

## State preemption of local gun ordinances advanced

Lawmakers continued general file debate April 12 on a bill that would override individual city and local ordinances, making firearm regulations consistent statewide.

LB68, introduced by Lincoln Sen. Mike Hilgers, would authorize the state to regulate the registration, possession, transportation, transfer and storage of firearms and ammunition. Cities and villages would retain the authority to enforce prohibitions on firearm discharge.

Hilgers said it is a common misperception that ordinances banning firearm possession reduce gun violence. Chicago banned firearms in 1987, he said, and the city's murder rate increased dramatically. The intent behind the bill is not to make cities less safe but to ensure public safety while also protecting the rights of lawful gun owners.

"We have anecdotal data that says citizens face an impermissible choice between having a firearm that is guaranteed to them under state and federal law and breaking [local ordinances]," he said. "Do they break the law and exercise their right to a firearm or do they put themselves in danger and go unarmed?"

A Government, Military and Veterans Affairs Committee amendment, adopted 33-11, would allow a city of the metropolitan class to prohibit handgun possession in public places. Exceptions to the prohibition would include safe transport in a vehicle, possession for instructional purposes and possession by concealed-carry permit

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## Proposal to collect state taxes on internet sales advances



Sen. Dan Watermeier said requiring out-of-state online sellers to collect sales taxes would increase state revenue and eliminate an unfair disadvantage for brick-and-mortar stores.

Some online retailers would be required to collect state sales taxes on Nebraska transactions under a bill advanced from general file April 11.

Introduced by Sen. Dan Watermeier of Syracuse, LB44 would require an online retailer without a physical presence in the state to collect and remit sales taxes to Nebraska if its gross sales revenue in the state exceeds \$100,000 a year or it makes 200 or more separate transactions in the state that year.

Watermeier said Nebraska could collect an additional \$30 million to \$40 million in sales tax revenue from online retailers every year.

"With the state currently experiencing a significant budget shortfall, there isn't a better time to pass this legislation," he said. "Although it won't solve all of our budget problems, it certainly helps."

Watermeier said that online shop-

ping has transformed commerce since 1992, when the Supreme Court ruled that a business must have a physical presence in a state before it can be required to collect state sales taxes. Not requiring online retailers to collect state sales taxes puts Nebraska brick-and-mortar stores at a disadvantage, he said.

Sen. John McCollister of Omaha agreed and said that Nebraskans who shop online already are required to pay taxes on those purchases. LB44 would make it easier for them to comply with the law while increasing state tax revenue, he said.

"This money is low-hanging fruit," McCollister said.

Sen. Kate Bolz of Lincoln also spoke in support of the bill. A broad range of groups testified in support of LB44 at its public hearing, she said, including the Nebraska Retail Federation, the Nebraska Grocery Industry

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holders and military members.

Omaha currently is the only metropolitan-class city in Nebraska.

The amendment also would prohibit the open transportation of handguns and long guns within metropolitan class cities. It would require that openly transported firearms be unloaded and contained within an enclosed case or unloaded and broken down. There would be exceptions

for open firearm transport by law enforcement, concealed-carry permit holders, military members and other lawful activity that does not endanger public safety and has received proper legal approval.

Finally, the amendment would require that firearms transported within a vehicle be unloaded and locked up, either in a trunk or a container other than a glove compartment or console.

Concealed-carry permit holders and military members also would be excluded from this requirement.

During previous debate, Sen. Laura Ebke of Crete voiced her support for the bill. She said local gun ordinances unfairly target gun owners and take away constitutionally protected rights from lawful citizens.

“I believe our rights to carry weapons ought not be arbitrarily infringed upon by the

government,” she said.

Omaha Sen. Ernie Chambers and Lincoln Sen. Adam Morfeld offered a series of motions to prevent a vote on the bill. Chambers said inconsistencies in its language would guarantee that the bill is found unconstitutional if challenged in court.

Morfeld said Lincoln experiences gun violence much like Omaha, but Lincoln was not offered a similar exception under the bill. He said the Lincoln Police Department opposes the amended bill because it potentially could prohibit the city from banning firearms in public buildings like city hall or the Pinnacle Bank Arena, as it does currently.

“As a gun owner myself, there is a heightened responsibility to ensure that you’re following all laws,” he said. “These [local ordinances] are not overly burdensome.”

