

**FEBRUARY 6, 2001**

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February 6, 2001 LB 24A, 183, 209A, 244, 245, 375  
LR 26

SPEAKER KRISTENSEN PRESIDING

SPEAKER KRISTENSEN: Good morning, and welcome to the George W. Norris Legislative Chamber. This morning, our chaplain for the day is Pastor Harvey Macklin. He's from the Kimball Assembly of God Church in Kimball, Nebraska. Pastor.

PASTOR MACKLIN: (Prayer offered.)

SPEAKER KRISTENSEN: I call the twenty-third day of the Nebraska Unicameral Legislature to order. Senators, please record your presence. Roll call.

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

SPEAKER KRISTENSEN: Thank you, Mr. Clerk. Corrections to the Journal?

CLERK: I have no corrections, Mr. President.

SPEAKER KRISTENSEN: Messages, reports or announcements?

CLERK: Mr. President, Enrollment and Review reports LB 244, LB 245, and LB 375 to Select File, some of those having Enrollment and Review amendments. Enrollment and Review also reports LB 24A and LB 209A as correctly engrossed. Mr. President, there will be an Executive Session of the Education Committee at noon in Room 1525; Education Committee at noon in Room 1525. That's all that I have, Mr. President. (Legislative Journal pages 549-550.)

SPEAKER KRISTENSEN: Thank you, Mr. Clerk. We next move to General File. Before we introduce LB 183, while the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR 26. Mr. Clerk, LB 183.

CLERK: Mr. President, LB 183 was a bill introduced by Senator Janssen. (Read title.) Bill was introduced on January 4 of this year, referred to the Government Committee, advanced to General File. I have no amendments to the bill at this time, Mr. President.

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**SPEAKER KRISTENSEN:** Senator Janssen, you're recognized to open on LB 183.

**SENATOR JANSSEN:** Thank you, Mr. Speaker, members of the Legislature. LB 183 is a fairly simple bill. It would amend the Local Governmental Miscellaneous Expenditure Act to allow local governments to spend public funds for flowers or other appropriate memorials for the funeral of an elected or appointed official, a former elected or appointed official, an employee or a former employee in recognition of their service to local government. The bill was heard on January 24th in the Government, Military and Veterans Affairs Committee. It advanced to General File on a 8 to 0 vote, and I'd like to explain to you a little bit about what happens now. Before making an expenditure, the governing body shall, by official action after a public hearing, establish a uniform policy which would set the dollar limit or other limitations on such expenditures. The same...this is the same procedure that is used for recognizing employees with plaques, certificates or other what you might call recognitions for someone who is on a...has been on the council but not deceased. After they're deceased then they can't allow these expenditures. The change made in this bill would allow the local governments to honor officials/employees who have provided service to the local government. In many cases, these officials or employees have served the local political subdivision for decades. It seems only right that we allow local governments to recognize this service and honor their families by sending flowers or other memorials to a funeral. This same bill was advanced last year to General File, however, we ran out of time and didn't...it didn't make it to the floor. A little background on that: the Local Governmental Miscellaneous Expenditure Act was adopted in 1993 to clarify what expenditures by local entities were appropriate. It was the result of an opinion by the Accountability and Disclosure Commission, which called into question certain kinds of payments made by local entities. This opinion stated that providing flowers or memorials at a funeral were not allowed. The act addressed many of these issues raised in the opinion, however, one issue that was not changed was providing for flowers or memorials at funerals. This bill would

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take care of that. Some of the entities that this would affect are cities and villages, counties, school districts, townships, NRDs, ESUs, community college, fire protection districts, cemetery districts, community hospitals, county hospitals, road improvement districts, sanitary drainage districts, county agricultural societies, airport authorities, and weed control authorities. Like I said, it...I think it is fitting. We spend money in other ways by transporting or providing police cars for bringing a hearse or something to the cemetery, but we cannot provide any local funds for memorials. With that, I'd answer any question that anyone would have, or try to, and I ask for the passage of this bill. Thank you.

**SPEAKER KRISTENSEN:** Debate on advancement of LB 183, Senator Chambers.

**SENATOR CHAMBERS:** Mr. President, members of the Legislature, I'm going to resist every temptation to be filled with jest this morning. I want to ask Senator Janssen, because I was kind of occupied, exactly what kind of memorial would be involved here and what...where would the money come from?

**SENATOR JANSSEN:** Most generally it would be flowers. The way it is now, Senator Chambers, the council members, if they have someone who's passed away that's been a long-time employee or a member of that council, they have to...

**SENATOR CHAMBERS:** Don't give too many examples or you're going to overcome my desire not to jump into humor, but I'll listen.

**SENATOR JANSSEN:** Well, that's all right, you know,...

**SENATOR CHAMBERS:** Okay. (Laugh)

**SENATOR JANSSEN:** ...or even...(laugh) or even someone in the Legislature I would imagine. No, it...now they have to take up a collection amongst the members of the council if they choose to provide a memorial or flowers to that...at that funeral.

**SENATOR CHAMBERS:** And what would this bill do?

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SENATOR JANSSEN: This would allow local governing bodies, the ones that I mentioned, to be able to use public funds to buy a wreath or a bouquet of flowers at that funeral.

SENATOR CHAMBERS: Senator Janssen, take what I'm asking you in seriousness, because I'm asking it seriously. Suppose not all members of the public think an individual is worthy of having some kind of memorial but his or her tax dollars will go to provide one anyway. Is that...is this good public policy, in other words, similar in a way to maybe subsidizing a religious point of view?

SENATOR JANSSEN: I...I would say, no, Senator, because it is for the service that this person gave to that entity, nothing to do with religion.

SENATOR CHAMBERS: Did this person receive a salary?

SENATOR JANSSEN: I would imagine they did. Not too many work for nothing, Senator.

SENATOR CHAMBERS: So...so if they're paid for what they did, why should the public be called upon to pay for whatever form this memorial might take?

SENATOR JANSSEN: Well, I don't...I don't think that it...there's anything wrong with that. After all, it is just a recognition of the service that is...has been given by that particular individual. I would not...

SENATOR CHAMBERS: Thank you. Oh.

SENATOR JANSSEN: ...not everybody that works for government is liked, we all know that. (Laughter)

SENATOR CHAMBERS: Thank you, Senator Janssen. (Laugh) You...you...you wait until you croak, as Yogi Berra said, and I mentioned this to one committee, and Yogi Berra actually said this: You ought to all...you ought to go to all of your friends' funeral or when you die they won't come to yours. (Laughter) Members of the Legislature, perhaps I am fulfilling the role of

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the Grinch, sprinkled liberally with a dose of Scrooge, topped off with a pinch of Jacob Marley. I don't think this is good public policy. Some things seem so sunk in the feelings of the heart and the emotions that nobody should question it, but I must. I'm starting to see more and more at all levels of government, expenditures of funds for things that are not a part of what the government's duty and responsibilities are. When people wind up in a public office, such as myself, there is nothing that the public owes us in the way of a memento, a memorial,...

SPEAKER KRISTENSEN: One minute.

SENATOR CHAMBERS: ...or anything else. If I'm given a salary, that's all the pay, the remuneration, that I can expect. If I volunteer, I'm volunteering because I think what I'm doing is right and I'm not looking for anything in return. I have to turn my light on again, though.

SPEAKER KRISTENSEN: Senator, did you want to complete your time?

SENATOR CHAMBERS: No, I'll wait.

SPEAKER KRISTENSEN: Thank you. Senator Don Pederson.

SENATOR D. PEDERSON: Mr. Speaker, members of the body, Senator Janssen, I would like you to comment on this. Perhaps I'm just being nostalgic, but it seemed to me that whenever a co...a coworker or someone who was employed that people had regard for died, became sick or whatever else, that people contributed to that. It wasn't requiring governmental funds to provide money for that; it was out of the charity and the concern that one had for an individual. And it seems to me that what we are doing is reverting to the fact that government will pay for everything, and I'm not sure that that's an appropriate legislative matter. So I'd like your comment, if you will, please.

SENATOR JANSSEN: Yes, thank you, Senator Pederson. In the situations that have been explained to me, the...this one particular city, the administrator told me that they had an

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employee that had worked there for 30-some years. Well, he happened to die and the family, you know how the families are when they gather at a funeral, they look at the flowers and so on and so forth, and a comment was made by one of the families that, my gosh, this man worked for the city for 30-some years and that's the least that the city could do, would...was giving him, you know, provided some flowers at that funeral. And it raised the question so the council members, after that, started to take a collection up with the...amongst themselves to provide those flowers at funerals. Well, it was unfortunate but they had about four or five of those right in a row and the council got a little tired of digging into their pocket to provide these. I mean this is an isolated case, but those things happen, and I see nothing wrong with that. It's not...besides, this has to be set at a meeting what the price range will be for those and they won't deviate from that. If they say \$25, it's \$25 if you worked there 30 years or if you worked there 10 years. So they have to set a policy amongst themselves.

SENATOR D. PEDERSON: Thank you, Senator Janssen. I'm not going to make any further comment. I still feel that...I've served on boards and things of that nature and when this situation occurred it didn't dawn on me that...that a governmental entity should pay for it. So I yield back the balance of my time.

SPEAKER KRISTENSEN: (Visitors and doctor of the day introduced.) Continued debate on advancement of LB 183, Senator Schimek.

SENATOR SCHIMEK: Yes, thank you, Mr. President, members of the body, and I rise to answer one of "Senator Scrooge's" questions. (Laugh) "Senator Scrooge", this does...this does refer to elected and appointed officials and I think it is conceivable that some of those elected and appointed officials possibly are unpaid. I don't know about that throughout the state, but I just wanted you to know that it doesn't refer just to employees. It also refers to those elected officials. I guess I would like to tell you just a minute about the Government Committee discussion on this bill and it is kind of a puny bill in some ways, if you'll excuse me, Senator Janssen, but it is...it's an issue that the Government Committee was a little bit frustrated

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over because we felt like it really should be up to the local entity to make a decision one way or the other about this; that it really shouldn't be the state trying to decide this policy. And it...it also encouraged us to maybe look at a little bit broader picture. Do we need to be able to tell local governments every single thing they can do? Well, perhaps we do; perhaps we don't. But we thought that this was just a policy that would enable that local entity to make its own decision in this regard and there are times, I do believe, when...when local entities would want to do this in recognition of someone's outstanding service, somebody's long service, somebody who had been an integral part of the community and maybe had given back more than they ever got in terms of remuneration. Some elected officials, as you all know, are remunerated, but it isn't in great quantities, and so I think this is simply a way of showing respect and recognition. I think we should let those local entities make that decision for themselves. Thank you.

SPEAKER KRISTENSEN: Mr. Clerk, motion on the desk.

CLERK: Mr. President, Senator Chambers would move to indefinitely postpone LB 183. Senator Janssen, you'd have the option to lay the bill over, Senator.

SPEAKER KRISTENSEN: Senator Janssen has requested we take up the motion to indefinitely postpone. Senator Chambers, you're recognized to open on that motion.

