morrissey, please.

SENATOR MORRISSEY: Thank you, Mr. Speaker and members. I ask your support of this resolution. The Falls City Sacred Heart D-1 boys basketball team took their second straight championship in D-1, scoring a total of 243 points, which sets a new D-1 record. If you would be interested, they'll probably be back next year because there was only two seniors on the team and we could just go ahead and make this for this year and next, if

of LE 739.

SPEAKER BARRETT: LB 739 advances. The A bill, Mr. Clerk.

Mr. President, LB 739A by Senator Hannibal. (Read CLERK: title.)

SPEAKER BARRETT: Senator Hannibal.

SENATOR HANNIBAL: Thank you, Mr. Speaker, members. carried with it an A bill of \$53,834 for the Department of Revenue for the period of July 1, 1989 to June 30, 1990, and \$3,000 implementation for the second year. I would move that the A bill be advanced.

SPEAKER BARRETT: Discussion? Senator Champers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I must ask Senator Hannibal a question.

SPEAKER BARRETT: Senator Hannibal.

SENATOR CHAMBERS: Senator Hannibal, can an honorable person be opposed to the bill itself and yet vote in favor of the A bill, if the vote is being cast on principle?

SENATOR HANNIBAL: Senator Chambers, I have voted for many an A bill when I didn't agree with the substantive part of a bill because, in many cases, you just tell the department or the agency to do that that we have told them to do and not give them any funds to do it, so it takes away from the other things. it makes a lot of sense to fund the area that you are trying to have them do.

SENATOR CHAMBERS: You didn't answer my question. I said if the vote was cast by a principled person. Senator Hannibal...

SENATOR HANNIBAL: You might be dealing in a strange area for me. I am not...

SENATOR CHAMBERS: Senator Hannibal, twice, Senator Hall, first, Chambers second, but in reality, I think Senator Hannibal...

SENATOR HANNIBAL: Senator Chambers, there comes a time when you need to put all principle aside and do what is right.

SENATOR CHAMBERS: Touchy! I think Senator Hannibal won that exchange, but it is one of those situations where sometimes if a bill is advanced and a directive is given to an agency of government, then it could appear irresponsible not to give the money necessary to carry out that particular directive. could appear irresponsible, but on the other hand, it may not be. I want to make a comment about what it is we are doing here today, and this is in all seriousness, so I am not going to look at Senator Hannibal over there. If we really are trying to make the public whole from what was done by LB 773, it means that we are going to restore what the status quo was at that time. there are six people in 1987 and two of them were mugged, then in 1989 we are going to make that situation correct, is it proper to divide what was taken from those two who were mugged among all six? If that is what we are doing, then LB 739 is not making whole those who were harmed. If that is not what is being done by 739, then I would like to know that that what is being done. So, rather than ask Senator Hannibal the question because I don't want to seem to be badgering him, unless he doesn't mind answering it, and this will be a serious question. Senator Hannibal, which group or category or bracket of taxpayers would you say the majority of the tax increase fell upon?

SENATOR HANNIBAL: I believe the majority of the tax increase fell upon the brackets in the 3,000 to 45,000 taxable income bracket.

SENATOR CHAMBERS: Is the return under 739 prorated to take that into consideration when the return is being made under 739?

SENATOR HANNIBAL: I believe it is.

SENATOR CHAMBERS: Thank you. Senator McFarland, is that your opinion?

SENATOR McFARLAND: No. I believe that there is a tax proration which gives a relief to the income level between $45\,$ and $90\,$ as well.

SENATOR CHAMBERS: Senator Hannibal, would you agree with that comment?

SPEAKER BARRETT: One minute.

SENATOR HANNIBAL: This bill does not deal with that bracket at all. This bill deals with the two brackets between three and 45 thousand. If the income tax increase was placed upon, as Senator McFarland says, from 3,000 to 90,000, and I think that is what he is saying, this is concentrating more on the 3,000 to 45,000 income tax bracket. However, another section, the personal exemption, affects all of the taxpayers because it is right off the first dollar line.

SENATOR CHAMBERS: My final question, what would be the eff if this bill were not advanced? It will be, without question, whether I vote for it or not, but what would be the effect?

SENATOR HANNIBAL: The effect would be we would stay with the present income tax levels that we have. We would not have a reduction in those brackets.

SENATOR CHAMBERS: I mean the A bill, the A bill that is before us?