After six hours of debate spanning two days, Hilgers filed a motion to invoke cloture, or cease debate and vote on the bill. The motion succeeded 33-8; thirty-three votes were needed.

Senators then voted 31-13 to advance the bill to select file. ■



Sen. Mike Hilgers said the bill would eliminate a “patchwork” of gun ordinances around the state.

## UNICAMERAL UPDATE

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## Proposal to collect state taxes on internet sales advances

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Association, the Nebraska Association of School Boards, the Nebraska Farm Bureau, the Nebraska Farmers Union, the League of Nebraska Municipalities, the Nebraska Chamber of Commerce and several others.

“I think it’s rare that we see a committee statement with such a diversity of supporters across the political spectrum,” she said. “I think that’s because they recognize that this is a common-sense strategy to address our sales tax situation.”

Sen. Mike Hilgers of Lincoln opposed the bill, saying that it almost certainly would be challenged in federal court, which likely would prevent Nebraska from collecting taxes from online retailers until after the case is settled. Hilgers said Nebraska should wait for a Supreme Court ruling on

a similar South Dakota law – which he said is designed to challenge the court’s 1992 decision – before taking action.

“If you think LB44 is going to provide a mechanism for us to solve our shortfall over the next biennium, I think that’s mistaken,” he said.

Sen. Jim Smith of Papillion also opposed the bill. As a retailer, Smith said, he understands the difficulty of competing with internet sellers that are not required to collect state sales taxes. But Nebraska could not force businesses to comply with the bill’s requirements, he said, and LB44 is meant only to trigger action in the federal courts, something other states already have done.

“I just don’t think that this bill does what it has been promoted as

doing,” Smith said. “I do believe it creates a false hope of new revenue for our state.”

If a retailer would refuse to collect the tax, it would be required to notify Nebraska purchasers that tax is due and that the state requires them to file a sales or use tax return on their purchases. Each failure to notify would result in a \$5 penalty.

Online retailers would be required at the end of each year to send Nebraska purchasers a notification detailing their purchases and to file an annual statement for each purchaser with the state Department of Revenue. Failure to meet either of those provisions would result in penalties of \$10 for each instance.

Senators voted 28-13 to advance the bill 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 2017 Unicameral Youth Legislature, which will convene June 11-14.

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 and staff. Bills will be based on legislation considered during the current legislative session.

Registrants are encouraged to apply for a Speaker Greg Adams Civic Scholarship award, which covers the full cost of admission. Applicants must submit a short essay. Other \$100 scholarships are also available.

The University of Nebraska–Lincoln’s Extension 4-H Youth Development Office coordinates housing and recreational activities for the camp as part of their Big Red Summer Camps program.

Registration forms can be obtained from the Legislature’s Unicameral Youth Legislature page: [www.NebraskaLegislature.gov/uyl](http://www.NebraskaLegislature.gov/uyl).

The registration deadline is May 15.





# MEET THE SENATOR

## McDonnell suits up for legislative heat

**M**ike McDonnell was born and raised in Legislative District 5 in South Omaha. The home he shares with wife Amy and son Ryan is just four blocks from the house his parents built in 1957.

“I’m like a pheasant. I’ve never moved more than two square miles from home,” he laughed.

His parents were pillars of their neighborhood and community, helping to build the St. Thomas More Catholic Church and elementary school. Raising eight children in a working-class neighborhood was not necessarily glamorous, he said, but it did instill a robust work ethic in the McDonnell children.

“It was not a neighborhood where we had everything we wanted, but we had everything we ever needed,” he said.

Following his graduation from the University of Nebraska at Omaha, McDonnell followed his father’s footsteps, joining the Omaha Fire Department in 1989. Despite appearances, he jokes, McDonnell is not the reason his father retired the next year, following 40 years of service.

“I asked him if he thought I could do the job,” McDonnell said. “He said it’s a great job where I could really make a difference. The first time a person says ‘thank you,’ it really touches your heart.”

He spent nearly 25 years as a firefighter, six of those years as fire chief. Representing his fellow firefighters for 10 years as union president taught him invaluable negotiation skills.

Serving in the Unicameral is not so different from fire service, he said. Sure, there are metaphorical fires to put out, but McDonnell says the similarities do not stop there. You will not be successful without hard work and a willingness to cooperate with people of all ages and backgrounds, he said.

