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# UPDATE

## Early childhood education funding advanced

Senators gave first-round approval April 5 to a bill that would allocate funds to support early childhood education grant programs.

LB495, introduced by Cedar Rapids Sen. Kate Sullivan, would direct funds from the Education Innovation Fund to the early childhood education grant program administered by the state Department of Education. Scheduled distributions include \$1.75 million in fiscal year 2013-14, \$1.85 million in FY2014-15 and \$1.95 million in FY2015-16.

Sullivan said investments in early childhood education result in a high return on investment.

"The research tells us it's important to invest in early childhood education," she said. "We have 152 school districts that have early childhood programs. They recognize the importance and it's essential we keep the ball rolling."

An additional \$1 million from the Education Innovation Fund would be directed to the Early Childhood Endowment Cash Fund annually for the next three fiscal years for grants to public school programs that serve at-risk children from birth to age three.

The bill would change a funding source for programs currently supported by the Education Innovation Fund.

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Sen. Kate Sullivan explains the benefits of early childhood education.

## Bill to ease foster care transition advances

Certain state wards who have aged out of the foster care system could continue to receive services until age 21 under a bill given first-round approval April 5.

LB216, introduced by Lincoln Sen. Amanda McGill, would allow eligible youth to enter into a voluntary foster care agreement with the state Department of Health and Human Services (DHHS) for extended services, including:

- Medicaid;
- postsecondary education assistance;
- continued foster care maintenance payments;

- placement in a foster home, institution or independent living; and
- continued case management to help access additional supports.

McGill said federal law allows states to extend foster care services to age 21 and research shows that youth who continue to receive services have improved chances of success when they transition from foster care. Currently, she said, 71 percent of former female state wards in Nebraska are pregnant by age 21 and 80 percent of males are arrested by age 26.

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## Early childhood education funding advanced

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General fund dollars would be used to fund:

- an integrated student information system;
- the Center for Student Leadership and Extending Learning Act;
- multicultural education; and
- employment costs for individuals investigating and prosecuting alleged teacher and administrator certificate violations.

Kearney Sen. Galen Hadley sup-

ported the bill, saying it represents a small price to pay for ensuring the success and stability of children.

“A lot of these children are behind from the day they’re born and spend their entire life struggling to get ahead,” Hadley said. “The wealth of the parents should never be used to determine the success of the child.”

Lincoln Sen. Bill Avery also supported the bill. He said research on the positive effects of early childhood

education has advanced exponentially in just a few years.

“Research shows that if kids have a high quality early education experience before age five, it yields long term benefits,” he said. “They are more likely to graduate high school, own a home and earn as much as \$2,000 more per month as adults.”

Following adoption of two technical amendments, senators advanced the bill to select file on a 33-0 vote. ■

## Bill to ease foster care transition advances

(continued from front page)

“LB216 would provide these youth with a variety of services to help prevent some of these negative outcomes,” McGill said.

To qualify for the program, an applicant would need to be:

- employed for at least 80 hours per month;
- enrolled in an institution that provides postsecondary or vocational education;
- completing a secondary education or a program leading to an equivalent credential;
- participating in a program or activity designed to promote or remove barriers to employment; or
- incapable of doing any of the above activities due to a medical condition.

Among other provisions, the bill also creates the Young Adult Voluntary Services and Support Advisory Committee.

McGill said the Former Ward Program, the existing

DHHS support program for youth leaving foster care, is not codified in state law. Furthermore, she said, many state wards are unaware that the program exists or do not fit its narrow eligibility requirements.

A Health and Human Services Committee amendment, adopted 28-0, clarifies that DHHS is not required to have legal counsel present at a young adult’s permanency review hearing and raises the age from 14 to 16 that youth in foster care would receive information about the program.

The amendment also moves appointment and oversight of the advisory committee from DHHS to the Nebraska Children’s Commission and expands the case management description outlined in the bill.

Lincoln Sen. Kathy Campbell, chairperson of the committee, said LB216 was one of four bills under consideration this session that comprise a strategic plan to improve the state’s child welfare system.



Sen. Amanda McGill answers questions about LB216.

Fullerton Sen. Annette Dubas supported the bill, saying taxpayers have an obligation to help young people who were removed from their homes by the state. Without the proper support, she said, the transition to adulthood is difficult and too many former state wards become unwed parents on state assistance or enter the criminal justice system.

“We’re going to invest money in these young people one way or the other,” Dubas said.

McGill offered an amendment, adopted 31-0, that raised the age of eligibility for the program from 18 to 19 and would exclude youth who entered the foster care system through the Office of Juvenile Services.

The change was made to reduce the bill’s fiscal impact, she said, and likely would lower the number of youth eligible for the program from around 400 per year to approximately 175.

