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LB 285A, 352
LR 160-172

CLERK: Mr. President, confirmation reports from the Transportation Committee. (See page 2192 of the Legislative Journal.)

Senator Moore offers LR 160. (Read brief description of LR 160.) LR 161 is a study resolution by Senator Moore, as is LR 162, LR 163 and LR 164. Senator Pirsch offers a study resolution, LR 165. Senator Lynch has LR 166, study resolution. LR 167 is offered by Senator Hefner. (Read brief description of LR 167.) LR 168 by Senator Wesely. (Read brief description of LR 168.) Study resolutions, LR 169 by Senator Wesely, LR 170, LR 171 and LR 172. (See pages 2192-2202 of the Legislative Journal.)

Mr. President, I have amendments to be printed to LB 285A by Senator Lamb. (See page 2202 of the Legislative Journal.) That's all that I have, Mr. President.

PRESIDENT: LB 352.

CLERK: Mr. President, LB 352 is on General File. It was introduced by Senator Abboud. (Read title.) The bill was introduced on January 11, referred to the Government Committee, advanced to General File. I have committee amendments pending by the Government, Military and Veterans Affairs Committee, Mr. President. (See page 779 of the Legislative Journal.)

PRESIDENT: Senator Baack, did you want to take the committee amendments? Can you do that in your uniform?

SENATOR BAACK: Yes.

PRESIDENT: All right.

SENATOR BAACK: Yes, Mr. President and colleagues, the...we're on LB 352. The committee amendments simply change the appeal time limit. The time limit in the bill was originally written at 20 days. We changed that to 30 days to make it consistent with all of the other appeal processes, otherwise we would have...I think it could be confusing to the people involved if it was...this is the only one that would be 20 days, all the rest of them are 30 days. So we simply changed that 20 to 30 days. Thank you.

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All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 24 ayes, 0 nays, Mr. President, on adoption of LR 157.

PRESIDENT: The resolution is adopted. LR 167, please.

CLERK: Mr. President, LR 167 introduced by Senators Hefner, Rogers and Johnson. (Read brief description of LR 167.)

PRESIDENT: Senator Hefner, please.

SENATOR HEFNER: Mr. President and members of the body, this resolution is on page 2197. This resolution was drafted and being introduced to address the problems that we're having in the pork industry today. There's a lot of butcher hogs and finished pork products coming into the United States and Nebraska from Canada, therefore depressing the pork prices here in our state. The Canadian government provides production incentives to their pork producers which certainly helps to encourage overproduction in Canada. The overflow comes into the United States. This is depressing the hog prices in Nebraska, causing our pork producers to lose money. At the present time, there is a duty on hogs imported from Canada and that's a permanent duty. And now there is a temporary duty on imported pork products from Canada and this was just instigated recently. This is an attempt by our government to offset the incentives by the Canadian government. This resolution urges our government to establish a permanent duty on pork products imported from Canada. This move would put the hog raisers in Nebraska and the United States, I feel, on a level playing field with Canadian producers. This is the way it should be. The Canadian government pays its producers a subsidy of \$19.50 per hog in the third quarter of 1988 and \$31 per hog in the fourth quarter of '88, and I don't know what it is for the first quarter of '89. Those figures aren't in yet. The House Agriculture Committee Subcommittee on livestock, dairy and poultry will be holding a public field hearing on imports of Canadian hogs and pork products May 19th at Sioux City, Iowa. This resolution will be presented at this hearing to the subcommittee. Mr. President, I move for the adoption of LR 167.

PRESIDENT: Thank you. Senator Rogers, please. Senator Rogers.

SENATOR ROGERS: Thank you, Mr. President. I just echo what

Senator Hefner said. I have been involved in this on the national board for a good many years. We think what's fair is fair. The hearing that is coming up, there will be some pork producers from Nebraska attending that hearing. I don't know why they have to pick on a particular agricultural product sometimes but the only thing I can say I just appreciate your vote for this resolution.

PRESIDENT: Thank you. Senator Chambers, please.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I would like to ask Senator Hefner a question or two about this.

PRESIDENT: Senator Hefner, please.

