

THE NEBRASKA LEGISLATURE'S
WEEKLY NEWS PUBLICATION

Stories published daily at
update.legislature.ne.gov

UPDATE

Insurance coverage limits for abortions advanced

Senators advanced a bill March 2 that would limit health insurance coverage for abortions in Nebraska.

The federal Patient Protection and Affordable Care Act allows each state to opt out of offering abortion coverage through qualified health plans offered in the act under a health insurance exchange.

LB22, introduced by Omaha Sen. Beau McCoy, would opt out of allowing health insurance plans operating under an exchange to cover abortions unless necessary to prevent the death of a woman or to treat medical complications arising from an abortion.

Additionally, the bill would prohibit private health insurance policies in the state from providing coverage for an abortion, except through an optional rider paid for solely by the insured. A health insurance plan issuer would be prohibited from providing any incentive or discount to an individual who chooses abortion coverage via a rider.

McCoy said Nebraskans who object to abortion on moral grounds should not have to contribute to an insurance premium pool that covers the procedure.



Sen. Beau McCoy explains the provisions of LB22.

(continued on page 2)

Bill would increase immigration status checks

The Judiciary Committee heard testimony March 2 on a bill that would require law enforcement officials with reasonable suspicion to check the immigration status of a person who has been lawfully stopped, detained or arrested.

Under LB48, introduced by Fremont Sen. Charlie Janssen, a person who is reasonably suspected to be unlawfully present in the U.S. would have to provide a driver's license, state

or tribal identification card or any federal, state or tribal issued identification that requires proof of lawful presence prior to issuance.

The bill also would:

- require those who must carry a certificate, alien registration or alien registration receipt card to do so;
- prohibit a person who is unlawfully present in the U.S. to work as an employee or independent

contractor in Nebraska;

- prohibit encouraging an unlawfully present person to reside in the state;
- prohibit concealing, harboring, transporting, moving or shielding from detection an unlawfully present person; and
- prohibit profiling based upon a person's race, color, religion, sex or national origin.

An estimated 45,000 illegal immi-

(continued on page 3)

A CLOSER LOOK

Insurance coverage limits for abortions advanced

(continued from front page)

“Nebraska has a long history of not allowing taxpayer dollars to be used for abortions and we’re extending that to private insurance,” he said. “Our premium dollars go into a pool and that is why private insurance is included in this [bill].”

McCoy offered an amendment, adopted 36-2, which removed some intent language from the bill.

Omaha Sen. Jeremy Nordquist supported LB22, saying it reflects the state’s values.

“I think it’s a policy that the majority of Nebraskans support,” he said.

Omaha Sen. Brenda Council spoke in opposition to the bill. She said allowing an individual to purchase a rider to cover a potential future abortion would create different levels of insurance coverage and inconsistent public policy.

“I think that flies squarely in the face of the professed desire of this [Legislature] to reduce or prevent abortions,” Council said.

Lincoln Sen. Danielle Conrad also opposed the bill, in part, because it provides no exception for cases of rape or incest. Medicaid coverage provides exceptions in those two cases, she said, but LB22 is more prohibitive.

“I think [the bill] sets up an inequity and disparity based on socioeconomic status,” Conrad said. “It may provoke some equal protection challenges.”

Malcolm Sen. Ken Haar offered an amendment that would have allowed abortion coverage in cases of rape or incest. Calling failure to provide an exception “enormously callous,” Haar said the bill as written would compound the traumatic impact on a woman who be-

came pregnant as a result of either crime.

“This seems so obvious to me,” he said.

Lexington Sen. John Wightman supported the Haar amendment, saying a law without such an exception lacks empathy.

“I think it’s a reasonable exception,” he said.

The Haar amendment failed on a 12-28 vote.

Conrad offered, and later withdrew, an amendment that would have required qualified health insurance plans to cover preventative reproductive health services, including contraception.

“The one area where we should have common ground is prevention and education,” Conrad said. “If we’re serious about reducing abortion in Nebraska then we must focus on some of those common sense policies.”

Omaha Sen. Brenda Council offered an amendment that would have replaced the provisions of LB22.

The amendment instead would have isolated health insurance premium funds designated for abortion coverage in a separate allocation account.

She said the amendment would preserve the original intent of preventing state funded abortions, but also would avoid unintended consequences by providing the option to purchase a rider for abortion coverage.

The amendment failed on a 10-32 vote.

Omaha Sen. Gwen Howard offered an amendment that would have required insurance companies to cover children who have pre-existing conditions.

Because LB22 would deny abortion coverage to women, she said, there

should be an obligation to provide health coverage to their children.

“Life doesn’t end at birth,” she said. “That is when all of our responsibilities to that child begin.”

McCoy challenged the germaneness, or relevance, of the amendment, saying it did not pertain to the subject matter of LB22.

The chair ruled the amendment not germane to LB22 and Howard challenged the ruling.

“I feel this amendment is germane,” Howard said. “It is regarding children.”

“Children can be born into our society and left to a system that may or may not care for them,” she said. “If we are going to say a child should be born then we need to say that we are going to give that infant the care they deserve.”