Lincoln Sen. Colby Coash supported the bill, but expressed concern about narrowing the program to a point that could exacerbate the problem, which he described as a frequent dilemma.

“So what will happen, as has

happened in years past, is that we will all feel like we’ve done something,” Coash said. “When in fact what we’ve done is: we’ve framed the problem, we’ve framed a solution, and then we’ve taken the solution and funded it at 50 percent. If we start to do this and fund it at 50 percent, we’re probably doing more harm than good.”

North Platte Sen. Tom Hansen questioned the need to create an entirely new program. He said it appeared that existing programs could provide sufficient assistance to former state wards, citing the state’s Homeless Assistance Program.

Campbell said the goal of the bill



Sen. Colby Coash questioned narrowing eligibility requirements in LB216.

is to provide a comprehensive case plan for youth who are transitioning out of foster care, which will reduce their reliance on homeless shelters and other narrowly focused programs.

“We have young people who are floundering,” she said, “and when they get out of foster care, they don’t know where to go.”

Senators voted 28-1 to advance LB216 to select file. ■

## UNICAMERAL YOUTH LEGISLATURE



High school students with an interest in law, government, leadership or public speaking are encouraged to register for the 2013 Unicameral Youth Legislature, which will convene June 9-12.

The Unicameral Youth Legislature is a four-day legislative simulation conducted at the State Capitol Building and coordinated by the Clerk’s Office of the Nebraska Legislature. Student senators will sponsor bills, conduct committee hearings, debate legislation and discover the unique process of the nation’s only unicameral.

Students will learn about the inner workings of the Legislature directly from senators, staff and lobbyists. Bills will be based on legislation considered during the current legislative session.

Early-bird registration is available until April 1. Registration forms can be obtained from the Legislature’s Unicameral Youth Legislature page: [www.nebraskalegislature.gov/education/unicamyouth.php](http://www.nebraskalegislature.gov/education/unicamyouth.php) and the UNL Big Red Summer Academic Camps website: [liferaydemo.unl.edu/web/4hcamps/bigredcamps](http://liferaydemo.unl.edu/web/4hcamps/bigredcamps).

The registration deadline is May 15.

# MEET THE SENATOR

## “Rancher/actor” cast as state senator

Death at the High School Reunion never appeared on Broadway, but one of its playwrights—Sen. Al Davis—presents a familiar scenario: alumni grudgingly attend their high school reunion, where their youthful wrongdoings and melodramatic stereotypes resurface. Davis, his wife Dottie and several other Hyannis community residents collaborated on writing the script.

The play was performed at the Hyannis community theater and offered audiences a valuable moral of the story: do not judge people by their youthful indiscretions.

“It was actually a pretty good play—very well received in the community,” Davis said of his production.

Davis met his wife when she traveled from her hometown of Lincoln to attend one of his early productions. Dottie has been actively involved in community theater ever since.

“She is more of a behind-the-scenes person,” he said. “But we have gotten her to perform in several shows and she is really very good at it.”

Davis has written and performed in many other musicals, comedies and dramas throughout his life. His writing and theatrical skills were further developed while studying theater at New York’s American Academy of Dramatic Arts. His higher education began at Creighton University in Omaha and he graduated from the University of Denver in 1978, with a degree in history and economics.

Davis said his interest in politics stemmed from his politically involved parents, who met at the 1948 Democratic National Convention in Philadelphia. His father was especially interested in economic development and was involved in planning roads through the Nebraska Sandhills, serving on the State Highway Commission for many years.

“I think, no matter where you live, you can make a change in the community by being involved in it,” Davis said, who served on his local tourism committee, chamber of commerce and arts council and was a school board member for 30 years.