SENATOR HANNIBAL: The Department of Revenue would be required to go through the implementation of the bill, go through the processing, and they would not have any additional funds from the Legislature to staff and do the data processing that would be necessary to do that.

SPEAKER BARRETT: Time.

SENATOR CHAMBERS: So then they would just do it with what they have got?

SENATOR HANNIBAL: They would try to do that, yes.

SPEAKER BARRETT: Senator Hall.

SENATOR HALL: Thank you, Mr. President and members. I rise in support of advancing LB 739A. Senator Hannibal, would you yield to a question?

SENATOR HANNIBAL: Yes.

SENATOR HALL: And I am getting this off of the fiscal note, so you have got as much information as I do. This, Gary, the issue here is the amount for me because there is no staffing involved here, correct? I mean, I don't see it. Maybe I missed it but I don't see it on the...my understanding is that we add a line to the form with the child care credit and that is going to cost us \$11,700, and then the balance would go for data processing. I would just like between now and Select File a breakdown of what that is, that amounts to, because it doesn't seem that we need that. If we are just punching in different brackets, we are just adjusting the...I don't see a serious increase in the restructuring of the program, but if that is justified to the tune of, I guess, \$42,000, I am going to support the bill right now, but I would just like to have a better understanding o where that money is going to be spent. That is all. I would appreciate that on Select File, if you could. Thank you.

SPEAKER BARRETT: Senator McFarland.

SENATOR McFARLAND: Correct, you are exactly right, Senator Hannibal. I was looking at this and misinterpreting the data that was given. There is no change between 45 and 90. Thank you.

SPEAKER BARRETT: Anything further, Senator Hannibal, there are no other lights on.

SENATOR HANNIBAL: To close, only to say that I will try to supply the information to Senator Hall, and Senator Hall might be pleasantly surprised with what the Appropriations Committee comes out with their recommendation for the Department of Revenue, because we had some A bills of years past that seemed to be a little bit overstated, and they seemed to have some funds that were acquired that they didn't need, and, thankfully, they were efficient enough and frugal enough not to spend them just because they were appropriated, and we took an opportunity to maybe take that in consideration when we built the new budget. So you might be pleasantly surprised with what you see. I move we advance the A bill.

SPEAKER BARRETT: Thank you. The question is, shall LB 739A be advanced to E & R Initial? Those in favor of that motion vote aye, opposed nay. Record, please.

CLERK: 29 ayes, 0 nays, Mr. President, on the advancement of 739A.

SPEAKER BARRETT: The A bill is advanced. Senator Morrissey,

April 13, 1989

LB 84, 84A, 247, 429, 611, 683A, 683 739, 739A, 761, 809 LR 76

683A.

SPEAKER BARRETT: The A bill is advanced. And Senator Carson Rogers is announcing some guests in the north balcony from Scotia. Representing District 28 in Greeley County, 11 K through sixth graders from Scotia with their teacher. Would you folks please stand. Thank you. We're pleased that you could visit with us today. For the record, Mr. Clerk.

CLERK: Mr. President, I have some...new resolution, LR 76, offered by Senators Wesely, Landis, Schimek, Crosby and Warner. (Read brief description of LR 76 as found on pages 1701-02 of the Legislative Journal.) That will be laid over.

Enrollment and Review reports LB 247 to Select File; LB 611 to Select File; LB 84, LB 84A, LB 739, LB 739A to Select File. Those are signed by Senator Lindsay as Chair. (See pages 1702-04 of the Legislative Journal.)

Mr. President, a series of amendments; Senator Wesely to LB 429; Senator Conway to LB 683; and Senator Kristensen, Mr. President, to LB 761. (See pages 1705-08 of the Legislative Journal.)

And the last item, Mr. President, your Committee or Revenue whose Chair is Senator Hall reports LB 809 to General File with amendments attached. And that's all that I have.

SPEAKER BARRETT: Thank you, sir. Senator Dennis Byars.

SENATOR BYARS: Mr. President and colleagues, as LB 809 was reported out of committee, I would ask that we adjourn until the 17th day of April, 1989, at 9:00 a.m.

SPEAKER BARRETT: Thank you, Senator Byars. You have heard the motion to adjourn until Monday morning at nine o'clock. Those in favor say aye. Opposed no. Ayes have it, carried, we are adjourned. (Gavel.)

