

February 6, 1989

LB 70, 155, 177, 195, 198, 209, 238
254, 338, 357A, 773
LR 25

CLERK: 5 ayes, 23 nays, Mr. President, on the motion to indefinitely postpone.

PRESIDENT: The motion fails. Do you have anything for the record, Mr. Clerk?

CLERK: I do, Mr. President. Notice of hearings from the Agriculture Committee. That's signed by Senator Rod Johnson as Chair.

New A bill, LB 357A, by Senator Nelson. (Read by title for the first time. See page 605 of the Legislative Journal.)

Enrollment and Review reports LB 195, LB 198, and LB 209 to Select File with E & R amendments attached on each. Those are signed by Senator Lindsay. (See page 606 of the Legislative Journal.)

Transportation Committee would offer LB 155 to General File with amendments. That's signed by Senator Lamb. (See page 608 of the Legislative Journal.)

LR 25, Mr. President, is offered by the Appropriations Committee. (Read brief description of the resolution. See pages 607-08 of the Legislative Journal.) That will be laid over.

I have amendments to be printed to LB 70 from Senator Hall; Senator Moore to LB 177; Senator Coordsen to LB 238, and Senator Baack to LB 254. That's all that I have, Mr. President. (See pages 609-10 of the Legislative Journal.)

PRESIDENT: Senator Dennis Byars, would you step to your microphone and say something about adjourning tomorrow, February 7th, until nine o'clock, but wait just a minute, the Clerk has something.

CLERK: Excuse me, Senator. Mr. President, I have amendments to be printed to LB 773. That's offered by Senator Korshoj.

PRESIDENT: Are you ready to adjourn now? Now, Senator Byars.

SENATOR BYARS: I would move that we adjourn this body until nine o'clock on February the 7th, 1989.

February 10, 1989

LB 61, 176, 327, 349, 408, 412
LR 25

PRESIDENT NICHOL PRESIDING

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

SENATOR MOORE: (Prayer offered.)

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

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

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

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

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

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

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

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

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

PRESIDENT: The Chair recognizes Senator Hannibal, please.

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

been asked to present it at the best of my ability to the Legislature today for your approval. LR 25 is a resolution that is something similar to what we did pass last year. For those of you who were not with us last year, the incoming senators, we approved a resolution for a capital facilities improvement at the University of Nebraska Medical Center at their Omaha location. That amount was about \$27 million. Since that time there have been some changes and some expansions and some updates of the project. So that now before you today you have a resolution that has been amended, or not actually amended, they are asking for a new resolution and kind of a scrapping of the old one to reflect the more updated situation in the amount of \$48 million, total. About \$7 million of that is for a parking garage and about \$41 million is for the new facility. The purpose of the facility improvement is about threefold and I think that many of you have had some information given to you on this and you've talked with people, so I don't want to spend a lot of time talking about things that you already know. I would rather explain very briefly what the project does to kind of summarize and then hopefully if you have any specific comments or questions that we can address those in due time. First and foremost of the project is the expansion and creation of a whole new ambulatory care area and that is the major part of the project. The idea behind the need for the improvements of the ambulatory care facilities is the major change in care to patients and providing health care to people in the State of Nebraska and all over this country to more of an outpatient basis. Things have changed dramatically in the last ten years. Of course, they have changed dramatically in the last many years, but basically what is happening is we are being able to treat patients, treat citizens more in an out care facility than we had in the past, where it used to be, and I think one of the examples used to me in some of the discussions was the idea that it used to be for a hernia operation you would go into the hospital and spend two weeks in the hospital and have your hernia operation, and that hasn't been that many years ago. As a matter of fact, my father went through that and today most hernia operations, or at least many hernia operations are done on an outpatient basis where you simply check in, you have the surgery and you are released and, of course, you still have to go through a lot of procedures but it's not the way it used to be. So the shift in demand has been for more outpatient care and they call that ambulatory care, I think.

PRESIDENT: Excuse me. (Gavel.) Could we have it quieter so

that we can hear the speaker. Thank you.

SENATOR HANNIBAL: Thank you, Mr. President. I do understand that I may be saying some things that you already know and I really don't want to waste your time. I think it is important that I try to present it very briefly and I will do that. So ambulatory care facility is a major part of this new facility. A second priority in a new facility is an upgrading of the current operating room structure. It has been pointed out and I am convinced, and as a lay person I realize I am not an expert, and I think the committee has been convinced that the surgical facilities, the operating rooms are not adequate because of the things that have changed over the past several years and in technology and in the mission, if you will, at the university. So a part of this, and a major part of this structure is to create six new operating rooms, remodel two of the existing seven operating rooms and have a total then of eight which is one more than they presently have, but they are going to be better equipped to handle the needs because they are not equipped now to handle the needs that we have at the center. A third part of the program is the establishment of a new parking garage and the parking garage is going to add an additional five hundred and some odd stalls to a total of about 750. It is a very mundane thing, however, it is very important. If any of you have been to the Medical Center you are well aware of the parking problems that they have there and have had for many years. Those are the three components of the issue. A couple of major questions that I had in my mind when this proposal was brought to us, is why do we need it, why do we have to do it, why is it so much more expensive than it was last year when we did it and who is going to pay for it? The answers are I think presented to you with what they are asking and what you have been told as far as what the facility is going to do. There has been many changes that have happened between now and last year, not the least of which were just a projection for future actual inflationary cost, an increase in square footage, an updating of some of the facilities that were brought out by a better, more thorough study and partly because of negotiations with Clarkson Hospital. Now one of the questions we've had is why doesn't Clarkson Hospital, which is right across the street, and the Medical Center do more things together, we've got two hospitals there. They are trying to do that. I hope that maybe some of you saw the article in last night's paper, as a matter of fact, where Clarkson and the Medical Center are working diligently to try to use some shared facilities. It is important that you

know that regardless of the outcome of those negotiations for shared use of their operations, these three factors, the ambulatory care facility, the surgical room upscale and the parking would not be a part of that negotiation. Those three items will not be a part because they have already discussed them and there is no way to make that a joint use situation. I could go on with a lot of different things and I hope that I am prepared to answer any questions that you have. For now, what I would say only this, there is a real question as to whether the university, indeed, needs to come to this body for the approval because there is no state General Funds involved in this proposal. There are no tax dollars involved in this proposal and there is a real question as to whether...whether the facility would have to be brought to our attention in any way. As a matter of fact, most people believe that this could be done without it but it is important that you do know that the Chancellor of the Medical Center, Chancellor Andrews, and his staff have pledged to you and pledged to the Appropriations Committee that they do not want to proceed with this facility and, in fact, will not proceed with this facility because it is a major, major facility for them, probably the largest they've ever done in the history of the Medical Center. They don't want to proceed and will not proceed unless they get the approval of this body. So I hope that we have a good discussion today and I hope we have, those of you who have some real questions, those of you who have some real concerns, those of you who are in opposition, have a chance to state your opposition and I hope we can have a good discussion and eventually approve this resolution.

PRESIDENT: Thank you. Senator Warner, please, then Senator Lowell Johnson.

SENATOR WARNER: Mr. President, members of the Legislature, I'd just like to address a couple of aspects of the proposal as they have already, in fact, been touched upon by Senator Hannibal, but in particular, I'd like to address the issue of the General Fund and its relation to the operation of both the hospital and the clinic at the Medical Center. As a matter of fact, when you look back historically there was a time in which, that even back as late as '76, 1976-77, roughly 21 percent, a little over 21 percent of the cost of the operation of a hospital was General Fund at that time. It has consistently climbed until in the current fiscal year of '87-88 that the General Fund portion is about 2.1 percent or, in fact, that is also about

2.22 million. The bulk of that has been arrived at over a period of time is what of the cost within the operation of the hospital could be contributed to educational cost, but the other factors in that, also in which is a larger figure, is the amount that would be reimbursement for indigent care from the state General Fund. So there has been a, historically, very minor portion of the cost of the operation of the hospital has been attributable to General Fund. Under the proposal here that relationship does not change. The other thing as to the feasibility, the feasibility of the project is based upon an analysis of what can be anticipated in the general growth and cost of institutions, provide medical care in the Douglas County area. The projections that are used to...could anticipate is in the vicinity of a 5 percent per year. The debt service or the cost for this operation of the facility is expected to be about 1.5 percent of the 5 percent or 3.5 percent would be general increases in cost, 1.5 percent of that five would be for the debt service over the period of the bonds of 20 years. A couple of other things I think it is important to keep in mind also, while we talk about this being a Douglas County or in Omaha located facility, something like 48 percent of the patients who are provided medical care or assistance there is, in fact, from areas outside of Douglas County or in the rest of the area of the State of Nebraska. So it is truly a statewide facility and not one that is providing primarily only medical training as well as medical assistance to residents of that area. I am convinced that the proposal that is outlined is one that should proceed. The Med Center has done a number of things in recent years to keep costs in line which I think are significant. The Medical Center was very instrumental in some of the beginning of health maintenance organizations. They have willingly, voluntarily delicensed some of the number of beds, about 30 beds that they are authorized, but the most significant thing that to judge the future is to judge on the past.

PRESIDENT: One minute.