SENATOR CHAMBERS: Mr. President and members of the Legislature, many times issues will come before us and, out of a desire to be collegial, we will not take the action that a responsible Legislature ought to take. I try to be collegial where I can. I saw a presentation, supposedly, about the life of Sir Thomas More, and after he got in trouble with the king, then his wife was telling him how he ought to do this, and he ought to do that, and how he should conduct himself, and he said, anything that can be accomplished through smiling, that I shall accomplish. But when it came to other things where he was asked to sacrifice a principle or give up a moral belief that he had, that particular thing could not be accomplished by him through

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those means. Since I am the oldest person in the Legislature, since I have the reputation of being Jack the Ripper when necessary, I will wear that mantle and attempt to do those things that I believe will help preserve the Legislature as an institution. This motion is not just directed against Senator Janssen's bill. It is not just against giving some kind of memorial when somebody croaks who had been in public office. It has to do with what the Legislature is about and the issues that we are going to give our time to. Maybe I am this morning a minority of one in terms of the view that I take of what is being offered by this bill. I do not believe this is sound public policy. When we act as a Legislature, we are establishing the policy of the state. We are telling people that when you open these statute books you are reading the results of mature deliberation, discussion, and sound judgment applied. I do not believe this provision represents sound judgment. Now let me look at what could happen if the Legislature does this and if it is felt that public money ought to be used for this purpose. Will everybody get a bouquet, or only those who are deemed popular? If there is a person whom nobody apparently likes, will that person and that person's family be given short shrift by the memorial not being given? If you're going to do this it ought to be a mandate, not picking and choosing. If this is something that is going to be made available to people simply because they served in public office it should be something attached to that office and not the popularity or lack thereof of the individual holding it. Public money is being spent. It would have saved all of you all if the constitution would have allowed just Senator Chambers to be the one subjected to term limits. I am enshrined in the constitution. I am the reason term limits was a proposition that was accepted by the public, but, in so doing, they had to croak all of you-all at the same time. The law, whether people like it or not, at least declares on its face that there must be an equal application of it across the board. Some of these things that seem very innocuous are not so when we analyze them and then weigh them against what it is we are supposed to do. You cannot pass special legislation, which means singling out an individual or a group for something that is negative or something that is beneficial. The Legislature enacts what are called general laws, not special laws. The general law has to

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apply to every individual, every group, every entity which falls within that class. And when the Legislature begins to aim laws at specific individuals or groups, that is not a general law that applies across the board, it is a special law and, as such, is unconstitutional on its face. This provision has the appearance of a special law, but the application would cause it to be special in the real world. So if you're going to do this you ought to mandate it, either in the affirmative or the negative; in the affirmative by saying if one of these entities decides to give this memorial it shall give it to every person in that category, if it's a member of the city council, school board, or all public officials; or, in the negative, no person shall receive such a memorial unless such a memorial is provided for everyone on that board or whatever it is. I'm not in favor of picking and choosing. This is part of the reason I started talking about the makeup of the commission that governs Game and Parks. There are favored groups and individuals. Out there in the private sector, they can do just about anything they want to as long as they don't violate a law. When it comes to the Legislature and what we do there needs to be more circumspection than will be shown if this apparently innocuous bill is enacted. I do not think it is a good thing. I'm not condemning those who brought the bill. I believe they were well-intentioned, but I believe it springs from maybe one incident that happened in one little town or one little village and they want the entire law changed so that the Legislature is the one who said do it this way. Sometimes one phone call is sufficient to cause some people to feel that the whole law ought to be changed. One sheriff is upset about something so we ought to change all of the laws in 93 counties because one sheriff had one experience which he did not like. These types of things ought not be brought to the floor of the Legislature. It would be good if some of my colleagues were strong enough to tell constituents that particular request you're making is not the sort that the Legislature deals with so I will not offer that as legislation. But if the senator cannot do it, then the committee is to be the one that spreads a net and it ought to have a finer mesh than the filtering system of the senator. Those bad bills that are offered should be filtered out by the committee. If the committee does not do that the Legislature, as a whole, should do it on the floor. So I am throwing my net, which is a very

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fine mesh, to keep this from winding up in the statute books. When somebody wants to gather signatures around here, they don't ask the Legislature to pass a resolution authorizing some money to be spent from our budget. They come around and say, you want to give, whatever they're asking you to give, for flowers or a card, and people do that. And if they want to do it that is the spirit in which those things ought to be done. This activity borders on religion. Some people don't believe in funerals. Some people don't believe that a person has more stature dead than alive. Some people believe that you ought to show respect for a person...

SPEAKER KRISTENSEN: One minute.

SENATOR CHAMBERS: ...before he or she becomes a corpse rather than when they're under the ground and you say, well, you don't walk on graves, you don't spit on graves. When the hearse goes by you take your hat off and put your hand on your heart, and you might have hated the person. We need to become people who deal with the living. I'm serious about my motion to kill this bill.

SPEAKER KRISTENSEN: Senator Chambers, yours is the next light on, followed by Senator Tyson, Janssen, and Beutler.

SENATOR CHAMBERS: I will turn off my light and allow other discussion to proceed.

SPEAKER KRISTENSEN: Senator Tyson.

SENATOR TYSON: Members of the body, it...it disturbs me greatly to have to disagree with my friend, Senator Janssen, and it disturbs me even more to have to agree with Senator Chambers, especially so when his hands smoke with the blood of an innocent bill killed by him only yesterday. But I, in this case, have to align myself just once this session with Senator Chambers, maybe twice, but no more. I do believe that this is inappropriate. I think that memorials to the deceased should come from the heart and from the personal pocketbook and not from public funds. This is not a...a big thing, but I do think that it's indicative of an attitude about how public money should be spent and I,

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therefore, tell you that I regretfully, sadly subscribe to Senator Chambers' remarks, but here again I promise you it won't be very often this session that I do so. The balance of my time to Senator Chambers.

**SPEAKER KRISTENSEN:** Senator Chambers.

**SENATOR CHAMBERS:** Mr. President, members of the Legislature, Senator Tyson did not complete that listing. He said regretfully and sadly. He ought to have added "and wisely" he agrees with me. Thank you for the time, Senator Tyson.

**SPEAKER KRISTENSEN:** Senator Janssen.

**SENATOR JANSSEN:** Thank you, Mr. Speaker, members. This is not just one isolated issue. During the...the hearing, the League of Municipalities and the Nebraska County Officials also testified in support of this bill. You have to remember now that each governing body will establish a policy. They'll establish a policy on the monetary value of that memorial, the same way they do right now when someone retires from that entity. It's all right if you're alive. You can get one then. You can get something from the...from that entity. But just don't croak because if you croak you can't spend any money on them. It doesn't, yeah, this is some...they...you do not have to do this. If that council decides they do not want to do that, they don't have to. They can establish a policy that they don't give a memorial. They could also establish a policy that they don't have an employee's banquet once a year. They could also establish a policy that no living person who retires gets anything. That is...but the statutes disallow you to provide a memorial or something of that nature at a funeral, so if you're alive you can get it, if you're dead you can't. That's what it amounts to. We're allowing entities to...to spend public funds for a variety of issues. You can take...you can escort the body with 15 fire trucks and 32 police cars to the cemetery. There's nothing wrong with that. It will probably cost you a thousand dollars to get those people out to come to that...in that procession, doesn't make any difference, but you can't buy a \$25 wreath to place on that deceased person's casket. Now, to me, that sounds a little ridiculous. If you're alive it's okay; if

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you're croaked you can't do it. Now just think about that a little bit. Why is this so unnecessary? For the life of me I can't...I can't see any reason why that local governing body can't decide amongst themselves at a council meeting to do this, establish a policy. If they don't like someone, fine. You know, if there's animosity amongst the council members when they vote to whether or not they want to do this or not, it will probably be set in stone that they're not going to do it. But they should have...they should have the right to spend those expenditures, and if the public thinks that the \$25 for memorial is too much, let them know, let them know. So this isn't one isolated instance. It's happened throughout the state. So, with that, I'll just let you ponder a little while on the motion to indefinitely postpone. Thank you.

**SPEAKER KRISTENSEN:** Senator Beutler. Senator Beutler wants to speak on the bill. Senator Dwite Pedersen.

**SENATOR DW. PEDERSEN:** Thank you, Mr. Speaker and members of the Legislature. This, as I see it, is...is just plain getting in taxpayer's pockets even though it's a few pennies, a drop in the bucket. How many people have put a bucket under the...the dripping drops and pretty soon it's running over on the floor? The thing that bothers me on this more than anything else is, you know, this is money that's paid, that comes out of the General Funds of whatever government entity it might be, and maybe that...some of them people who put into that fund, God forsake, don't like me, and I'm gone and they have to buy flowers for me. I'm not going to support the bill. I will support the IPP. Thank you.

**SPEAKER KRISTENSEN:** Further debate on the motion to indefinitely postpone? Senator Chambers, you're recognized to close on that motion.

**SENATOR CHAMBERS:** Mr. President and members of the Legislature, I'm not a sentimental person. I don't believe in funerals. I shall deprive my enemies of the opportunity to see me stretched out in a coffin. I thank whatever gods there may be for the crematorium. That's the only thing I can say with certainty. When people ask me where I'm going I tell them, to the

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crematorium, after I've croaked, naturally, and some people think I'm taking too long. But despite the fact that I'm not sentimental about dead people and ceremonies, I know that in this society other people are. There are huge industries built on death--those who make stones, those who make coffins, those who sell services--and many times the bereaved people are taken advantage of. It's a time in people's lives when they think of all those things they did not say that they should have said; that they may have said which they wish now they had not said. But nothing which was said caused the person to be where they are; nothing left unsaid caused the person to be where he or she is. But because I understand how people in this society feel I'm convinced that when these ceremonies are engaged in they ought to be of a personal nature. What is done after somebody has croaked is being done for those who remain, because the one who is in the box in the ground or whose remains are in the crematorium will not know anything. By the way, a European pointed out to Americans that they didn't know how to describe things. These Americans we're talking about where George Washington, where what was left, was located, and this American said George Washington's ashes were buried wherever they were, and this English person said, was George Washington cremated? This person said, no. So the Englishman pointed out, then his remains are buried, his ashes are not; ashes result from cremation. So there are a lot of things that are connected with all of this that make no sense. What we are doing, I said all that to say this, with a bill like this makes even less sense than the superstition and other nonsensical things hooked up with the dead. I don't even know why they have fences around cemeteries. Those who are inside are not going to get out, and those who are on the outside don't want to get in, so why do you need a fence? All such things as that. But to get to this bill and my kill motion, I don't think it ought to be an easy thing to persuade the Legislature to create circumstances where local political subdivisions can spend public money on things that are of a personal nature. That should not be done. A magnification of this notion will come before us when we're talking about the state paying or contributing directly to salary increases for teachers who are to be controlled at the local level. There are state responsibilities that we have as state senators. What is encompassed in this bill is not one of them. Mr. President, I

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will ask for a call of the house and then I'll take the vote on the kill motion.

**SPEAKER KRISTENSEN:** There's been a request to place the house under call. All those in favor vote aye; all those opposed vote nay. Record.

**CLERK:** 24 ayes, 0 nays, Mr. President, to place the house under call.

**SPEAKER KRISTENSEN:** The house is under call. Would all members please return to the Chamber and record your presence. The house is under call. (Visitors introduced.) The house is under call. Senator Cunningham, would you please check in? Senator Beutler, would you check in, please? Senator Bromm, the house is under call. Senator Bromm, the house is under call. All members are present. The question is, shall LB 183 be indefinitely postponed? All those in favor vote aye; all those opposed vote nay. There has been a request for a record vote. There was a request for a record vote. Have you all voted who care to? Please record.

**CLERK:** (Record vote read, Legislative Journal pages 550-551.) 27 ayes, 18 nays, Mr. President.

**SPEAKER KRISTENSEN:** LB 183 is indefinitely postponed. I raise the call. The next item on the bill...or on the agenda today is LB 257. We're going to pass over that temporarily and move to LB 418. Before that, items for the record, Mr. Clerk.

**CLERK:** Mr. President, new A bills. (Read LB 25A, LB 346A, LB 225A, and LB 166A by title for the first time.) Hearing notices, Mr. President, from the Natural Resources Committee, a series of notices from Natural Resources, likewise from the Judiciary Committee, those notices signed by Senators Schrock and Brashear, as their respective committee Chairs. And, Mr. President, Senator Chambers has an amendment to LB 162 to be printed. That's all that I have. (Legislative Journal pages 551-553.)

Mr. President, LB 418, a bill introduced by Senator...or by the

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Business and Labor Committee. (Read title.) Introduced on January 9, referred to the Business Committee, advanced to General File. I have no amendments to the bill at this, Mr. President.

CLERK: Chairman of the Business and Labor Committee, Senator Connealy, you're recognized to open on the bill.

SENATOR CONNEALY: Thank you, Mr. Speaker. Members, LB 418 proposes to amend 48-652, the Employment Security Law. This section specifies the conditions for a "noncharge" of unemployment benefits against the experience accounts established for participating employers. For background, LB 40...I mean 48-652 provides three current circumstances under which unemployment benefits are charged...are not charged against an employer: when the claimant left work voluntarily without good cause; when the claimant was discharged for misconduct to his or her...on...; and also for when the claimant left work voluntarily with good cause to escape abuse. The new language of this bill would add a fourth "noncharge" condition that would...when the employee left work voluntarily due to a nonwork-connected illness or injury. LB 418 does not affect the eligibility or the level of unemployment benefits for available to employees. It is currently an attempt to spread out the unemployment cost of a employee leaving under these certain circumstances by not specifically charging a single employer's experience account. The concept of the bill was brought to the committee by the Nebraska Chamber of Commerce, and last year it was introduced as LB 915, which was advanced unanimously from committee last year but failed because of time. I would move the advancement of this bill.

SPEAKER KRISTENSEN: We're now debating the advancement of LB 418. Senator Foley.

SENATOR FOLEY: Senator Connealy, on my Chamber Viewer I'm able to find the Statement of Intent on this bill, but I find no committee statement. Maybe you can help me out. What was the vote of the committee and who testified in favor of it and in opposition to it?

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SENATOR CONNEALY: The...it was a committee bill and it was advanced 7-0.

SENATOR FOLEY: Was there any opposing testimony?

SENATOR CONNEALY: No, there was no opposing testimony.

SENATOR FOLEY: Thank you very much.

