

January 5, 1989

LB 81-160
LR 1-2

being here and thank you for your services. We also have guests of Senator Rod Johnson under the north balcony. We have Omer Troester of Hampton, Nebraska. With him is an exchange student, Alberto Porras of Costa Rica. Would you gentlemen please stand up and be recognized. Thank you for being here. We also have, over under the south balcony, a former member of this Legislature, Senator Tom Fitzgerald, would you please stand up and wave your hand. Thank you. Please welcome Senator Fitzgerald back. Thank you, Tommy. Mr. Clerk, back to the reading.

CLERK: (Read LB 81-98 by title of the first time. See pages 61-67 of the Legislative Journal.)

PRESIDENT: We'll stand at ease for some 15 minutes or half an hour while we get some of the work caught up up here in front. So be at ease, please, for a while. Thank you.

EASE

CLERK: Meeting of the Health Committee, under the north balcony, right now. Health Committee, north balcony right now.

SPEAKER BARRETT PRESIDING

SPEAKER BAPRETT: Additional bill introductions, Mr. Clerk.

ASSISTANT CLERK: (Read LB 99-150 by title for the first time. See pages 67-76 of the Legislative Journal.) That's all I have at this time, Mr. President.

SPEAKER BARRETT: More bill introductions, Mr. Clerk.

CLERK: (Read LB 151-160 by title for the first time. See pages 76-79 of the Legislative Journal.) Mr. President, in addition to those new bills I have new resolutions. (Read LR 1-2 for the first time. See pages 79-81 of the Legislative Journal.)

Mr. President, in addition to those items I have a series of announcements. Mr. President, there will be a meeting of the Executive Board today at three-fifteen for purposes of referencing. Executive Board, three-fifteen for referencing.

Mr. President, Senator Rod Johnson would like to have a meeting

February 15, 1989 LB 44A, 95, 140A, 150, 183, 737, 768
781
LR 12, 17

Mr. President, your Committee on General Affairs, whose Chair is Senator Smith, reports LB 768 to General File with amendments; LB 781, General File with amendments. Those are signed by Senator Smith. (See pages 759-61 of the Legislative Journal.)

Urban Affairs Committee, whose Chair is Senator Hartnett, reports LB 95 to General File with amendments; LR 12CA indefinitely postponed; LR 17CA indefinitely postponed and LB 150 indefinitely postponed. Those are signed by Senator Hartnett. (See pages 761-63 of the Legislative Journal.)

Mr. President, notice of hearing from the Retirement Systems Committee. Those are signed by Senator Haberman.

New A bills. LB 44A by Senator Bernard-Stevens. (Read by title for the first time. See page 763 of the Legislative Journal.) LB 140A by Senator Chizek. (Read by title for the first time. See page 763 of the Legislative Journal.)

Mr. President, Senator McFarland would like to add his name to LB 183 as co-introducer, and Senator Lynch to LB 737. And that's all that I have, Mr. President.

SPEAKER BARRETT: Thank you. Senator Crosby, would you care to adjourn us?

SENATOR CROSBY: I move we adjourn until nine o'clock, Thursday morning, February 16.

SPEAKER BARRETT: Thank you. You have heard the motion to adjourn until tomorrow morning at nine o'clock. Those in favor say aye. Opposed nay. Ayes have it. Motion carried. We are adjourned. (Gavel.)

Proofed by


Sandy Ryan

March 13, 1989

LB 95, 140, 257, 280, 289, 311, 330
336, 387, 395, 438, 444, 478, 561
588, 603, 606, 643, 683, 705, 710
721, 736, 739, 744, 761, 762, 767
769, 780, 807

indefinitely postponed; LB 478, indefinitely postponed; LB 561, indefinitely postponed; LB 387, indefinitely postponed, all those signed by Senator Chizek as Chair of the Judiciary Committee. (See pages 1081-82 of the Legislative Journal. Journal page 1082 shows LB 721 as indefinitely postponed.)