SENATOR CHAMBERS: Senator Hefner, what you're attempting is something that has been referred to as the opening shot in a trade war? I'm asking that as a question. Is this...is this one of the elements that would be found in what has been called a trade war?

SENATOR HEFNER: I imagine you could call it a trade war.

SENATOR CHAMBERS: And the reason I ask if it's an opening shot, does Canada have duty that they place on agricultural products coming from America into Canada?

SENATOR HEFNER: I couldn't tell you that, Senator Chambers.

SENATOR CHAMBERS: So you're not...you're not imposing duty for duty, you are trying to affect the internal policy...agricultural policy of Canada by getting this government to adopt a foreign policy position or foreign trade policy position with reference to that government. Is that correct?

SENATOR HEFNER: Senator Chambers, what I am doing is trying to tell this subcommittee that we should have a permanent duty on pork products like we do on the live hogs.

SENATOR CHAMBERS: If America were to give subsidies to American agriculture as they do for grain, would you be in favor of the countries that import American grain establishing a duty on American grain because of subsidies that the American government would give?

SENATOR HEFNER: Senator Chambers, I haven't researched that part of it.

SENATOR CHAMBERS: No, I mean, would you be in favor of other countries doing to America...all right, let me...let me lay it out. Let's say the American government subsidizes grain production in this country. America tries to sell grain to other countries. Would you be in favor of those countries that would be importers of American grain placing a duty on American grain to offset any subsidies that the government would give to grain producers in this country?

SENATOR HEFNER: As I understand it, Senator Chambers, all the countries subsidize grain at the present time.

SENATOR CHAMBERS: I'm asking, would you be in favor of those countries that would import American grain placing a duty on American grain that is to be imported? Would you be in favor of that?

SENATOR HEFNER: Senator Chambers, I would have to research that.

SENATOR CHAMBERS: So then you don't think that, across the board, countries imposing duties on products that they import which are subsidized by the exporting country would be good. In other words, you don't think duties should be imposed by other countries on that which they import from this country but you think that this country should impose duties on that which this country imports from other countries.

SENATOR HEFNER: Well, Senator Chambers, there is a permanent duty on live hogs and I think this permanent duty should be the same on finished pork products.

SENATOR CHAMBERS: But you're not answering my question and I guess you won't. Thanks. That's all that I had.

PRESIDENT: Senator Nelson, please, followed by Senator Coordsen.

SENATOR NELSON: Mr. Speaker and members of the body, I have mixed emotions on this resolution also. Senator Chambers, I guess, got his light on a little bit earlier and somewhat echoed

what my concerns are. I'm...I don't think there is, excepting maybe Senator Rogers or someone that maybe it's dollars out of his pocket. I feel that I'm just as sympathetic towards the hog producers as nearly anyone in the body because I do know what their, you know, their problems are and I do know financially. But I'm kind of wondering if by passing this resolution it doesn't go a little bit...maybe or maybe not, I don't know the exact ramifications, but let's take lumber, let's take seafoods, let's take grain. And I particularly remember a couple years ago when we were talking about it entered into the last senatorial election whether or not that we...what kind of an agricultural policy that we have, whether or not we do have restrictions or we don't have restrictions and the value added. Then it gets back to the clean grain. We allow 5 percent dirt and junk in our grain and Canada 3 percent and what do they do? They take our dirt and grain and sell...or Canada back into the United States. But this is more than a small resolution if you really get to the back...the facts on it. So I don't know, I'm kind of going to have mixed emotions in voting on this. I might ask Senator Rogers if he knows what the restrictions are on importing meat into Canada and various other agricultural products.

PRESIDENT: Senator Rogers, please.

SENATOR ROGERS: Yes, thank you, Mr. President. I don't want to get into a trade war because I...I'm not involved, I'm not that up on some of the things. But there is one thing nobody has mentioned here this morning, Canada subsidizes their pork producers, Arlene. That's what...

SENATOR NELSON: Right, I...

SENATOR ROGERS: Okay.

SENATOR NELSON: ...realize that and...

SENATOR ROGERS: Okay, that's one of the reasons...I don't know as they subsidize their other agriculture products but as long as they subsidize their pork producers that's the reason that we have fought this battle for years as far as the grains and...

SENATOR NELSON: It's my time.

