

April 13, 1989

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

683A.

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

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

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

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

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

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

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

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

Proofed by:

*Marilyn Jank*  
Marilyn Jank

April 18, 1989

LR 75, 76

PRESIDENT NICHOL PRESIDING

PRESIDENT: Good morning, ladies and gentlemen, welcome to the George W. Norris Legislative Chamber. We have with us this morning as our chaplain of the day Reverend Steven Voris of the Presbyterian Church in North Bend, Nebraska, which is the area serviced by Senator Lowell Johnson. Would you please rise for the invocation by Reverend Voris.

REVEREND VORIS: (Prayer offered.)

PRESIDENT: (Gavel.) Thank you, Reverend Voris. Please come back and visit us again sometime. Appreciate it. Roll call, please.

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

PRESIDENT: Thank you. Any corrections to the Journal?

CLERK: No corrections, Mr. President.

PRESIDENT: Good. Any messages, reports or announcements?

CLERK: Just that LR 75 is ready for your signature, Mr. President. That's the only item I have.

PRESIDENT: While the Legislature is in session and capable of transacting business, I propose to sign and do sign LR 75. Move onto LR 76, Mr. Clerk.

CLERK: Mr. President, LR 76 offered by Senators Wesley, Warner, Landis, Schimek and Crosby. It's found on page 1701 of the Journal. (Read a brief description of LR 76.)

PRESIDENT: Senator Wesely, please.

SENATOR WESELY: Thank you. Mr. President and members, this resolution is brought to you by the members of the Lincoln delegation. We are all very concerned, however, I believe, in the whole state with the issue of what happens to businesses and jobs and certainly the Goodyear plant in Lincoln is one that is of significance to not just Lincoln but the whole state. It now employs over 2,000 individuals at salary levels that are very good in comparison to many other jobs that we have in the state. These well paid employees are working hard and doing a good job

but, unfortunately, because of some changes in the Goodyear management in terms of what they want to...how they want to handle distribution, demands were made upon the Goodyear Tire and Rubber Company Rubber Workers' Union to accept further cuts in pay in exchange for having a national distribution center located here in Lincoln. The union, last week, voted against those further cuts in pay and, as a result, we are in a very serious problem right now in Lincoln and in the state because of the potential loss of something, I believe it's three to 400 jobs are being discussed to be lost. And as this negotiation is occurring, to look elsewhere for this national distribution center, it was thought that an appeal on the part of this Legislature to the Goodyear Company, to ask them to reconsider the situation and perhaps continue negotiations with those employees, would be in order. The goal and intent here is to try to have the Goodyear Company recognize that our employees have been there a long time, worked hard, have made concessions and have tried to do the best job they can and are continuing to want to cooperate with the company. On the other hand, we also want to emphasize that this Legislature has been there time and again to provide assistance to Goodyear and other manufacturers in the state, specifically to Goodyear in some cases because of our concern for that plant and for that company. And I will just recite what is recited in this resolution. In 1981, LB 3 was passed providing for a sales tax exemption from manufacturing and processing equipment. And I recall very clearly that Senator Landis and I and others strove very hard to have that bill apply to existing manufacturers and not just apply to new companies coming into the state, the idea being that a company like Goodyear already in Nebraska should be provided that assistance, as well as a new company coming into the state. And we were able to successfully amend the bill and to see that that provision was included as it passed in 1981, again specifically thinking about Goodyear. In 1987, LB 775 was passed but also a bill was introduced by myself and some other senators specifically to take LB 3 and expand it to replacement equipment, to allow for Goodyear, in particular, and other manufacturers to replace outdated equipment and have the sales tax exemption apply to them. That provision was made part of LB 775 and passed and, of course, we all know the provisions of LB 775 but Goodyear has applied for and received assistance under that...that bill. In addition, Senator Hartnett and I worked on the Shareholders' Protection Act last year when Goodyear was under attack by corporate raiders. Although our plant here wouldn't have been particularly affected by that act

that we passed, we were trying to act in unison with other states to indicate our State Legislature's desire to put a stop to the corporate raids that were going on and harming companies like Goodyear. And, of course, some of that effort was successful and we did pass the Shareholders' Protection Act last year. What I'm trying to do is make the case that this Legislature has worked very hard for Goodyear and other manufacturers and businesses in the state and we have built a good business climate and we think in exchange for that, hopefully, the Goodyear company will consider renegotiating with the employees and maintaining that distribution center in Lincoln. So, with that background, I would like to ask your support for this resolution.

PRESIDENT: Thank you. Any further discussion? If not...Senator Lamb, please.

SENATOR LAMB: Well, Mr. President and members, I guess I'm somewhat concerned that the resolution is pointed only at the company, as I read it, and not also asking that the employees consider renegotiating their stance with the company. So I'm wondering if Senator Wesely would agree that there should be something added to the resolution which might bring about an end to this problem but it's not just aimed directly at the company but might also indicate that the employees might also renegotiate their stance in this issue.