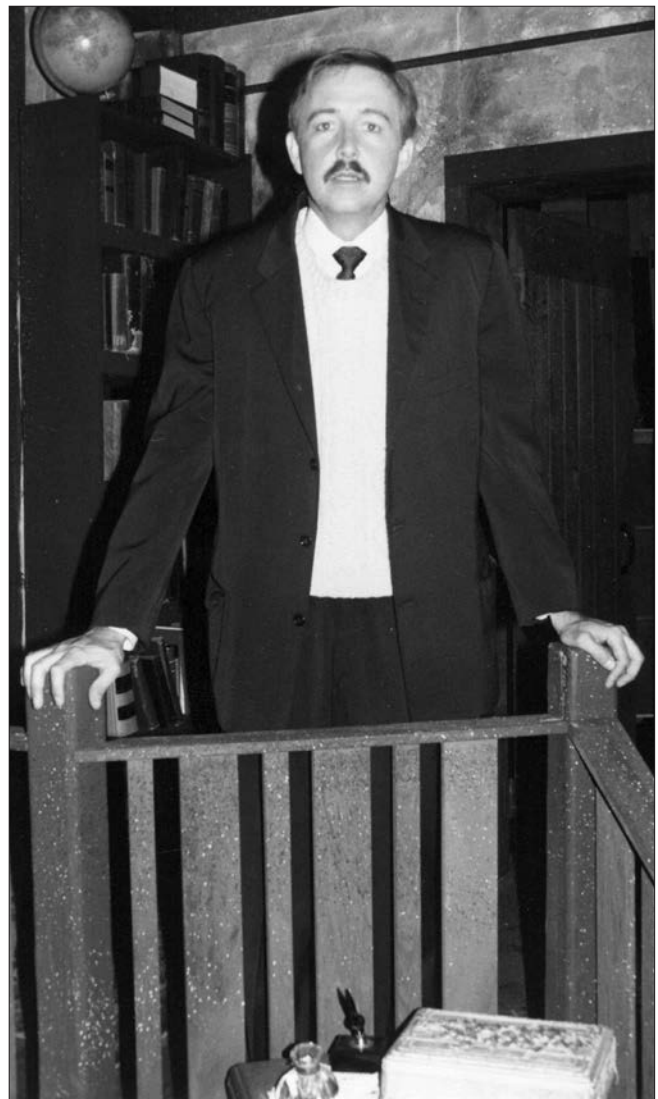
He also was a founding member and officer of the Independent Cattlemen of Nebraska and currently serves on the Cattlemen’s Beef Board as one of the 103 members who oversees the Beef Checkoff.

Davis currently owns a ranch in Hyannis. He said the declining population, education and health care needs

in Western Nebraska are primary concerns of his, adding that seven counties in his large district are at risk of losing half of their population by 2033.

He said he wants to address two other issues while serving in the Legislature: tax reform and state tourism. The state must consider overhauling its tax system and seek additional state revenue sources to promote ecotourism in rural areas, he said.

“We have the wildlife in abundance in the Sandhills,” Davis said. “We just need the visitors.” ■



Sen. Davis played Mr. Jones in a community theater production of “The Corn is Green” in Mount Dora, Florida in 1987.

## Agriculture

### Changes to Livestock Animal Welfare Act advanced

Senators gave first-round approval April 4 to a bill that would strengthen seizure protocol in the case of livestock neglect or cruelty.

LB423, introduced by the Agriculture Committee, would authorize law enforcement officials to enter into an agreement with animal owners and custodians outlining interventions to be undertaken to avoid seizure of neglected animals. In the event that a seizure of animals occurred, the bill would authorize animals to be kept on the premises of the owner or custodian.

Committee chairperson Ogallala Sen. Ken Schilz said the need for a solution arose from a 2012 interim study.

“We found that there was growing concern at the county level of fiscal liability with regard to enforcing animal



Sen. Ken Schilz

cruelty laws,” he said. “We want to make sure the animal owners understand from the beginning that they have a responsibility to take care of those animals as long as they own them. If they don’t, someone will come in and make sure those animals are taken cared of.”

The bill also establishes procedures for determining the need to euthanize animals experiencing extreme suffering. Upon seizure of the animals, the law enforcement agency taking custody would have seven days to petition for a hearing before the district court, which would be scheduled within 10 days of the date of petition.

If a court determined that abandonment or cruel neglect had occurred, it could:

- order immediate forfeiture of an-

- imals and authorize euthanasia;
- detail conditions that must be met to restore custody to the owner; or
- order a bond or security to pay for the seizing agency’s cost for care of the animals.

If the owner or custodian were found not guilty, all costs associated with the seizure and care of animals would be refunded.

An Agriculture Committee amendment, adopted 34-0, would allow a court to order direct installment payments to cover expenses for the care of seized animals.

Hoskins Sen. Dave Bloomfield opposed the bill, saying it would place an unfair financial burden on animal owners.

“There’s nothing in the bill that prevents someone from spending way more than the animal is worth and putting that cost on the owner,” he said.

Senators advanced the bill to select file on a 34-1 vote.

## Appropriations

### Tax incentive data requirement advanced

Lawmakers gave first-round approval April 4 to a bill intended to increase transparency regarding tax incentive programs in Nebraska.

LB629, introduced by Lincoln Sen. Danielle Conrad, would require information regarding tax incentive programs to be included as part of the governor’s biennial budget submission to the Legislature.

Conrad said the bill would place tax expenditures and incentive programs on par with state expenditures in the budget process.

“It improves transparency and accountability,” she said. “This statute



Sen. Danielle Conrad

would model best practices utilized in other states.”