“You train together, eat your meals together. You discuss politics together,” he said. “People can get so worked up and then the bell rings and you’re a team. At the end of the day, you’re all trying to do the right thing.”

He understands that a divisive political climate can make it difficult for elected officials to earn the trust of their constituents, but that has not deterred him from jumping in head first. McDonnell serves on the Legislature’s Appropriations Committee, a group of nine senators currently tasked with resolving a \$1 billion budget shortfall.

“I think government gets a bad rap. There are people working here that have dedicated their entire adult lives to this institution,” he said. “I do believe the Unicameral is the best legislature in the country. We’re not perfect, but

it’s a special place.”

McDonnell understands that change does not happen overnight. He said it will take considerable compromise, making progress in small increments on the key issues facing Nebraska. At the end of the day, however, it is about the simple things, he said.

“I believe that good neighborhoods build good cities, which build good states,” McDonnell said. “We can achieve that by securing high-paying jobs, supporting high-quality education and ensuring public safety.”

When he considers what his legislative legacy might be, McDonnell thinks of his son. He knows he has 300 legislative days in his first term to do as much as he can to leave the state a better place.

“As many opportunities as my parents made for us, I hope I can do the same for him,” he said. “I want to make Nebraska a place where he wants to settle and build a family. If I can’t do that, I’ve failed.” ■



Sen. Mike McDonnell, his wife Amy and their son Ryan attend a football game at the University of Notre Dame.



**Hybrid seed corn definitions, violations advanced**

Lawmakers gave second-round approval April 11 to a bill that would update the definition of hybrid seed corn and allow a restraining order or injunction to be imposed on anyone who sells or represents corn seed as a hybrid variety that does not meet identity standards.

Under LB276, introduced by Sen. Joni Albrecht of Thurston, a district court in the county where the violation occurs would have jurisdiction to grant a restraining order or a temporary, permanent or mandatory injunction against that person. That would be in addition to an existing criminal penalty against such a violation.

Sen. Lydia Brasch of Bancroft introduced an amendment, adopted 29-0, that would require the director of the state Department of Agriculture — when he or she has reasonable belief that a violation is occurring — to report that belief to the attorney general or the county attorney in which the violation is occurring. The attorney general or county attorney then could pursue legal action.

The bill also would clarify the definition of hybrid seed corn and the process of cross fertilization as it relates to hybrid seed corn. Hybrid seed corn would be limited to seed of the first generation of a cross involving two, three or four different inbred lines of corn or their combinations.

Senators voted to advance the bill to final reading by voice vote.



Sen. Joni Albrecht



**Lawmakers consider job-training grant funds**

Lawmakers heard a bill on general file April 10 that would provide grants to prepare young people to join the workforce, but debate stalled after a vote on an amendment failed.

Under LB248, as introduced by Omaha Sen. Burke Harr, employers offering job training and nonprofit corporations offering soft-skills training for qualified youth would be eligible for grant funding.



Sen. Burke Harr

Harr said people with fewer job skills experience wage stagnation and fewer career advancement opportunities. Further, he said, many young people enter the workforce lacking basic social skills necessary for success in the professional world.

“Ensuring that more students graduate from high school with the skills necessary to go to college or get a career would be positive for our economy,” he said. “[LB248] practices early investment in the young people of this state by teaching young people the skills necessary to succeed in employment.”

The bill originally would have provided \$20 million for the grants. Harr introduced an amendment to reduce the cost to \$2.5 million. Eligible applicants would be required to provide matching funds equal to or greater than the original grant amount to receive funding.

The training would help youth develop and analyze their marketable skills and connect youth with engaged employers looking to fill vacancies.

Bellevue Sen. Sue Crawford spoke

in support of the bill. She said soft skills are critical to young people entering the workforce and building successful futures.

“This bill offers an opportunity for businesses to think creatively about how they might step up in a more intentional, proactive way to provide that soft-skill training to promote their own workforce,” she said.

Sen. Lou Ann Linehan of Elkhorn opposed the bill. State funds instead should be invested in the school system to address skills gaps early on, she said. Giving money to nonprofits that are not accountable to the state, Linehan said, is an irresponsible use of taxpayer dollars that should be directed to schools.

“These kids need to be helped when they get to school to get the right start,” she said. “If they don’t get the right start, they will never catch up.”

Omaha Sen. Justin Wayne supported the concept behind the bill but said it needs more work to achieve its intended purpose. He said the key to helping kids leave high school prepared for the workforce is to start in the classroom.