SENATOR WARNER: For the last five years the Medical Center has raised rates at an average of about 4.9 percent annually. At that same period, the inflation rate for goods and services purchased by hospitals has averaged 5.9 percent. So they have had an efficient operation, do have an efficient operation. The costs that have increased there have increased at a lower level than cost in other areas providing the same kind of, at least, of service and of course they have the educational component and

research component on top of their medical services, but it seems to me that there is every reason to, we feel confidence in the prospectus that they have provided to the Legislature as to the ability for this facility to be paid for by the revenue bonds and from those revenue generated from patients that would be used to reduce or to retire those revenue bonds and on that basis and on their history, we can have every confidence that from a financial point that the facility is appropriate and is justified. In addition to that, of course, is the very strong argument of improved health care, improved research for health care and health services and the appropriate training of medical personnel in the future that will be consistent with the kind of care that is being and is accepted not only statewide, but nationwide with greater emphasis on outpatients rather than inpatient...

PRESIDENT: Time.

SENATOR WARNER: ...and retaining long periods of time in a hospital bed.

PRESIDENT: Thank you. Senator Lowell Johnson, followed by Senator Moore.

SENATOR L. JOHNSON: Mr. President, members of the Legislature, I rise to support this resolution and I would commend Chancellor Andrews of the University of Nebraska Medical Center for his sensitivity to bringing this project to the attention of the Legislature for full review. It is a major initiative and it is a giant step in addressing the future of Nebraska in the field of health care, research and patient care. The environment for delivery of health care today has been changing drastically. Every hospital, large or small, has encountered and experienced the necessity for adapting to the high tech needs of health care delivery and availability. Outpatient care facilities are the order of the day. The request of the Med Center would allow the training of our health care professionals to serve well in that new environment. We are asked to make a commitment to progress and the request for legislative approval represents no more or no less. An important reminder in order, is in order, no tax dollars are requested to fund the construction of this project. A further pledge has been made that operations and maintenance costs will be funded out of patient care revenues. The fund approval request amounts to \$48 million. We cannot and should not show less support for this important project than we have

for other notable initiatives for the good life in Nebraska. As a reminder I would cite to you this Legislature's support in recent years with state tax dollars for such programs as the Animal Science Building to the amount of \$19 million, the Morrill Hall renovation for \$4 million, the Lab Science Building for \$14.5 million, the Lied Performing Arts Center for \$5 million, the Food Processing and Veterinary Clinic, \$14 million. We have shown commitment in all of these critical areas for the benefits of Nebraska and Nebraskans. I urge your support and commitment to an equally important project, this one that does not call for state tax dollars. Thank you, Mr. President.

PRESIDENT: Thank you. Senator Moore, followed by Senator Labeledz.

SENATOR MOORE: Mr. President and members, I guess I'm the fourth committee member in a row to stand, but I guess I'm going to talk with a little different twist. Those of you who have read the paper realize that I was the lone no vote in this in committee and it's not that I'm necessarily anti-University Med Center. As a matter of fact, last year when the resolution came across granting the authority for the \$27 million project, I voted for that across the board in support of it. But that in itself, the fact that the University Med Center is back here twelve months later with a proposal that costs \$20 million more than the 27 million that we granted last year, I guess that's just the first flag that was raised that bothered me a little bit and a number of other things are bothering me, and because of that uncomfortable attitude, I have decided to vote against this resolution in committee and plan to do so again today. As I said, as we all know, last year my seatmate and friend here, Senator Schmit, said a variety of things that predicted what would happen. I think he'll probably talk a little more about that in his time, but just the fact that they were here last year and came back this year bothers me. The second thing that bothers me is that I have handed out to the body an article from the January 15 Omaha World-Herald. It talks about hospital occupancy rates in Omaha. Now I need to mention this is licensed beds and you can hear all sorts of reasons why licensed beds are not an accurate figure of how full a hospital is, but as this article points out, you will notice that there has been a significant decline in occupancy rates in Omaha hospitals. If you look at the far right on that graph, the University of Nebraska Med Center, according to this report, is at 48 percent

of its occupancy rate of licensed beds and also Bishop Clarkson Hospital which is right across the street is at 36 percent of its occupancy rate. So both those hospitals are operating at less than half of their licensed bed capacity. Well, the simple problem I have with that is if you're operating at half your licensed capacity, why do you need you spend \$47 million in bricks and mortar building an additional building? I would think there has got to be some way you can use your existing structure to accomplish some of this. Third problem that I have with this is that going back to the situation between Clarkson and the Med Center University Hospital is I am yet to be convinced that there is an adequate dialogue going on between the two. I am encouraged about what has happened, but I feel as long as we really give the University of Nebraska Hospital all the money that they request, there is never going to be an incentive for any meaningful dialogue to go along. Though I am impressed that there has been progress in that area, I think if we vote no on this and continue to work with the university hospital we can have a better dialogue and it will be more of a bargaining environment going on there. The fourth concern that I have is the concern that is often the case on projects that are supposedly cash funded or funded with revolving funds, you know, I'm always concerned that at some point in time if things don't go quite as the university officials have planned, General Funds will indeed come into play. Right now it is my understanding that the whole University Med Center receives about \$52 million in state General Fund in support with about 2., roughly 2.2 million of that going actually for the operations of university hospital. My concern is that as time progresses, that \$2.2 million figure will increase significantly and some of that, and my concern is, will be due to the fact that we are building this 40 odd million dollar structure. Well, the last thing that I guess that simply myself, maybe it's I'm just not confident in my own abilities, but never having served on a hospital board, never having had that much to do with the health care profession, that I have a little problem with those of us here today, with our vote, they are going to raise the patient per...are going to raise the health care cost per patient day by \$47 a day if we approve this resolution and the university hospital starts this project.

PRESIDENT: One minute.

SENATOR MOORE: I guess I have a little concern about whether or not we are adequately informed on this issue, and with our vote

here this morning, we're going to significantly increase the cost of health care to citizens of Nebraska that use university hospital and I guess I have yet to be convinced there are not better ways to do that, more cost efficient ways to do that, and with that, that is the extent of what I am going to say, but you will see a red vote from Senator Moore on this proposal.

PRESIDENT: Thank you. Senator Labeledz, please.

SENATOR LABEDZ: Thank you, Mr. President. A lot has been said by Senator Moore in regard to the resolution that I introduced last year and I've had some conversations with Senator Schmit because he also had some concerns on the 29 million resolution that was introduced last year. I did get some figures because I, too, wanted to know why the drastic increase and you do have some, at least four or five pages on your desk that I had distributed, and I won't go into that because I think the members of the Appropriations Committee that are supporting the resolution have covered most of the concerns, but to make sure, I did give you the answers to the questions that I asked the Med Center in regard to the increase from the resolution I introduced last year. And one of the greatest changes I believe is the ambulatory care and in my resolution it was 15.2 million because now there is a square footage cost increase of 2.8; the heliport .4; the telecommunications .7; the utility relocation is .9 million and the program increase 1.9 million which is a total of \$21.9 million. I think one of the most important things that have been asked of me, and I don't know whether it has been discussed by any members of the Appropriations Committee, was the concern about the lack of meaningful dialogue with Clarkson Hospital and you do have the answer to that on your desk, but I want it for the record as was specifically brought out in the joint campus master plan between the university and Clarkson. This type of outpatient facility has been needed on the UNMC campus and will continue to be needed in the future regardless of what programs are planned jointly. The discussions have, in fact, been meaningful to this point and a number of programs have been planned together. The gallstone lithotripsy, the pediatric kidney transplantation, the kidney lithotripsy, and the pancreas transplantation has been agreed to both the Clarkson Hospital and the UNMC. UNMC and Clarkson have already shared activities for a number of years in the laundry services and steam. Tomorrow on February 11, the Board of Regents will be asked to approve a formal affiliation agreement between Clarkson and UNMC. This agreement formally establishes

a process and a structure to guide all future planning efforts between the two hospitals and I commend Chancellor Andrews and the staff at the UNMC. They have worked very hard, very diligently and I certainly appreciate the members of the Appropriations Committee in advancing LR 25 to the floor for the full legislative approval and I believe Chancellor Andrews also made the statement that without the approval of the Legislature not only will this extended project be discontinued, but the project that was started last year with the resolution that I introduced last year. I think it is vitally important to not only the State of Nebraska, but to the patients and the people that need health care in this state that UNMC be granted this extended resolution. Thank you.

PRESIDENT: Thank you. Senator Warner, please, followed by Senator Wesely.

SENATOR WARNER: Mr. President, members of the Legislature, I did want to point one thing out because some of the material that has been received has indicated, and I think it has been mentioned on the floor that the increase in cost per patients for the facility was going to be \$47.14 on a day I believe. What the rest of the story is, however, in this instance is that that is based on a projection if the facility was completely paid for by 1993. That is not the proposal. The proposal is one of which extends this over a 20-year period. Currently, hospital rates, when they average at the Med Center, are on an average slightly below the average in the area. So they are not excessive, and when you make the addition which I indicated earlier, that there projection is that costs are going to go up about 5 percent on the average in the foreseeable future at least. It is only 1.5 percent of that 5 percent that will be attributable to the addition of the facility. So it would not be accurate to assume that the cost of the facility has an immediate increase of \$47 a day because that is not the proposal before you. The proposal before you is the approval of the bonds which average cost increase and the figure that runs in my mind is around \$225 is the average cost so roughly you're talking 5 percent of that figure rather than the cost that is shown here as the expected growth. Obviously, 5 percent of a larger figure each year, whether the building is done or not, becomes a bigger figure each year. I don't want to get into that argument but, nevertheless, we are not talking about a one-time sudden jump of \$47.

PRESIDENT: Thank you. Senator Wesely, followed by Senator Schmit.

