

January 4, 1990

LB 259, 259A, 505, 678A, 720A, 969-996  
LR 231

SENATOR CHAMBERS: I don't mind.

PRESIDENT: Thank you for being so cooperative. We'll take it up after lunch. Mr. Speaker.

SPEAKER BARRETT: Mr. President, I move that we recess until one-thirty.

PRESIDENT: You have heard the motion. All in favor say aye. Opposed nay. We are recessed until one-thirty. Senator Chambers, we'll take yours up...Senator Chambers, we'll take yours up right after...at one-thirty. Okay.

RECESS

PRESIDENT NICHOL PRESIDING

PRESIDENT: Members of the Legislature who are hiding out in their offices, appreciate it if you would come to the sanctuary so we can start the service. We already have three members here but we need a few more.

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

PRESIDENT: Senator Chambers will be here in a moment, and then we can begin on the...Mr. Clerk, do you want to read in new bills while we are waiting, please?

CLERK: Mr. President, yes, I do. Thank you, new bills. (Read for the first time by title: LB 969-996. See pages 150-57 of the Legislative Journal.)

Mr. President, I have a series of amendments to be printed, Senator Hefner to LR 231, Senator Wesely to LB 720A, LB 678A, Senator Withem to LB 259, LB 259A, and Senator Weihing to LB 505.

Mr. President, I will announce now that there will be a Reference Committee meeting at three o'clock in Room 2101, Reference Committee at three o'clock. 2102. That is all that I have, Mr. President.

PRESIDENT: Ladies and gentlemen, as you will recall, we are on

January 8, 1990

LB 409, 958-1013, 1031, 1032  
LR 235

SPEAKER BARRETT: Let's stand at ease until eleven-fifteen, Mr. President.

PRESIDENT: Okay, thank you.

EASE

CLERK: Three quick announcements. Reference will meet underneath the south balcony now. Referencing Committee, underneath the south balcony right now.

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: (Microphone not activated immediately.) ...return to the Legislative Chamber. The Legislature will reconvene and continue our discussion on the adoption of our permanent rules. Please return to the Legislative Chamber. Mr. Clerk, would you read in new bills, please.

CLERK: (Read LB 1031 and LB 1032 by title for the first time. See pages 198-99 of the Legislative Journal.)

Mr. President, in addition to those items, I have a new resolution. (Read brief summary of LR 235. See page 199 of the Journal.) That will be laid over.

I have amendments from Speaker Barrett to be printed to LE 409. Mr. President, I also have a Reference Report referring LBs 958-1013, as well as certain gubernatorial appointments received. That's all that I have, Mr. President. (See pages 199-201 of the Legislative Journal.)

SPEAKER BARRETT: Thank you, Mr. Clerk. Have you a motion, Mr. Clerk, to reconsider action taken last week?

CLERK: Mr. President, Senator Chambers would move to reconsider the vote on the Wesely amendment to the rules, which I believe the Legislature discussed on Thursday afternoon.

SPEAKER BARRETT: Thank you. The Chair recognizes Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, this motion is designed to reconsider the vote that was taken on

February 22, 1990      LB 996, 1009, 1053, 1146, 1221

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

SENATOR CHAMBERS:      I'll ask for a call of the house and we'll take call in votes.

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, 0 nays to go under call.

PRESIDENT: The house is under call. Please return to your seats and record your presence. Those not in the Chamber, please return to their seats and record their presence. The question is the adoption of the Chambers amendment, and call-in votes are authorized.

CLERK: Senator Moore changing from no to yes. Senator Langford changing from no to yes. Senator Smith changing from no to yes. Senator Morrissey voting yes.

PRESIDENT: Record, Mr. Clerk.

CLERK: 27 ayes, 4 nays, Mr. President, on the adoption of the Chambers amendment.

PRESIDENT: The Chambers amendment is adopted. Mr. Clerk, do you have something for the record?

CLERK: I do. Mr. President, your Committee on General Affairs, whose Chair is Senator Smith, reports LB 1053 to General File with committee amendments attached, that is signed by Senator Smith. Government Committee reports LB 996 to General File with committee amendments attached, signed by Senator Baack. A series of confirmation hearing reports by the Health and Human Services Committee, chaired by Senator Wesely. Senator Hannibal has amendments to LB 1221; Senator Wesely to LB 1146. That's all that I have, Mr. President. (See pages 933-40 of the Legislative Journal.)

PRESIDENT: Senator Robak, would you go to your microphone and say something about adjourning until tomorrow at nine o'clock.

Chambers, the house is under call. The question is the adoption of the Wesely amendment to LB 1146. ' . Clerk, would you call the roll.

CLERK: (Roll call vote taken. See page 1237 of the Legislative Journal.) 14 ayes, 23 nays, Mr. President.