“Instead of spending money on this, I’d rather see it go back into our high schools where we have a captive audience ... rather than picking and choosing winners and losers,” Wayne said.

The Harr amendment failed on a 24-20 vote. A technical committee amendment was pending when the Legislature moved to the next agenda item.



**Proposal for convention of the states considered**

Lawmakers debated a legislative resolution April 10 that would serve as Nebraska’s application for a con-

vention of the states. The Legislature recessed for lunch before voting on the resolution.

Introduced by Sen. Laura Ebke of Crete, LR6 calls for a convention of the states, authorized under Article V of the U.S. Constitution. Congress would be compelled to call a convention of the states if a two-thirds majority — 34 states — pass identical resolutions.



Sen. Laura Ebke

The proposed convention would be limited to proposing amendments to the U.S. Constitution that impose fiscal restraints on the federal government, limit the power and jurisdiction of the federal government and implement term limits for members of Congress and federal officials.

Proposed amendments would be sent to the states for ratification. It would require a three-fourths majority — 38 states — to ratify an amendment to the U.S. Constitution.

Ebke said Article V puts states on an equal footing with Congress when proposing amendments to the Constitution. This gives state legislators the ability — and perhaps the responsibility — to propose amendments to the Constitution to rein in the federal government, she said.

Sen. Adam Morfeld of Lincoln opposed the resolution. He said there is no federal legal precedent that guards against a runaway convention of the states and that it is unclear whether states have legal authority to bind their delegates at such a convention to vote as directed. Additionally, balanced federal budgets in the late 1990s and early 2000s are evidence, he said, that the proposed convention's goals of controlling federal spending can be achieved without a constitutional

amendment.

"This is not a constitutional crisis," Morfeld said. "It does not require us blowing up the system and starting all over."

Nebraska has filed several applications for amending conventions on various issues since achieving statehood, Ebke said, and concerns that a convention of the states would propose amendments outside its original purpose are unfounded.

"Congress has never proposed a complete rewrite for a new constitution," she said, "and it stretches the bounds of creditability to think that a convention of states would do so."

Sen. Steve Halloran of Hastings supported the resolution. He said that the size, scope and power of the federal government have grown at the expense of states' rights and individual liberty and that federal spending has created almost \$20 trillion in national debt.

"The U.S. Constitution is not broken, but government is," Halloran said. "An Article V convention of states will aid and address the many serious concerns of Nebraskans by helping return our country to its original vision of limited government."

Halloran said multiple safeguards would protect against a runaway convention. Two-thirds of states would have to pass applications for conventions with the same subject and scope and states could bind their delegates. Finally, any proposed amendment would then have to be ratified by 38 states, a tall hurdle, he said.

Sen. Curt Friesen of Henderson also supported the resolution, saying that a convention of the states is needed to address the growing federal debt. Friesen said he attended a mock convention of the states last summer in which delegates debated a proposed amendment to require a balanced federal budget. Even if an actual conven-

tion of the states proposed a similar amendment, he said, it would require approval from all state delegates.

"It's almost an impossibility to think that — even if we draft a good amendment — it would come out of [a convention]," he said.

Sen. Sue Crawford of Bellevue said in opposition to the resolution that a constitutional restraint on federal spending would limit the government's ability to respond in times of economic downturn, natural disasters, conflict or other crises. Crawford said Congress and the political process are broken, but a convention of the states is not required to fix them.

"It requires attention and mobilization of citizens to demand from Congress action, to demand wise decisions, to stand up and unmask decisions that are driven by 'big money,'" she said.

Sen. Kate Bolz of Lincoln also opposed the resolution. Federal funding accounted for approximately 31 percent of Nebraska's budget in fiscal year 2015-16, she said, including 23 percent of its education budget and 52 percent of the state Department of Health and Human Services budget.

"From a budget perspective, I would argue that LR6, while it is exciting idea ... in practice could have severe fiscal implications for our state budget," she said.

The Legislature recessed for the morning without voting on the resolution. Speaker Jim Scheer of Norfolk has indicated that, because of the limited time remaining in the session, legislation that is expected to generate extended debate will not be scheduled for a full six hours of debate on general file if the introducer lacks the 33 votes required to invoke cloture, or cease debate and vote on a bill.