SPEAKER KRISTENSEN: Further debate on advancement? Seeing none, Senator Connealy, you're recognized to close on the advancement of LB 418. He waives that opportunity. The question before the body is the advancement of that bill. All those in favor vote aye; all those opposed vote nay. Have you all voted? Please record.

CLERK: 34 ayes, 0 nays, Mr. President, on the advancement of LB 418.

SPEAKER KRISTENSEN: LB 418 advances. We next move to LB 192. Mr. Clerk.

CLERK: LB 192, Mr. President, introduced by the Business and Labor Committee and signed by its membership. (Read title.) Bill was introduced on January 4, referred to the Business and Labor Committee, advanced to General File. I do have committee amendments, Mr. President. (AM0048, Legislative Journal page 424.)

SPEAKER KRISTENSEN: The Chair of the Business and Labor Committee, Senator Connealy, you're recognized to open on the bill.

SENATOR CONNEALY: Thank you, Mr. Speaker. This bill was brought to the Business and Labor Committee by the Department of Labor. It entails a variety of clean-up provisions and other minor changes to the unemployment insurance statutes. The bill would make a change to the way Indian tribes and tribal businesses are treated under Nebraska's unemployment insurance law as required by recent federal law changes. Under the Federal Unemployment Tax Act, Indian tribes are now to be

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treated similarly to state and local governments, meaning tribes that are no longer subject to federal unemployment taxes and they will be covered under the state unemployment compensation laws. These changes are necessary so that tribes can participate in the federal-state unemployment compensation program. And they're also required to do this under federal fund...to ensure that they continue to have federal funding. The bill would provide that employer provided supplemental unemployment insurance plans are not wages or benefits for tax purposes. Employers often pay benefits under these plans when an employee is permanently terminated. By indicating in statute that receipt...by indicating in statute that receipt of these benefits for permanently unemployed are not wages or benefits, the employee is protected from being disqualified for state provided unemployment benefits. This change would be in line with the federal statutes. The bill would allow the Department of Labor to discontinue printing and distribution of the text of the Employment Security Law. It's rarely asked for and it's more up-to-date on the Internet. The department deems it's inefficient to continue publishing these books. The bill would also delete language in several sections that authorizes the department to utilize a three-member tribunal panel, something that the department has not done for thirty years. The bill would delete language allowing employer appeals to commissioner regarding the rate of unemployment combined tax due, and provides for appeals to an appeal tribunal instead, giving the commissioner the authority to appeal the appeal tribunal's decision. The bill would amend sections to give authority to the department to send tax and interest assessment letters to employers stating final accounts due when the employer has failed to pay taxes or interest under the Uniform State Tax Lien Registration and Enforcement Act, and the department has filed a lien against them. The bill would also implement fraud provisions when (sic--with) penalties for false claims when the department holds telephone continuing claims for unemployment insurance. These claims are often...hold a higher risk of fraud when they do them over the phone. It would also provide venue for the county where the crime is committed and in the county where the person received the benefits. Last, the bill would allow the commissioner to delegate his or her administrative oversight functions over the appeal tribunal and administrative

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law judges so the commissioner will have the flexibility to administer the process similar to the way it's done by the Department of Motor Vehicles and their...in their administrative hearings. That's our opening on the bill.

**SPEAKER KRISTENSEN:** Senator Connealy, you are recognized to open on the committee amendments.

**SENATOR CONNEALY:** The committee amendment adds to the new language in Section 2 of the bill to clarify the exclusions from employment in subsection (6)(f) and (6)(g) of 48-604. The statute that defines "employment", as used in the Employment Security Law, are applicable to services performed in the employment of an Indian tribe. The committee amendment also adds the new language to the state that services performed by an educational institution or an educational service agency that's owned by an Indian tribe also file...fall under the conditions for disqualification of benefits, as defined under subsection (8) of 48-628. The U.S. Department of Labor is requiring these technical changes to ensure that Indian tribes are treated the same as other political subdivisions regarding training programs in educational institutions operated by tribes.

**SPEAKER KRISTENSEN:** You've heard the opening on the committee amendments. Debate on the committee amendments. Senator Beutler, on the amendments or the bill?

**SENATOR BEUTLER:** (Microphone malfunction) Bill.

**SPEAKER KRISTENSEN:** Further debate on the committee amendments? Seeing none, Senator Connealy, you're recognized to close. He waives that opportunity. The question before the body is the adoption of the committee amendments. All those in favor vote aye; all those opposed vote nay. Record.

**CLERK:** 33 ayes, 0 nays, Mr. President, on the adoption of committee amendments.

**SPEAKER KRISTENSEN:** The committee amendments are adopted.

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CLERK: Mr. President, Senator Connealy would move to amend with AM0165. (Legislative Journal page 455.)

SPEAKER KRISTENSEN: Senator Connealy, you're recognized to open on the amendment.

SENATOR CONNEALY: Thank you, Mr. Speaker. This amendment is to 48-633, subsection (3) of the bill that states that Commissioner of Labor's duties pertain to administrative oversight of the appeal tribunal and the administrative law judges in unemployment insurance hearings. The original language states that it's a nondelegable function of the commissioner to provide this oversight and toward the protection of fair and impartial hearings. The new language would state that it's the responsibility of the commissioner rather than the nondelegable function. This means that the commissioner may delegate such administrative...administration to the entity and such as a legal division of the Department of Labor or the like. Also, administrative hearings are in order in other agencies' houses in the agency's legal division, such as the Department of Motor Vehicles and Health and Human Services. To ensure continued fair and impartial hearings, should the commissioner choose to delegate administrative hearings to a legal division, this amendment proposes new language that would make it clear that the...that they have distinct rights and abilities of the appeal tribunal to act independently of their supervising entity.

SPEAKER KRISTENSEN: Debate on the amendment to the bill. Senator Beutler, again your light, I'll hold you till debate on the bill itself. Senator Landis, on the amendment or on the bill? Senator Landis, you're recognized.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I may put my light on more than once in that there's a bit of a history to tell about this, but in fact I'm going to vote for this amendment. This amendment is repealing some language that I introduced and got passed about 18 years ago, maybe a little bit less than that, in which the Legislature said that the appeals tribunal, which is like an administrative law judge, these are people that hear cases about unemployment compensation. You've got the person who was fired or who quit;

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you've got their employer; you take testimony usually on a cassette recorder, sometimes you can do it over the phone; you then compare it to a relatively small number of statutes; you decide whether or not you're going to disqualify the worker or let them get under workers' comp immediately. So they're relatively narrow kinds of cases in a repeating area of law. We hire lawyers to go out. Sometimes they go out and ride the circuit to various county courthouses and hear these cases. Well, about 16-18 years ago, the Commissioner of Labor at the time moved the appeals tribunal under an administrative arm of the Department of Labor. The appeals tribunal understands...understand that the appeal tribunal sometimes rules on department interpretations of law. Well, this particular time, the appeals tribunal started ruling against the department on a certain kind of procedure that they were following as far as accounting was going and whether or not it was done in one court or another, and the administrative arm that was now overseeing the appeals tribunal called in the head of the tribunal and said, stop doing this in your decisions. And the appeals tribunal chief judge said, wait a second, it's our judge to rule on exactly these issues. And the administrative arm of the Department of Labor said, yeah, well, you're getting your evaluations from me; stop deciding against the department on these cases. And the lawyer who's doing this function says, excuse me, this isn't your responsibility at all and we are an independent body and we should not be pressured by the department into making some kind of decision, and I'm not going to do that, and if I suffer in my evaluation, there will be consequences. As it worked out, the consequences were he came over and talked to me and we passed a law and we made this a nondelegable responsibility of the commissioner on this theory--that if the Commissioner of Labor were to ever do this kind of thing and it was to get out, you could embarrass the Governor for his hand-picked commissioner trying to subvert what should be an independent legal process in the department. You, however, submerged this into the department and now there's at least one or two layers of deniability--oh, I don't think it happened, or, I'll speak to that, or, we'll do a memo on that when...I certainly wash my hands of that and I'll get to the bottom of this, blah-blah-blah-blah-blah. So the remedy that we picked at that time was move this from a duty that is free

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floating that can be put any place to something that the commissioner and only the commissioner can oversee. John Albin came to see me because he had been at the heart of I think a number of these ideas. I think this is a clean-up bill from the department, and he came to me at the time that this bill was coming in and he said, I want you to know we want to change this from a nondelegable function to something that the commissioner can do because the commissioner is busy and it takes a lot of time to do this. And, in fact, when he wants to do some workload changes, he has to call in two departments and specifically...

SENATOR DWITE PEDERSEN PRESIDING

SENATOR Dw. PEDERSEN: One minute.

SENATOR LANDIS: ...give instructions to one side and then the other and it's...it's a mess. It would be so much simpler if we could just administer this area and I said I don't want to do that. There's a history here and I don't want to do this. So John said, well, let me bring some language, and he brought me two of these ideas originally. First, he brought the section that said, "Notwithstanding any delegation of administrative oversight, the commissioner shall maintain the appeal tribunal and its staff as an identifiable unit within the division or office to which it is assigned, under the supervision of a chief administrative law judge," meaning no matter where you move it, it stays as a unit and the chief of the tribunal is the chief administrative...supervises the people under them. So the chief judge would do the evaluations for the judges below the chief judge. There was a second idea he brought back. "An attorney employed by the commissioner shall not appear before an...

SENATOR Dw. PEDERSEN: Time.

SENATOR LANDIS: ...appeal tribunal". Thank you. My light is on. When I get a chance I'll come back.

SENATOR Dw. PEDERSEN: Senator Bromm.

SENATOR BROMM: Yes, I would yield time to Senator Landis so he

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can continue the explanation.

SENATOR Dw. PEDERSEN: Senator Landis.

SENATOR LANDIS: Thank you, Senator Bromm and Senator Pedersen. "An attorney employed by the commissioner shall not appear before an appeal tribunal in any appeal hearing presided over by an administrative law judge for whom he or she is the immediate supervisor." Meaning, if you move this in to the legal counsel, legal counsel can't then come before the appeals tribunal representing the department. I said those two ideas are not bad, but they're not what I was really after. They're not good enough. I don't accept that as a change. And he said, well, what is the problem, Dave? And I said, the problem is when you get somebody who can evaluate these people above the tribunal who, in turn, has matters before the tribunal and who can use the evaluation process as a...a tool to try to influence the tribunal. I didn't think he could come up with it, but he came up with language that I find acceptable. The critical language to me says this: "No administrative law judge shall be subject to discipline, poor evaluation, or loss of pay or pay increase for failure to follow a department policy or interpretation on unemployment benefit eligibility that has not been adopted as a regulation," and, by the way, if it's a regulation it's the rule of law so that would be an appropriate thing to be governed by, "or approved by a court of competent jurisdiction." If it's judicial precedent, it should be followed. Here's what I interpret that language to mean. The tribunal cannot be evaluated on its interpretation of...of its cases except for where it doesn't follow a regulation or where it doesn't follow precedent, in which case you would probably want to evaluate a lawyer or a judge who is not following precedent or not following regulations. I think that's close enough to what it was I knew to be happening that I would accept that as a replacement. I got to tell you I'm not crazy about it, but that's...that's close enough for jazz on the reason why the law was originally what it is, and that is that this was a nondelegable function that the commissioner had and only the commissioner had. I interpret this language to mean, and I'm going to ask Senator Connealy if he agrees, that this means that an administrative law judge working for the Department of Labor

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is...has a "grievable" violation of work rules if they are pressured, evaluated, threatened, disciplined in any way for the content of their decisions on any other basis except that those decisions run contrary to legal precedent or run contrary to the regulations of the department. Having asked that question, I would first yield thirty seconds to Senator Connealy, and then I'll give the balance of my time to Senator Bromm, because I know he has some and I've got my light on. He can use my light for his purposes. But, first, thirty seconds to Senator Connealy, if I could.

SENATOR Dw. PEDERSEN: Senator Connealy, would you respond, please?

SENATOR CONNEALY: Yes, Senator Pedersen. Yes, Senator Landis, that's how I read it and I want to thank you for your work...

SENATOR LANDIS: Okay.

SENATOR CONNEALY: ...to keep these administrative law judges independent.

SENATOR LANDIS: Now, Senator Bromm has some concerns as well, and I'm not sure that we see it exactly alike, but he was kind enough to give me his time. I'd like to return the favor and give him this time. My light is also on and I'd be happy to make sure that he has at least five minutes to speak.

SENATOR Dw. PEDERSEN: Thank you, Senator Landis. Senator Bromm.

SENATOR BROMM: Thank you, Mr. President, and thank you, Senator Landis. I appreciate your history with the situation and your background. I'm not prepared to offer an amendment to this section at all and it may be that I won't, but I don't have...

SENATOR Dw. PEDERSEN: One minute.