SENATOR WESELY: Thank you, Mr. President, members. Just real briefly, I appreciate the Appropriations Committee's work on this issue and, of course, it all seems very familiar to us since we just went through it a year ago. I'm looking forward to Senator Schmit's comments and anticipate some interesting discussion. I just wanted to add a couple of notes of caution. Obviously any additional expenditure for whatever worthy cause does add to the overall costs involved with health care and I'm very concerned about health care costs. We're seeing increases in premiums in a range of 30 plus percent for not only the State of Nebraska state employees, but over where I work at Lincoln Telephone and most of the employers of this state. At some point we need to get a grip on costs and one of the ways we've tried to deal with that is to encourage more outpatient utilization, that that is a cheaper way to go, but what we're finding in many cases is sometimes that this outpatient costs have gone up dramatically. We haven't got the handle we need to on that. Part of the cost expansion is the sort of projects like this that are not only occurring here at the Med Center but in, frequently, in other hospitals. They have moved to expand and enhance and build onto their outpatient facility strength and base, and so where we've tried to move people to the outpatient side of things, we're actually having some trouble getting a handle on that problem and I think obviously we have to be always concerned about the cost of any proposal and it is legitimate to ask questions about this. I do want to commend the committee for the resolution's provisions regarding certificate of need. One of the fights we had last year was are we saying go ahead without certificate of need, are we influencing the process and one of the things I want to emphasize very strongly at this time for the record is that whether we approve or disapprove, and I assume we're going to approve this resolution as we did last year, I would hope that the process we have set in place to try and review the need for this project will go forward with an understanding that they are to do that in the most unbiased fashion possible, that they are the people there to judge whether we need this, whether in Omaha the situation is such that this project is called for, that it is justified, that it is cost effective. That process that we've got in place is there to try and answer those questions. I think we're not able to do that in this Legislature. That is not a function we can serve very well and I think it is

absolutely critical to understand, as we move forward on this resolution, that it doesn't answer the question completely. All it provides for is the green light to go forward to the next stage I guess of consideration. And I would urge very careful consideration of this resolution today, but also, again, for the record, the certificate of need review process out there that will have to be implemented, and which this resolution calls for and subordinates our action to, hopefully will put the bigger questions of is this cost effective, and in terms of services, a worthwhile, justified project. I think that's important and I'm glad to see that as part of this resolution.

PRESIDENT: Thank you. Senator Schmit, followed by Senator Lindsay.

SENATOR SCHMIT: Mr. President and members, first of all I'm going to surprise all of you because I rise not to oppose the method of funding for the project. What I do rise to speak on are some of the facts that we discussed a year ago and some of the procedural matters which I think ought to be discussed more fully. I'm pleased to see as much discussion as we are having here this morning. Normally this sort of an issue comes before this body and moves across it very expeditiously without very much comment. Senator Scotty Moore made some comments, Senator Wesely made some comments. I did pass out for your edification and your amusement and your enlightenment a copy of last year's debate. And I don't want to go through it page by page and line by line, but I think it would behoove those of you at least who were not here last year to read that debate. It almost appears as if the medical school took that transcript and then decided to enlarge upon it, include the parking garage and some other activities which, of course, at that time were not included. I want to point out that this is a totally different project than was proposed here last year. Dr. Andrews met with myself and Senator Weihsing and Senator Owen Elmer and I believe Senator LaVon Crosby, I'm sure he met with many of the rest of you, and he emphasized that this was a new project, totally different project than the one which was approved last year. At the time that we discussed the project last year, it was my plea to you to try to find out more about the project, to try to find out if this project did, in fact, fulfill the needs of the community, the State of Nebraska and its citizens. I think the answer to that is obvious. The answer was no because today we have before us a substantially enlarged proposal. I do not know whether we need the proposal as it is listed today or not. I

suggest that this Legislature does not know. There is a process called certificate of need. I suggested last year and I suggest now that the correct procedure would be for the committee to go to study the project, give its approval or disapproval, rather than for us to approve the project as this resolution calls at the present time. I want to point also, I've handed out some more...another sheet of paper which I'd like to have you look at. There are a few questions on there. As was pointed out by Senator Lowell Johnson, we do not need to approve this resolution because the university can act without our approval. If we do not act, we only have 10 more days to act on it, the project will proceed without our approval. The medical school does have the right to issue those bonds and to finance the proposal that way without our approval. Is it good policy to pass the resolution in support of or not prior to the committee hearing? I don't think so. I think it will be better to wait for the CON committee to meet. It has been pointed out that there was supposed to be a \$47 per day rate increase to pay for the project. Senator Warner says that is not necessarily consistent with the present system of financing. The information I have indicates that \$33.94 of that goes for debt service. I'd just like to call attention, at the request of the administration of Clarkson Hospital...

PRESIDENT: One minute.

SENATOR SCHMIT: ...I met with the administrator, and I want to point out that at this time it is my understanding that Clarkson Hospital has not signed off on this resolution. Clarkson Hospital has several very distinct complaints about this process. Clarkson Hospital sees the opportunity for substantial cooperation between UNMC and Clarkson which will reduce the cost of this project by approximately \$7 million. If you take away the 20 percent of the fudge factor for inflation, that adds another million and a half or it brings the total project saving to \$8.5 million approximately if there is further cooperation with Clarkson Hospital in some of those areas that I have indicated, particularly operating rooms. And I think it is important that we recognize and I'd like to have some of the subsequent speakers, particularly from the Appropriations Committee, address the issue as to whether or not Clarkson Hospital has, in fact, approved this year's resolution. They approved the resolution last year. They have not, to my knowledge, approved this resolution. To all of us are interested in holding down the cost of health care, \$8.5 million

may not be much money in the overall scheme of this project, but...

PRESIDENT: Time.

SENATOR SCHMIT: ...\$8.5 million, ladies and gentlemen, will be paid for not by General Fund dollars, but by taxpayer dollars. When your Blue Cross-Blue Shield premium comes, when the Mutual of Omaha Insurance premium comes, that's how we will pay for it, through increased costs of health care. I'm not against the project if there is a definite need for it, I'm not against the project per se, but I have some ideas which I think ought to be discussed here this morning. First and foremost ought to be discussed, the degree of cooperation between Clarkson and UNMC. I suggest to you that it is much less than most of you believe. I suggest it ought to be substantially greater. I suggest that if we pass this resolution as is today, we are locking the university into a proposal which is unnecessarily expensive and which does not provide for maximum cooperation between...

PRESIDENT: Time.

SENATOR SCHMIT: ...the Clarkson Hospital and UNMC. I do not believe any of us want that. I'll have more to say later.

PRESIDENT: Thank you. Senator Lindsay, followed by Senator Hartnett.

SENATOR LINDSAY: Mr. President, members of the body, I rise in support of the resolution and I just have a couple of comments I guess on it. First, I think there has been some information passed around and mentioned on the floor about the number of hospital beds in Omaha and the occupancy rate of the hospitals declining. It is my understanding that this project does not propose to add any additional beds, but rather is an attempt to increase and improve the outpatient facilities at the University of Nebraska Medical Center. I don't think the number of beds in the city has any bearing on this particular project. I don't think that is the intent of the Med Center and I don't think that should be entering into the discussions. As a general rule, I think the University of Nebraska produces very quality medical professionals. I don't think that while we do have to keep an eye on health care costs, I don't think that should be done at the expense of quality health care professionals. I think that the current movement in the medical profession, or in

medical education I should say, is towards more outpatient training, more training in a clinical setting as opposed to the...some of the inpatient care training. Those facilities have to be available for the Med Center. Improving those facilities I think is good not only for the Med Center, but for the State of Nebraska to keep the quality of the medical profession in Nebraska. As everybody here I think is aware, Nebraska has a very good group of doctors in Nebraska. We produce...our school produces good people. I don't think that we should be cutting down on that quality by not allowing the facilities that are necessary to educate those people. I would urge the adoption of the resolution.

PRESIDENT: Thank you. Senator Hartnett, please, followed by Senator Hannibal.

SENATOR HARTNETT: Mr. President and members of the body, I supported the resolution last year and I plan to support it again this year. I guess one of the things that, as I see that the costs last year was around \$20 million and it's, you know, or \$27 million and it's, you know, accelerated quite a bit, another \$20 million and maybe Senator Hannibal asked this because I visited informally on the floor with some of the members of the Appropriations Committee, that there is other projects in the proposal. Did you talk about that already, Senator Hannibal? Do you want to...what is in the new project and why was there a change, you know, from one year...from last year to this year, because you're kind of the head person on this?

SENATOR HANNIBAL: Well, Senator Hartnett, I appreciate your comments. I don't believe I'm really the head person. I did mention that the cost has gone up from 27 in the original proposal up to about 47.8. Yes, you are correct. There is some changes in the scope of the project as well as the size and some updating of cost. Probably one of the major changes was the parking facility, that they had planned last time to just add a little surface lot alongside, try to make a surface lot to increase some parking. Now we're talking...excuse me, not surface lot, but one story over existing surface lot. Now we're talking about a three-story lot to go to 750 stalls total, an increase of 500, plus they are building a facility so that it could hold future expansion of floors above it. It is a relatively cheap thing to put the foundation, if you will, in and the footings in to make a structure that will house future

expansion. So that is about \$6 million, \$5.5 million of the new project. Also the operation rooms, as Senator Schmit pointed out, was not a part of the original proposal. That is about a \$5 million bill and I was planning on addressing that a little bit when it was my turn to talk, to try to address that as Senator Schmit...but, yes, there are some new things in this, plus there were figures used last year that did not take into consideration full inflation, did not take into consideration professional fees and did not have the same amount of gross square footage that was involved in this project. This has been increased by about 35,000 square feet as well.