## HEALTH & HUMAN SERVICES

### Food assistance eligibility change stalls

A proposed eligibility change to the Supplemental Nutritional Assistance Program (SNAP), formerly known as food stamps, failed to advance from general file by one vote April 11.

LB358, sponsored by Omaha Sen. John McCollister, would increase the SNAP gross income eligibility limit to 158 percent of the federal income poverty level (FPL) for fiscal year 2017-18 and to 185 percent for each fiscal thereafter.

The bill would not increase the net income eligibility limit for the program.

McCollister said the bill would address a phenomenon known as the “cliff effect,” in which a SNAP recipient loses eligibility due to a minimal increase in income. The unintended consequence of the system is that it either creates a disincentive to work toward economic mobility or a situation where a parent is working harder but is financially worse off, he said.

“Despite their hard work, some in our state struggle to put food on the table,” McCollister said.

A Health and Human Services Committee amendment, adopted 25-12, removed the second gross income eligibility increase and instead would maintain it at 158 percent of FPL going forward.

McCollister said 100 percent of SNAP benefits and 50 percent of the program’s administrative cost are paid



Sen. John McCollister

by the federal government. As a result, he said, the state could mitigate the cliff effective for Nebraska families with very little impact to the general fund while accessing \$5.6 million in federal funds.

Columbus Sen. Paul Schumacher spoke in favor of the bill, saying that even without the committee amendment, the bill would cost the state less than \$1 million annually in administrative costs. That amount pales in comparison to the cost of business incentives routinely granted by the state, he said.

Bellevue Sen. Sue Crawford also supported the bill, saying that veterans are one group that would benefit from the change in FPL eligibility. Approximately 7,000 Nebraska veterans receive food stamps, she said, and more likely are food insecure.

“The people this bill seeks to serve are hard-working Nebraskans who have food insecurity and, unfortunately, that includes some of our veterans,” Crawford said.

Ralston Sen. Merv Riepe opposed the bill, saying it would potentially expand the pool of potential SNAP eligible households by 36,800. Regardless of how many of those households ultimately are determined eligible, state workers would have to process all of the additional applications, he said.

This would place stress on the ACCESSNebraska system, he said, which the state Department of Health and Human Services uses to determine public benefit eligibility.

“If we do not continue to meet or exceed federal requirements [for timely application processing] the state risks potential penalties from the federal government,” Riepe said.

LB358 failed to advance to select file on a vote of 24-19.

### Biologic substitution rules advanced

Pharmacists would be allowed to substitute biological products with FDA-approved interchangeable biologics under a bill given first-round approval April 11.

Biologics include viruses, therapeutic serums, toxins, antitoxins, vaccines, blood components and allergenic products used to treat or cure human diseases.

Heartwell Sen. John Kuehn, sponsor of LB481, said current state law governs the substitution by pharmacists of generic drugs for their branded counterparts. Similar permission is needed to allow for the substitution of FDA-approved interchangeable biologics, he said.



Sen. John Kuehn

An FDA-approved interchangeable biological product is one that the FDA has determined to be therapeutically equivalent to a prescribed product. While the FDA solely is responsible for biologics and biosimilars, Kuehn said, Nebraska law needs to be updated to allow for the substitution of biological products.

He said 28 states and Puerto Rico have adopted similar legislation and 12 states are in the process.

“LB481 is a critical piece of legislation for Nebraska to provide guidance for clinicians and dispensers,” Kuehn said.

Under the bill, a pharmacist who receives a prescription for a biological product and chooses to dispense an interchangeable biological for the prescribed product must advise the patient or the patient’s caregiver that drug product selection has occurred.

Within three business days after

dispensing a biological product, the dispensing pharmacist or the pharmacist's designee would be required to make an entry of the specific product provided to the patient, including the product name and manufacturer.

The bill also would require the state Department of Health and Human Services to maintain a link on its website to the current list of all biological products that the FDA has determined to be interchangeable biological products.

LB481 advanced to select file 35-0.

**Developmental disability provider methodology bill advanced**

A bill that would ensure Nebraska compliance with federal regulations related to certain developmental disability facilities advanced from general file April 11.

LB605, introduced by Ralston Sen. Merv Riepe, would allow the state Department of Health and Human Services (DHHS) Division of Medicaid and Long-Term Care the flexibility to modify provider rates as needed to comply with federal regulations.