Proofed by: Marilyn Jank

simple matter of trying to take the tax rates down, to cut the tax rates back to a level that I think is revenue neutral, which was our commitment, which was my commitment, and I think many of you on this floor, with the passage of LB 773. Obviously, there could be some concerns as to whether it does exactly that in the right proportions. Honestly, I don't know that any of us could know for sure, however, I don't think that is a reason to be voting against the bill. I think it's a good measure, it's a way of saying to the people of the State of Nebraska that we did not intend to make 773 a tax increase bill, it was intended be a revenue neutral bill. LB 739, right before you, is the final step, in my estimation, of correcting that problem. LB 1234 of last year was the first step of correcting the problem. I think the two of them go a long ways to reinstill in the people the fact that that was not our intention in 1986 to raise taxes, here is our answer to say we really did not intend to do that. I would urge the advancement of 739.

PRESIDENT: Thank you. The question is the advancement of the bill. All those in favor say aye. Oh, a machine vote has been requested. The question is the advancement of the bill. All those in favor vote aye, opposed nay. A request has been made for a record vote also. Have you all voted that care to? Have you all voted? Record, Mr. Clerk, please.

CLERK: (Read record vote as found on pages 1864-65 of the Legislative Journal.) 27 ayes, 10 nays, Mr. President, on the advancement of 739.

PRESIDENT: The bill is advanced. May I introduce some guests, please. Under the north balcony we have some guests of Senator Moore from Pleasant Dale, Nebraska, Mrs. Tom Sieck and her daughter, Peggy Sieck, the daughter-in-law and granddaughter of the late Senator Sieck. Would you please rise and be welcomed by your Legislature. Thank you for visiting us this morning. While the Legislature is in session and capable of transacting business, I propose to sign and do sign reengrossed LR 2, Engrossed LB 361, LB 361A. We'll move on to LB 739A.

CLERK: Mr. President, on 739A, Senator, I have no amendments to the bill.

PRESIDENT: Senator Lindsay, please.

SENATOR LINDSAY: Mr. President, I would move the advancement of

LB 739A.

PRESIDENT: You've heard the motion. All in favor say aye. Machine vote has been requested. All those in favor vote aye, opposed nav. Have you all voted that care to? Record. Mr. Clerk, please.

CLERK: 28 ayes, 5 nays, Mr. President, on the advancement of 739A.

PRESIDENT: LB 739A advances. LB 575.

CLERK: 575, Senator, I have E & R amendments pending.

PRESIDENT: Senator Lindsay, please.

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

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

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

PRESIDENT: Senator Lindsay, please.

SENATOR LINDSAY: Mr. President, I'd move that LB 575, as amended, be advanced to E & R for Engrossment.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. The bill is advanced. LB 575A.

CLERK: Senator, I have no amendments to that bill.

PRESIDENT: Senator Lindsay, please.

SENATOR LINDSAY: Mr. President, I would move that LB 575A be advanced to E & R for Engrossment.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. LB 330.

CLERK: Senator, first item on LB 330 are Enrollment and Review amendments.

April 25, 1989

LB 84, 247, 247A, 575, 575A, 611, 739 739A, 812 LR 87

of LB 812 to E & R Engrossing. Those in favor vote aye, opposed nay. Have you all voted? Record vote has been requested. Record, Mr. Clerk.

CLERK: Voting aye Senators Beck, Beyer, Byars, Coordsen, Crosby, Dierks, Elmer, Goodrich, Haberman, Hannibal, Hefner, Lowell Johnson, Kristensen, Labedz, Landis, Langford, Lindsay, Moore, Peterson, Rogers, Schimek, Scofield, Warner, Wehrbein and Weihing. Voting no Senators Abboud, Bernard-Stevens, Chambers, Chizek, Conway, Hall, Korshoj, Lamb, Morrissey, Robak, Schmit and Withem. Senator Smith voting yes. Senator Barrett voting yes. 27 ayes, 12 nays, Mr. President, on the advancement of LB 812. (Record vote not printed in the Legislative Journal.)

SPEAKER BARRETT: LB 812 advances. Anything for the record, Mr. Clerk?

CLERK: Mr. President, study resolution signed by the Business and Labor Committee. (Read brief description of LR 87. See pages 1907-08 of the Legislative Journal.) Referred to Reference Committee.