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

CLERK: Mr. President, the next amendment I have is by Senator Conway. The Conway amendment is on page 1005 of the Journal.

SPEAKER BARRETT: Senator Conway, to open on your amendment.

CLERK: I have AM2679. It's the only one I have of yours up here, Senator.

SENATOR CONWAY: Mr. Speaker and members, the amendment that we're talking about, on page 1005, basically is a piece of legislation, LB 996, that went through the Banking Committee, came out on a seven to zero vote count. What the concept basically is, is simply a reporting process for financial institutions with respect to large currency transactions. Currently an institution is to report any currency transaction greater than \$10,000 to the federal government. The currency transaction is filed with the IRS and finds its way into the public records through Form 4789, which is a regular federal form that is directed. I've worked with the NBA and with other people, Highway Patrol and the like, dealing with this. What basically we're asking for is the Nebraska State Highway Patrol is furnished with a duplicate of Form 4789, the same one the financial institutions send to the federal government, and supply that with the Nebraska State Patrol. Conceptually, hopefully, what the intent is, is basically large cash transactions often are dealing with illegal activities, primarily currently the hot button being that associated with illegal substances and drugs and the like. What happens is that financial institutions currently are required to report such information, but it goes to the federal level by the time one recognizes that there is even a report filed, has that information brought back to state law enforcement, in many cases it's far too late to do any kind of an investigation whatsoever. So, simply what this amendment is, and again there was a bill, in your bill book it would be LB 996. With amendments and the

way the amendment to this bill is drafted it includes the committee amendments. And what it basically does, it simply requires the institutions to also send that form to the Nebraska State Patrol, as well as the federal government so that they can also launch their investigation and possible prosecution, if there is any illegal activity with large cash transactions at the financial institution. So, with that, I offer that to LB 1146.

SPEAKER BARRETT: Thank you. Discussion of the Conway amendment. Senator Schmit.

SENATOR SCHMIT: Mr. President, I would like to raise the question of germaneness to that bill.

SPEAKER BARRETT: Proceed, Senator Schmit.

SENATOR SCHMIT: Mr. President, as Senator Conway has indicated, this was another bill, it was introduced in the Banking Committee. The Banking Committee advances the bill, and I have no objection to the bill. I do question the wisdom of loading up this bill at this time, notwithstanding the fact that it seems to be Christmas tree time and putting whatever you can find, good amendments, bad amendments, garbage, whatever you wish, on this bill. So, would the Speaker please just issue a ruling as to whether it is germane or not.

SPEAKER BARRETT: Thank you. Senator Conway, any comments, please.

SENATOR CONWAY: Yes, Mr. Speaker, I hope you rule it germane. (Laughter.)

SPEAKER BARRETT: Thank you. Senator Schmit, inasmuch as the principal bill under consideration speaks to restrictions on bank holding companies and increases the percentage the cap on total bank savings and loan deposits from 12 to 15, and LB 996 apparently speaks to the matter reporting some currency transactions and otherwise keeping a record and reporting to the State Patrol any transactions of any consequence involving currency in excess of \$10,000, it would appear to the Chair that the amendment is not germane.

SENATOR SCHMIT: I just thought perhaps since the bill had come out of Judiciary or some other committee, it might not be

statutes. So I would urge the adoption of this amendment.

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

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

PRESIDENT: The Hefner amendment is adopted. Anything further on the bill, Mr. Clerk?

CLERK: Mr. President, Senator Conway would move to amend the bill. (See AM2905 on pages 1271-72 of the Legislative Journal.)

PRESIDENT: Senator Conway, please.

SENATOR CONWAY: Thank you, Mr. President, and members. The amendment that I offer to Senator Hefner's 571 in essence was LB 996. LB 996 came out of committee with no dissenting votes. It is the so-called money laundering or informational flow from financial institutions to the Nebraska State Patrol for large cash transactions. Any transaction over \$10,000 that is filed in an institution that the same form that the bank files with the federal authorities, Form 4789, is also a duplicate copy is sent to the Nebraska State Patrol for their investigative purposes. The bill, like I say, is as it came of committee with the committee amendments. The committee amendments added some clarification, one being that if the system turns into an electronic system that the State Patrol could plug into that rather than the financial institutions having to continue to send the paper back and forth making that very clear. So, basically, the legislation is designed to deal with money laundering, large cash transactions. Again, it is not particularly burdensome. The NBA has been responsive and adding a couple of amendments for their concerns and those are included in the committee amendments, and I assume at that point they are very supportive as well, as they have to go through the same process with the federal government, they may as well do it for state government. So with that, I offer this amendment to Senator Hefner's bill.

PRESIDENT: Thank you. Senator Kristensen, please.

SENATOR KRISTENSEN: Thank you, Mr. President, and members. I