Mr. President, a series of priority bill designations. Senator Hall would like to designate LB 762 as a committee priority. Senator Hartnett designates LB 95 and LB 444 as Urban Affairs priority bills. Senator Hartnett chooses LB 603 as his personal priority bill. LB 739 has been selected by Senator Hannibal; LB 606 by Senator Schimek; LB 761 and LB 289 by the Natural Resources Committee, and LB 807 by Senator Schmit, personally. LB 769 by Senator Labedz; LB 705 by Senator Ashford; LB 438 by Senator Wehrbein; LB 710 by Senator Scofield; LB 643 by Senator Bernard-Stevens; LB 588 by Senator Chambers; LB 739 by Senator Hannibal; LB 330 by Senator Pirsch; LB 767 by Senator Smith; LB 736 and LB 780 by General Affairs Committee; LB 395 by Senator Peterson. Senator Lamb selected Transportation Committee's LB 280 as a priority bill. LB 311 has been selected by Senator Landis as his personal priority bill; LB 683 by Senator Schellpeper.

Mr. President, I have a series of amendments to be printed. LB 744 by Senator Withem; LB 336 and LB 257, those by Senator Withem. (See pages 1083-88 of the Legislative Journal.)

I have an Attorney General's Opinion addressed to Senator Haberman regarding an issue raised by Senator Haberman. (See pages 1088-90 of the Legislative Journal.)

Mr. President, Natural Resources Committee will have an Executive Session at eleven-fifteen in the senate lounge, and the Banking Committee will have an Executive Session at eleven o'clock in the senate lounge. Banking at eleven o'clock, Natural Resources at eleven-fifteen. That's all that I have, Mr. President.

SPEAKER BARRETT: Thank you, Mr. Clerk. Proceeding then to Select File, LB 140.

CLERK: Mr. President, 140 is on Select File. Mr. President, the bill has been considered on Select File. On March 2nd the Enrollment and Review amendments were adopted. There was an amendment to the bill by Senator Chizek that was adopted.

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LB 95, 780

of LB 780 to E & R Initial please vote aye, opposed nay. Have you all voted? Record, please.

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB 780.

SPEAKER BARRETT: LB 780 is advanced. LB 95.

CLERK: Mr. President, LB 95 was a bill introduced by Senator Landis. (Title read.) The bill was introduced on January 5, referred to the Urban Affairs Committee. The bill was advanced to General File. I have committee amendments pending by the Urban Affairs Committee, Mr. President.

SPEAKER BARRETT: Senator Hartnett.

SENATOR HARTNETT: Mr. Speaker and members of the body, this came up faster than I thought it was. I'm having a handout passed out, but the committee amendments really become the bill and so I'll just, if I can wait, is that they...what the bill did, its original purpose had brought to the Urban Affairs Committee by Senator Landis and it was voted out of committee, with all the people who were there when we've had Exec Session, unanimously. That it...it's to (inaudible) construction of an intra, intrastate, within the state natural gas pipeline to serve Nebraska's only primary class city which is Lincoln. It relates only to Lincoln. It provides the regulation of that pipeline by the City of Lincoln and it follows what we did a few years ago, or last year, with LB 663, and what the amendments do, there is a couple of things. It allows the...place a regulation by the city into the Municipal Natural Gas Regulation Act and provides a framework for the regulation and the manner in which savings are passed onto customers and monitor. This process would become part of the regulatory system adopted by the Legislature in LB 663 two years ago. In response to a question raised at the public hearing on the bill, it seeks to clarify the intent of the Legislature that natural gas regulations is not within the authority or jurisdiction of the Public Service Commission. It is historically within this state natural gas regulation has been the prominence of cities and this simply spells this out again that the City of Lincoln will control this. The amendment was a product of a series of negotiation between the Urban Affairs Committee and staff of Senator Landis's office and members of the natural gas industry, and I think that is an explanation on the amendment. The

amendment becomes the bill and maybe Senator Landis would like to speak on the purpose of the bill.

SPEAKER BARRETT: Any discussion? Senator Landis.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature, the Urban Affairs Committee and the staff did an excellent job of redrafting LB 95 to comport with our existing natural gas regulation method which is a method of municipal regulation unique to Nebraska. When the bill was originally drawn we did not trip certain of the regulatory authorities that we should have, nor did we perhaps define as clearly as we should have the steps that the city would have to go through and the qualifying conditions that would have to be met before the powers in this bill could be exercised. The goal of the bill remains the same, however, and that is to permit the prospect of bringing into Lincoln a pipeline of gas, thereby creating a competitive situation and potentially lower costs for natural gas. And I just want to thank the staff of the Urban Affairs Committee for having done an excellent job in analyzing and redrafting the bill. I urge the adoption of the committee amendments. Thank you.

SPEAKER BARRETT: Thank you. Senator Hartnett.

SENATOR HARTNETT: I simply would echo the words of Senator Landis to adopt the committee amendments and then advance the bill. Thank you.