SENATOR BROMM: ...a hundred percent level of comfort, if I understand it correctly. I...I have a...I do have a great concern that the administrative law judges will be able to

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conduct their decision-making process very independently without threat or a...a cloud hanging over their head with respect to whether or not their decision will be acceptable to their superior or not, and I appreciate the language that Senator Landis explained and has worked on which excludes certain things which certainly should...should not be able to be used in the evaluation. I, certainly, if an administrative law judge doesn't follow department regulation or precedent, they're subject to criticism of...

SENATOR Dw. PEDERSEN: Time.

SENATOR BROMM: ...the quality...thank you.

SENATOR Dw. PEDERSEN: Senator Landis.

SENATOR LANDIS: Thank you, and I yield my time to Senator Bromm.

SENATOR Dw. PEDERSEN: Thank you, Senator Landis. Senator Bromm.

SENATOR BROMM: Thank you very much. If I could move to the other microphone and ask Senator Landis a couple questions, I would ask if I could do that, please?

SENATOR Dw. PEDERSEN: Senator Landis, will you respond, please?

SENATOR BROMM: Senator Landis, before AM0165, who are the administrative law judges under the supervision of or...yeah, supervision?

SENATOR LANDIS: Okay. The ALJs, other than the chief ALJ, are under the supervision of the chief ALJ.

SENATOR BROMM: Prior...

SENATOR LANDIS: ...which means he (inaudible) he would evaluate them. I think that's prior to this bill.

SENATOR BROMM: Okay. After...

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SENATOR LANDIS: And then the chief administrative officer is responsible to the commissioner.

SENATOR BROMM: And how does this change by that bill?

SENATOR LANDIS: This bill would allow, although it does not declare where, this would allow the commissioner to place the tribunal as a unit under some other existing administrative group. It could be under the legal counsel's office, could be under the accounting office, so that the head of that administrative unit would then be the administrative superior to the appeals tribunal. And I...I also think, since this was before a committee whose hearing I did not hear, I'd want to make sure that Senator Connealy agreed that that characterization is accurate. I think that's accurate.

SENATOR BROMM: And is the rationale, Senator Landis, from your discussions with John Albin or whoever you have discussed this with, the rationale is what for doing that?

SENATOR LANDIS: The commissioner's time and involvement in administrative oversight is limited and is...this is a burden of the commissioner. The keeping tabs on whether some...somebody is in the office, keeping tabs on whether or not they have fulfilled normal administrative functions that they should, keeping tabs of their vacation schedule, keeping tabs of whether they've met the responsibilities of their job are not delegable. They're the function of the commissioner and he can't delegate them. So what normally would be done administratively by somebody who handles the administration of people has to be done personally by the commissioner at this time. That was the way that we tried to achieve independence, but we not only achieved independence. We also created somewhat of an administrative difficulty, and I think the department is trying to separate those two and they've tried to say, okay, we'll try to keep independence but we want some...we want somebody else to handle the daily administrative function of oversight.

SENATOR BROMM: So another question. If I, as an administrative law judge, feel that I have been wronged by some disciplinary action, my recourse then after the passage of this amendment and

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the bill would be what?

SENATOR LANDIS: Would be to file a grievance as any personnel who felt that personnel rules were violated, and it would then be arbitrable, and that then, subject to the arbitration, eventually you can go to district court if you want to, sure.

SENATOR BROMM: Thank you. How much time do I have left, Mr. President?

SENATOR Dw. PEDERSEN: About a minute and a half.

SENATOR BROMM: Okay. Very good. I appreciate the explanation and Senator Connealy's work as well. I don't know as much about this as I would like to know. I'm going to try to learn more and I may have some more questions on Select File, but I don't have any...any amendment or proposal that would make the amendment or bill any different than it is. So I thank you for the time. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Bromm. Senator Connealy, to close.

SENATOR CONNEALY: Thank you. And I appreciate Senator Bromm's interest and questions on it and Senator Landis' work on this amendment and I'd move the amendment.

SENATOR Dw. PEDERSEN: Thank you, Senator Connealy. All those in favor of the AM0165 to LB 192 vote yes; those opposed vote no. Have you all voted who care to vote? Mr. Clerk, record.

ASSISTANT CLERK: 32 ayes, 0 nays on the adoption of Senator Connealy's amendment, Mr. President.

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. Back to the bill, LB 192. Advancement to E & R Initial. Any discussion? Senator Connealy, to close.

SENATOR CONNEALY: Once again this is a clean-up bill from the Business and Labor Committee, brought by the Department of Labor. I appreciate the discussion and if there are other

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changes we need to do on Select File we'd be happy to do that. And, with that, I'd move the passage of LB 192.

SENATOR Dw. PEDERSEN: Thank you, Senator Connealy. Those in favor of LB 192 vote yes; those opposed vote no. Have you all voted? Would you record, please, Mr. Clerk.

CLERK: 37 ayes, 0 nays, Mr. President, on the adoption of Senator Connealy's motion to advance LB 192.

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. We'll go on to LB...back to LB 257. Senator Wehrbein, to open, please.

SENATOR WEHRBEIN: Thank you, Mr. President. Members of the body, this bill is LB 257. This bill is fairly simple, a little hard to explain. But if passed, LB 257 would allow Medicaid refunds and rebates that occur after the end of the fiscal year in which the costs originally occurred to be credited to Medicaid as an adjustment to expenditures and not to the General Fund. That, in a nutshell, is what the bill does. It's revenue neutral. There's many rebates and so forth earned in this Medicaid program through...it's three programs actually, the Pharmaceutical Rebate Program, Third Party Liability Program, and the Surveillance and Utilization Review System. These earn rebates through the year in this program. The first two quarters of each year there is time for that money to go back into the program as a cash funded agency. The last two quarters, many times, do not clear in time and so by law, at the present time, they go into the General Fund. This is a request to allow these refunds to always go back into this cash funded; even though it's a timing issue, it allows them to go back, the rebates that they earn in these programs, to go back into the cash fund to be used again in that same program rather than to go into the General Fund and actually be lost. So your fiscal note is going to show revenue neutral. In fact there is real strong hope that actually we will improve our rebate situation and earnings because there should be more of an incentive to earn those rebates to get paperwork current and so forth, going back into that same program so that they can be once again used for that purpose, in this case once again the Pharmacy Rebate Program, the Third Party Liability, and the Surveillance and

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Utilization Review System. This is the essence of the bill; it was brought to me by Health and Human Services. I believe it serves a very useful purpose. As I said, it's basically an accounting procedure, but over time it should be helpful to that program financially also and will make it a cash program instead of a General Fund. The only restriction, what will increase in the cash fund will be a loss in the General Fund, but in the long run it's revenue neutral.

SENATOR Dw. PEDERSEN: Thank you, Senator Wehrbein. Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I wanted to...to be sure I understood how this particular program works because I'm concerned about separating fiscal years and having the history of each fiscal year correctly reflected. And I'm afraid what this bill is doing, and Senator Wehrbein, I would invite you to correct me if I'm misstating anything, I fear what this bill is doing is kind of blending together two different fiscal years and making it difficult to identify what has happened in any particular fiscal year. As I understand this, Senator Wehrbein, let's say there were refunds that were pertaining to the last fiscal year. And if those refunds had come in during that fiscal year they would have been placed back into the fund from which they came. If they come in after the fiscal year, as I understand it, they would, and in an accounting sense, go back into that same fund, but they would then be lapsed if they weren't used, assuming it came in after the fiscal year they would lapse. Then that money would show up this fiscal year as additional General Fund revenue. If you do not follow that process, then the actual expenditures for the prior year, as I understand it, are not correctly reflected, that is the refund is never technically applied to that prior fiscal year and therefore the expenditures for that prior fiscal year will, when looked at afterwards, appear to be inflated because the refund has not been accounted for in that fiscal year. In this fiscal year then, if you're simply using this refund as a reduction in expenditures for this fiscal year, then the money we spend for this fiscal year will show as lower than what we would normally show, because we're not showing the revenues and we're not showing General Fund expenditures based

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on those revenues. So it seems to me that the accountability factor is something that we need to balance against whatever benefit that DHH might perceive under what they're proposing here, because I think this has a measure of less accountability as far as the public is concerned. Is it...is it not correct to say that these refunds...it's not that they're not going to be used or wouldn't be used for the same program, we could reappropriate them to the same program, or simply increase General Fund expenditures in that program to cover them, could we not, Senator? And so, I would be interested in your comments on the balancing of things as...as they relate to my comments. Thank you.

SENATOR Dw. PEDERSEN: One minute. Thank you, Senator Beutler. Senator Wehrbein.

SENATOR WEHRBEIN: Yes, Mr. President. Members of the body, I think you're mostly right, Senator Beutler. I actually believe that this will improve the accounting procedure because it will be...those rebates and refunds will go back into the Cash Fund from which they originally came. And so this is a cash funded agency, cash funded program in this case, and so that money will go back into that fund from which...from whence it originated. As it is now, it does go into the General Fund and is lost. I assume that what you said could be true, part of what you said could be true the first time, because it's going to show a General Fund revenue loss. But over time it should balance out. Those funds will go back in for the...in the same fund for which the purpose was created. It will go back into those and they can reuse those funds. It's simply a mat...it actually, I believe, improves the accounting rather than lessens the accounting because those funds that were...come back...that came back for rebates, refunds, whatever you would call them, are going to go back into that fund and be used again for the reason that they were originally intended rather than going into the General Fund and being lost. Now I would say the first year out we will show a General Fund loss, but that money will be in...show up as an increase in the Cash Fund from which...those funds which I'm talking about. So I really believe it improves accountability rather than lessens it. I don't know if you have any other questions or comments on that. It's a sense that...I

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was trying to think of an analogy in "real life", but it's where these rebates and so forth are earned in these funds for...for...I have the details on reasons those are earned. The Pharmacy Rebate Program is where prescription drugs are approved for use and the contracts say that we get them as cheap as they can possibly be gotten, that's the agreement. Well, at the end of the year or at the end of the quarter those are tallied up, and if we...if there's a rebate due because we didn't get them at the lowest possible price, then that money comes back. All occurs well and good those first two quarters, but if the third and fourth quarters...in other words, if it makes sense that the first two quarters should go back into that fund, those rebates, then why doesn't it make sense that the third and fourth quarters should go back into that Cash Fund also, rather than being carried forward and end up in the General Fund. So this is an attempt to put all of those refunds, all of those rebates into this cash fund. And I really believe it does improve the accountability rather than lessen it.

SENATOR DW. PEDERSEN: Thank you, Senator Wehrbein. Senator Beutler.

SENATOR BEUTLER: Senator Wehrbein, let me...let me just explore a couple of the questions with you so I can get a better sense of...of the whys and wherefores here. With respect...

SENATOR DW. PEDERSEN: Senator Wehrbein, would you respond, please?

SENATOR WEHRBEIN: Yes.

SENATOR BEUTLER: With respect to refunds, generally, the general rule is that the refunds are credited to the unappropriated surplus account of the fund from which the disbursement was originally made.

SENATOR WEHRBEIN: Yes.

SENATOR BEUTLER: If that's a good accounting principle, why, with regard to a particular type of expenditure, that is Medicaid refunds and the other two listed here, or the

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subcategories listed here, why should there be a different rule for these kinds of...for these kinds of refunds and apply the old rule for all other kinds of refunds in state government? If...well, let me...let me stop there. What...why are we distinguishing these expenditures from other expenditures?

SENATOR WEHRBEIN: Well, I don't know about all of those cash funds, whether that...this is...this procedure is true in many cash funds across the gamut, whether it's in Health and Human Services or any other, I'm not sure. This does standardize these particular three funds in Health and Human Services so that those monies do go back into the funds from which they're originally intended rather than going in the General Fund. Now I think a lot of our cash funds, and I don't have any at the tip of my tongue, but it would be...well, I was going to say Liquor Control Commission; that's not a good one because that money does go into the General Fund. But by and large, our cash funded agencies, if they take in some money for that cash funded agency, it goes back into that cash funded agency, it doesn't go into the General Fund. And that's...this makes this a truer presentation or a truer accountability because, these funds are generated from that cash fund for the first two quarters, it makes sense to do the third and fourth quarter also back into that fund. I'm back to repeating myself, but that's...that's...this makes it standard, for all four quarters, going back into that cash fund rather than those third and fourth quarters going into the General Fund. And that's what we're trying to change.

SENATOR BEUTLER: In these types of cash funds, where is the money originally coming from in the various funds that you've excepted aside here?

SENATOR WEHRBEIN: All right. The Pharmacy Rebate Program is an agreement with pharmaceutical companies that they cannot charge the program more than the lowest price charged to other customers. Medicaid staff identify these differences in charges, negotiate with the companies, many times with legal costs involved, and then bill the companies who reimburse the state. These refunds then amount to as much as 15 to 20 percent

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of Medicaid's pharmaceutical benefits. That's one. The second one is a third party liability, called TPL; that's a refund program that produces a cash flow back to the state by identifying and billing other insurance companies, including Medicare, Workers' Comp and others, when Medicaid should have been the payer of last resort. The total amounts of funds collected through this program is a direct result of the effort and FTEs put into by Medicaid. When reimbursement is collected, oftentimes only after...