Required information would include the number and type of jobs created and the average wage and benefits of those jobs. A provision in the bill requiring that the governor’s budget proposal also include recommendations on whether to continue, modify or terminate such incentives was made optional by an Appropriations Committee amendment.

The amendment, adopted 39-0, also would eliminate a current requirement that the state Department of Revenue make recommendations on tax expenditures and incentive programs.

Omaha Sen. Heath Mello, chairperson of the Appropriations Committee, said including recommendations regarding revenue issues in the governor’s budget recommendations would provide a more accurate picture of the state’s fiscal situation.

Scottsbluff Sen. John Harms supported the amendment, saying tax incentive recommendations should be made by the governor rather than the state Department of Revenue. Those who develop public policy – not those who administer the resulting programs – should make policy recommendations, he said.

Harms said that while the department technically is complying with the current requirement to issue a report on whether to continue, modify or terminate tax incentive programs, their recommendation always is to make no recommendation.

He said this results in the Legislature not having adequate information regarding the impact and effectiveness of tax incentive programs.

“Unlike direct appropriations, tax incentives are not tracked in the state budget and therefore are not reviewed regularly by the Appropriations Committee,” he said.

Omaha Sen. Scott Lautenbaugh offered, and later withdrew, an amend-

ment that would have changed the date that a first-year governor would be required to present a budget to the Legislature from Feb. 1 to March 1.

Senators voted 39-0 to advance the bill to select file.

## Executive Board

### Presentation of economic development incentive reports advanced

Senators advanced a bill from general file April 4 that would require the state Department of Revenue to present economic development incentive reports to two legislative committees.

Columbus Sen. Paul Schumacher introduced LB612, which would require the department to appear once every two years before a joint hearing of the Legislature's appropriations and revenue committees to present the reports. Supplemental information requested by three or more committee members must be provided within 30 days after the request.

The reports include data on the following programs:

- the Quality Jobs Act;
- the Invest Nebraska Act;
- the Nebraska Advantage Act;
- the Employment and Investment Growth Act; and
- the Nebraska Advantage Rural Development Act.

Such reports often are convoluted and can be misinterpreted, Schumacher said, so they may require further explanation.

"This is an effort to try to develop communication so that [the Legislature] has an adequate understanding of the information that is being presented," he said.



Sen. Paul Schumacher

An Executive Board amendment, adopted 28-0, changed the annual report submission date from July 15 to Sept. 1.

Lexington Sen. John Wightman, chairperson of the Executive Board, said the amendment would require a later presentation date so that the reports are not due the same day the department must present them to the joint committees.

Omaha Sen. Heath Mello offered an amendment, adopted 29-0, which changed the department's biennial tax expenditure report submission date to the Legislature's appropriations and revenue committees from Dec. 1 to Nov. 1.

Mello said an earlier submission date would provide the committees more time to consider budgetary issues before the Legislature convenes in early January.

The bill advanced with an emergency clause on a 31-0 vote.

## General Affairs

### Liquor shipping license changes advanced

Senators advanced a bill from general file April 4 that would change provisions for obtaining alcoholic liquor shipping licenses.

Currently the Nebraska Liquor Control Commission may issue any person a license to ship alcoholic liquor directly to a Nebraska consumer.

LB230, introduced by Wilber Sen. Russ Karpisek, would allow only alcoholic liquor manufacturers to obtain a Nebraska direct shipping license. Wine manufacturers who produce less than 250,000 gallons of wine annually would be allowed to ship their products to Nebraska consumers by way of exclusive importers who have a direct sales shipping license.



Sen. Russ Karpisek

A General Affairs Committee amendment, adopted 28-2, replaced the bill.

As amended, the bill would allow the commission to issue such licenses only to alcohol manufacturers and licensed retailers. Craft breweries, distilleries and farm wineries would be required to notify any Nebraska wholesaler if they intend to ship products already sold in the state and must not ship products that state manufacturers or wholesalers have agreed not to carry.

The amendment also would require direct shipper license applicants to include the brands of alcoholic liquor they intend to ship and agree to file reports and pay state excise and sales and local political subdivision sales tax on any alcoholic liquor shipped into the state. Applicants also must allow the commission agents to examine their records and notify the commission of license violations in other states. Applicants in violation may have their licenses suspended, cancelled or revoked.

Requiring out-of-state manufacturers and licensed retailers to pay state and local sales tax would allow the state Department of Revenue to collect taxes on and regulate alcohol shipped into the state, Karpisek said.

The amendment also would require licensees to ship only their manufactured brands that are listed on the application and are registered with the federal Alcohol and Tobacco Tax and Trade Bureau and restrict shipments of alcoholic liquor that are not permitted in the state and are in excess of 9 liters per month. The packaging must be labeled and the recipients must sign for the alcoholic liquor and be at least 21 years old. A common carrier that delivers alcohol to a minor would be in violation and held liable.