SPEAKER BARRETT: Thank you. There are no further lights. We'll assume that was your closing. Those in favor of the adoption of the committee amendments vote aye, opposed nay. Have you all voted? Record, please.

CLERK: 27 ayes, 0 nays, Mr. President, on the adoption of the committee amendments.

SPEAKER BARRETT: The committee amendments are adopted. Senator Landis, on the bill.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature, actually the bill has been relatively well explained by Senator Hartnett. The goal of the bill, again, is to allow the City of Lincoln to regulate a pipeline into its city to link up with its distribution system in hopes of

creating lower priced costs that the regulation of that pipeline would be pursuant to the natural gas law that we have on the books already and that the regulation of that pipeline would be the responsibility of the primary class city in which jurisdiction the terminus of the pipeline occurred and the linkup into their service area. I would urge the advancement of this bill to Select File. Thank you.

SPEAKER BARRETT: Thank you. For discussion purposes, Senator Hannibal, followed by Senator Hartnett.

SENATOR HANNIBAL: Thank you, Mr. Speaker. I'd like to ask Senator Landis if he'd respond to a couple of questions.

SPEAKER BARRETT: Senator Landis.

SENATOR LANDIS: I'll do my best.

SENATOR HANNIBAL: Senator Landis, I notice on the committee statement that we had an opposition testimony at the Urban Affairs Committee in the form of the Public Service Commission and I notice we have a couple of people involved in the issue that testified in a neutral position, the League of Municipalities and People's Natural Gas. Would you be able to tell me what the nature of their discussions were?

SENATOR LANDIS: Yes. The opposition was by a representative of the Public Service Commission who argued that this power for regulation should be granted to the Public Service Commission, that they should have the oversight and that they were prepared to do so. The neutral position, People's Natural Gas, I think it's their pipeline that now winds up being connected with, into Lincoln. They were neutral on the bill. If there is a pipeline, they will wind up being the competitor and they were not in opposition. They were neutral, expressing some concerns that the language be clear. They are now satisfied, I think, in talking to them privately, since they understand that the city would have to have a public hearing before it ever moved to create the pipeline, that they would be able to appear at, make their case and make the contrary argument that the existing mechanism is well justified, being certain that they have that window of opportunity to make a public case which was not originally clear and is now clear. They are certainly not proponents but...

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LB 95

SENATOR HANNIBAL: I know.

SENATOR LANDIS: ...their concerns have been alleviated.

SENATOR HANNIBAL: And the league?

SENATOR LANDIS: The leagues neutrality I don't recall other than this is just simply a bill that relates to one area of the cities and not all cities and they are concerned generally that nothing be done in 95 that undoes the natural gas regulation law that we did about a year and a half ago, two years ago. In fact, in the redrafting of LB 95, it has been very clearly outlined that the methodology for regulation is, in fact, the very method that we use in the natural gas regulation law. That was not originally clear in the way the bill was drafted. As you can see, committee counsel Stadtwald worked very hard to do some redrafting to adjust those concerns.

SENATOR HANNIBAL: And since I'll probably run out of time, I'll ask you one other question then and maybe you covered it in the committee amendments as to why the city is a better regulator than the Public Service Commission in this case. I'll give you the rest of my time to answer that, but if you run out, I would hope you would take some time to explain that.

SENATOR LANDIS: Thank you, I will.

SPEAKER BARRETT: Two minutes.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature, the question that Senator Hannibal asks is why cities and not the Public Service Commission in the regulation of this situation. At one time, there would have been an arguable constitutional challenge that said that, in fact, the Public Service Commission was the right home for this. At one time in our Constitution, it indicated that not only for common carriers, but for utilities, the Public Service Commission would have been the court of last resort for regulation. The very word utility was, in fact, deleted from the Public Service Commission's constitutional mandate at one point. The natural gas regulation in this state is done through a series of fact-finding procedures funded by ratepayers that go to a city council. The city gets to hear the arguments of the natural gas company and they...

SPEAKER BARRETT: One minute.

SENATOR LANDIS: ...get the reports of an institutional critic, a consultant, who reviews the natural gas industry's requests for greater rates. And this last year in the far west, this mechanism has led to a challenge by the gas companies when the far western cities, acting in reliance on their consultant, denied some of the increases requested by KN. The amount of rate difference that KN wanted and got was roughly a million dollars a year. That case went to our Lancaster County District Court and the court supported the cities and did not support the utilities. The mechanism, in other words, meant about a million dollars of rate relief for those far western payers a year. I do not have a contrary example of strong, effective rate regulation in the Public Service Commission...