SENATOR Dw. PEDERSEN: One minute.

SENATOR WEHRBEIN: ...the legal divisions involvement,...one minute, you said? Payment should be credited to the fund and account. So that's the Medicaid...that's mol...I would understand it simply is other insurance companies that those...that this insures that all insurance funds are properly collected and goes back into this one. The third one is the Surveillance and Utilization Review System, that's the unit that investigates fraud and abuse and overutilization claims, and then bills and collects from providers when appropriate. So that's the three programs.

SENATOR BEUTLER: Senator, are there any state monies involved in these programs that you've described, or is this...

SENATOR WEHRBEIN: General Fund monies?

SENATOR BEUTLER: ...or is it all federal money?

SENATOR WEHRBEIN: There's a combination of federal and state money. If you look at your A bill, the pink...I mean the fiscal note, it's about \$5 million state, \$7 million federal, if I remember right.

SENATOR BEUTLER: Okay.

SENATOR Dw. PEDERSEN: Time.

SENATOR BEUTLER: So,...

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SENATOR WEHRBEIN: And this would be proportionate.

SENATOR Dw. PEDERSEN: Senator Beutler.

SENATOR BEUTLER: Senator, if we could continue the conversation, so there...there's no particular reason for distinguishing these funds from all other kinds of refunds, other than the fact that DHH has asked us to, for some reason? Is that...is that accurate?

SENATOR WEHRBEIN: Yes, short answer is yes. These are earned rebates, earned refunds going back into the original use for those funds, let's say it's pharmaceuticals. And so it...I think it provides some reward, if you will, maybe that's not a good term, for that fund for aggressively pursuing those rebates in pharmaceuticals, going back into that fund rather than being lost in the General Fund the next year. And that...it goes back into this fund and can be used again for more pharmaceuticals in this case.

SENATOR BEUTLER: Isn't there an argument to be made that the Appropriations Committee each time should look at how much money is in these various funds and where it should be allocated and spent rather than automatically assuming that \$5 million in refunds should go right back to the same fund? Isn't...isn't that part of the appropriations, or shouldn't it be a part of the Appropriations Committee decision-making process?

SENATOR WEHRBEIN: Well, it could be. There's...I'm sure there are several of these funds, particularly in Health and Human Services that would probably be...drown us in some detail about each and every one of these funds. But these are three where there are rebates and refunds earned that it would seem to be appropriate to be able to go back into the funds from which they originated and be...to further their purpose that they originally were intended for.

SENATOR BEUTLER: Well, if we wanted to continue the same purpose, we certainly have the power to simply take those lapsed funds and apply them to the same purpose, do we not?

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SENATOR WEHRBEIN: Yes, yes, we would. Chance...yes.

SENATOR BEUTLER: And...and why is that process no longer adequate? Because DHH perceives it to be unnecessary?

SENATOR WEHRBEIN: Well, I assume it's an extra...I can't answer that directly. It's an extra step that they feel, since these rebates are earned and let's...I'm going to use pharmaceuticals for simplification, that those are earned and used in that program, why doesn't it make sense to go back into that program, particularly since the first two quarters are going back into that program, why not the third and fourth quarters refund going back into that program? It's more of a standardization as anything else.

SENATOR BEUTLER: Well, any agency that had refunds could say, why shouldn't the third and fourth quarter go back into our programs directly? Wouldn't that argument be equally applicable to everybody else?

SENATOR WEHRBEIN: Yes, it would; and I can't tell you how many other programs we have like that, or if we have any. But, as I said, I'm sure many of our cash funds already operate that same way. I...we'd have to make a search to know if we have many cash funds automatically lapsing to General Funds.

SENATOR BEUTLER: But this isn't a pure cash fund, is it, in the sense that \$5 million of General Funds are involved in this particular case?

SENATOR WEHRBEIN: At this point there is \$5 million, this would make it fully Cash Fund.

SENATOR BEUTLER: I don't understand that, Senator; what...what...what do you mean?

SENATOR WEHRBEIN: At...at this point we are allocating \$5 million, this same \$5 million, now in the future, would stay in that fund and, in essence, make it totally cash funded. We wouldn't have to allocate \$7 million...

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SENATOR Dw. PEDERSEN: One minute.

SENATOR WEHRBEIN: ...because it would be cash funded through these rebates. You see, we're taking away \$5 million General Fund and adding \$5 million to the Cash Fund.

SENATOR BEUTLER: Right. And that will never appear on the overall General Fund expenditure accounting, will it, if it's done this way?

SENATOR WEHRBEIN: That's true.

SENATOR BEUTLER: DHH will get 5...\$5 million of extra money, General Fund money, and what will be showing for them...

SENATOR WEHRBEIN: No, no, they won't get the \$5 million General.

SENATOR BEUTLER: Well, it's General Fund being transferred into the Cash Fund, and they'll get the cash fund.

SENATOR WEHRBEIN: Well, \$5 million General Fund will go away; they will not get the \$5 million out of the General Fund, they will simply operate on that...those cash rebates that are going to be called cash.

SENATOR BEUTLER: If we had done it in our traditional way, though, they would have had to ask for \$5 million...

SENATOR Dw. PEDERSEN: Time.

SENATOR BEUTLER: ...in General Funds, right?

SENATOR WEHRBEIN: Yes.

SENATOR Dw. PEDERSEN: Senator Preister.

SENATOR PREISTER: Thank you, Honorable President. I would yield the time to Senator Beutler, to continue the discussion, please.

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SENATOR Dw. PEDERSEN: Thank you, Senator Preister. Senator Beutler.

SENATOR BEUTLER: Thank you, Senator Preister. So, DHS, who normally to get this money would have to apply to the Appropriations Committee for \$5 million of General Funds, will essentially get that \$5 million under this process, without that ever showing up as a General Fund Expenditure.

SENATOR WEHRBEIN: In this particular program, yes.

SENATOR BEUTLER: Members of the Legislature, I'm really having a hard time with this bill because whatever value...for whatever reason these particular expenditures are arguably to be treated differently, and I haven't heard a particularly good reason. The normal process is to lapse these funds, then they appear in the current year as General Funds available for expenditures. And then if DHH wants that money, they apply through the Appropriations Committee for that expenditure, and it shows up in the current year as a General Fund expenditure for that department, which I think is an accurate way of showing what money we are actually spending this year. By following the process of LB 257, my problem with it is it doesn't accurately any longer reflect the money that we're spending this year; it doesn't...General Fund money; it doesn't accurately reflect what DHH is spending; and not only that, but it's overstating for the historical record what they spent in the previous year. So I'm not yet convinced that DHH has any reason to treat themselves differently or asked to be treated differently than any other agency. Senator Wehrbein, let me ask you this, there's also a process called reappropriation, is there not?

SENATOR WEHRBEIN: Yes.

SENATOR BEUTLER: Could you describe what that process is and how it relates to this new process?

SENATOR WEHRBEIN: Well, reappropriation is a general process, is at the end of the first fiscal year, June 30th, the first fiscal year of the biennial budget, there tends to sometimes be

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funds left in some agency budgets that they haven't totally spent. And as a rule of thumb, we reappropriate those balances into the second year of the fiscal year. Now we, at the end of bienniums sometimes we reappropriate, most of the time we do not reappropriate those balances and they return to the General Funds.

SENATOR BEUTLER: Okay.

SENATOR WEHRBEIN: Now, in this case, relating it to this, I consider these unique funds within the Health and Human Services Department, because they have to do once again with pharmaceuticals, which are I'm sure a big share of this particular funds use, pharmaceuticals, medicines for people, young and old, or the third party liability, which has to do with insurance payments and who pays. And the third one is the fraud and investigative unit which looks at overutilization of claims, and sometimes that money is refunded. So these, I believe, are unique cash funds within the department. As a general rule, I wouldn't disagree with you, Senator Beutler on the need for close accountability...

SENATOR Dw. PEDERSEN: One minute.

SENATOR WEHRBEIN: ...of cash funds versus general. Time? One minute? But these are unique funds, in my mind, and I think from the Health and Human Service standpoint, who brought me the bill, because these are used, these are utilizations funds within Health and Human Services for people's health, welfare and well-being. And this money goes right back via statute to those uses for which those funds are generally used. So I don't really have a problem in this particular case of what we're trying to do.

SENATOR Dw. PEDERSEN: Thank you, Senator Wehrbein, Senator Beutler, you've got a few seconds left.

SENATOR BEUTLER: If there are just a couple of seconds left, it...it doesn't matter, Senator. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Beutler. Senator

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Wehrbein, it's your last time to talk on this bill.

SENATOR WEHRBEIN: I...I will wait for closing, unless Senator Beutler would like to ask some more questions.

SENATOR Dw. PEDERSEN: Senator Beutler.

SENATOR WEHRBEIN: He can use my time, if he'd like.

SENATOR BEUTLER: Senator Wehrbein, thank you. I'll just look at it. I'll give some more thought to it between now and Select File. But, I guess, at this point I remain unconvinced of the value of distorting the spending record for both the fiscal year from which the refunds are...the justification is based, and also the current fiscal year. But I'll...I'll talk to some people about why DHH thinks this is particularly necessary. Thank you very much.

SENATOR Dw. PEDERSEN: Thank you, Senator Beutler. Senator Wehrbein.

SENATOR WEHRBEIN: This is my closing?

SENATOR Dw. PEDERSEN: If you want to use this time for closing, you may.

SENATOR WEHRBEIN: Yes, I'm ready to close. Thank you. I think you've under...listened to the debate. The one thing I would, I think, disagree with Senator Beutler in the fact that I think this is more accurate accountability rather than less. And I can tell you who to talk to, Senator Beutler, if you'd like to; they're out in the lobby. I think this is a thing that makes sense because, as I...I'm repeating myself, but these...these three funds, the Pharmaceutical Rebate Program, Third Party Liability, and the Surveillance and Utilization Review System, all within the Health and Human Services, are cash funds that earn rebates and so forth for various reasons. As I've mentioned, rebates and refunds on pharmaceuticals, for insurance claims that insure that we get the maximum return from insurance claims that we should, and properly who pays, and the third one is from the Health...the Fraud Unit that...where overutilization

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claims and others are discovered. These then go, if they are in the first two quarters of a fiscal year, they go into the...back into this cash fund. If they're in the third and the fourth quarters of these years, presently they go in...they are lapsed into the General Fund. Then we end up having to reappropriate General Funds back into this system to be taken care of, whereas if we would go with this bill, the intent of this bill is that these third and fourth quarters would also lapse back into the cash fund rather than going into the General Fund and have to be reappropriated. So I think it simplifies the process and it does, in my mind, give more accurate accountability rather than less. And so therefore I would urge consideration of this bill and I will close. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Wehrbein. We now vote on LB 257. All those in favor vote yes; all those opposed vote no. Have you all voted? Would you record, Mr. Clerk?

CLERK: 29 ayes, 0 nays, Mr. President, on the advancement of LB 257.

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. We will go onto LB 257A. Mr. Clerk.

CLERK: Mr. President, LB 257A, by Senator Wehrbein. (Read title.) The bill was introduced on January 29, Mr. President.

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. Senator Wehrbein, to open on LB 257A.

SENATOR WEHRBEIN: Thank you, Mr. Speaker. Members, this simply does what I said to do...what I described. It reduces the General Fund by \$5 million and the federal fund appropriation by \$7 million, and then increases the Cash Funds Program authorization by...no, it just...it just does the General Fund; it just reduces the appropriation in the General Fund, \$5 million for General Fund, \$7 million for federal funds. And it will become a cash fund issue. So it detracts from the General Fund at this point, subtracts.

SENATOR Dw. PEDERSEN: Thank you, Senator Wehrbein. Senator

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Beutler.

SENATOR BEUTLER: Senator Wehrbein, just a question. If this bill distracts or reduces the General Fund, does it need to await with other A bills?

SENATOR WEHRBEIN: Say again, the last part I didn't hear.

SENATOR BEUTLER: Does this bill need to await the appropriations bills and be with other A bills?

SENATOR WEHRBEIN: Since it reduces the General Fund, I think it probably does.

SENATOR BEUTLER: Okay, thank you.

SENATOR WEHRBEIN: I will...I would like to check on that for sure, but I think it does.

SENATOR Dw. PEDERSEN: With no more debate, Senator Wehrbein, to close. Senator Wehrbein waives. All those in favor vote yes; all those opposed vote no. Have you all voted? Mr. Clerk, please.