PRESIDENT: Senator Morrissey, please.

SENATOR MORRISSEY: Yes, thank you. Members, I would stand in support of the amendment. Folks, you have to consider that these employees have already given time and time again, taken a wage cut, now they're being asked to take a wage cut again. You have to think of what it is, what it takes for a person to finally say, I've had enough. These folks had to make a decision. They realized that if they made this decision, they could lose their jobs. Now that's a very tough decision to make. It's not one that they make lightly. You either take this cut...we negotiated a cut earlier and said it would be good through 1991, now all of a sudden we want you to take another cut again, we want to take away your seniority so if you get bumped out of the plant and go to the warehouse, you will start out as a new employee even though you may have 20 years seniority. It's...it's just not an easy decision to make. I don't know who in this body has ever had to sit down and

actually say, all right, I've had enough, I've taken the cut, they're asking me to take another cut, and to really sit down and think, I've had enough, I'm not going to take anymore even though I might lose my job and some of my friends might lose my job, even though I have worked here for 20 years, it's just not an easy decision to make. It's not a decision that these unions made lightly, I will guarantee you. You just don't sit down, it's not greed, it's just that they have had enough. They feel that they have offered concessions on their own part and that the company offered them, basically, a proposal that they knew the unions would turn down so they could move to this other plant in Iowa. That's the way I see the issue. I just want you to think about it because this is not a decision that is made lightly. For these people to start over, which some of them will have to do, after all these years of working at Goodyear, it's a very, very tough decision to make and it's one they agonized over, I will guarantee you, before they voted. Thank you.

PRESIDENT: Thank you. Senator Wesely, please, followed by Senator McFarland and Senator Hefner. Senator Wesely, please.

SENATOR WESELY: Thank you, Mr. President, and members, in brief response to Senator Lamb's concern about the employees, I will just...all I will say is the reason this is targeted to the company is that the employees have already indicated their desire to negotiate with the company and to sit down again after the rejection of that last package, they want very much to go over with the company their concerns and see if there can be some other way to proceed. It's the company that is not wanting to come to the table. All this resolution says is we would like to see them at least sit down and reopen the talks that were going on. That's the reason that we don't have the employees. They are more than willing to sit down and negotiate and further work together but they can't get the company to do that in turn.

PRESIDENT: Thank you. Senator McFarland, please.

SENATOR MCFARLAND: Thank you, Mr. President, and fellow senators, there are times in our system of competitive enterprise that it becomes necessary for renegotiations and there are times when it is necessary for employees and management to take wage concessions in order to keep the company going, keep the company afloat. Nowhere was that better illustrated than several years ago when the Chrysler Corporation

was on the verge of bankruptcy and Lee Iacocca and his staff came in, reorganized that entire corporation. The employees gave wage concessions, the Board of Directors allowed Douglas Frazier, who was head of UAW, to sit on their board. The management, including Lee Iacocca, all gave wage concessions as well, as a matter of fact, Mr. Iacocca worked for \$1 a year. My understanding at the Goodyear situation right now is that the concessions are being asked of the employees but no one in management is taking similar concessions that, in fact, management employees are receiving wage increases at the same time they have asked the employees of Goodyear to make wage concessions in order to keep the plant going here in Lincoln. I hope that the negotiations can proceed so that they all share in the responsibility of economizing and maybe everyone has to make some kind of wage concession in order to maintain the plant. I think that is only fair and equitable and my understanding of the situation is that the management people have not...have not agreed or not volunteered to make wage concessions on their own salary. If that understanding is correct, I hope that that problem can be worked out. I would at last say that Goodyear, it is my understanding also, came to the Legislature a couple years ago to ask that they have particular provisions put into 775 as far as tax incentives to keep them here. The Legislature, whether wisely or not, gave those kind of concessions, adopted those kind of provisions to help the Goodyear company and now it seems to me that the...that, in fairness, that the company itself should make some kind of effort to maintain its part of the bargain and keep the plant here and not reduce their overall employment in the City of Lincoln. If the Legislature was willing to work with them two years ago in passing 775 in the form it was in, it seems to me there is an obligation of the company to make every effort to stay in Lincoln, to maintain its level of employment and be a productive and viable contributor to the economy of Lincoln, which they have been over many, many years. And I sure hope we can maintain it. I sure hope that the problem can be resolved. Thank you.

PRESIDENT: Thank you. Senator Hefner, please.