SENATOR HARTNETT: Thank you. I think that was one of the things I wanted you to get. I can't see you, but I think that, I hope the university or the Med Center do not use the same consultants again because I understand they did not do the best job of estimating, you know, costs. You know, from just reading the newspaper, maybe you people in the Appropriations that heard the testimony and so forth, that they underestimated. Is that right?

SENATOR HANNIBAL: Well, Senator Hartnett, I can't comment on that although you could jump to that conclusion real quickly. One thing was pointed out as an example, and one I remember is that with the resiting of the thing and with the total needs plan for the expansion, one thing was not in the original proposal and that was relocation of utilities, and by relocating the utilities now that would be in the way for anything else in the future as opposed to going part way down a road to fix something that is immediate, if you go all the way to do that, it is much cheaper to do it now than it would be in the future, but it wasn't considered in the original plan. For one thing, it wasn't in the scope as far as the original architect or the planner. They didn't know about all the underground utilities that would have to be rerouted.

SENATOR HARTNETT: Thank you.

PRESIDENT: Thank you. Senator Hannibal, you're up followed by Senator Schmit.

SENATOR HANNIBAL: Mr. President, I hadn't planned on speaking until...I was hoping I would have a chance to close, but I think it is important that I try to address some of the issues that were brought up and I think sincerely and adequately brought up

as concerns by Senator Moore and Senator Schmit and to a certain extent, Senator Wesely, and I would like to try to at least augment the concerns or try to answer in some way. Senator Moore was talking about some issues that he had actually, not necessarily opposition, but more questions and I think they were good questions and we talked a little about them in committee and we have discussed them. One thing that I think was pointed out a little bit by Senator Lindsay, about occupancy rates, licensed bed rate, in that article that came out in the newspaper, and I'm not going to be judgmental on the newspaper. I think we can all draw our own conclusions as to whether the newspaper does do total justice at all times to everything that we do or say. As a matter of fact, I have a little example here of that in a newspaper article that was written a couple days ago on this issue that quoted me, or didn't actually quote me, but said, a simple little statement that said, Hannibal said he was not concerned by the \$20 million increase in the cost of the plan. Well, any of you that know me on the floor, we realize that I would not in my wildest dreams say I'm not concerned about a \$20 million increase in a proposal. But the newspaper did point out that story on hospital rates, on occupancy rates. I think it was somewhat explained and I think you've had a chance to hear that explanation by staff and officials of the University Med Center, that the important thing is, does the Med Center have underutilized beds and the question is, no, they...the answer is, no, they don't. The University Med Center is running at about 82 percent on average, 77, 82 percent on average of effective bed use and actually what that means is that they go to 100 percent at times and as a matter of fact they already have patients in Clarkson Hospital on any given day. I understand it could be 18 to 20 patients that they use Clarkson's beds for that purpose. The newspaper article, while it was certainly sincere, I don't think stated it accurately. If it was meant to portray that the University Med Center was completely underutilized with beds, it is not the case. They are out of room for hospital beds. Understand also, however, that this does not mean that they are asking for more beds. They are not, because the shift in practice towards the outpatient care, they feel that it is more important for them to get into the ambulatory care, the outpatient care, the clinic type of care, and so they are not asking for more beds. But it was inaccurate to say that they have a lot of empty beds over there just going wasting and now they want to build something new. That is inaccurate. Secondly, Senator Moore has pointed out that he is concerned about growth in General Funds, and I

appreciate that and I wholeheartedly agree with him on that because we sit next to each other and we talk about that all the time in our committee. I also am very concerned about growth of General Funds, especially when it is not stated up front, especially when it appears there will be none and all of a sudden we get requests saying, well, yes, we forgot, we have to have more General Funds. It is upsetting to us in the committee. I would echo my concerns with Senator Moore. However, it has been pointed out to me and I wasn't around, I think maybe Senator Schmit might have been, I know Senator Warner was, but I wasn't around in the Legislature, but as of about 25 years ago the Medical Center was...the hospital was 95 percent funded, approximately, with General Funds, 95 percent funded with General Funds. Today they are down to around 2, 2.5 percent funding...

PRESIDENT: One minute.

SENATOR HANNIBAL: ...of General Funds. So to suggest that the activities of the Medical Center or the hospital has been going towards an increase in draining of state tax dollars is not accurate. As a matter of fact, all the evidence says, we're going the other way. I am convinced that the Med Center, the hospital part of this, will not mean an increase in General Funds. I don't believe it's an accurate...I think it's a sincere question, but it is not one that should be considered in this proposal. I'm going to run out of time, so I will try to address some other things later.

PRESIDENT: Thank you. Senator Schmit, before you speak, may I introduce a guest of yours, no, it is a guest of Senator Smith, close, but not yours. We have Phyllis Lainson, Mayor of Hastings, and Dianna Ridge, Councilwoman, under the north balcony. Would you folks please stand? Loran, I believe you have a guest, Mr. Snake (phonetic), under the north balcony. Would you rise, Mr. Snake, and be recognized. Thank you. Senator Schmit.

SENATOR SCHMIT: Mr. President and members, since Senator Hannibal is point man on this, and I tried to contact, make eye contact with him several times and I wasn't able to do so. I don't think that is significant, Senator Hannibal, but nonetheless, if you don't take too much of my time I'm going to ask you a few questions. Did Clarkson Hospital approve this resolution this year?

PRESIDENT: Excuse me, Senator. (Gavel.) Let's have it a little quieter so we can hear the discussion. Thank you.

SENATOR HANNIBAL: Senator Schmit, to my knowledge, I don't know whether they signed off specifically on this resolution.

SENATOR SCHMIT: Did they sign off on it last year?

SENATOR HANNIBAL: I understand that it had their approval last year. I don't know...you said that they did, I don't have any reason to not believe you.

SENATOR SCHMIT: Is there any reason why they signed off last year and did not sign off this year, or were not asked to sign off this year?

SENATOR HANNIBAL: I don't know that.

SENATOR SCHMIT: Wouldn't that have been kind of a logical question for the Appropriations Committee to ask the medical school when they came before the committee?

SENATOR HANNIBAL: It was asked in a roundabout way and maybe it wasn't phrased properly. I have a response that may take some of your time if you want me to go through it, but, yes, the bottom line is, certainly it is. I thought we had simply, we had in a roundabout way asked that question, yes.

SENATOR SCHMIT: Well, you don't know then if you got an answer or not. It must have been asked in such a roundabout way you didn't get an answer, is that right?

SENATOR HANNIBAL: Well, I'm going to try not to take too much of your time and try to answer your question as a witness to an attorney and be duped into your yes and noes, and I'll say you're probably right on that.

SENATOR SCHMIT: So at this time the Appropriations Committee does not know if Clarkson signed off on the resolution or not, if they approve it or not, if they concur with the goals and ideals of this resolution.

SENATOR HANNIBAL: Well, now you're starting to get my interest up a little bit, if I'm going to respond...

SENATOR SCHMIT: Why don't you press your light and you can respond on that a little bit later on.

SENATOR HANNIBAL: All right, I will.

SENATOR SCHMIT: Thank you. Reference has been made here time and time and again that these are not general tax fund dollars and I concur. I want to point out that the Appropriations Committee also knows that the state contract with Blue Cross and Blue Shield this year was increased by 33 percent. Now that is an appropriation to cover medical cost. If those costs are legitimate and are necessary, none of us have any complaint with them, but anytime that we provide duplication of services, anytime that we do not make maximum effort to avoid duplication, to utilize existing equipment, existing personnel and existing opportunities for cooperation, we increase the cost of health care services. Ladies and gentlemen, I've said it on the floor before and you're going to hear it again and again and again, we are marching down the road to the point where there will be no alternative except some kind of national health insurance. A substantially increased percentage of the population of the state today does not have health care insurance which then provides another problem for hospitals because they cannot possibly take care of those people on an indigent basis and they can't turn them away either. I want to point out that the Blue Cross and the other insurance companies are simply trying to stay ahead of the power curve. They can't do it because those cost increases, partly due to the very sophisticated surgery procedures we have today and other improved medical techniques, are increasing substantially faster than rates can increase. But one of these days...

PRESIDENT: Excuse me, Senator Schmit. (Gavel.) Let's hold it down so we can hear it. What Senator Schmit is saying is very interesting.

SENATOR SCHMIT: Thank you, Mr. President. I'm glad you find it that way, Mr. President. I hope someone else might. I do not want to...

PRESIDENT: One minute.

SENATOR SCHMIT: ...be a dog in the manger on this project, but I'm telling you, ladies and gentlemen, you ought to all have egg

on your face from ear to ear for the fact that last year you approved a project which was scuttled and today you come back and you say, well, we have a little different project this year, it's only \$20 million higher and we've decided to change it. I think maybe the changes are necessary, I think maybe the changes are necessary. I don't know, but I challenge any member of this body to say they are necessary because, as Senator Hannibal has indicated, the Appropriations Committee which sent the resolution to the floor doesn't even know if the institution which is a companion institution has approved the project. They approved the one last year. They have not approved this one. Now I would suggest that ought to have been the first step for the UNMC. I'm suggesting also that Clarkson personnel have told me and you have it before you some suggested savings that can be made, if the UNMC is required to cooperate with Clarkson, and...

PRESIDENT: Time.