SPEAKER BARRETT: Time has expired.

SENATOR LANDIS: ...that compares.

SPEAKER BARRETT: Senator Hartnett.

SENATOR HARTNETT: Mr. Speaker, members of the body, I think Senator Landis did a good job of explaining. What we've done in this state, I guess, through our regulation is we have given control of natural gas through the cities, to our cities, and we kind of put it in concrete a couple years ago when we passed LB 663 which was Senator Korshoj's priority bill a couple years ago and we simply...this is what we're doing with this here. It is allowing the City of Lincoln, and this just deals with the City of Lincoln, to have control and that is where it has been with our historical context within this state. It might be different than in other states and we're probably a public utilities...Public Service Commission, and other states might control it but in this state we've left it up to the cities to regulate natural gas rates within their boundaries, and so with that, I simply would ask the body to advance this bill. What it will mean I think in the long run, it will mean cheaper rates for the people that live in the City of Lincoln because there will be some competition, they will have two pipelines rather than one. So with that, I would ask the body to advance the bill unless there is other questions.

SPEAKER BARRETT: Any further discussion? Senator Landis, any closing?

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LB 89, 95, 247, 588, 762
LR 2, 69

SENATOR LANDIS: I will take just another 30 seconds to complete the answer to Senator Hannibal's question. We do not now have the staff at the state level to be able to do analysis on natural gas regulation. We would have to go out and hire that. The methodology that we have for cities to go out and control natural gas rates is for them to band together and get a consultant for a limited period of time to examine each rate increase by a utility. When they're not faced with that, the staff is not permanent. They've just hired a consultant. If the state is in this business, we'll likely either have to gear up and bring staff in or, in the alternative, we'll have to duplicate the very authority that the cities have which is to use a limited amount of service on an as needed basis by going out into the marketplace and hiring consultants. The former, I think, is far too expensive for its utilization pattern and the second is basically duplicative of existing mechanisms. That's why I think city regulation makes sense. I support LB 95 and urge you to do as well.

SPEAKER BARRETT: Thank you. Shall LB 95 be advanced to E & R Initial? All in favor vote aye, opposed nay. Voting on the advancement of the bill. Have you all voted? Record, please.

CLERK: 27 ayes, 0 nays, Mr. President, on the advancement of LB 95.

SPEAKER BARRETT: LB 95 is advanced. Anything for the record?

CLERK: Mr. President, new resolution, LR 69, offered by Senator Pirsch. (Read brief description of the resolution. See pages 1447-48 of the Legislative Journal.) That will be laid over.

Amendments to be printed from Senators Withem to LB 588; Senator Lynch to LB 89; Senator Moore to LB 89; Senator Withem to LB 247, and amendments to LR 2, Mr. President. (See pages 1448-56 of the Legislative Journal.) And that is all that I have.

SPEAKER BARRETT: Thank you. To LB 762.

CLERK: Mr. President, LB 762 was a bill introduced by the Revenue Committee. (Title read.) The bill was introduced on January 19 and referred to the Revenue Committee for public

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LB 84, 95, 468, 651

PRESIDENT: Senator Abboud.

SENATOR ABOUD: Question

PRESIDENT: The question has been called. Do I see five hands? Yup, sure do. The question is, shall debate cease? All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 27 ayes, 0 nays, Mr. President, to cease debate.

PRESIDENT: Debate has ceased. Senator Hall, would you like to close on the advancement?

SENATOR HALL: Thank you, Mr. President, just briefly, LB 651 in my opinion is a clarification of the statutes. With the committee amendments, it protects all those involved but the bill as well as the statutes deal with aid to students. Whether those be students in a public or a private institution, they are students. They are students that are looking for an education and the ability to achieve some financial support in that process. It is not a threat to anyone and it's not a threat to anyone I guess unless they think that education in one institution is a threat to students who choose to seek their education in a different institution. I don't think education is a threat to anyone. I would urge the body to advance LB 651 to Select File, knowing full well that should LB 468 not come up on General File discussion, that we will fully discuss the merits of both sides of this issue on Select File at that time. Thank you, Mr. President.

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 651.

PRESIDENT: The bill is advanced. Mr. Clerk, something for the record.