Karpisek said the bill is intended to strengthen the commission's ability to regulate alcohol that is shipped into the state and also would prevent minors

from receiving alcohol that is ordered from an online manufacturer or retailer.

Gretna Sen. John Murante said he was concerned about the regulations that would be placed on out-of-state retailers and that the commission may not be capable of enforcing such regulations.

The bill advanced from general file on a 27-1 vote.

## Government, Military & Veterans Affairs

### Campaign finance changes advanced

Senators gave first-round approval April 4 to a bill that would repeal the Campaign Finance Limitation Act.

LB79, as originally introduced by Lincoln Sen. Bill Avery, would repeal the act, recently declared unconstitutional by the Nebraska Supreme Court. Avery said the bill would promote a more open election process.

A Government, Military and Veterans Affairs Committee amendment, adopted 26-0, replaced the bill.

As amended, LB79 would require the Nebraska Accountability and Disclosure Commission to develop, implement and maintain an electronic filing system for campaign statements and other required reports as soon as practicable. It also would add limited liability company or partnership to the list of entities that must establish a separate, segregated political fund in order to receive contributions.

“The best course of action is to provide additional transparency and openness in our current system of [campaign]

contributions and expenditures,” Avery said. “By creating an electronic system, the public can see where money is coming from and where it is going.”

Avery introduced an amendment to the committee amendment, adopted 27-0, that would authorize the transfer of all funds in the Campaign Finance Limitation Cash Fund to the Election Administration Cash Fund to pay for the electronic filing system.

Senators advanced the bill to select file on a 27-0 vote.

### Thirty-day in-person early voting period advanced

Following two days of debate, lawmakers amended and advanced a bill from general file April 4 that would shorten the in-person early voting period in Nebraska.

Under LB271, as introduced by Omaha Sen. Scott Lautenbaugh, any registered voter could appear in person before the election commissioner or county clerk to obtain his or her ballot not more than 25 days prior to an election.

Current law provides that ballots for in-person early voting will be available at least 35 days prior to an election.

Lautenbaugh said the change was suggested by the Nebraska Secretary of State’s office following a complaint filed by a visually impaired voter who tried to use a voting machine in Lancaster County within the existing in-person early voting period.

The machines used by the visually impaired to vote unassisted were not yet programmed for the election, he said, and the individual filed a discrimination complaint based on her inability to cast a ballot.

Lautenbaugh said the machines routinely are not ready 35 days in advance of an election because of the complicated nature of ballots in Nebraska, so the secretary of state recommended shortening the in-person early voting period to allow time to program the machines and ensure that anyone wishing to vote early in person could do so.

Lincoln Sen. Bill Avery supported the bill, saying it would bring Nebraska into compliance with the Help America Vote Act, adding that election officials need additional time to finalize ballots and program machines.

Few individuals choose to vote early in person, Avery said, adding that the change would not pose too great a burden on voters.

“It only applies to in-person early voting,” he said, “It does not change the terms of paper balloting at all.”

Omaha Sen. Jeremy Nordquist expressed reservations about the bill as a solution to the discrepancy in early voting availability, and said lawmakers instead should study the issue before the next general election.

“If there is an issue, then let’s look at alternatives,” he said. “I certainly don’t support the bill unless we’re shown that this is the only alternative to solve this problem.”

Omaha Sen. Ernie Chambers opposed the bill, saying legislators should not pass election laws that inhibit voting access. He offered a motion April 3 to bracket the bill until June 5, which failed on a 12-29 vote.

A technical amendment also offered by Chambers failed on a 7-27 vote.

Lautenbaugh offered an amendment when debate resumed April 4, which he said represented a reluctant compromise between stakeholders and opponents of the bill in order to move the proposal forward.

The amendment, adopted 30-2, would reduce the in-person early vot-



Sen. Bill Avery



Sen. Scott Lautenbaugh

ing period to 30 days rather than 25.

“It’s what we can do,” Lautenbaugh said.

After adopting the amendment, senators voted 31-0 to advance the bill to select file.

### Increase in at-large city council members advanced

Senators gave first-round approval April 2 to a bill that would allow certain cities to elect up to four city council members on an at-large basis.

LB299, sponsored by Hastings Sen. Les Seiler, would increase from three to four the number of council members who could be elected at large in a first class city, when at least four council members are elected by ward. The change would not apply to a city with a commissioner or city manager form of government.



Sen. Les Seiler

State law classifies a city of the first class as one with a population between 5,001 and 100,000.

Seiler said he introduced the bill on behalf of the city of Hastings after the mayor and city council members expressed concern over the difficulty of finding candidates for ward seats on the city council.