SENATOR SCHMIT: ...they are not pleased with the kind of cooperation they have had thus far.

PRESIDENT: Thank you. Senator Warner, followed by Senator Hannibal.

SENATOR WARNER: Mr. President and members of the Legislature, I think the issue has been asked whether or not during the hearing the Med Center was asked, has Clarkson signed off, and I believe Senator Hannibal answered correctly that he did not recall, no do I recall, that did Clarkson Hospital sign off. I don't recall that question being asked. What I do recall, however, very clearly, which I would suggest was the same question was, why was Clarkson not a part of this? And the response that I understood, that I recall, was that they were not interested in this aspect of a hospital or a medical facility, that their emphasis on the outpatient as proposed here was not one that was an avenue that they were portraying, that the additional use for the hospital, or the operational rooms was not an area in which they were...had a need or wanted to participate, and their concurrence, as I would take it, with the project is one of, this is not a project which includes an area of medical service that we are anticipating participating with. And so rather than not participating, I take it to be that this is not an approach for medical services that they wish to participate in and, therefore, there was nothing to sign off on in terms that we're doing this as a joint area of joint projects. So that is

my...but in any event, the whole concept, as I understand for much of this, is to, in fact, address the health care cost. It seems to be a fairly well accepted fact that outpatient care is less expensive and more effective than long hospital stays. That certainly has been accepted. In fact, we spent a lot of time...

PRESIDENT: Excuse me, Senator Warner. (Gavel.) Let's hold it down, we can't hear the speakers, please. Thank you.

SENATOR WARNER: ...we spent a lot of...thank you, Mr. President. We spent a lot of time just the other day of going even one step ahead of that of providing some kind of services so you wouldn't even...that would be health care not before you got sick, but things you could do so you wouldn't become ill or need to even be an outpatient. So the aspect of trying to reduce overall costs in every direction I know is consistent with what is being proposed here for this facility and I do not see the conflict that is being suggested as not being addressed. It is true that some of the other cooperative activity between the Med Center and Clarkson Hospital, as I understand it, have been going on, are continuing to go on. There are areas in which there are numerous cooperative efforts now as I understand it, as Senator Hannibal has already pointed out, and in those areas that are still to be resolved or are still being discussed, as I understand it, do not directly affect the construction of this facility or the kind of services that are proposed.

PRESIDENT: Thank you. Senator Hannibal, followed by Senator Haberman, please.

SENATOR HANNIBAL: Mr. President, members, I do understand the procedure and the process of asking questions on the floor that are soliciting a response that it is helpful for your argument and I appreciate that and there is nobody who can do that better than Senator Schmit that I know. But I do want to take a chance and try to answer on my own time now what he was asking. And Senator Warner also did take a lot of my thunder, I guess, on what we did do in committee, and that is there was major concern by members of the committee as to the relations between Clarkson Hospital and the University of Nebraska Med Center and what was going on, what was possible and how that affected this project. It is correct that we didn't ask the question, have they signed off on this proposal, so you were correct in saying that. It is

not correct to say that we weren't concerned about it and didn't know anything about it, however. What actually did happen, as Senator Warner has just pointed out, we did talk at length about what was happening with the Clarkson Hospital and the joint facilities use. What I have also gleaned out of this volume of information that I have here is a reminder that, yes, there was a joint facility study already completed by the Daly Company, that Clarkson did sign off on, and that and two of the three items were there in that they did agree to, that being the ambulatory care area and the parking area, that they should be sited where they are being sited, Clarkson would never have, or don't ever say never, or never say never, but they didn't have any use or interest in that area and this was going to be a function that they had no interest in participating in. Surgical facilities, on the other hand, is a new area and I think you've accurately said that they didn't sign off specifically on that, and that is probably true. I don't know that they didn't sign off on it, but what I understand of the facilities study, the joint use study was, was that if we are going to have joint use facilities for surgical areas in a common area across the street from the Medical Center or somewhere in between, and typically it would be across the street, that the university was going to build those. The university was going to pay for them and that that five or \$8 million cost was going to be our cost regardless. When the university considered whether or not that was appropriate, whether it was feasible, and they started looking at, well it's going to cost us that much over there, it's going to cost us this much here, if we build them over there we've got to move all of our support staff, all of our other things to that area, it is not feasible for us to do that. So I think that we have been concerned about the joint use facilities. We all have concern that we can keep the costs of health care down to a minimum if we have two facilities working together, we ought to explore all opportunities to have a shared cost, a shared responsibility so we can keep the costs down. I think it's important that we do emphasize the three items in this proposal, this resolution, ambulatory care, increased parking on the south, actually southwest corner of this area, and the upscale and increase of one operations room are not outside the context of those joint studies, those joint negotiations. I am very much in favor of having those negotiations go on. I think they are going on. This proposal will not affect adversely that in any way.

PRESIDENT: Thank you. Senator Haberman is next, but may I introduce some guests of Senator Coordsen under the north balcony. We have Mr. and Mrs. Robert Heider of Hebron, Nebraska. Would you folks please stand and be recognized. Thank you. Senator Haberman, followed by Senator Wehrbein.

SENATOR HABERMAN: Mr. President, members of the body, I don't know how many members of this body have visited the University of Nebraska Medical School's facilities. However, if you have and/or if you do, if you have been there, I'm sure you'll agree with me, and if you're going there, I want to explain that the parking is horrendous. We should be ashamed, absolutely ashamed to have a Nebraska facility with parking as it is. The bill, or the resolution, or the issue also addresses new educational facilities. Now I have heard for the last few years and am hearing this year that education should be the number one priority. That is absolutely correct, and how more could it be important than education in the medical field, for the elderly, for the young, for the newborn, for the indigent, for everyone who is touched by the medical problems that we have in this day and age. We had one opponent stand up on this floor and say, I don't know whether it is needed or not. Well, as far as I am concerned, I am willing to place my faith and my vote on the behalf of the people who are running the facility and who are asking for help, so I ask you to support LR 25.

PRESIDENT: Thank you. Mr. Clerk, you have something on the desk.

CLERK: Mr. President, Senator Schmit...okay, he wants to defer...

PRESIDENT: Senator Wehrbein, first. Senator Schmit will take it up next.

SENATOR WEHRBEIN: Mr. President, members, thank you, Senator Schmit. I just want to make a couple points about the...establishing the need for this Medical Center at Omaha and Senator Haberman made several good points about the need of it and I would like to emphasize that, but I just want to remind you once again, 48 percent of the patients at the University of Nebraska Med Center have come from outside of Omaha in Nebraska over the last few years. So not only is it a need in the state, but it is a regional center and it is well known in the world. So as we look for the expansion here, I think we can justify

that from another basis, too, is in the fact that if we're going to have a 50 percent increase in those over 65 simply by the year 2000. So much of this I think is legitimate, anticipated need, and if we're going to be ready for the health problems that we're going to be faced in the coming decades, this is one way to get there and the Med Center has not only taken the lead in this area, but once again, making Senator Haberman's approach of the doctors that we need in rural Nebraska, the nurses we need in rural Nebraska, many of these needs have been met. We've talked about this a lot in the last three days in here, about the need for health care in Nebraska. This is the core, this is the center of our educational facilities in Nebraska for this type and I just wanted to emphasize that point as we look at the need for this facility. Thank you.

PRESIDENT: Thank you. Now, Mr. Clerk.

CLERK: Mr. President, Senator Schmit would move to amend. I believe copies have been distributed to the membership, Mr. President. (Schmit amendment appears on page 689 of the Legislative Journal.)

PRESIDENT: Senator Schmit, please.

SENATOR SCHMIT: Mr. President and members, I offer the same amendment this year that I offered one year ago. The amendment is a very simple amendment. It removes all reference in the resolution that refers to the legislative approval of the project or the legislative approval of the parking lot and instead simply approves the method of financing. That is what I think we ought to be debating here today, not whether or not we approve the project. Our approval of the project, in this instance I believe, says to the Certificate of Need Committee, no, the UNMC does not need to concur or confer with Clarkson Hospital any further. They may proceed to build this project as is with all of the various accoutrements that are listed here. I want to point out some of those accessories. Clarkson Hospital says there is \$1,740,000 in the Family Practice Clinic. There is \$1,425,000 on what they call materials management. There is \$2.5 million of operating rooms and \$1,250,000 on Central Sterile Supply. Now we have a \$7.5 million contingency in there for inflation. You take away 20 percent of that and you have another million and a half, so you have a total saving of \$8.5 million. The reference has been made that Clarkson, it was felt that Clarkson was not interested in this aspect of the