LB 247, LB 247A, LB 575, LB 575A, LB 611, LB 739 and LB 739A are all reported correctly engrossed, Mr. President. (See pages 1908-09 of the Legislative Journal.) That's all that I have.

SPEAKER BARRETT: Thank you. Proceeding then to Select File, senator priority bills. LB 84.

CLERK: Mr. President, LB 84 is on Select File. The bill was last considered on Select File on April 20, Mr. President. At that time there was an amendment to the bill by Senator Lamb that was adopted. Senator Chizek then made a motion, Mr. President, to indefinitely postpone. Senator Lamb agreed to lay the bill over. That motion is now pending.

SPEAKER BARRETT: Senator Chizek.

SENATOR CHIZEK: I want to withdraw my motion.

SPEAKER BARRETT: The IPP motion is withdrawn.

CLERK: Mr. President, I then have amendments by Senator Conway to the bill. Senator, these are your amendments on page 1622 of

should continue to come in. When I look at issues such as that we passed yesterday, excuse me this morning, and it impacts our income tax system potentially down the road, I don't know that at this point in time we should make an adjustment that folks are saying is to keep promises that I don't think were even broken, to be honest with you. I think what we have done is we made a change in our income tax system that needed to be made. We took control of our own destiny. We continued to do that through spending measures, such as LB 84, LB 813, LB 814, LB 525, all big ticket items that we voted on, except for ... with the exception of one and pass. LB 739 is another big ticket item that we have the opportunity here this afternoon to It looks like it's going to go, so be it. I don't think that that is bad. I just hope that what it doesn't do, down the road, is forestall the ability to continue to look at the kinds of programs, the kinds of initiatives that we started this year, hope we can continue to maintain them. But I think that it will put a dent, or put a hamper on the ability to do that. So, with that, that's my reason for opposing the bill, not because I think anybody broke a promise, far from it. think what we did was we struck a cord with regard to our income tax system that made good sense. And by opposing 739 we continue to say that we made the right choice two years ago. I would urge you to oppose the bill. And, Mr. Clerk, I would appreciate unanimous consent to withdraw the motion.

SPEAKER BARRETT: It is withdrawn. Anything further on the bill?

CLERK: Nothing further, Mr. President.

SPEAKER BARRETT: Proceed to read the bill then.

CLERK: (Read LB 739 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 739 pass? All those in favor vote aye, opposed nay. Have you all voted? Record, please.

CLERK: (Read record vote as found on pages 2657-58 of the Legislative Journal.) 37 ayes, 11 nays, 1 present and not voting, Mr. President.

SPEAKER BARRETT: LB 739 passes. LB 739A.

CLERK: (Read LB 739A on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 739A pass? All in favor vote aye, opposed nay. Have you all voted? Record, please.

CLERK: (Read record vote as found on pages 2658-59 of the Legislative Journal.) 40 ayes, 7 nays, 2 present and not voting, Mr. President.

SPEAKER BARRETT: LB 739A passes. LB 744.

CLERK: Mr. President, may I read some items for the record?

SPEAKER BARRETT: Proceed.

CLERK: Mr. President, communication from the Governor to the Clerk. (Read communication regarding LB 84 and LB 84A. See page 2659 of the Legislative Journal.)

Confirmation report from the General Affairs Committee. Your Enrolling Clerk has presented to the Governor bills read on Final Reading this afternoon, Mr. President. That's all that I have. (Re. LB 586, LB 586A, LB 603, LB 603A, LB 611, LB 611A.)

SPEAKER BARRETT: Thank you. Proceed then to the reading of LB 744.

CLERK: (Read LB 744 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall LB 744 become law? All in favor vote aye, opposed nay. Have you all voted? Have you all voted? Senator Withem.

SENATOR WITHEM: Let's do a roll call vote, please.

SPEAKER BARRETT: Thank you. Roll call has been requested. Members, please check in. Senators Rod Johnson and Byars, please record your presence. Senator Lynch, please. Senator Warner, please record your presence. Senator Smith. Senator Byars. Senator Dennis Byars, please, record your presence. Proceed with the roll call. The question again is the...whether

PRESIDENT: It is withdrawn. Please read the bill.

CLERK: (Read LB 639 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 639 pass? All those in favor vote aye, opposed nay. Have you all voted? Have you all voted? Record, Mr. Clerk, please.