SENATOR ROGERS: Okay, I just want you to know what's going on.

SENATOR NELSON: Canada also...I mean, other states, nations subsidize many products over in Europe and we're still over there subsidizing our wheat. Now we're subsidizing the farmer and we're turning around subsidizing the wheat to Russia right now. I don't know now much more they...the government can stand. But I probably will be supporting the resolution but I think that there's more behind it than just a simple little resolution such as this that there are rather other ramifications that have implications down the road too. With that, I will give Senator Rogers more of my time now if he wants it.

PRESIDENT: You have two minutes, Senator Rogers.

SENATOR ROGERS: Well, like I said, that's one of the reasons, I mean, it's different than other products because I don't know what Canada does about subsidizing other products but when they subsidize their product it puts us at a disadvantage when they can ship their pork down here. That's one of the reasons for this particular resolution. And, like I said, I have no idea, I don't want to get into a discussion with other products because I'm not aware of them but I am aware of this one. Need any more time, Arlene? Because if you don't vote for this, your pork producers in Hall County, I'm going to tell them about it.

SENATOR NELSON: Boy, you talk about a threat. That pork was so good last night.

PRESIDENT: Thank you. Senator Coordsen, please, followed by Senator Rogers.

SENATOR COORDSEN: Mr. President and members of the body, there are all sorts of tariffs and duties. There are tariffs and then there are nontariff requirements coming into the country. With relation to Canada, most certainly I'm not well versed in all of the aspects of trade between this country and Canada but we could look at several agricultural commodities, one of which might be barley. Our barley producers in this country had a severe problem several years ago in...and it related to the higher price in barley in this country than what there was in Canada. And so the Canadian producers had a rather high subsidy on the barley from their government. They could truck directly from the fields of Saskatchewan across the border into North Dakota and dump their barley and all of the malters in this

country were buying Canadian barley because they could buy it cheaper. For a North Dakota producer to ship into Canada, although there was no tariff...there was no tariff on the importation of barley into Canada, it took between two and three weeks for a North Dakota producer to get all of the import certificates, the vital sanitary certificates as to the cleanliness of the grain and all of this before they could ship the same truckload of grain, raised in the same way, across the Canadian border to a Canadian elevator. With regard to the pork duties which this resolution addresses, the commission that oversees this for the United States and for all of the imports in the United States is a three-member commission. At the last time when we had the severe problem with the importation of pork into this country, the commission at that time was made up by one farmer, one business man and the chairman was a person whose connection with agriculture had been that she was...and I don't...this is not a sexist remark, but she had been the National Dairy Princess at one time when she was an aide for a Congressman from Minnesota. And the determination on a two to one vote was that live hogs were pork and the determination on a two to one vote with the business man and the chairman supporting it was that pork-pork, after the hogs have been butchered, was not pork but was manufactured goods and, therefore, should not have any duty attached to it. As far as other countries around the world, subsidies are alive and well, folks, and many times they are import tariffs coming into the country. Japan supports their high internal price support structure simply from placing import duties on grain coming into that country and it makes them no difference what the world price of grain, they adjust their import duties to make sure that the internal price of grain is at least equal to the support price that they're paying the Japanese farmers. Taiwan has no import duties. They have a limited amount of feed grain production where...had a \$7 per bushel corn support price. They accomplished the financing of this by requiring before a feed processor or a feeder could get the authorization to import grain that they had to buy at the internal support price all of the domestic production first. The European economic community has severe import duties for agriculture products that compete with those that are produced within that community.

PRESIDENT: One minute.

SENATOR COORDSEN: So this is not something that's unusual. This is something that is going on today, always has been and

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always will be and I think that for us to encourage a protection of our domestic industry is not immoral. It's not illegal and it's certainly well founded on the relationships that governments have with one another. Thank you.

PRESIDENT: Thank you. Senator Rogers, please, followed by Senator Wehrbein. But (gavel) let's hold our conversation down, it's getting a little difficult to hear. Thank you. Senator Rogers, please. Senator Wehrbein, followed by Senator Schmit.

SENATOR WEHRBEIN: I will pass.

PRESIDENT: Senator Schmit.

SENATOR SCHMIT: Pass.