project. I can tell you honestly without malice, without any kind of a "I told you so" attitude, that Clarkson is interested in cooperating with UNMC on operating rooms. Dr. Andrews very honestly told me they hope to be able to put a walkway to Clarkson to utilize some of the 350 surplus rooms which Clarkson has and that is a commendable idea. Does it then not also make some kind of sense that while they are doing that, that they try to maximize the ability to cooperate with Clarkson Hospital in the development of additional operating rooms if at all possible. Clarkson Hospital needs additional operating rooms. There is no reason why, in their estimation, as I understand from my discussion with them, that those new operating rooms cannot be constructed so that both hospitals can make use of them. There is also the need for additional cooperation in the Family Practice Unit and we ought to encourage that at this time. If we approve the resolution as it reads today, ladies and gentlemen, we close the door, we close the door on that aspect of it, not because it is impossible to do so, ladies and gentlemen, but because there isn't any reason for the institution to continue to talk because we have once again given the blank check to UNMC. I made that statement last year. Read the history. Senator Warner said you have to judge the future from the past and he is absolutely correct when you talk about medical cost increases. By the same token, go back and read the history of what we talked about last year. Last year we were standing here talking about a \$29 million project. Today we are talking about a \$47 million project. I concur with what Senator Haberman says. I think they probably need the parking garage. I want to add also, that this State Capitol needs parking space. The Capitol parking situation is also horrendous, Senator Haberman. We haven't taken very many steps to solve that but that is another issue. I don't want to drag it in here. The point I want to make is this. I do not want to pick the project apart piece by piece, stall by stall, room by room, door by door. That is not my agenda. My agenda is to follow up with what I told you last year which proved to be somewhat accurate and which now we are called upon to rectify by the approval of the resolution much expanded from last year. I do not think, very frankly, that this will be the last of it. I would suggest that maybe next year or the year thereafter we will be called upon once again to rubber-stamp an idea which may have to be at that time valid, would hope so, but which we'll then be called upon for additional expansion and modification. I'm suggesting, ladies and gentlemen, that there needs to be dialogue, there needs to be concentrated effort, and when we are using this

facility, this Legislature, as a method of encouraging the additional facilities that are being asked for in this project, then we ought to demand, we ought not to just ask in a roundabout way, we ought to demand that there be maximum cooperation in all areas. All of us are well aware of the fact that when we need surgery we like to go to the best possible source, and as the practices diminish in the rural areas, it is inevitable that we're going to go toward Omaha and Lincoln. That is just a matter of common sense and no one would argue with that very much. But I want to emphasize that we have reached the saturation point for many people today in what they can afford for health care cost and I do not buy the argument on this floor one minute that although these are not tax dollars, that they are not taxpayer dollars, they are taxpayer dollars. They come out of the pockets of every single Nebraskan, east, west, north or south, rural, urban, whatever you are. What I am saying is that we need to ask and we need to demand that there be cooperation. We're not getting it now. This resolution, as I offer the amendment, I hope you will read it carefully, allows for the construction to proceed under the financing plan as requested by the university, but it does not say that the Legislature of the State of Nebraska has reviewed the proposal and has found the improvements necessary, that we have found the parking lot necessary, we have found the additional operating rooms necessary, we don't know that. We don't know that. If there is anyone here who does know that, then that individual has a responsibility and the obligation to stand up here and say, yes, I know that they do need those rooms, yes, I know. It's probably easier, as Senator Haberman has said, to point out that they do need the parking lot. I'm not arguing about that although I predicted last year that they would build a parking lot. But what I am saying is, do you want to put yourself in the position of the CON committee? It has been suggested that the CON has outlived its time. Ladies and gentlemen, we are contributing to the demise of the CON committee if we act in their stead in this instance. It isn't easy to stand up here and raise these issues. It is not easy. I do not enjoy to disagree with the procedural methods of the Appropriations Committee. They have worked long and hard on this and I'm sure they have raised many questions that I haven't thought about, but I think it is not the proper method, and there isn't any person here who can tell me why we should approve the project when we are really only called upon to approve the funding. Ladies and gentlemen, we are making another mistake. We made a mistake last year when we did not adopt my amendment. We make a

mistake this year if we do not adopt the amendment and I think that that will compound the error as we proceed with this project. It may be an exercise in futility on my part to offer the amendment, but six months from now, a year from now, someone is going to say why didn't we do this in a different manner.

PRESIDENT: (Gavel.) Please, let's hold it down so we can hear the speaker. Thank you.

SENATOR SCHMIT: Ladies and gentlemen, it is always a mystery to me that if we talk about a \$50,000 appropriation on this floor, 47 or eight of us can get up and speak on it and speak in glowing terms and with great eloquence. We talk about a \$50 million project and we can't even listen when someone else is talking, no reference to myself because you probably figured out you know what I'm going to say and it's not worth listening to. The point I want to make is this. If you do not follow the procedure I have outlined, we have then said, go ahead, build the project, do not consult with Clarkson, do not try to cut costs, do as you please and you have the rubber stamp approval of the Nebraska Legislature to do so.

PRESIDENT: (Gavel.) Please, let's hold it down. I don't seem to be getting through to you. It is too noisy. We can't hear the speakers. Thank you.

SENATOR SCHMIT: Mr. President, thank you again. I think it's important that each of you ask yourself before you vote on this resolution, do you understand the resolution? I wonder how many of us have read it.

PRESIDENT: One minute.

SENATOR SCHMIT: I wonder how many of us really believe everything that is in that resolution. If so, then vote against my amendment. If, on the other hand, you believe that it is our proper responsibility to approve the method of funding and nothing else, then I think that you should vote for my amendment. If you vote for the amendment as it stands, ladies and gentlemen, you have already approved the project in advance of the Certificate of Need committee and it would make logical sense then, ladies and gentlemen, that we disband the CON committee, because if we don't need to use it on a University of Nebraska project, it is totally unfair to expect other hospitals, other medical institutions to have to abide by the

CON recommendation without the approval of the Legislature. Ladies and gentlemen, I ask for favorable consideration of my amendment.

PRESIDENT: Thank you. Ladies and gentlemen, I have seven lights on and I think most of these were on before Senator Schmit proposed his amendment. I'll call your names. If you wish to speak to the Schmit amendment, say so, if not, we'll pass you over and leave your light on. Senator Moore.

SENATOR MOORE: Yes. Mr. President and members, I know this morning, now it's ten-thirty and there are some people that are wishing we'd maybe get off this situation and simply pass this resolution. The fact of the matter is we're talking about approval for a \$47 million project. Now if we can spend, probably because of me spend hours on an \$80,000 protocol bill or if we can spend days on a smokeless tobacco bill, I guess I think we deserve to sit here and legitimately discuss the fate of LR 25, which is talking about a \$47 million approval for the university hospital. I have no problem with discussing it. I'm not so sure I understand Senator Schmit's amendment. I guess conceptually I may agree with him. I don't know if it will actually work or stuff like that, but I think he is absolutely right. The problem I have is I have a problem of proving what the University Med Center is doing. Though the other alternative obviously for this body is just simply not act on this resolution till the time clock runs out and then they can do with that as they please. The other thing we can do is vote it down, but supposedly if we vote LR 25 down in its pure form, they claim they would not proceed with the construction. I'm wondering about the one thought may be to simply postpone voting on this resolution until a later date or just postpone...never take a vote on this and let the Med...put the ball back in the Med Center's court. Regardless of that, I guess I'm a little confused about Senator Schmit's amendment. If he can explain it further to me, I may actually support him on that, but regardless of the fact, I guess I have no problem with Senator Schmit and others spending some time this morning talking about this all important project. At this time, even though Senator Haberman and I may disagree, I'll give the balance of my time to Senator Haberman.

PRESIDENT: Senator Haberman, you have almost three minutes.

SENATOR HABERMAN: Well, Mr. President and members of the body,

after being burned by Senator Chambers' motion the other day, I read Senator Schmit's amendment and Senator Schmit's amendment, as I understand it, as explained to me by the Assistant Clerk of the Legislature, he says strike "implementation of" and insert "the financing of", so it will read, the Legislature approves the financing of the University of Nebraska Medical Center proposed health care project. That's the first change. The second change is, and on the third line from the bottom, and approves the financing of such projects, but the amendment says we don't approve the financing of such project. So the way it was explained to me and as I interpret it, the amendment says one thing at the top and it completely does 180 degrees and says the other thing at the bottom. On the back page it says, on line 3, second paragraph, and approves the financing of, and it states, and approves the financing of the project. It says the same thing. So unless...and I could be terribly mistaken. I would ask you to, under the circumstances defeat the amendment or unless we have a clear, concise explanation of what exactly does it say. Thank you, Mr. President.

PRESIDENT: Thank you. Senator Labedz, followed by Senator Hefner.

SENATOR LABEDZ: Thank you, Mr. President. The amendment is rather confusing because, as Senator Haberman said, it does approve the financing but not the project. I don't think any one of us would approve financing anything if we don't approve of the project. The amendment also strikes paragraph number three and Senator Wesely should be very concerned about that because let me read you what paragraph 3 says that is being stricken by the amendment, that the Legislature's foregoing approval of the University of Nebraska Medical Center's proposed health care project and Lot 2 parking structure project is subject to, subject and subordinate to the requirements of the Nebraska Health Care Certificate of Need, and I certainly think that is a very important part of the resolution and the amendment is striking that because it would have to be subject to the certificate of need regardless of the fact that whether we approve it or disapprove it. As I say again, and I think Senator Haberman went through this, we're approving the financing with this amendment but we're not approving the project and that seems rather ridiculous to me that we would approve financing something that we don't approve of. I also will call to your attention that on March 2, 1988, last year, this very same amendment was offered on my resolution and it

failed with 15 yes and 18 no and 10 not voting. Thank you, very much.

PRESIDENT: Thank you. Senator Hannibal, please, followed by Senator Wesely.