“We feel that allowing four members to be elected at large and four by ward would encourage people to run for the council,” he said.

LB299 also would clarify procedures for how certain cities, villages, counties or school districts may place the question of nominating and electing members to their governing boards on a general election ballot.

Under the bill, the question of nominating and electing members by ward or at large could be placed

on a general election ballot either by majority vote of the governing body or by petition of registered voters.

The bill advanced to select file on a 33-0 vote.

### State contract transparency proposal amended, advanced

Lawmakers gave second-round approval April 5 to a bill intended to increase transparency in the expenditure of state funds.

LB429, introduced by Bellevue Sen. Sue Crawford, would require the state to provide access to contract information via the Internet.

As amended on general file, LB429 would require the state treasurer’s website to include a link to the state Department of Administrative Services (DAS) website, beginning July 1, 2014, which would contain a searchable database of all active contracts that are the basis for an expenditure of state funds.

All agencies and departments of the state would be required to provide DAS an electronic copy of contracts that are active on or after Jan. 1, 2014.

References to all subcontracts would be removed and contracts entered into by the state Department of Health and Human Services (DHHS) as letters of agreement for services to a specifically named individual would be exempt from the bill’s provisions.

Crawford said several agencies expressed concern between general and select file debate regarding contracts similar to those exempted for DHHS.

As a result, she offered an amendment that added the University of Nebraska or any state college and the state Department of Veterans’ Affairs to the bill’s exemption for contracts for



Sen. Sue Crawford

specified services to named individuals.

The amendment also would exempt contracts entered into by the state Energy Office to provide financing from the Dollar and Energy Saving Loan program and for employment contracts with any agency, board, commission or department of the state.

Crawford said the amendment involved narrow exemptions and would not weaken the intent of LB429.

“Government transparency is important,” she said. “The state of Nebraska has an obligation to provide this information in a usable format.”

Under the bill, agencies also would be allowed to redact certain information, such as:

- a social security number;
- federal identification number;
- protected public health information;
- information that may be withheld under public records law; or
- any information that is confidential under state or federal law.

Papillion Sen. Bill Kintner offered, and later withdrew, an amendment that would have limited the bill’s provisions to contracts that exceed \$1,000.

After adopting the Crawford amendment 29-0, senators advanced the bill to final reading by voice vote.

## Health & Human Services

### Proposal to remove foster care placement barriers advances

A bill intended to remove obstacles to foster care placement advanced from general file April 5.

Lincoln Sen. Colby Coash, sponsor of LB265, said he hopes the bill will facilitate placement in homes where at least one caretaker is known to the foster child.

Coash said relatives and family friends



of children entering the foster care system often are interested in assisting a particular child but may not be able to invest the time and effort required to gain formal licensure as a foster care provider.



Sen. Colby Coash

He said the state's top priority should be reducing the amount of disruption in vulnerable children's lives.

"It's traumatic enough to pull a kid out of a home," Coash said, "much less to put that child in a home full of strangers."

Currently, all foster homes in Nebraska must be licensed. LB265 would exempt kinship and relative homes from the licensure requirement. A kinship home is defined in the bill as one in which a primary caretaker previously has lived with or had significant contact with the child being placed.

A Health and Human Services Committee amendment, adopted 28-0, specifies that, rather than simply having had significant contact with the child being placed, an individual must be a trusted adult with a pre-existing, significant relationship with the child in order to qualify as a kinship placement.

The amendment also adds language requiring the state Department of Health and Human Services (DHHS) to promulgate rules and regulations for licenses, waivers, variances and approval of foster families - including relative and kinship homes - and specifies that approval is required prior to placement in a nonlicensed relative or kinship home.

Under the bill, kinship and relative homes would be subject to criminal background checks of all adult residents and a home visit to ensure adequate housing. In addition, the bill would allow DHHS to issue a waiver for any nonsafety licensing standard for a kinship or relative home seeking licensure.

"We are not waiving any requirement

that keeps the child safe," Coash said.

LB265 advanced to select file on a 31-0 vote.

## Natural Resources

### Environmental trust grantee land purchases would require approval

After eight hours of debate, senators narrowly advanced from general file a bill dealing with property purchases through the Nebraska Environmental Trust (NET).

The trust is supported by state lottery dollars, receiving 44.5 percent of dollars appropriated to the state Lottery Operation Trust Fund. Grants are awarded to applicants seeking to promote established environmental goals, including the protection of air, land, ground and surface water, flora and fauna, prairies and forests, wildlife and wildlife habitat and areas of aesthetic or scenic values.

LB57, as originally introduced by O'Neill Sen. Tyson Larson, would require that NET approve any purchase of real property made using NET funds given to a grant recipient either to purchase real property directly or through the use of a revolving fund.