CLERK: Mr. President, Senators Hall, Chizok and Moore have amendments to be printed to LB 84, and Senator Landis, amendments to LB 95. (See page 1540 of the Legislative Journal.) That is all that I have, Mr. President.

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LB 95, 162, 162A, 247, 280, 325, 444
762, 780

SPEAKER BARRETT: I, again, would recommend we recess after reading in some matters.

PRESIDENT: All right. Mr. Clerk, matters for the record.

CLERK: Mr. President, Attorney General's Opinion addressed to Senator Dierks, and one to Senator Schmit. Enrollment and Review reports LB 780 to Select File with E & R; LB 95, Select File with E & R; LB 762, Select File with E & R; LB 280, Select File with E & R; LB 444, Select File with E & R; LB 162, Select File; LB 162A, Select File. (See pages 1580-83 of the Legislative Journal.)

Mr. President, the last item is a request to have Senators Scofield, Peterson, Elmer and Schellpeper add their name to LB 325 as co-introducers. That's all that I have, Mr. President.

PRESIDENT: Thank you. Senator Korshoj, would you like to recess us until one-thirty, please.

SENATOR KORSHOJ: Mr. President, I move we recess until one-thirty this afternoon.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. We are recessed until one-thirty. Thank you.

RECESS

SPEAKER BARRETT PRESIDING

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

SPEAKER BARRETT: Thank you. At 1:37 p.m., 32 members present. Congratulations. Senator Korshoj, we will look to you for a blow-by-blow momentarily. Mr. Clerk, may we proceed to a continued discussion of LB 247. Will you bring us up to speed?

CLERK: Mr. President, the next amendment I have to LB 247 is by Senator Moore.

SPEAKER BARRETT: Is anyone authorized to handle the amendment? Senator Moore, please, would you report to the Chamber to

mail. Statutes do not allow the city clerk to deliver it in person, for instance. This amendment would clarify that local governing bodies must either mail or otherwise deliver the recommendation within the statutory time limit. Therefore, delivery in person would now be statutorily allowed. So it just allows some options for the city. With that, I would ask for this amendment to be attached to the bill.

PRESIDENT: Thank you. Any further discussion? If not, the question is the adoption of the Smith amendment. All those in favor vote aye, opposed nay. Record, Mr. President (sic), please.

CLERK: 27 ayes, 0 nays, Mr. President, on the adoption of the amendment.

PRESIDENT: The amendment is adopted. May I introduce some guests that have just come in. In the north balcony there are guests of Senator Dierks and there are 38 eighth graders from Holt County Schools, O'Neil, Nebraska and their teachers. Will you folks please stand, students, instructors, friends, so we may welcome you. And thank you for visiting us today. Mr. Clerk, do you have anything further on the bill?

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

PRESIDENT: On the advancement of the bill, Senator Moore.

SENATOR MOORE: I move we advance LB 780 to E & R for Engrossing.

PRESIDENT: Any further discussion? The question is the advancement of the bill. All those in favor vote aye...say aye. Opposed nay. It is advanced. LB 95.

CLERK: Mr. President, on LB 95, I have E & R amendments, first of all.

PRESIDENT: Senator Hall.

SENATOR HALL: I move the E & R amendments be adopted.

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

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

PRESIDENT: Senator Landis, please.

SENATOR LANDIS: Mr. Speaker and members of the Legislature, this amendment appears on page 1530 of the Journal. It contains two very brief technical notations to this bill authorizing the City of Lincoln to consider a pipeline being run into it for natural gas purposes. The amendment indicates that for maximum flexibility in structuring a contract it will allow the city, in its regulatory function, to include the gas pipelines costs and benefits in either the gas cost component of rates or the general rates for gas distribution. And the other technical amendment is to recognize that the city, in regulating a pipeline project, cannot change the approved contract unilaterally through an ordinance once it is approved by all parties involved. All I can say is that if you adopt this amendment, Allen Hirsch, who burnt us last night from the outside, goes home to Minneapolis and maybe we never see him again and he takes his jump shot with him. I urge the adoption of the amendment and the advancement of the bill forthwith.

PRESIDENT: No further discussion? The question is the adoption of the Landis amendment. All those in favor vote aye, opposed nay. You are voting on the Al Hirsch amendment, I mean on the Landis amendment. Record, Mr. Clerk, please.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of Senator Landis's amendment.

PRESIDENT: The Landis amendment is adopted. Anything further on the bill?

CLERK: Nothing further, Mr. President.