SENATOR HANNIBAL: Mr. President, I also rise to oppose the amendment. Senator Labedz has said some things already and Senator Haberman as well that are very good points. It is a simple matter of reading the amendment and I'm not confused. Maybe that's my problem, I'm not confused by what the amendment is trying to do. The amendment is trying to say to us that we don't approve of the project, we will approve of the method of financing. It's totally counterproductive to what the purpose of the resolution is. If you don't want to approve the project, which is after all what the University Medical Center is asking of us, if you don't want to do that, then just kill the project, just vote it down. As a matter of fact, I think it would be appropriate if we don't have enough votes in here to approve this project, that we probably then immediately upon that vote, if it doesn't get the 25, put a motion up there saying we specifically disapprove the project, and I say that because I go back to the pledge by the Chancellor who says if we don't have the blessings of the Legislature, we are not going to proceed with this project even if we can. Even if we were able legally, even if we were able financially, we will not proceed with this project unless we have the blessing of the Legislature. To be befuddled a little bit between approving financing methods and approving the project is not at issue for me. I think it doesn't help anything to do this. We need to be a straight-up yes or no on the project. Now we'll go to the third part of the amendment, striking the area of certificate of need part of the resolution. Senator Schmit is suggesting we strike that. I appreciate his concerns about this project. I appreciate that we all have some problems with these size, magnitude of projects and I don't discount his sincerity at all. But as I recall, and I could be wrong, Senator Schmit, but as I recall your argument last year was, yes, we should have the certificate of need subordination, if you will, as part of your amendment, I thought, was dealing with the idea, we don't want to approve this and then say we don't have to go to certificate of need. The certificate of need is the process that says, technically, this is a good idea, technically, this is a bad idea, there is need, we are the experts, we know. This resolution as it has been brought to you is saying that very thing. We want the

Legislature to approve the project, we want your blessing, but we know that we need to go to the certificate of need and have them tell us also that there is need here, this is a good project, this is the right way to go and those are the experts that are going to do that. The resolution as it stands says that this approval of ours would be subordinated to that certificate of need approval. That, I believe, was what Senator Schmit was asking for last year. It failed. The University Medical Center officials have put this part 3 of the resolve in the resolution because they don't want to go around the certificate of need process. They don't want to have us say something just by itself. They want to go through the certificate of need process. To take this out is doing, I think, somewhat opposite of what Senator Schmit really wanted to do last year. I don't really understand the amendment. I think even those of you who would be possibly opposed or have major concerns about the resolution would definitely want to have the subordination to the certificate of need in that proposal. I appreciate Senator Schmit's sincerity. I appreciate his knowledge of areas that I don't have with regards to hospital procedures and boards of directors. I don't believe this particular amendment will do either the opponents or the proponents of the issue any measurable good. I would prefer to see us vote down the amendment and make a straight-up vote on the resolution, do we approve the project or don't we approve the project. If we don't have enough people who say we approve the project, then I think we ought to introduce a motion, and I would be prepared to do that, to introduce a motion that we specifically disapprove the project. That is what the Chancellor wants. He wants a message from the Legislature and I think we owe him that.

PRESIDENT: Thank you. Senator Wesely, followed by Senator Haberman.

SENATOR WESELY: Mr. President and members, I would ask Senator Schmit a couple of questions. I did... I was going to rise in support of this amendment until Senator Labeledz raised the point about Section 3 being deleted. Could you address why you are trying to delete Section 3, because as I said earlier in this debate that that was a very good part of the resolution, different from the one last year that said this resolution is subordinate to the certificate of need process, and that was a concern both of us had and discussed last year. Can you talk about that, because otherwise I follow and track with you but I

don't understand why that is deleted.

SENATOR SCHMIT: Well, Senator, you can do it either way, and Senator Hannibal makes a point. I want to make this clear that once we approve the project, anything else is redundant and we don't need to think that the CON committee is going to give any real concern to the project if we have said go ahead, because what will happen will be exactly what has happened between last year and this year. In the event that everything goes to hell in a basket, they will just come back to this Legislature and say, well, we had to go overboard a little bit, had to spend some more money, and if everything else fails, the bonding system isn't there, we will go ahead and we'll pay for the project out of general tax funds. I can see where Senator Wesely is concerned because he thinks that I am saying we don't need the CON. That is...that is a given, that is a given to put it in there that this is subject to the approval of the CON committee after we have said, yes, we need the project, yes, we need the parking lot, yes, we need the operating rooms, yes, we need...we go into great detail. We go into considerable detail, central sterile supply facilities, loading dock/warehouse facilities, hospital and clinic space renovations, what more is there left. We have outlined it in great detail and said all of these things are needed. Now I challenge any member of this body to stand here and tell me, with the possible exception of the parking lot, that all of those things are definitely needed, Senator Wesely. You can tack on...you can amend the amendment if you want to to reinstate the language relative to the CON but I don't believe it makes any difference, because in the first two sections, one and two, we have already said, notwithstanding, notwithstanding, we approve of the project. So that is my argument, Senator Wesely. I have no objection if you want to amend the amendment to reinstate the CON language but I think it is redundant.

SENATOR WESELY: I understand your point, Senator Schmit, and as I said, last year I did support your similar amendment. I was very concerned about the influencing of the review process by this Legislature, and I thought your amendment last year was appropriate, and I think the thrust of what you are trying to do is appropriate again. I think we are in a position to make the signal that needs to be sent is are we willing to allow the financing that is being asked for here, and I think that is absolutely the case. But, again, the question is that is this cost effective, is this necessary, is this the right thing to

do? I don't feel comfortable making that decision whatsoever, and that is exactly Senator Schmit's point, that are we in a position to determine that? Are we in the position to say that this project should go and another should not, that this is the better solution to whatever problems exist up in Omaha, and particularly for the Medical Center? And I say, I don't know that, and I don't particularly feel comfortable in saying that that is so. But I do feel comfortable in saying that if it is reviewed and if it is found to be worthy, that I have no problem with them going forward with it. I guess that is...and how we do that and the semantics and the process are all of concern, but, certainly, I think if it is reviewed and found to be needed, then I have no problem with going forward. So I am saying that Senator Schmit raises a good point, and his amendment reaches a good point, and maybe I will try and amend it. I don't know yet. I will discuss it further with Senator Schmit, though.

PRESIDENT: Thank you. Senator Haberman is next, but may I introduce a guest, please, two guests of Senator Kristensen under the north balcony. We have Kurt Van Norman of Minden, Nebraska and Clayton Lukow of Holstein, Nebraska. Would you gentlemen please rise. Thank you for visiting us today. Senator Haberman, please.

SENATOR HABERMAN: I will call the question.

PRESIDENT: The question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye, opposed nay. If you care to vote, please do so, so that we can move along. Thank you. Record, Mr. Clerk, please.

CLERK: 26 ayes, 1 nay to cease debate, Mr. President.

PRESIDENT: Debate has ceased. Senator Schmit, would you like to close on your motion, please?

SENATOR SCHMIT: Mr. President and members, I never cease to be amazed at how quickly we can resolve major issues, and that is, I guess, because I don't think as fast as a lot of people on this floor, but then that is the way it is. I just want to suggest again, ladies and gentlemen, that Senator Wesely's fears have been allayed relative to striking of the subsection 3, and he reads it now as I do. It is not my intent in any way to relieve the CON committee of their responsibility and obligation

but I have a strong conviction that the way the resolution is written today we have sent to the CON committee, as indicated by Senator Hannibal, he said the purpose of this discussion here today, and the purpose of the resolution, is to approve the construction of those projects. Now I think that is a little bit different than what we talked about last year. Last year we talked more about the approval of the method of financing, but today we are being asked on this floor in the space of a little over an hour, not just to approve the method of financing, which we don't really need to do because they can do it without us, but to approve the projects. Now I would suggest, and I would like to ask a question, Senator Hannibal, I suppose you are the one to answer this question. Who completed the financial feasibility study on this project anyway?

PRESIDENT: Senator Hannibal, please.

SENATOR HANNIBAL: I don't know for sure, Senator Schmit, however, I would say that it was done by the Douglas Associates study, the architects, the engineers, the professional consultants, in conjunction with the accounting staff of the university.

SENATOR SCHMIT: Well, I have a high regard for Mr. Leuenberger but I have to remember just a few years ago when some of his projected, some of his projections on 773 didn't come out quite the way they were supposed to. But, anyway, that is beside the point. I want to say this, ladies and gentlemen, if you want to approve the method of financing, then my resolution will take care of that. If you want to approve the construction and say, we are not concerned with the impact upon Clarkson, we are not concerned with the impact upon medical health care cost, we are not concerned with whether or not we are achieving the maximum cooperation and the maximum amount of flexibility, then don't vote for the resolution, because if I sat on the CON committee and this Legislature sent this resolution to me, I would wash my hands of it and say, why should we concern ourselves. The Legislature has already judged the project and found it necessary. In their wisdom, they said we ought to spend \$47 million and, therefore, given that, certainly they know better than we do. I think it is a farce to do it the way you are doing it. It is not being fair with the committee. I think, ladies and gentlemen, that on this floor we frequently do those things which we have to come back and defend. I think we are going to have to come back and defend this action. There

will come a time, ladies and gentlemen, when you will be told, very honestly and forthrightly, that Clarkson Hospital did not sign off on this project because they did not approve of the independent construction of these facilities which I have outlined for you. I think that is important. I think that anything less than to require UNMC to go back to Clarkson and get them to sign off on it is a mistake. I will make you a promise. If they will go back and if they will take this resolution back to the Clarkson staff, and the Clarkson staff will sign off on it as is and say we support the projects, and we support the \$47 million to be done unilaterally, I will do something I have never done before. I will reverse my position and vote for the resolution. I do not think you can accept that challenge, ladies and gentlemen, because I do not think it will happen. I suggest that you vote for my amendment and at least give the CON committee a clear shot at making the decision based upon the facts and figures presented to them by the medical school.