Larson said April 2 that the bill would ensure that good practices are in place for future NET boards.

"There has been a lack of oversight by the board when it comes to land purchased with these funds," he said. "At the end of the day, this is a bill about government transparency and accountability."

A Natural Resources Committee amendment, adopted 28-2, additionally would require that an applicant that uses NET funds to purchase land include a contract provision for the replacement of lost property taxes if

the land would then be sold, leased, transferred to, exchanged or encumbered by a federal agency.

Ogallala Sen. Ken Schilz supported the committee amendment, saying some private entities that received grants have sold the land for a significant profit.

"I want to make sure that NET has as much money as possible to do the important things for the citizens of Nebraska. Ultimately [LB57] will strengthen NET and their process," Schilz said.

Larson introduced an amendment to the committee amendment, adopted 32-2, that would allow any grantee who does not receive board approval to sell, lease, transfer or exchange land to repay the grant and be released from all further obligations. An approved sale would be released from further obligation if given written approval by the board.

Lincoln Sen. Danielle Conrad opposed the amendment and the bill, saying both were unnecessary.

"Any time we start to tinker with NET, we are indeed tinkering with the trust voters instilled in the creation of this important institution in our state," she said. "No one has been able to point to any incident of mismanagement that this bill is seeking to address."

Malcolm Sen. Ken Haar introduced an amendment, adopted 30-0, which would allow the NET board 45 days to approve or deny a grant application. If no response were provided in that timeframe, the application would be deemed approved.

Haar later filed a bracket motion to delay further discussion of the bill until April 5. He said the proposal needs significant improvement before senators could advance it.

"Anytime a bill comes up that involves the trust, I am very suspicious," Haar said. "There are a number of issues still unresolved even with the amendments. I want to ensure that the bill in no way harms the trust or its ability to purchase land."



Sen. Tyson Larson

The bracket motion failed on a 8-29 vote.

Omaha Sen. Ernie Chambers introduced motions to indefinitely postpone the bill and recommit it to committee, which were unsuccessful. He said proponents of the bill were not concerned with the land being sold, but rather to whom the land was sold.

“No one who supports this bill can answer my questions on this bill,” Chambers said. “This bill is nonsensical and unintelligible.”

On April 3, Larson filed a motion to invoke cloture, or cease debate. It prevailed 34-9. Senators then voted to advance the bill to select file on a 27-17 vote.

**Right of first refusal to incumbent RTO members advanced**

Senators advanced a bill from general file April 3 that would change the selection process for state electric transmission projects approved by a regional transmission organization (RTO).

The Natural Resources Committee sponsored LB388, which would provide incumbent RTO members the right of first refusal for such projects.

Holdrege Sen. Tom Carlson, chairperson of the committee, said the Federal Energy Regulatory Commission (FERC) recently issued an order requiring an RTO to allow



Sen. Tom Carlson

qualified entities to bid on state transmission projects instead of deferring such projects to incumbent utilities. However, he said, the public power industry believes the first right to expand such projects should be provided to incumbent utilities that are familiar with Nebraska’s regulatory processes.

FERC recognizes state laws that provide incumbent utilities the right of

first refusal, Carlson said, so passage of the bill would ensure the state maintains authority over transmission line projects.

A committee amendment, adopted 28-0, would eliminate standardized definitions and would retain the right of first refusal provisions of the original bill. The amendment also provides incumbent facilities 90 days to notify the Power Review Board of their intention to construct, own or maintain the RTO-approved transmission line. If no such notice is provided to the board, the right of refusal would be surrendered and any other incumbent transmission owner would be allowed to file for the right within 24 months after the first right notice is provided.

Omaha Sen. Steve Lathrop said he was concerned that the bill would limit competition among transmission project builders and could create a state public utility monopoly.

Papillion Sen. Jim Smith disagreed, saying that incumbent facilities still would be required to undergo a competitive bidding process. LB388 would ensure that more qualified local utility companies would own and maintain state transmission lines, he said.

“Certain design standards are required in the Midwest that may not be required in other areas of the country,” Smith said. “If [state transmission] projects were available to all qualified contractors they may provide a lower bid, but the project may not meet Nebraska’s design standards.”

The bill was advanced from general file on a 30-0 vote.

**Retirement**

**Internal Revenue Code changes to state retirement plans advance**

Senators gave first-round approval April 4 to a bill that would make technical changes to state retirement provisions.

The Nebraska Retirement Systems Committee sponsored LB263 on behalf of the Nebraska Public Employees Retirement System. The bill includes clarifications to the state Public Employees Retirement Board governing state statutes and updates Internal Revenue Code retirement plans for judges, state patrol officers, counties, school and state employees.