PRESIDENT: Senator Landis.

SENATOR LANDIS: I move the advancement of the bill.

PRESIDENT: You've heard the motion. All in favor say aye. Opposed nay. It is advanced. LB 762.

CLERK: Mr. President, 762, I have E & R pending, first of all.

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LB 95, 258, 280, 289A, 444, 640, 761
762, 767, 767A, 780

I have a Reference Report referring gubernatorial appointees. Enrollment and Review reports LB 95, LB 280, LB 444, LB 640, LB 762, LB 767, LB 767A, LB 780, all are reported correctly engrossed. Enrollment and Review further reports LB 258 and LB 289A to Select File, Mr. President. (See pages 2364-69 of the Legislative Journal.)

The next amendment, Mr. President, is by Senator Kristensen. Senator, I have amendment number 1723, AM1723, Senator.

PRESIDENT NICHOL PRESIDING

PRESIDENT: Senator Kristensen, please.

SENATOR KRISTENSEN: Thank you, Mr. President. Mr. Clerk, is that the one that is printed on page 2149?

CLERK: Yes, sir.

SENATOR KRISTENSEN: Thank you. Mr. President and members of the body, I almost shudder to say this but I think this might be one of the amendments to this bill that shouldn't receive a whole lot of controversy. What it is, and it deals with two things in specifics, most of you have probably been contacted by constituents of Senator Morrissey, myself, or Senator Dierks. You have probably seen people with their frustration levels at their highest, not only on the floor, but in the halls, and certainly within the communities that have been picked as potential host sites for this facility. One of the common themes, at least when I go out and do town hall meetings in those areas, is that there is a lot of tensions, a lot of scared people, a lot of people that have some grave concerns about the future of not only just their own personal lives and their farms and their communities but what is perceived about these farms and communities, and about what sort of image and cloud is going to be cast over them in the future, if they are selected, or the fact that they are just under consideration. I had several people come to me, and in particular a couple of ministers who are doing a lot of good work in that area in terms of counseling, and they have received a rash of people searching for some answers and some consoling, and, if for nothing else, just how to cope with this anxiety. The way we cope in here is we call the question, we take our votes, they are either up or they are down, and we can go on with the issues because we know

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LB 95, 247

PRESIDENT: Any further discussion? Senator Barrett, did you wish to close?

SENATOR BARRETT: Only, Mr. President, to say that it is my intent to read only these bills that are on the agenda today.

PRESIDENT: Thank you. You've heard the discussion. The question is the suspension of the rules. All those in favor of suspending the rules vote aye, opposed nay. It requires 30 votes. Record Mr. Clerk, please.

CLERK: 31 ayes, 0 nays, Mr. President, on the motion to suspend the rules.

PRESIDENT: The rules are suspended. We will begin with LB 95. Would you please return to your seats. Unauthorized personnel, please leave the floor. Mr. Clerk, LB 95.

CLERK: (Read LB 95 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 95 pass? All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: (Read record vote as it appears on pages 2502-03 in the Legislative Journal.) 42 ayes, 0 nays, 7 excused and not voting, Mr. President.

PRESIDENT: LB 95 passes. LB 247 with the emergency clause attached.

CLERK: Mr. President, I have a motion on the desk. Senator Moore would move to return the bill for specific amendment. Senator Moore's amendment is on page 2477 of the Journal.

PRESIDENT: Senator Moore, please.

SENATOR MOORE: This amendment is just in the ongoing issue, I think, that we are ignoring when we deal with the issue of Kearney State College, is what it is that we're going to do with tuition, and what is...the message that we're going to send out that we're going to do with tuition. Obviously, I've been defeated twice, or, no, I've only been defeated once and been

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LB 84, 95, 247, 247A, 250, 250A, 261
261A, 272A, 277, 277A, 290, 283, 303
303A, 312A, 312, 356

emergency clause attached.

CLERK: (Read LB 312A on Final Reading.)

PRESIDENT: Having complied with all provisions of law relative to procedure, the question is, shall LB 312A pass with the emergency clause attached? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Read record vote as it appears on page 2516 of the Legislative Journal.) 43 ayes, 0 nays, 4 present and not voting, 2 excused and not voting, Mr. President.

PRESIDENT: LB 312A passes with the emergency clause attached. May I introduce some guests in the north balcony, Senator Schmit has 30 third and fourth grade students from Dwight and their teachers. They are from the East Butler Elementary School. Will you folks please stand and be recognized. Thank you for visiting us today. Anything for the record, Mr. Clerk?