PRESIDENT: Thank you. You have heard the closing on the Schmit amendment. The question is the adoption of the Schmit amendment. All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: 9 ayes, 18 nays, Mr. President, on adoption of the amendment.

PRESIDENT: The amendment is not adopted. Now we are back to the bill. You don't have anything else on it, do you, Mr. Clerk?

CLERK: Not at this time, Mr. President.

PRESIDENT: Okay. Senator Warner. Senator Schmit.

SENATOR SCHMIT: Mr. President and members, it is not my desire to drag this out, but it is my desire that you be fully informed. I am going to stand here today and tell you that if you pass this resolution in the manner in which it is now written, you are closing the door, you are not opening the door, to continued cooperation between Clarkson and UNMC. We have told them you can go ahead and build these facilities by yourself. You do not need to have any cooperation with Clarkson. Clarkson needs additional operating rooms. Clarkson needs additional patient facilities in certain areas. They

ought to be built conjunctively and they ought to be built cooperatively and they ought to be operated that way. There ought to be a major effort made toward the utilization of those 350 or more surplus rooms which Clarkson has. Everything that we do here ought to be conditioned upon achieving maximum cooperation in order to achieve maximum economy. We have driven up the cost of health care to the point where many of us cannot afford it. We have driven it up to the point where one day we will very reluctantly have to stand here and say, there has got to be some kind of overall health insurance because the average citizen can't afford to pay it anymore. I am as much in favor, ladies and gentlemen, of research and teaching as any person here. I have a large family and I understand the importance of maintaining the health of that family but, ladies and gentlemen, we ought to do it in a manner consistent with good business principles. This is not good business to pass this resolution in this form at this time. The Legislature ought not to pass it. We ought to send the message to the university that they sit down with Clarkson and talk. If they sit down with Clarkson and talk it over, and Clarkson says, go ahead, you have got our blessings. You have got a telephone, make a phone call now. It won't take you three minutes. Find out if Clarkson will say, yes. If they will say, yes, I will do even better than that. I will vote for the resolution today. I will vote for the resolution today. You don't need my vote, obviously. I think, ladies and gentlemen, that at some point we are going to do a lot of conversation on this floor, there will be a lot of discussion, there will be a lot of debate, on how we are going to spend the state's money, and the Appropriations Committee will agonize over which project they ought to fund and not to fund, and have to make tough decisions. They do it every day and they do a good job of it for the most part, but here on this floor, ladies and gentlemen, when this is the only chance that 40 of us have a shot of being involved in a project of this kind because most of the time they come to this body with an Appropriations Committee recommendation and we usually go along with it. In this particular instance, we have an opportunity to be involved. I challenge the members of this Legislature who support the project to check with Clarkson. If I am wrong, if I misunderstood, if I am in error, then I apologize and I will vote for the project. If I am right, then I would suggest that you might be able to pull six or seven or eight million dollars out of the cost of that project, and instead of standing here and asking for a 60 percent increase in the cost of the project, you might only have a 30 or 35 percent increase in the cost. To

me, that makes some kind of sense. In rural Nebraska, we find hospitals that are in desperate condition because they cannot sustain the facilities that they once built. We are going to find the same situation in Omaha one of these days because it is easier to build a facility, ladies and gentlemen, than it is to maintain it. Senator Warner made reference to the fact that there are a few minor costs in the budget bill, General Fund dollars, that supports the school up there. That will be called upon to increase, it will necessarily do so. If you do not, if you do not pass this resolution, we have said you ought to cooperate. We are not doing it now. I would suggest, ladies and gentlemen, that the reason that the UNMC did not go to Clarkson and have them sign off on the resolution was because they knew they would not do so. It is not because they are not interested. I stand on these numbers. I stand on these statements, ladies and gentlemen. You can disregard them if you will. I have no ability to force you to read, to listen, or to understand. You have every opportunity to believe those others who think differently.

PRESIDENT: One minute.

SENATOR SCHMIT: And I do not discount the seriousness and the concern and the good intentions of the members of the Appropriations Committee who brought this resolution before us, but I do think that it is wrong. I said so a year ago and I think I was at least partially vindicated because as Dr. Andrews said, this is a new project today we bring to you. Then I ask you this, since you approved the project last year, how can you come here today and say, okay, we were wrong last year, let's approve a different project. What will you say if a year from now a different project is brought here. At what point in time, ladies and gentlemen, does the credibility of this Legislature begin to suffer. I think it has suffered enough. I would oppose the resolution in this form.

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

CLERK: 26 ayes, 0 nays to cease debate, Mr. President.

PRESIDENT: Senator Warner, are you going to close or was Senator Hannibal? Senator Warner.

SENATOR WARNER: Just, I will share the closing, Mr. President. I just want to briefly say that I can only, obviously, speak for myself but for myself I am convinced that the project as proposed is in the best interest of the citizens of the state and should proceed. I do want to point out that my understanding from the hearing is that the site, for example, of the facility is as the result of the joint master plan that had been worked out with...worked with cooperative with the Clarkson facility. So there have been numerous things in here that were included. There has been reference to the surgery rooms, operating rooms. Apparently, the institution, the Med Center has seven operating rooms, two of which I understand are only really capable because of the inherent design of the facility to be renovated or remodeled to be what is necessary for equipment and the things that go with an operating room nowadays. So the facility will add six new ones. We are not talking about eight new surgery rooms, we are talking about one more than what is currently there, seven as opposed to eight. The walkway that was mentioned by Senator Schmit is a part of the overall concept of joint use for those two facilities which is in place and to my knowledge is going ahead and I believe in those areas where they can go ahead they will, but the bottom line from my viewpoint is simply that this is a good policy decision for medical services. It is reasonably soundly financed and will contribute to the health care more effectively for our citizens across the state and we should adopt it, and I would give the balance of my time to Senator Hannibal.

PRESIDENT: Senator Hannibal, please.

SENATOR HANNIBAL: Well, Mr. President and members, I appreciate we have had a lot of discussion. Senator Schmit just did point out to me, and I think it is fair to point out to the body, that what Senator Warner just mentioned that the idea that the university center, the Medical Center and Clarkson have been talking and have had some information in newspapers just recently about a possible walkway, that is not part of this project. That is not part of the cost of this project. That is something different. It is something they are working on, and I think it is fair to point that out, but, briefly and in summary, I can't say, as always is the case, anything better than Senator Warner has said. He echoes my thoughts a lot. I am convinced that this is in the best interest of the people of the State of Nebraska. As a matter of fact, that is how I try to vote at all

times, on all the hundreds and thousands of issues that we all vote on over the years that we are in this body. If I weren't, I wouldn't be standing up proposing this resolution. Senator Schmit has pointed out some very good points. I listen to Senator Schmit, he is a senior here. He has knowledge of hospital facilities. He has knowledge of the way the process works. I do disagree with him on this situation. I don't believe, I don't believe that the passage of this resolution will in any way hinder the continued and intensifying negotiations and discussions between Clarkson Hospital and the University Med Center. If I thought that it would, I would not approve this. I don't believe that. The chancellor and his staff at the university have brought this proposal to you probably without need. Probably they could go ahead and do this because it is not necessary in law to do this, but they have asked for us to tell them, this is the direction that they are going to go, this is the direction they see the future of this University Med Center going...

PRESIDENT: One minute.

SENATOR HANNIBAL: ...towards ambulatory care, towards better equipped, more technologically suited operations rooms, and we also need the ancillary areas of parking, very mundane but a very real problem up there. This is the direction that they want to go. They are asking the Legislature to say, yes, we approve of that direction. I am convinced it is the proper direction. I have every faith in the University Med Center that they are moving along the right track. I hope that you do as well. I realize we can't be experts in this field. We have a certificate of need process for that. I have no feeling that our approval of this project, our blessing of this project, will in any way take away the ability of the certificate of need to look at this on a technical basis and say, no, it is not necessary; yes, it is necessary. What we are asking today is that you approve the resolution to move the university forward in the next 10 to 20 years. I urge your adoption of the resolution.

PRESIDENT: The question is the adoption of LR 25. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 30 ayes, 3 nays, Mr. President, on adoption of LR 25.

PRESIDENT: The resolution is adopted. Do you have anything

February 13, 1989

LB 43, 195, 198, 209, 342
LR 25, 29

PRESIDENT NICHOL PRESIDING

PRESIDENT: Welcome to the George W. Norris Legislative Chamber. We have with us this morning as our Chaplain of the day, Reverend Duane Voorman of the Trinity Lutheran Church of Lincoln. Would you please rise for the invocation.

REVEREND VOORMAN: (Prayer offered.)

PRESIDENT: Thank you, Reverend Voorman. We appreciate it. Roll call, please. Record, Mr. Clerk, please.

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

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

CLERK: No corrections, Mr. President.

PRESIDENT: Do you have any messages reports or announcements?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined engrossed LB 195 and find the same correctly engrossed, LB 198 correctly engrossed, LB 209, LB 342, all correctly engrossed, that is signed by Senator Lindsay as Chair. (See pages 705-06 of the Legislative Journal.)

I have a report, Mr. President, from the...revenue distribution from the Highway User Fund from the Department of Roads. That will be filed by statute. That will be on file in my office, Mr. President. And last, Mr. President, LR 25 and LR 29 are ready for your signature. 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, LR 25 and LR 29. We are about ready to begin on Final Reading, so if you will take your seats please, we will begin here in a moment. Final Reading on LB 43, Mr. Clerk.

CLERK: (Read LB 43 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 43 pass? All those in favor vote aye, opposed nay. Have you all voted?