A committee amendment, adopted 33-0, replaced the bill.

Omaha Sen. Jeremy Nordquist, chairperson of the committee, said the changes reflect recommendations from a 2012 compliance audit of state-administered retirement plans.



Sen. Jeremy Nordquist

The amendment also would incorporate provisions from two other bills.

LB594, introduced by Omaha Sen. Scott Price, would direct the Nebraska Investment Council, rather than the Board of Educational Lands and Funds, to manage and invest the Nebraska Veterans’ Aid Fund.

LB321, introduced by Bellevue Sen. Sue Crawford, would no longer require police officers to spend down their unused annual or sick leave before receiving temporary disability payments. Currently all pension or salary payments for a disability are subject to deduction of amounts paid under workers’ compensation. The payments do not begin until all unused annual, sick or other leave has been utilized.

Senators advanced the bill with an emergency clause on a 32-0 vote.

**Revenue**

**Counties could terminate assessment contracts**

Lawmakers gave first-round approv-

al April 5 to a bill that would change county assessment contract provisions.

Legislation passed in 2009 required nine counties to reassume their property tax assessment functions from the state property tax administrator and assume all county assessment contracts until the expiration of the contract.

LB55, introduced by Lexington Sen. John Wightman, would allow county officials to either continue or terminate such contracts.

Wightman said the property tax administrator had entered into a 10-year software contract agreement before 2009. The bill would permit counties to terminate such contracts and make their own decisions about the software used for the operation of the assessment function, he said.

The bill advanced from general file on a 32-0 vote.



Sen. John Wightman

general file April 3 that would require those convicted of driving under the influence of alcohol (DUI) to install ignition interlock devices in their vehicle for a minimum of one year.

Current law requires a 45-day revocation of an offender's license and installation of an ignition interlock device for the remaining balance of the one-year probation period.

Under LB158, introduced by Hastings Sen. Les Seiler, a driver convicted of DUI would receive a mandatory 45-day driver's license revocation after which he or she would be required to install an ignition interlock device for a full year.



Sen. Les Seiler

Seiler said the bill was introduced to bring Nebraska into compliance with a National Highway Traffic Safety Administration mandate that requires repeat DUI offenders to have such devices installed for at least one consecutive year. If Nebraska remains out of compliance, he said, the state could lose \$6.2 million in federal road funding that instead would be allocated to mandatory safety programs.

A Transportation and Telecommunications Committee amendment, adopted 33-0, replaced the bill. Under the amendment, an offender's license

would not be reinstated until after the court-ordered ignition interlock device installation period. Offenders who have prior convictions or are serving probation would have their license revoked for 18 months from the court-ordered date and must have an ignition interlock device installed for at least one year.

Fullerton Sen. Annette Dubas, chairperson of the committee, said the original provisions of the bill would permit the state Department of Motor Vehicles to reinstate an offender's license while a driver is under a court order, therefore keeping the state out of compliance with the federal mandate.

The amendment includes an emergency clause and the bill would take effect July 1, 2013.

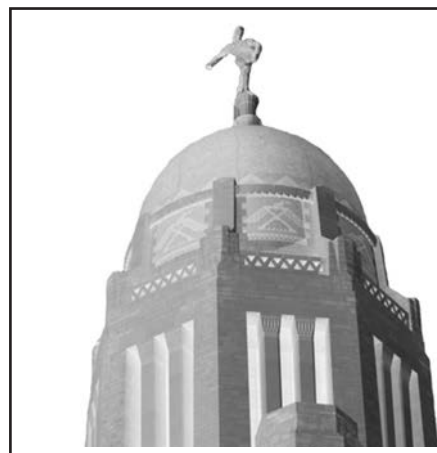
Seiler said the federal mandate also places no driving restrictions on interlock ignition permit holders. He offered an amendment, adopted 33-0, that would eliminate the current restrictions on such permit holders to operate a vehicle only for purposes of employment, education, substance abuse treatment, parole or probation supervision, health care for themselves or their dependents, court-ordered community service obligations and ignition interlock servicing.

The bill advanced from general file on a 34-0 vote. ■

## Transportation & Telecommunications

### Longer ignition interlock requirements for DUI advance

Senators advanced a bill from



# COMMITTEE HEARINGS

**Tuesday, April 16**  
**Government, Military & Veterans Affairs**  
**Room 1507 - 9:30 a.m.**  
*Appointment:* Heine, Jim - State Fire Marshal

**Monday, April 22**  
**Health & Human Services**  
**Room 1510 - 9:00 a.m.**  
*Briefing by invited presenters regarding IT issues relating to Medicaid, Access NE, and NFOCUS/child welfare.* ■

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