The bill would revise provisions of the Intermediate Care Facilities for Persons with Developmental Disabilities (ICF/DD) Reimbursement Protection Fund by allowing Nebraska to fully maximize federal matching funds available for the state's ICF/DD provider tax.

Under current state law, the division collects a provider tax for these facilities. Riepe explained that the tax proceeds go into the reimbursement protection fund, which is used for a variety of purposes, including



Sen. Merv Riepe

providing enhanced rates to ICF/DD providers by using the tax proceeds to match state funding with additional federal funding.

Current law mandates that the state change provider rates for these facilities based on the collection of the provider tax. However, DHHS is not able to ensure the rates paid to ICF/DD facilities meet the strict parameters of federal regulations, Riepe said.

"LB605 would allow ICF/DD providers to continue to receive enhanced rate funding for services provided to clients to the maximum extent allowed by the tax revenue and federal regulation," he said.

The bill advanced to select file on a 32-0 vote.



**Bill that would ensure legal representation for juveniles stalls**

A bill ensuring that juveniles appearing before the court would have legal representation stalled on general file April 12.

Under LB158, introduced by Lincoln Sen. Patty Pansing Brooks, legal counsel would be appointed each time a juvenile court petition is filed. The juvenile and his or her parent or guardian would be informed of the right to retain such counsel as needed.



Sen. Patty Pansing Brooks

The bill also would require any legal counsel representing a juvenile to continue representation through post-dispositional proceedings unless the juvenile requests new counsel.

Senators passed legislation in 2016

ensuring that juveniles in counties with more than 150,000 people would be guaranteed access to counsel. Today there still exists a wide gap in juveniles' access to counsel in the rest of the state, Pansing Brooks said. Some counties provide no access to counsel, placing juveniles in greater Nebraska at a distinct disadvantage.

"This amounts to justice by geography," she said. "Why should a child in one part of the state have less protection than another child in a different part of the state?"

A pending Judiciary Committee amendment would clarify that a juvenile who waives right to counsel could rescind the waiver at any time. It also would clarify that counsel need not be appointed for a juvenile who participates in a pre-trial diversion program.

Pansing Brooks introduced an amendment that would provide grants to counties to cover the cost of providing legal counsel to indigent juveniles. The Juvenile Indigent Defense Fund would be funded by a transfer of \$400,000 from the state Supreme Court Automation Fund.

Omaha Sen. Justin Wayne supported the bill. As a defense attorney who practices in juvenile court, he said, many families assume kids will leave with a slap on the wrist or probation at worst. But no one should attend a court proceeding without legal counsel, Wayne said, especially a juvenile who may not understand the long-term ramifications of a guilty plea.

"No matter where you live, you should have the same fundamental rights," he said. "We should not distinguish fundamental rights by geographical location or size of your county."

Oposing the measure was North Platte Sen. Mike Groene. He said the bill would take crucial decision making away from parents who know what is best for their child. Forcing a



juvenile to accept legal counsel also would violate a constitutionally protected right, Groene said.

“The Constitution says you have a right to an attorney, but it also says you have the right to deny counsel,” he said. “We’re taking away that right to deny in LB158.”

Sen. Mike Hilgers of Lincoln supported the bill, saying a lack of access to counsel may not be an issue in some counties, but that is no reason to withhold counsel across the state.

“I believe it is our constitutional obligation to provide counsel to juveniles,” Hilgers said. “It is not a sound policy decision to say that because some [juveniles] don’t need it, no one needs it.”

Sen. Steve Halloran of Hastings also opposed the bill, saying judges should be trusted to make sure that any juvenile who needs counsel is provided with representation.

“We have judges we do have confidence in. ... We have to trust their judgment at some level,” he said.

The amendment to provide funding failed on a 23-12 vote. Omaha Sen. Bob Krist filed a motion to reconsider the vote, which was adopted 27-10.

Krist acknowledged that the state Supreme Court does not support the bill’s funding mechanism, but said it was a way of ensuring access to counsel without further burdening taxpayers. He vowed to work with opponents of the bill between general and select file to find a source of funding that was amenable to all.

Venango Sen. Dan Hughes then offered a motion to bracket the bill until June 2, saying the 90 counties in the state without juvenile justice court systems are handling cases appropriately and effectively without a state mandate.

The bracket motion was pending when senators adjourned for the day before taking action on the bill.

## Retention of first responders’ health insurance amended, advanced

Injured first responders could retain their health insurance coverage under a bill advanced from select file April 10.