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB 257A.

SENATOR Dw. PEDERSEN: LB 257A advances. LB 193, Mr. Clerk.

CLERK: Mr. President, LB 193 was a bill introduced by the Business and Labor Committee. (Read title.) The bill was introduced on January 4, referred to the Business and Labor Committee for public hearing. The bill was advanced to General File. I do have committee amendments, Mr. President. (AM0080, Legislative Journal page 424.)

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. Senator Connealy, to open, please.

SENATOR CONNEALY: Thank you, Mr. President. As the Clerk said, this bill is the Workforce Investment Act. It asks us to adopt

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that and terminate the Nebraska Job Training Act as required by federally enacted Workforce Investment Act of 1998. Last session, the measure was in committee and the bill was LB 1257; it failed to advance out of committee. The purpose of the bill is to enact state legislation consistent with the provisions of the federal act that will implement the state and local workforce development activities. The federal bill required states to complete implementation of the provisions by July 1, 2000, therefore, although LB 1257 didn't pass, the state Workforce Investment Board and the Workforce Investment Act are operating now under the Governor's Executive Order Number 00-02. As you are likely aware, the comprehensive job training reform measure entails significant changes in the way the state offers workforce development programs. The federal act requires states to streamline their workforce development programs into single entities, called one-stop centers. By going to "one-stop", a person is able to get a variety of services provided in one place, by one person, instead of having to go unsystematically to seek those services in different areas. The one-stop career centers, where training, education, and employment programs will be unified, are the cornerstones of the new workforce development system. And we do have committee amendments.

SENATOR Dw. PEDERSEN: Thank you, Senator Connealy. Senator Connealy, to open on committee amendments.

SENATOR CONNEALY: Thank you. Committee amendments do clean up things for the bill, particularly do nine different things. First, they delete the section that would...created the Workforce Development Fund. Number two, it...clarification that the entities listed in the bill are already providing services at one-stop centers. Number three, it is a clarification that one of the minimum level of programs available at one-stop career centers is adult, youth, and dislocated workers employment and training programs. Four is a clarification that the services offered are the services for which a person applies at the one-stop career centers. Five is a clarification of the advisory capacity of the state board. Six is an application of the reporting requirements of the federal Carl D. Perkins Vocational and Applied Technology Education Act to the state board's annual report instead of requiring a separate report for

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that. Number seven, it adds agencies to whom the annual report should be submitted. Number eight is a clarification of the enactment language. And, number nine is a deletion of the requirement that there is a majority of business members on the local and state boards present at a meeting in order to transact business.

SENATOR DW. PEDERSEN: Thank you, Senator Connealy. Senator Redfield.

SENATOR REDFIELD: Thank you, Senator and members of the body. I spent a lot of time on this bill over the interim. It's been a particular interest of mine, and there were a lot of people involved in all of that writing and discussion. And I am uncomfortable with one thing that the committee amendment does, and that was the last portion, the ninth portion that Senator Connealy addressed. When you look at the boards and the makeup of the boards, the federal government was adamant that a majority of the board should be...should consist of business people. Why? Because business people know exactly what kinds of skills the work force needs; they are the best prepared to tell us how to prepare people, how to place them, and how to make them successful. What has continually happened in government programs to train the work force is we have trained them for jobs that don't exist, we've given them skills that don't help them get ahead, and in fact they have been doomed to failure, that's why the federal government passed the Workforce Investment Act. In providing very carefully in the federal legislation that the business people involved in the board be a majority, they were making sure that they controlled the direction of the work force development within the states. One of the things that we looked at as we discussed the issues is that many, many times the agencies that are participating have staff members that are assigned to go, they do it during their work day and they are always there when the board meets. But businesses often find it difficult because we're talking about the top people, the decision-makers, the CEO's that are serving on these business...these Workforce Investment Boards, and therefore it's more difficult for them to be there. And there was a concern that, if we were not careful to protect that business interest there and that business involvement there,

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that in fact the business people would disappear, that the government again would take it over and would continue to do business as usual. So I would like to see that part of it stripped out of the committee amendments, and I will be probably putting something together, Senator Connealy is not in agreement, just because I think that we are doomed to failure, we're doomed to repeat our mistakes if in fact we want to hand it right back over to the state agencies that have not performed to our expectations in the past. It isn't because they didn't try, it's just because they didn't know. They aren't actually in the business knowing exactly what kind of equipment and what kind of skills they need on the workplace. So business is the best prepared to give us that information. I think that we need to give them an incentive to be involved. Business won't happen...the way the bill was written said that you had to have a majority of business people present to make a quorum, that meant business couldn't occur, and that's important because we want the business to occur, we want them to have the incentive to be there, to know that their participation is not only encouraged but absolutely necessary. So, Senator Connealy, I'm interested in your response to that particular idea.

SENATOR Dw. PEDERSEN: Senator Connealy, would you respond?

SENATOR CONNEALY: Yes, I will. Thank you. Senator Redfield, I appreciate your comments and I understand them. This was brought to us by the local boards. You know, we are in a position here because of the fact that this was already put in place by a...executive order that's already in action and the Workforce Boards are meeting; we're having high participation by businesses. But the workforce development local boards asked us to put this into an amendment because of the fact that they're worried about volunteers at one point during a year not be able to make it there. They are not worried about participation,...

SENATOR Dw. PEDERSEN: One minute.

SENATOR CONNEALY: ...they're worried about operation of the boards. They think that they have high participation from the business community and they're not...they do not believe that they need this kind of structure. They're afraid that because

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of the fact that they don't meet that often and that they do have volunteers, that they're worried that the actions of the board will be limited by this restriction.

SENATOR REDFIELD: Thank you, Senator. I'm going to support the bill because I believe wholeheartedly in it, but I still would like to see that stripped out, because, you know what, if they don't have total buy-in, this isn't going to be successful. And, you know, maybe we have to say you're so important that this isn't going to happen; we're not going to train the work force for you, business, if you're not willing to participate, if you're not willing to make a commitment with us to show up and be there. Now the local board may be looking for some flexibility.

SENATOR Dw. PEDERSEN: Time.

SENATOR REDFIELD: Thank you.

SENATOR Dw. PEDERSEN: (Microphone malfunction) ...discussing the committee amendments on LB 193. Senator Beutler.

SENATOR BEUTLER: Mr. President, members of the Legislature, I need to go back and get a little history of what's happened here in order to decide how to orient myself, at least, towards this debate. So, Senator Connealy, if I could, and perhaps will call upon Senator Redfield to fill in a little history here, too, since she's followed it so closely. Probably some of the remarks that I'm going to make during this debate might sound "antifederal" government, "anti-Governor", but please understand that one of my ongoing concerns is the status of this Legislature, and what we are, and what we should be doing, and who we are. And all of my questions, I think you will determine in the end, go around that concept or are about that concept. Senator Connealy, basically, we are embarked upon this adventure for a couple of reasons, I suppose. One is that the federal government has required us to do it, is that accurate?

SENATOR Dw. PEDERSEN: Please respond, Senator Connealy.

SENATOR CONNEALY: That's correct, through...

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SENATOR BEUTLER: And...and eventually, I want to explore with you exactly what the federal government requires and what we're doing on our own. The second thing I wanted to ask you is, are there state funds involved in this endeavor, or is it all federal funds?

SENATOR CONNEALY: It's all federal funds and state agencies using those and using state funds, but not directly related to the Workforce Investment Act or, I mean, to the...to the "one-stops" or like...it's not new functions or new money.

SENATOR BEUTLER: Okay. But there will be a relocation or a reallocation or a privatization, in some cases, of current state and/or federal funds in order to implement this particular act. Is that accurate?

SENATOR CONNEALY: Basically, yes.

SENATOR BEUTLER: Okay. As I understand, this last legislative session we had a bill that would have done this but it didn't come out of committee. Could you first inform us as to why it didn't come out of committee last year, in your opinion. I know there will be perhaps different opinions on such a thing.

SENATOR CONNEALY: Well, it was very complicated, but one of the parts that was of contest was the independence and whether we had senators on the Workforce Board, whether that would be...put it into question of constitutionality. We've addressed that specifically with this...this new legislation and also with the amendment that this is advisory. There was a question on whether that would fit with...under the Conway case and whether you could have an administrative function of that. That was one of them, along with other parts of the bill.

SENATOR BEUTLER: Okay. And in reaching the decision not to put this bill out of committee and onto the floor, was the committee aware of any federal deadline for getting this done?

SENATOR CONNEALY: Yes.

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SENATOR BEUTLER: And was that deadline described to the committee as inflexible?

SENATOR CONNEALY: The way I understand it, it was described, but it was also described that it could be met with an executive order.

SENATOR BEUTLER: Okay. And the executive order, what...what was it that the federal government required to be done by that deadline that could be done by executive order?

SENATOR CONNEALY: Institute the program, to develop "one-stops", to put a board into place that would coordinate these...

SENATOR Dw. PEDERSEN: One minute.

SENATOR CONNEALY: ...this work force development across the state.

SENATOR BEUTLER: If in fact this could be put in place by executive order, why are we here today?

SENATOR CONNEALY: Because we can put our reporting process in place, we can decide how we structure it, we can add people to the board, we can make sure that the board reports back to us and have some accountability in the Workforce Development Act. The Workforce Development Act, under executive order, pretty well matches the federal Workforce Investment Act, but it doesn't specifically match what we want in our local regions adding community colleges and the like to it.

SENATOR BEUTLER: By what...by what authority...

SENATOR Dw. PEDERSEN: Time. Senator Stuhr.

SENATOR STUHR: Thank you, Mr. President and members of the body. I do stand in support of this Workforce Investment Act. I, along with Senator Redfield, were involved in some of the meetings with the Department of Labor this summer. And, as most of you know, I've had a long interest in work force development

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with my interest in K-12 career and technical education. I feel that what we are doing in this bill is appropriate, but I, too, have some problems with the amendment and I would like to ask Senator Connealy a question.

SENATOR Dw. PEDERSEN: Senator Connealy, if you'd respond, please.

SENATOR CONNEALY: Yes.

SENATOR STUHR: Senator Connealy, the first amendment that deletes the section that would have created the Workforce Development Fund, could you comment on that and could you also explain what that fund actually is or was.

SENATOR CONNEALY: Under the...under the original bill, it was made so that we put the money in the fund. And under the operation, because it's under operation now, the workforce development local boards believed that they ought to be able to keep the funding the way they're operating now, going through DAS and going through their own structures, and that there is no need for a coordinating fund to have this. And because there's no need for it, because they're not going to use it, that we just deleted that out of the bill. It doesn't...they operate under their own authorities, under their own budgets, through DAS. They don't have to have a fund on their own.

SENATOR STUHR: Okay. Can you tell me, is this the same thing that we were talking about, I had received a letter in December that talked about the Governor setting aside funds allowed under the Workforce Investment Act, 5 percent to support administrative staff, is that the fund that we are talking about? And then it also stated 2.5 percent to provide incentive grants, 7.5 percent of the funds for the local work force investment areas, so that was a total of 15 percent.

SENATOR CONNEALY: That...that doesn't go into a separate fund, it goes in within the programs that are...that are working in...under this. It doesn't...we didn't set up a fund so that it would go into that and then come back out of it. We kept the structures of the agencies, but those...those funds that you're

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talking about are federal funds.

SENATOR STUHR: That 15 percent, yes, were federal funds, but we're not talking about setting them aside then?

SENATOR CONNEALY: We're setting...we're setting...we're not talking about setting up a special fund,...

SENATOR STUHR: Okay.

SENATOR CONNEALY: ...we're talking about setting it aside within the programs.

SENATOR STUHR: Okay. All right, that helps explain that part of it. But I, too, agree with Senator Redfield about reducing the number of business people. I guess, I do have a problem with that because looking at the overall plan, which I believe is comprehensive and is looking at a longer strategy of looking at five years, but one of the reasons that we do have the business people are so that they can express where the shortages are, what skills are needed in these particular areas. So, I think it is a really key component of the overall structure of the boards. And I would...I would think...are we just assuming that they don't or won't attend, Senator "Keely", Senator Connealy.

SENATOR CONNEALY: No, actually the testimony from the local boards was their attendance was good, they were just worried...

SENATOR Dw. PEDERSEN: One minute.

SENATOR CONNEALY: ...about the struc...I'm sorry. The testimony was that their attendance is good, very high participation, and...but they were worried about because of the fact that this doesn't meet that often, the local boards don't meet that often, and they thought there could be a time when there wouldn't be a quorum and that they would then...thus wait for another two months to have a meeting, if...and they wanted to be able to conduct business.

SENATOR STUHR: Okay, thank you. Hopefully, maybe we can...we

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can offer something in that area. But again, I do support the bill. I think that there are some areas again where it does emphasize local systems. We do have the one-stop areas, we do have the local board, and I...and I think those are excellent, also the youth programs, I think that it will provide possibly a stronger connection to...