CLERK: (Record vote read. See pages 2669-70 of the Legislative Journal.) 36 ayes, 8 nays, 5 present and not voting, Mr. President.

PRESIDENT: LB 639 passes. LB 761 with the emergency clause attached.

CLERK: (Read LB 761 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 761 pass with the emergency clause attached? All those in favor vote aye, opposed nay. Have you all voted? Have you all voted? Record, Mr. Clerk, please.

CLERK: (Read record vote as found on page 2671 of the Legislative Journal.) 46 ayes, 0 nays, 3 present and not voting, Mr. President.

PRESIDENT: LB 761 passes with the emergency clause attached. LB 762, please.

ASSISTANT CLERK: (Read LB 762 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 762 pass? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

ASSISTANT CLERK: (Record vote read. See pages 2671-72 of the Legislative Journal.) The vote is 48 ayes, 0 nays, 1 present and not voting, Mr. President.

PRESIDENT: LB 762 passes. While the Legislature is in session and capable of transacting business, I propose to sign and do sign LB 767, LB 137A, LB 137, LB 780, LB 767A, LB 744, LB 739A,

May 23, 1989

LB 137, 137A, 211, 215, 228, 352, 639 739, 739A, 744, 761, 762, 762A, 767 767A, 780, 815, 815A, 817 LR 115

PRESIDENT NICHOL PRESIDING

PRESIDENT: (Microphone not activated immediately) ...W. Norris Legislative Chamber. We have with us this morning, as our Chaplain of the Day, Reverend Homer Clements of Saint Luke's United Methodist Church in Lincoln. Would you please rise for the invocation.

REVEREND CLEMENTS: (Prayer offered.)

PRESIDENT: (Gavel.) Thank you, Reverend Clements. We appreciate it. Roll call, please.

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

PRESIDENT: Thank you. Any corrections to the Journal today?

CLERK: I have no corrections, Mr. President.

PRESIDENT: Good. Any messages, reports or announcements?

CLERK: Mr. President, just one item and that is a...your Enrolling Clerk did present to the Governor the last few bills read on Final Reading last evening, and that's all that I had, Mr. President. (See bills presented to the Governor regarding LB 767, LB 767A, LB 137, LB 137A, LB 744, LB 780, LB 739, LB 739A, LB 211, LB 215, LB 228, LB 352, LB 639, LB 761, LB 762, LB 762A, LB 815, LB 815A, and LB 817 as found on page 2677 of the Legislative Journal.)

PRESIDENT: Good. We'll move on to Legislative Resolution, LR 115.

CLERK: Mr. President, LR 115 is offered by Senator Baack. It's found on page 2092. It asks the Legislature to acknowledge the centennial celebration of Cheyenne County...Banner County. Banner County, excuse me, Senator.

PRESIDENT: Senator Baack, please.

SENATOR BAACK: They're fairly close together, I guess. Banner County at one time was a part of Cheyenne County, but is now a Banner County. Mr. President and colleagues, this is a resolution honoring Banner County for their 100th birthday that will take place this summer. Banner County was the first county

Anything for the record, Mr. Cle:k?

Mr. President, I do. I have a communication from the Governor addressed to the Clerk. (Read communication re: LB 739, LB 739A. See page 2741 of the Legislative Journal.)

Mr. President, LR 227 is ready for your signature. That's all that I have, Mr. President.

SPEAKER BARRETT: Thank you. Senator Conway, please.

SENATOR CONWAY: Mr. Speaker, I move that we recess for lunch and return at one-thirty this afternoon, May 24.

SPEAKER BARRETT: Thank you. You've heard the motion to recess until one-thirty. All in favor say aye. Opposed no. Carried, we are recessed.

RECESS

PRESIDENT NICHOL PRESIDING

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

PRESIDENT: Anything for the record?

CLERK: Not at this time, Mr. President.

PRESIDENT: Are we on Senator Schmit's motion?

CLERK: No, Mr. President, I don't believe so.

PRESIDENT: No?

Think we're on Legislative Bill 813. Mr. President, I apologize. You're correct, we do have a motion on...by Senator Schmit on LB 313.

PRESIDENT: Okay, all is forgiven. First time you've been wrong this session. You have to wait till the last day. Is Senator Schmit here? Let's go on to the next one, please. Let's see, he has what, four in a row? Is Senator Wesely here? Are you prepared to go on your motion?