SENATOR HEFNER: Mr. President and members of the body, I kind of wonder if the Legislature should get involved here. A number of years ago when I first came to the Legislature, about 13 years ago, IBP in Dakota City had a terrible strike. Lives were threatened, property destroyed and I went to some of my

colleagues and asked them if they thought it would be right to have the Ag Committee or some committee of the Legislature hold a public hearing in that area and decide if we could help them. And I was advised at that time that it would be best for the Legislature to stay out of labor and management disputes. And I wonder...I realize this is just a resolution and I really don't know how much weight it will carry but I kind of wonder if this Legislature should get involved in this kind of labor and management dispute. I feel that the companies know what they have to do. The labor unions know what they have to do and the labor union voted that they wouldn't go along with any more concessions. Management knows what it has to do to make a profit and so I'm just saying to you here today I wonder if this is the right thing for the Legislature to be doing. So I just wanted to offer these comments to the body.

PRESIDENT: Thank you. Senator Wesely, would you like to close on your resolution, please.

SENATOR WESELY: Thank you. Mr. President and members, I do appreciate the comments being made, mostly in support of the resolution. Senator Hefner, in response to your concerns, we have always, I think, taken a great interest in this Legislature in trying to maintain jobs and bring jobs to the state. I remember when we had the Falstaff problem and we worked with Senator Labeledz on some amendments and time and again we have passed legislation in here, this is a resolution, trying to deal with this problem. If you read the resolution, you will find it very positive. It says this Legislature, this state has worked hard to build a good business climate. We have worked hard to meet the concerns of the Goodyear plant, in particular, as I mentioned earlier. We have time and again passed legislation of particular interest to Goodyear and to that plant in northeast Lincoln. We have bent over backwards. We're kind of asking, we've done our part to do the best we can, we would like to ask your help in at least sitting down and talking to the employees. It doesn't take sides, particularly, it just suggests that a negotiation occur and, hopefully, this sort of positive tone will be productive. And so, with that understanding, I would ask very much for, hopefully, very strong support for this resolution. Thank you very much.

PRESIDENT: Thank you. The question is the adoption of LR 76. All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

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LB 336, 546, 548, 582  
LR 76

CLERK: 27 ayes, 0 nays, Mr. President, on adoption of LR 76.

PRESIDENT: The resolution is adopted. Anything for the record at this time, Mr. Clerk?

CLERK: Mr. President, Senator McFarland would like to add his name as co-introducer to LR 76 and Senator Withem has amendments to be printed to LB 336. (See page 1739 of the Legislative Journal.) That's all that I have, Mr. President.

PRESIDENT: Okay, if you will return to your seats, please, we will begin Final Reading. (Gavel.) If you will return to your seats, please, we will begin Final Reading. Mr. Clerk, LB 546.

CLERK: (Read LB 546 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 546 pass? All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: (Record vote read. See page 1740 of the Legislative Journal.) 46 ayes, 0 nays, 3 excused and not voting, Mr. President.

PRESIDENT: LB 546 passes. LB 548.

CLERK: (Read LB 548 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 548 pass? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Record vote read. See pages 1740-41 of the Legislative Journal.) 48 ayes, 0 nays, 1 excused and not voting, Mr. President.

PRESIDENT: LB 548 passes. LB 582.

CLERK: (Read LB 582 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 582 pass? All



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LB 761  
LR 76

room. You can have a lawyer but the lawyer sits outside of the room.

PRESIDENT: One minute.

SENATOR CHAMBERS: So if you need to consult with your lawyer, you try to the best of your ability to remember what the lawyer who is prosecuting or if it's not a prosecutorial situation, the questioner asks you and you try to relay that to your lawyer, you may or may not be able to adequately do it, therefore, your lawyer may or may not be able to give you adequate and proper representation in the form of legal advice. So that is one of the criticisms of the grand jury system. You don't have legal representation even though you may be placed in jeopardy while appearing before a grand jury. We're going to take a municipality in this which is supposed to be our state and say that people who come to us on their knees, in a manner of speaking, saying, I don't know how to protect my interests, allow me, please, to select somebody to protect my interests, and we say, no, we're going to give Goliath a machine gun and the power to use it, but, you, little David, we're going to take from you even the slingshot that you had, based on the legend.

PRESIDENT: Time.

SENATOR CHAMBERS: I think that is grossly unfair and this amendment would go some ways toward rectifying it.

PRESIDENT: Thank you. May I introduce some guests under the north balcony, please. Senator Howard Lamb has 10 seventh and eighth graders from Berwyn, Nebraska and their teacher. Would you folks please stand and be recognized. Thank you for visiting us today. While the Legislature is in session and capable of transacting business, I propose to sign and do sign LR 76. Senator Hefner, you are next, followed by Senator Elmer and Senator Schmit.

SENATOR HEFNER: Mr. President and members of the body, I have mixed emotions about this amendment. Senator Chambers, could you help me out a little bit on this amendment? Okay, when we say that except a municipality, now where...my question is where do we include municipality? Say that it's...and what municipality do we take? Say that...

SENATOR CHAMBERS: Okay.