SENATOR Dw. PEDERSEN: Time.

SENATOR STUHR: ...academic and occupational learning. Thank you.

SENATOR Dw. PEDERSEN: We have an amendment to the amendment. Mr. Clerk.

CLERK: Mr. President, Senator Redfield would move to amend the committee amendments. (FA22, Legislative Journal page 554.)

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. Senator Redfield.

SENATOR REDFIELD: Thank you, Senator Pedersen. Members of the body, this is an amendment which strikes the language in the committee amendment which actually strikes the provision for the quorum. It's what Senator Stuhr was also referring to, and I thank you, Senator, for your support. Senator Stuhr was also involved in many of the meetings as we worked on this bill. And again, I would reiterate, Senator Beutler, the Jobs Training Act is now defunct; this is taking its place. The funding stream is going to come from the federal government through the Workforce Development Act. We really need to deal with this. But I think that we've put together the people, the Department of Labor has been involved and they were supportive of the business involvement, and they've been encouraged by the business involvement. But it's absolutely crucial that we maintain that business involvement or, in fact, this will fail just like the Jobs Training Act did. So I'm hoping that the rest of the body will consider supporting this amendment to the amendments. What it does is it says, business, if you want us to help you train the people, if you want us to use state dollars and federal dollars to train people for your work force, you're going to have to come to the table and you're going to have to be a

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participant. You're going to have to show up at the meeting and vote in order to have a quorum. I don't think that's an unfair requirement to put on business and I think that it would be beneficial for us as a state because, in fact, our work force would be better prepared as a result of it. I'm glad that it's working in actuality this way, but I think that we, as a state, should guarantee that it continues to work that way.

SENATOR Dw. PEDERSEN: Thank you, Senator Redfield. Senator Beutler.

SENATOR BEUTLER: Well, I...I understand what Senator Redfield is arguing and I'm not opposed to very heavy business involvement in this whole process. I think that will help. However, it seems to me it was just a day or two ago when the metropolitan area came to us with a bill that said they needed another alternate member to a particular board that they had because people weren't coming and didn't show up and they couldn't get a majority. It seems to me that if business thinks this is a good solution, then certainly they would feel good enough about it to show up at the meetings. It seems to me you ought not to jeopardize the progress of any organization by suggesting that any element of it can stymie the actual holding of a meeting. If a particular element doesn't like what appears to be a majority rule, perhaps, do they just not come to the meeting? In no place in government that I know of do we allow such a situation to exist. We ought to not say that any particular element, whatever that is on any particular board, has the power to curtail all proceedings, and I think that's what you're doing if you make the rule that says that there must be a business quorum there, if I'm understanding what the debate is here. The debate is not that we're diluting the strength of business of the boards, either state or local, but what we're talking about is whether that majority has to be present at any particular meeting in order to conduct business. And I think our recent experience that we just went...that we just dealt with earlier this session would indicate that that would not be a good rule to make and that the committee decision is probably the right rule, and that if business sees this as important they will most certainly show up. It's almost a contradiction in terms to suggest that this is really important to business and

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then to suggest, on the other hand, but business isn't going to think it's important enough to show up. So I would tend to support the committee amendment. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Beutler. Senator Connealy, this is on amendment to the amendment.

SENATOR CONNEALY: Thank you, Mr. President. I think this will work either way. I don't think it's a really big problem. This was...this was asked for...for by the local boards that are in operation. I...I don't think it will come into play very often but they did ask for this ability to have some flexibility. They, once again, said that business participation is almost a hundred percent; it's very good and that they're not worried about that. So that's why the committee heard this testimony and added this to the committee amendment, so I'd rise in opposition to the amendment.

SENATOR Dw. PEDERSEN: Thank you, Senator Connealy. With no further debate on the amendment to the amendment, Senator Redfield, to close.

SENATOR REDFIELD: Thank you. Senator Beutler, I don't think it's really a fair comparison to the board we were talking about the other day because the board that we were talking about the other day, the players had no particular vested interest. In this case, the Department of Labor really concurred that they want to keep business at the table, because the Department of Labor wants to make sure that, in fact, the direction of this board is continually going in a direction that is beneficial for labor and for business. I appreciate Senator Connealy saying that it will be successful either way, but I think that it would not hurt to stress how important business is. So many times government says get out of our way, we'll do it ourselves; we will let you be advisors and then we'll ignore your advice; we'll listen to you and then we'll ignore what you say. And this is an opportunity for us to say, no, if business wants to be a partner in this they're going to have to show up and then we'll all work together and we'll have something really beneficial to the state of Nebraska. I think we have a good project on the table here. I think that what they've done

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already has been very, very positive, and I'm hoping that you'll all support this amendment. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Redfield. We'll now vote on the amendment to the amendment. All those in favor vote yes; all those opposed vote no. Senator Redfield.

SENATOR REDFIELD: I have to ask for a call of the house. There aren't enough people on the floor. Thank you.

SENATOR Dw. PEDERSEN: All those in favor of putting the house under call vote yes; all those opposed vote no. Record, Mr. Clerk.

CLERK: 32 ayes, 0 nays to place the house under call, Mr. President.

SENATOR Dw. PEDERSEN: The house is under call. All those who are absent please return to the house and check in. Senator Bourne, Senator Brashear, Senator Landis. Senator Chambers, Senator Robak. Senator Redfield has authorized call-in votes.

CLERK: Senator Hilgert voting yes. Senator Suttle voting yes. Senator Aguilar voting no. Senator Bromm voting yes. Senator Bruning voting yes. Senator Schrock voting yes. Senator Hudkins voting yes. Senator Jones voting yes. Senator Coordsen voting yes. Senator Erdman voting yes. Senator Thompson voting yes. Senator Brashear voting yes.

SENATOR Dw. PEDERSEN: Record, Mr. Clerk.

CLERK: 25 ayes, 8 nays, Mr. President, on the adoption of Senator Redfield's amendment to the committee amendments.

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. The amendment to the amendment advances. We're back to the committee amendments. Call is raised. Further discussion on the committee amendments? Senator Chambers.

SENATOR CHAMBERS: Mr. President, members of the Legislature, I'm on the Business and Labor Committee. They have some of

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these boards meeting. It's one thing to have an informal system where you say you're going to have a certain group comprise a forum, I meant a quorum. Since this whole thing was being put in statute, it was felt by those who are on these boards that it's not wise to put into statute that before any business could be conducted a majority of those present always have to be business people. If they were not there in a majority complement, no business could be conducted. Everybody is made to play second fiddle. I have a question I want to ask of Senator Connealy.

SENATOR Dw. PEDERSEN: Senator Connealy, would you...

SENATOR CONNEALY: Yes.

SENATOR CHAMBERS: Senator Connealy, what is there which cannot be done under the way this program operates currently under the Governor's executive order, what cannot be done now that would be possible to be done under the bill. In other words, why must this bill be enacted into law?

SENATOR CONNEALY: We've instituted reporting procedures. We've put it into state law. It's not operating under executive order anymore. The executive order goes away. We've put local representatives, that weren't in the executive order, in the bill. We...

SENATOR CHAMBERS: But here's what I mean. All of those things could be done by modifying the executive order. Isn't that true? Everything that this bill does couldn't the executive order do?

SENATOR CONNEALY: We could just...yes. Yes.

SENATOR CHAMBERS: Thank you. Members of the Legislature, I did not vote to bring this bill out. I didn't fight it. I just was not voting. But if things are going to be put into the statute of the kind that just did, I don't think the bill should pass. I don't think we need it. There is an executive order in place. By putting something in concrete where, no matter who else is there when a meeting is called, if there's not a majority of

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business people nothing can be done, this then becomes something that kowtows to business, and I don't think it's worth that. I don't know how much the Governor wants this bill, so I'll have to ask Senator Connealy another question.

SENATOR CONNEALY: Yes.

SENATOR CHAMBERS: Senator Connealy, has the Governor said that he wants this bill?

SENATOR CONNEALY: Not...not to me, no.

SENATOR CHAMBERS: So then he wouldn't insist that we...that you all go to the mat, those of you all who...excuse me, that's not a play on your name, that people go all the way to the nth degree to defend a bill like this.

SENATOR CONNEALY: I think it's good public policy to put our procedures and our reporting in...into the statute and not run these kind of programs under executive order. I just...I just think it's good policy for us to have that and have it report back to us so that we have some oversight. We could turn over all state functions to the administration just by writing a check, but I don't think that's good public policy.

SENATOR CHAMBERS: Nor do I, but we...we're dealing with a specific issue here and I think people are voting on things which they don't completely understand and, rather than agree to put something in statute as the body just voted, I going to see if I can stop this bill, and I just want you to understand that I don't believe that stopping this bill will abolish the program. So, in order to have that on the record, if this bill is not enacted into law, will this program as it is functioning now continue to function?

SENATOR CONNEALY: Yes.

SENATOR Dw. PEDERSEN: One minute.

SENATOR CHAMBERS: I didn't hear you.

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SENATOR CONNEALY: Yes.

SENATOR CHAMBERS: Thank you.

SENATOR CONNEALY: It will.

SENATOR CHAMBERS: Oh.

SENATOR CONNEALY: It will not continue...it will not function in the future as...as we outlined in the bill. It won't...will not have the reporting procedures in that we put in. It will not have the structures that we put in through this legislation. So it will operate as it is operating now, but it won't operate the way we had it come out of committee.

SENATOR CHAMBERS: I understand that. Thank you, Senator Connealy.

SENATOR Dw. PEDERSEN: Thank you, Senator Chambers. Senator Beutler.

SENATOR BEUTLER: Senator Connealy, I wanted to go back and talk a little more about the history of the thing, although I think the decision we just made is a terrible decision. I keep thinking of all these other boards out there, some of whom are for the business of education. For example, are we going to say...is somebody going to come in to us next and say, well, this committee shouldn't function unless all the education part...balancing part of the board is there? Boards all over the place, most of which have primarily to do with one area or another, but the whole purpose, the whole purpose of why we mix people up on boards is to get input from everybody, not to give any particular faction the veto power over whether there's any act at all by the board, and that's essentially what you've done here and I think it's an enormous mistake. Having said that, Senator Connealy, if I...if I could, going back now to the bill that did not come out of committee last year, did not come out because you thought that the...not you personally, but the committee thought that the federal government could be assuaged or put off or whatever by the Governor...a Governor making it an executive order. Did the federal government indicate to us that

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whatever the Governor did by executive order that would be enough, or is the federal government directing us to do more with this bill?

SENATOR CONNEALY: No, the...we're not doing more. We are putting our own ideas into it, our own reporting. It's not changing the direction per se. We do have "one-stops" up and operating, but they aren't going to be reporting or having the board function the way we want them to under this bill.

SENATOR BEUTLER: Okay. I understand how we want to get our imprint in on this, but, as far as you know, the federal government is not requiring us to do anything more at this point. Is that right?

SENATOR CONNEALY: Not...not that I know of.

SENATOR BEUTLER: The Legislature.

SENATOR CONNEALY: No.

SENATOR BEUTLER: Okay. So there would be no loss of money or no...nothing would happen if nothing proceeded with this bill, just as a...I'm just trying to get the framework in which we're discussing all this.

SENATOR CONNEALY: Yeah, I'm not positive, but I do not believe there would be.

SENATOR BEUTLER: Okay. Now, in the executive order, the Governor went ahead and set up a state Workforce Development Committee, did he not?

SENATOR CONNEALY: Yes.

SENATOR BEUTLER: Okay. And did he proceed...did that committee then proceed to develop a state workforce plan?

SENATOR CONNEALY: Yes.

SENATOR BEUTLER: So all this stuff about developing a plan is

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kind of after the fact. That's already been done, right?

SENATOR CONNEALY: Yes.

SENATOR BEUTLER: All right. And have the local workforce boards been established?

SENATOR CONNEALY: Yes, they have.

SENATOR BEUTLER: And have the local workforce plans been established?

SENATOR CONNEALY: Yes.

SENATOR BEUTLER: So all of that business, all that portion of the bill, is simply nothing but confirming what the Governor has done.

SENATOR CONNEALY: Yes.

SENATOR BEUTLER: The work...the local workforce areas, who determined what those areas would be? I assume it was the Governor, as under the bill.

SENATOR CONNEALY: The...under his authority, of course, but it was under the advisor of...advisory of the board that was set up we understand.

SENATOR BEUTLER: Which board?

SENATOR CONNEALY: The statewide Workforce Development Board.

SENATOR BEUTLER: Okay, so the statewide Workforce Development Board established...

SENATOR Dw. PEDERSEN: One minute.

SENATOR BEUTLER: ...divided the whole state into local areas. Is that what happened?