CLERK: Mr. President, I do. I have an Attorney General's Opinion. (Re: LB 356, found on pages 2516-2520 of the Legislative Journal.)

I also have an explanation of vote, Mr. President, by Senator Warner. (Re: LB 84, found on page 2520 of the Legislative Journal.) That is all that I have, Mr. President.

PRESIDENT: While the Legislature is in session and capable of transacting business, I propose to sign and do sign, LB 95, LB 247, LB 247A, LB 250, LB 250A, LB 261, LB 261A, LB 277, LB 277A, LB 280, LB 283, LB 303, LB 303A, LB 312 and LB 312A. Are you ready to go on?

CLERK: Yes, I am, Mr. President.

PRESIDENT: We will go on to the General File, LB 272A.

CLERK: Mr. President, 272A is a bill introduced by Senator Landis, it's a bill for an act to appropriate funds to implement the provisions of LB 272.

PRESIDENT: Senator Landis, please.

SENATOR LANDIS: Thank you, Mr. Speaker. LB 272 is the Mortgage

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LB 95, 247, 247A, 250, 250A, 261, 261A
272A, 277, 277A, 280, 283, 303, 303A
312, 312A
LR 216, 219

SENATOR LANGFORD: Mr. President and colleagues, I move we recess for lunch until one-thirty.

SPEAKER BARRETT: Anything to read in, Mr. Clerk?

CLERK: Mr. President, Enrollment and Review reports LB 272A to Select File. Bills read on Final Reading have been presented to the Governor, Mr. President. That's all that I have. (Re: LB 95, LB 247, LB 247A, LB 250, LB 250A, LB 261, LB 261A, LB 277, LB 277A, LB 280, LB 283, LB 303, LB 303A, LB 312 and LB 312A. See page 2522 of the Legislative Journal.)

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

RECESS

PRESIDENT NICHOL PRESIDING

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

PRESIDENT: Thank you. While the Legislature is in session and capable of transacting business, I propose to sign and do sign LR 216. I would like to introduce some guests in the north balcony if I might. We have Carl and Iona Taylor of Lincoln, and Mrs. Taylor is a cousin of my wife. Would you folks please stand so we can welcome you. Treat them kindly and don't tell us about them and don't tell them about us. Thank you for visiting us today, Mr. and Mrs. Taylor. Mr. Clerk, before lunch, we were where?

CLERK: Well, Mr. President, we were, well, let me...may I read one item for the record, Mr. President, before I...

PRESIDENT: Yes, please.

CLERK: Senator, I have a new resolution, Mr. President, LR 219 offered by Senator Abboud. (Read brief explanation. See pages 2523-24 of the Legislative Journal.) That will be laid over.

May 24, 1989 LB 95, 132, 134, 158, 158A, 175, 175A, 182, 182A
183, 183A, 198, 228A, 228, 261, 261A, 280, 283
285, 285A, 302, 303, 303A, 305, 309, 309A, 310
312, 312A, 335, 335A, 340, 340A, 469, 525, 566
588, 651, 651A, 695, 706, 727, 781, 816, 816A

PRESIDENT NICHOL PRESIDING

PRESIDENT: Welcome to the George W. Norris Legislative Chamber. We have with us on our closing day as our Chaplain, Reverend Harland Johnson. Would you please rise for the invocation.

REVEREND HARLAND JOHNSON: (Prayer offered.)

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

PRESIDENT: Do we have any corrections this morning?

CLERK: Mr. President, one small correction. (Read correction found on page 2719 of the Legislative Journal.)

PRESIDENT: Okay, do you have any messages, reports, or announcements today?

CLERK: Mr. President, I do. I have a series of communications from the Governor. First of all, Mr. President, the last few bills read on Final Reading yesterday afternoon have been presented to the Governor as of 2:48 p.m., yesterday. (Re: LB 525, LB 566, LB 588, LB 651, LB 651A, LB 695, LB 706, LB 781. See page 2720 of the Legislative Journal.)