LB444, introduced by Fremont Sen. Lynne Walz, would prohibit cities and counties from canceling existing health insurance coverage for any law enforcement officer who suffers serious bodily injury as a result of an assault while in his or her official capacity. The bill also would cover injured sheriffs, deputy sheriffs, firefighters and mental health care providers.

The city or county would be obligated to provide health insurance while the first responder remains employed with the agency and returns to work within one year of the original injury.

Lincoln Sen. Kate Bolz introduced an amendment during select file debate that would incorporate provisions of her LB244. As amended, the bill would extend workers’ compensation benefits to employees of the state Department of Correctional Services and Department of Health and Human Services who regularly and directly interact with high-risk individuals.

A high-risk individual would include a person in state custody with a history of violent or physically intimidating behavior, including a committed offender, regional center patient and a committed juvenile offender.

Bolz said only 21 claims have been filed since 2010, when such benefits were initially approved for first re-

sponders. Those claims have cost the state only \$529 since 2010, she said.

“This protection for our [frontline employees] who face so many of the same pressures and trauma is worth the potential claims to our workers’ compensation court,” Bolz said.

Omaha Sen. Ernie Chambers supported the amendment, saying people working in correctional facilities often witness traumatic events.

“There are things they’re required to do vis-à-vis the inmates which no one should be required to do as part of a job,” he said. “It’s not just the inmates suffering but the ones who have to guard them.”

Sen. Mark Kolterman of Seward opposed the amendment, citing a potential influx of claims to the court and the associated costs to the state. He said the bill would directly impact everyone who pays insurance premiums in the state.

Following adoption of the Bolz amendment on a 26-3 vote, senators advanced the bill to final reading by a voice vote.



Sen. Lynne Walz



Sen. Kate Bolz



## Priority for holders of government bonds advanced

Senators advanced a bill April 12 that would create a statutory lien on government bonds to ensure that bondholders are paid first if the issuing government entity goes bankrupt.

Introduced by Sen. Paul Schumacher of Columbus, LB72 would create a first lien on property taxes, local option sales and use taxes and



Sen. Paul Schumacher

other bond-pledged revenue sources

of the issuing governmental unit with respect to general obligation bonds and limited tax bonds. The lien would be valid, binding and prior against all parties having claims against the governmental unit, such as a city, county, or other political subdivision.

Schumacher said state law is ambiguous on which of a city's creditors would receive payment first in the event the city goes bankrupt, a problem illustrated by the bankruptcy of Detroit in 2013. In bankruptcy proceedings, he said, federal courts often look to state law to determine which of a city's debtors are paid first. LB72 would ensure that bondholders have priority, Schumacher said.

"Let's let everybody know where they stand, not leave it up to the whim of a judge at some distant point in the future," he said.

Sen. Matt Williams of Gothenburg supported the bill. He said bondholders provide a service to cities and other political subdivisions by loaning them money — in exchange for interest — to build projects. Political subdivisions in turn want the lowest possible interest rate on bonds they issue, Williams said, something that LB72 would ensure by guaranteeing that government-issued bonds are backed by the full faith and credit of the issuing entity.

"[LB72] does create certainty in the bond market, which is a necessity for communities," he said.

Sen. Sue Crawford of Bellevue opposed the bill, saying that cities are not having trouble finding investors and bond rates already are low.

"The bondholders and investors are important ... but they are one of many people who contribute to the effectiveness and strength of our communities," she said. "Why should they be first when they're already getting interest on their loan and in many cases already getting tax incentives on their loan?"

Sen. Mike McDonnell of Omaha

agreed. If a city would go bankrupt, LB72 would give bondholder payments priority over city services and employee pensions, he said.

"I don't think any of us disagree that that banker, that bondholder should get paid," McDonnell said. "But in what order?"

Schumacher filed a motion to invoke cloture, or to cease debate and vote on the bill. It succeeded 33-11. Thirty-three votes were needed.

Senators then voted 29-14 to advance the bill to select file.

### County-city sewerage agreements advanced

Lawmakers gave first-round approval April 13 to a bill that would enable counties and cities to cooperate to build regional sewerage systems.

As introduced by Sen. Sue Crawford of Bellevue, LB253 would authorize cities, counties, villages and sanitary improvement districts (SIDs) to enter into agreements to plan, build, manage, operate and finance sewerage disposal systems. It also would authorize any county, city, village or SID to make payments on a sewerage system service agreement by levying a special property tax.