PRESIDENT: Senator Hefner, would you like to close?

SENATOR HEFNER: Mr. President and members of the body, I certainly would like to close. The pork industry means a lot to Nebraska. It adds a lot to our economy. And all I'm asking here is that we get some input at this public field hearing that's being held in Sioux City, Iowa a week from this coming Friday on May 19th. At the present time, there is a duty on live hogs that come in from Canada. That's a permanent...permanent one, a permanent duty. All this here resolution says that we support putting this permanent duty on pork products coming into Canada. At the present time...and I think this has been in effect for a couple weeks, there has been a temporary duty added. And so I would urge you and encourage you to support this resolution which will be presented at this public hearing. Thank you.

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

CLERK: 28 ayes, 1 nay, Mr. President, on adoption of the resolution.

PRESIDENT: The resolution is adopted. LR 168, please.

CLERK: Mr. President, 168 was introduced by Senator Wesely. (Read brief description of LR 168.)

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LB 588
LR 167

SPEAKER BARRETT: One minute.

SENATOR CHAMBERS: Now, if an appeal can be made to you to vote against this bill, because I've offended Senator Labedz, then that's the tactic that not only she should use but everybody should use it. You want votes. Some people want votes any way that they can get them. Some people will resort to any tactic. But while you're considering and commiserating with Senator Labedz, I want you to know that at no time did I tell her I was offended at her asking...offering this amendments. I never expressed any offense. I told her that I would not call the question on any of them, that I would not move to suspend the rules to stop her. And, if somebody does call the question on one of them, I will not vote to call the question on her amendments, just as I never vote to call the question on any questions. So, I'm asking that you defeat her amendment and allow her the opportunity to present the other ones, and then vote as you please on those. But this matter has already been voted down...

SPEAKER BARRETT: Time.

SENATOR CHAMBERS: ...and I don't think it blends with the bill as it has been amended by others.

SPEAKER BARRETT: Thank you. There are no other lights on. Senator Labedz, would you like to close?

SENATOR LABEDZ: Senator Chambers is right in most of the things that he did say. But at this moment I would like to make the motion to adjourn...or, not adjourn, recess for lunch.

SENATOR CHAMBERS: Machine vote.

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

CLERK: Mr. President, I have a confirmation report from the General Affairs Committee, signed by Senator Smith. I have a request from Senator Nelson to add her name to LR 167 as co-introducer. That's all that I have, Mr. President.

SPEAKER BARRETT: Thank you. The question is, shall the body adjourn...recess, excuse me, until one-thirty? All in favor vote aye, opposed nay. Have you all voted? The question is to recess. Please record.

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LB 289
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PRESIDENT NICHOL PRESIDING

PRESIDENT: Welcome to the George W. Norris Legislative Chamber. We have with us this morning Pastor Thomas Saddler, who is Associate Pastor at the Christ Temple Mission in Lincoln. Would you please rise for the invocation.

PASTOR SADDLER: (Prayer offered.)

PRESIDENT: Thank you, Pastor Saddler. We appreciate your being here this morning. Roll call, please.

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

PRESIDENT: Thank you. Any corrections to the Journal.

CLERK: Mr. President, I do. One small correction. On page 2264, line 17, after LB 716 insert "E & R amendments". That's all that I have, Mr. President.

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

CLERK: Mr. President, Senator Schmit would like to print amendments to LB 289; and LR 157, LR 167, and LR 168 are ready for your signature. That's all that that I have, Mr. President. (See pages 2293-94 of the Legislative Journal.)

PRESIDENT: While the Legislature is in session, capable of transacting business, I propose to sign and do sign LR 167, LR 157, and LR 168. It's good to see the surviving basketball players here this morning. See several of them didn't survive, but we're sorry about that. We'll move on to LR 160.

CLERK: Mr. President, 160, offered by Senator Moore, is found on page 2192 of the Journal. It asks that the Legislature encourage Nebraska communities to establish block home programs and that the McGruff House symbol and program be exclusively recommended for use in Nebraska to allow children and adults to readily recognize the symbol in any part of the state or county they are in.

PRESIDENT: Senator Moore, how you feel?

SENATOR MOORE: I feel good, Mr. President. And, if you take a