Mr. President, a series of communications from the Governor. (Read. Re: LB 228A.) A second communication to the Clerk. (Read. Re: LB 134, LB 158, LB 158A, LB 175, LB 175A, LB 182, LB 182A, LB 198.) A third communication. (Read. Re: LB 95, LB 261, LB 261A, LB 280, LB 283, LB 303, LB 303A, LB 312, LB 312A.) A fourth communication, Mr. President, to Mr. President, and Senators. (Read. Re: LB 183, LB 183A.) A fourth, Mr. President, to the Clerk. (Read. Re: LB 132, LB 285, LB 285A, LB 302, LB 305, LB 309, LB 309A, LB 310, LB 335, LB 335A, LB 340, LB 340A, LB 469, LB 727, LB 816, LB 816A.) The last letter I have received, Mr. President, with respect to signing of bills. (Read. Re: LB 228. See pages 2720-22 of the Legislative Journal.)

make to the Nebraska Pasteurized Milk Law to, in particular, to adopt by reference the most current class or Grade A pasteurized milk ordinances so that there is no lapse between states as they are transported or as these products are transported from state to state. And, finally, the last section is also minor, it simply repeals two outdated sections of law that were adopted back in 1893 that relate to certain containers of explosive gases. There was some question of whether this came under the jurisdiction of the Department of Agriculture or not. But the department and the Fire Marshall's office both agree that this section is outdated and antiquated and needs to be repealed. So that's the extent of the bill. Be happy to answer any questions, if not, I'd move for the advancement of LB 856.

PRESIDENT: Thank you. If there's no further discussion, the question is the advancement of the bill. All those in favor vote aye, opposed nay. Please vote. Record, Mr. Clerk, please.

CLERK: 25 ayes, 0 nays, Mr. President, on the advancement of 856.

PRESIDENT: The bill is advanced. LB 851, please.

CLERK: Mr. President, LB 851 was a bill introduced by Senators Warner and Wehrbein. (Read title.) The bill was introduced on January 3, referred to Urban Affairs, advanced to General File. I have no amendments to the bill.

PRESIDENT: Senator Warner, please.

SENATOR WARNER: Mr. President, members of the Legislature, this bill was introduced to provide an amendment to LB 95 that was enacted last session, which was a bill that authorized the City of Lincoln to regulate gas pipeline, which specifically turns out to be a Minnegasco constructed project. Part of that legislation required a single point of delivery for such a line. As those lines were put in it became evident that, as is usually the case with any of these pipelines, that there may be taps appropriately made along where that line goes, at the farmsteads or the residences. And what the bill does is amends LB 95 to permit that type of tap to be done. It's in support with and in concurrence by the City of Lincoln. The pipeline company, and actually the bill was worked on during the summer by the Urban Affairs Committee, because that was where the original legislation was enacted. Senator Wehrbein and I were

SPEAKER BARRETT: They are withdrawn.

CLERK: Mr. President, Senator Hartnett would move to return the bill.

SPEAKER BARRETT: The Chair recognizes Senator Hartnett.

SENATOR HARTNETT: Yes, Mr. President, Mr. Speaker and members of the body, LB 851 was a bill that was introduced as amended to LB 95, which was adopted last year. That bill, LB 95 provided for the City of Lincoln to assume regulatory authority for a natural gas pipeline that was proposed for construction by Minnegasco. By adopting that bill, Minnegasco was able to avoid federal regulatory controls and resulting cost. LB 95 specifically provided for strict controls on the access to the pipelines to avoid regulatory complication. Minnegasco has constructed the pipeline and Lincoln has assumed the regulatory control of it but the intervening landowners over whose land the pipeline had been located have requested farm taps or service taps be created to provide them with natural gas services, which had been previously been financially unfeasible. Senator Warner and Senator Wehrbein in whose district the pipeline has been located introduced LB 851 to make these service taps possible. Later, concern had been expressed about the scope of LB 851 and the extent of which Minnegasco proposes to use that legislation to extend natural gas service. LB 851 was on consent calendar and an amendment was filed out of a concern about the potential reach of the legislation and the need to restrict it in an appropriate manner. All interested parties have met in the intervening days on several occasions to discuss their concern. All representative of invested owned natural gas utilities agree that there was a merit in the proposal and that they all favored expansion of service to new customers when that expansion proceeded in the environment of fair competition, equal opportunities for all companies to participate in the process. In an attempt to eliminate concerns, Minnegasco has authorized me to state for the record that their intent as regard to LB 851 and the pipeline at least is a relatively restricted one. First, it is their intent to restrict their new service along the pipeline only to the customers and facilities not previously served with natural gas. For the most part, this would involve service only to single low-volume customers or customers located in very close proximity to the pipeline. There is no village or city which is believed to be feasibly served directly by the