Crawford said Sarpy County has some of the only remaining land in the Omaha metro area that is available for development. But much of that land sits south of a ridgeline that prevents the area from connecting to an existing sewerage system to the north. Development cannot continue unless a sewerage system is built south of the ridgeline, she said, and LB253 is needed so the county and cities can work together to build and operate such a system.

"LB253 offers a regional solution to these development issues that neither Sarpy County nor each of its cities alone can address," Crawford said.

By aiding development in Sarpy County, she added, the state could collect an additional \$45 million in sales taxes annually.

A Revenue Committee amendment, adopted 32-1, would authorize counties to use an existing 3.5-cent levy authority under the County Industrial Sewer Construction Act — instead of a special property tax authorized in the original bill — to secure bonds to pay for the new system.

Sen. Jim Smith of Papillion, who supported the bill, said the amendment would ensure that Sarpy County taxpayers could approve any levy increase. He pointed to the recent announcement that Facebook will build a data center in southern Sarpy County as evidence of the need for a sewerage system to support further development in the area.

"As it now stands, the lack of sewer service is impeding growth in Sarpy County on the other side of that ridge system," Smith said.

A Crawford amendment to the committee amendment, adopted 37-0, removed villages and SIDs from the proposed service agreements.

Sen. Tyson Larson of O'Neill opposed the committee amendment, saying that he is concerned that cities north of the ridgeline could be required to pay higher property taxes to support a sewerage system from which they do not benefit.

Also in support of the bill was Speaker Jim Scheer of Norfolk who said LB253 not only would aid growth in Sarpy County but also would help Nebraska as a whole by expanding the tax base.

"If there are no homes to be purchased and there's no development to be made, businesses that are looking at



Sen. Sue Crawford

the Omaha area to expand will stop,” he said. “If we don’t expand the tax base, we all will pay more taxes – it’s that simple.”

Senators then voted 33-0 to advance the bill to select file.

## TRANSPORTATION & TELECOMMUNICATIONS

### Transportation bill amended to include Native American license plates

Lawmakers amended and advanced a bill from select file April 11 that would enable car dealers to electronically

provide titling and registration services.

LB263, as originally introduced by the Transportation and Telecommunications Committee, would require the state Department of Motor Vehicles (DMV) to create an electronic dealer services system. The system would allow dealers to provide titling and registration services following the sale of a vehicle, in addition to collecting title and registration fees, sales taxes and motor vehicle taxes.

The bill was amended on general file to include provisions of eight transportation-related bills.

Lincoln Sen. Kate Bolz brought an amendment on select file, adopted 28-0, that would authorize the DMV to create “Native American Cul-

tural Awareness and History” license plates. All proceeds from the plate’s \$5 fee would be directed to a newly created Native American scholarship fund.

Bolz said the idea for the plate design was brought to her by a constituent who wanted to honor and support the state’s indigenous populations, including members of the Omaha, Santee Sioux, Winnebago and Ponca tribes.

Senators adopted a technical amendment and advanced the bill to final reading on a voice vote. ■



Sen. Kate Bolz

## SEARCH FOR BILLS

Learn more about bills considered by the Unicameral by logging on to [www.NebraskaLegislature.gov](http://www.NebraskaLegislature.gov).

The Legislature’s website offers a bill search on the upper-right portion of the home page. Entering a bill number will retrieve the bill’s text, fiscal note, statement of intent, votes, transcripts and more.

You also can search current laws using the keyword search found below the bill search.

The screenshot shows the homepage of the Nebraska Legislature website. At the top, it says "NEBRASKA LEGISLATURE" and "The official site of the Nebraska Unicameral Legislature". The main content area is titled "105th Legislature, 1st Session - Day 17" and includes a "View Day 17 Activity" button. Below this, it states "The Legislature is adjourned until Monday, January 30, 2017 at 10:00 am." There is a "Recent Legislative Information" section with links to various documents like "Introduced Legislation", "Hearing schedules", and "Priority Bill Listing". On the right side, there are search boxes for "Search Current Bills" (with fields for LB # and a search icon), "Search Laws", and "Find Your Senator". There is also a "Live Video Streaming" section with a "net" logo and a "Legislative Calendar" showing the date "27" for "January". A black arrow points to the "Search Current Bills" search box.



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