SENATOR CONNEALY: Three areas.

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SENATOR BEUTLER: Three areas. There are three local areas right now?

SENATOR CONNEALY: Yes.

SENATOR BEUTLER: Okay, and what are those local areas?

SENATOR CONNEALY: Omaha, Lincoln, and the rest of the state are the three different divisions,...

SENATOR BEUTLER: Okay.

SENATOR CONNEALY: ...roughly.

SENATOR BEUTLER: And was there any public input on what those districts would be or not be?

SENATOR CONNEALY: The workforce boards met publicly. I don't know if there was public input or testimony, but it was...it was public meetings and the same kind of...the public input that would be at a public meeting.

SENATOR BEUTLER: The...technically, since they didn't exist under state law, they weren't subject to the public meetings law at that particular point in time. I'm just interested in fact as to whether they had meetings that were open to the public.

SENATOR Dw. PEDERSEN: Time. We have priority motion by Senator Chambers, Mr. Clerk.

CLERK: Mr. President, Senator Chambers would move to reconsider the vote on the adoption of the Redfield amendment.

SENATOR Dw. PEDERSEN: Senator Chambers.

SENATOR CHAMBERS: Mr. President, members of the Legislature, I'm not a great fan of this bill. I have not participated in the discussion until now. At the hearing many questions were asked, there was much discussion. I can understand how some people favor business and will think that without people who

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have "business person" hooked to their name certain activities cannot go forward. What is being done here is to put something into statute. What is being said here is that whoever else serves on any of these boards, those people don't count for much. They're just ballast, so to speak. The only ones who count are these business people. If they are not there in a majority nothing can be done, nothing, ever. The Legislature, if you put something into statute, will be establishing the public policy that this program cannot function unless a majority of business people are present whenever activities that are to be formal and official are to be undertaken. That is not a good notion to freeze in statute. If you're doing something, as I touched on earlier, informally and it's not working, then you just change it. If you have a set of circumstances where, for any reason a business person or some business persons decide they don't like the direction things are going, all they have to do is not show up for a meeting and nothing can be done. No group should be given an absolute veto over work being undertaken pursuant to an act of law, an act of the Legislature. I don't worship business people. I don't think every business person knows and understands business. If you look at what is happening with the stock market where business people predominate, govern and operate the activities on which people gamble through the stock market, there is not a great deal there to say that these people know more than anybody else. You talk about insulting people's intelligence, denigrating their worth, suggesting that they are merely excess baggage to create an appearance, this that was done accomplishes all of those negatives. The purpose of this motion is to reconsider. If this motion is adopted then we would take another vote to see whether or not the Redfield amendment is to stay a part of this bill. If the Redfield amendment remains, by the rejection of this reconsideration motion, I believe that the committee amendments then ought to be rejected and we ought to have some time to let people cool off and others become informed about the realities and the practicalities of making this program work. Those who testified were people who are serving on these boards, who made recommendations. So if recommendations count for something why do not their recommendations count for something? I don't even like the bill, but I told the members of the committee that I would not fight it, but there is a reason to

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fight it now. Something is being frozen into statute which I think does not constitute a wise state policy. It is not a reflection of sound judgment. This motion presents the opportunity to take away the negatives which the Redfield would add to this bill.

SENATOR Dw. PEDERSEN: Thank you, Senator Chambers. Senator Beutler, on reconsideration.

SENATOR BEUTLER: Mr. President, members of the Legislature, I really didn't intend to speak on this particular motion, but I guess I would note in passing that not only must a majority of the members of the body be, of these boards that are selected, both at the state and local level, be from the private sector business community but, in addition to being the majority, the Governor has directed to select a Chairperson and a Vice Chairperson from among those same representatives. So this is, again, somewhat unusual in terms of the way we have ordinarily done business in this Legislature by designating a Chair and a Vice Chair to come out of a particular sector of a committee. So, again, there's very strong orientation towards business without going so far as that last amendment so I would, again, support Senator Chambers' motion. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Beutler. Senator Redfield.

SENATOR REDFIELD: Thank you, Senator Pedersen. Members of the body, we were having a discussion on this side of the floor as to what direction we were going to go. Senator Chambers is proposing that we drop the amendment that we have just added to the committee amendments but then we not pass the committee amendments themselves, which, in fact, leaves the portion that I just replaced in the bill, because it is there in your green copy. So I would have no objections, if we're not going to pass the committee amendments but, unless I misunderstood him, I understand that his intent is to kill the bill without the committee amendments. Am I understanding correctly, Senator?

SENATOR Dw. PEDERSEN: Senator Chambers, do you respond?

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SENATOR CHAMBERS: In order to make clear what I said, my point is to try to remove the Redfield amendment. If that is not done, then the committee amendments reflect what is in the green copy and I would then try to strip away the committee amendment because then it would be easier for me to kill the bill. With your amendment, we have what was originally in the green bill, which is a provision that I don't accept.

SENATOR REDFIELD: All right. Thank you, Senator. Senator Chambers' intent is to kill the bill without the committee amendments. I think you have to ask yourself the question whether that is your intent or if you think that work force development is a good project. I think it's a good policy decision. The federal government has abolished the Training Act which wasn't successful, which replaced another Training Act which wasn't successful, which replaced another labor act which wasn't successful. We're trying to do things differently here. We're trying to make things work. We're trying to make sure that when people spend the time and the money and the effort to go through training that it actually benefits them and they actually can get a job and that they can get ahead; that they can get better jobs if they already have one at the entry level. I think the bill has merit. We need to control it as a Legislature. I'm not comfortable that this is being run with an executive order from the Governor. I think that the federal government, when they passed this bill, wanted Legislatures to put together their act and they set out parameters for them, and one of the parameters was that...did you say time, sir? Oh. One of the parameters was that the majority of the board consist of business members. Why? Because they wanted it to be done differently; they wanted it to succeed; they wanted to make sure that people got real skills; that they placed people in the work force first where they could learn on good equipment, with good trainers, with people who are actually doing the job. I think it's a good policy choice. I agree with Senator Connealy. I would like to see...move the bill forward and I will leave it to you to decide whether you want to, in fact, end up killing the bill. It was not my intent to kill the bill with my motion, but, in fact, without everything, that looks like where it's going. Thank you.

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SENATOR Dw. PEDERSEN: Thank you, Senator Redfield. Senator Chambers.

SENATOR CHAMBERS: Mr. President, members of the Legislature, let me try to make as clear as I can what it is that I have in mind. Under the green copy, the business people must be there as a majority before business can be conducted. The committee amendment struck that from the green copy. As long as that was the status of the bill, I was leaving it alone. I was not commenting. I was not going to fight it. The body then accepted Senator Redfield's amendment which would restore that provision in the green copy where business people have to be a majority. What I have said, if you leave the Redfield amendment on you have returned the bill to the green copy, which is a form I disagree with. If the Redfield amendment is stricken, then you have the committee amendment which says that the provision in the green copy requiring business people to be a majority will be erased. If you take away the Redfield amendment, you have your work force program as amended by the committee amendment which would say that you don't have to have a majority of business people there to conduct business provided you have a quorum based on the total number of people present. What I had said in terms of killing the bill is if the Redfield amendment stays then you have kept in place the requirement in the green copy that business people must constitute a majority of those present or you can't conduct business. If that is the form that the bill is going to be in then I don't see a basis for keeping the bill. If the Redfield amendment is stricken, I have no further interest in the bill in terms of trying to delay it or kill it. What brought me up here was the adoption of the Redfield amendment. I didn't comment when she made her motion because I thought there was no way in the world that the body would accept it. Had I thought that it was being taken seriously, then I would have made my comments. Once it became clear to me, because I do follow the activities when I'm in my office, that the amendment of Senator Redfield was adopted, I had to come up here to try to undo that if possible, and if that is impossible then kill this bill and at a future date cooler heads can prevail and perhaps something can be put into the statute which is not along the lines of what Senator Redfield would have us to do. What I have pending now is a motion to

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reconsider Senator Redfield's amendment. If that motion is successful, I'm not going to try to strip the committee amendments and I'm not going to try to kill the bill. All I want to do is strip off the Redfield amendment and, if the body decides that they want this program to go forward, the body can go ahead and do that. But I cannot sit by and watch while her amendment turns this bill into something that I think is very bad public policy. But I still will answer any questions that anybody may have of me. Thank you, Mr. President.

SENATOR Dw. PEDERSEN: Thank you, Senator Chambers. Senator Thompson.

SENATOR THOMPSON: Thank you, Mr. President, members of the body. As one of the people in the room that served on one of these boards, I thought maybe I could add to it and also support the reconsideration motion because I think we can get there if we...if we reconsider and go back. And I...I'll admit I was one of the people who voted yes, but I'm having second thoughts too. In the early eighties, we went from a job training program called CETA, which was the Comprehensive Employment and Training Act, under a congressional bill by Senator Dan Quayle that created the Job Training Partnership Act. In that time frame, I served on both the state and local job training organizations, the state board and what was called the PIC, the Private Industry Council. The Private Industry Council also had to have a majority business. This isn't a new concept that's coming up with the latest version of our job training direction. This is the way it's been for quite a long period of time. I served with business persons at both the state and the local level. Sometimes they were active, sometimes they may not have been as active, but they represented their viewpoint. I served as a public official because I was a county commissioner at the time and we had an interest in the program and it operated in an office in our county. So I think that it would be wise to not put this in statute. I don't have any objection to the business people being there and being in majority, but I think it's not appropriate. I think what we should do is reconsider, take the amendment off, vote for the committee amendment, vote for the bill, and get that done today. I think that's a reasonable compromise. If the business people show up they will be the

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majority because they're already the majority, and it won't be a problem. But it's been the same...this same way since the early eighties and I think we can continue to function in this latest version of the federal changes in employment training. This isn't anything particularly new. I think we should just support the reconsideration motion, take it off, make it the way it's been for the last almost 20 years, and go forward with the bill. Thank you.

SENATOR Dw. PEDERSEN: Thank you, Senator Thompson. With no further lights on, Senator Chambers, to close on your reconsideration. Senator Chambers waives. We'll now vote on the reconsideration. All those in favor vote yes; all those opposed vote no. Mr. Clerk, record.

CLERK: 26 ayes, 1 nay, Mr. President, on the motion to reconsider.

SENATOR Dw. PEDERSEN: The reconsideration vote advances. We're back to a discussion on the committee amendments. Senator Chambers.

SENATOR CHAMBERS: Mr. President, members of the Legislature, so that the procedure is properly done, the Redfield amendment now is before us. Is that correct? Or does that one vote now take care of everything?

CLERK: I believe it takes care of it, but I mean Senator Redfield could reoffer it, but I don't have it in front of me now so it's no longer on the bill, Senator.

SENATOR CHAMBERS: Okay.

CLERK: I believe the body is discussing the adoption of the committee amendments.

SENATOR Dw. PEDERSEN: Senator Chambers has the floor.

SENATOR CHAMBERS: May I approach the bench, Your Honor, along with other interested parties?

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SENATOR Dw. PEDERSEN: Yes,...

SENATOR CHAMBERS: Thank you.

SENATOR Dw. PEDERSEN: ...Senator Chambers. Mr. Clerk, items for the record.

CLERK: Mr. President, new A bills. (Read LB 270A, LB 238A, LB 433A, and LB 97A by title for the first time.) Your Committee on Government, chaired by Senator Schimek, reports LB 93 to General File; LB 406, General File; LB 482, General File; LB 127, General File with amendments; LB 366, General File with amendments; LB 420, General File with amendments; LB 446, General File with amendments. Appropriations Committee reports LB 505 to General File. Your Committee on Banking reports LB 56 to General File, LB 794 to General File with amendments, and LB 551 as indefinitely postponed. Senator Hudkins, an amendment to be printed to LB 270; Senator Tyson, an amendment to be printed to LB 10; and Senator Suttle, an amendment to LB 25.

Mr. President, Senator Connealy asks unanimous consent to allow the Business and Labor Committee to conduct its hearing on Monday, February 5, in Room 1524 instead of Room 2102.

SENATOR Dw. PEDERSEN: No objections, so ordered.

CLERK: Mr. President, a reminder, Education Committee will meet in Executive Session at noon in Room 1525. Senator Jones would like to add his name to LB 462; Senator Bruning to LB 219. That's all that I had, Mr. President. (Legislative Journal pages 555-558.)

SENATOR Dw. PEDERSEN: Thank you, Mr. Clerk. Senator Maxwell, you want to give us a motion?

SENATOR MAXWELL: Mr. President, I move that the Legislature adjourn and reconvene tomorrow morning at 9:00 a.m.

SENATOR Dw. PEDERSEN: Thank you, Senator Maxwell. All in favor say aye. All opposed nay. Thank you, we are adjourned.

Proofed by: LaVera Benischek