Sen. Fulton agreed the amendment was germane.

“If an expectant mother knew there was insurance waiting for her, it might make it more likely that she would chose the life of the child,” Fulton said.

Senators voted 24-16 to sustain the ruling of the chair, and Howard’s amendment was not considered further.

Haar offered another amendment that would have required any health insurance plan offered in the state to provide an optional rider for elective abortions, saying that “it levels the playingfield.”

Under LB22, insurance companies that offer abortion riders could be stigmatized, Haar said, forcing them to stop offering abortion riders.

The amendment was defeated 35-4 and the bill advanced from general file on a 36-9 vote. ■

A CLOSER LOOK

Bill would increase immigration status checks

(continued from front page)

grants currently are living in Nebraska, Janssen said, adding that state and local governments bear most of the burden and costs associated with illegal immigration.

“I think it is time that we assist the federal government in addressing the problems of illegal immigration,” Janssen said. “We cannot afford to ignore the implications [illegal immigration has] on the state budgets any longer.”

Assistant Attorney General John Freudenberg testified in support of the bill, saying that sufficient enforcement is not occurring. LB48 creates state and local provisions for those who are not lawfully registered in the U.S. and empowers state authorities to enforce federal law, Freudenberg said.

Susan Smith, founder of the Nebraska Advisory Group, also testified in support of the bill.

LB48 could deter illegal immigration and open up more jobs in Nebraska that are currently held by illegal immigrants, Smith said.

Lazaro Arturo Spindola, executive director of the Nebraska Latino American Commission, testified in opposition to the bill, saying it would cause racial profiling.

The bill provides no other reasons for suspicion of a person’s immigration status, he said, so he questioned what other factors police could consider aside from one’s skin color or language.

Shirley Mora James, a civil rights attorney, also testified in opposition to the bill.

Mora James said she has been involved in a significant number of cases where illegal immigrants who were crime victims were too afraid to come forward and contact law enforcement. LB48 ultimately could break the sacred trust between law enforcement and crime victims and witnesses, Mora James said.

Todd Schmaderer, deputy chief of the Omaha Police Department, testified in opposition to the bill, saying it would derail the department’s mission.

Checking a person’s immigration status is time consuming, Schmaderer said, and Omaha law enforcement officers have a significant number of crimes to investigate. Furthermore, he said, checking a person’s immigration status is the function of federal law enforcement.

Lowen Kruse, member of Justice for Our Neighbors, also testified in opposition to the bill.

“We have families in Nebraska who have been here for 10 or even 15 years that are being targeted by this bill,” Kruse said. “It is uncivilized to come into a community that has been established this long and take apart those people.”

The committee took no immediate action on the bill. ■



Sen. Charlie Janssen answers questions posed by members of the Judiciary Committee.

MUSIC EDUCATION WEEK



UNICAMERAL YOUTH LEGISLATURE



High school students who want to learn what it's like to be a senator in the Nebraska Legislature are encouraged to register for the 2011 Unicameral Youth Legislature, which will convene June 12-15.

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 and the UNL Big Red Summer Academic Camps website: liferaydemo.unl.edu/web/4hcamps/bigredcamps.

The registration deadline is May 15.

The Unicameral Youth Legislature is organized by University of Nebraska 4-H and has been supported by AmeriCorp VISTA, the Nebraska Cooperative Extension and the Southeast Research and Extension Center.

ISSUES UPFRONT

Agriculture

Division fence law requires tree management

Division fences must be kept in good repair and clear of disruptive trees under a bill approved by the Legislature March 4.

LB108, introduced by Holdrege Sen. Tom Carlson, declares trees and woody growth damaging a division fence as private nuisances to adjacent landowners. Landowners are responsible for managing such vegetation and keeping their portion of fences in good repair.

LB108 was passed 44-0 on final reading.



Sen. Tom Carlson

State to have honey standard

The state Department of Agriculture will adopt a standard for honey pursuant to a bill passed by the Legislature March 4.

LB114, introduced by Fullerton Sen. Annette Dubas, directs the department to develop by Jan. 1, 2012, rules and regulations for all honeys produced by honey bees. Products failing to meet the department's stan-



Sen. Annette Dubas



dard cannot be labeled as honey.

Improper labeling of products as honey will constitute a violation of the Deceptive Trade Practices Act.

LB114 was approved on a 41-1 vote.

Business & Labor

Bill would privatize elevator, amusement ride inspections

The Business and Labor Committee heard testimony Feb. 28 on a bill that would make changes to laws governing the inspection of amusement rides and elevators in Nebraska.

LB594, introduced by Holdrege Sen. Tom Carlson, would privatize inspections under the Nebraska Amusement Ride Act and the Conveyance Act and would repeal both laws on Jan. 1, 2013.

Employees of the state Department of Labor currently conduct inspections of amusement rides and elevators in the state.

Under LB594, the commissioner of labor would be required to develop regulations regarding annual certification of qualified inspectors of amusement rides including a fee schedule. Beginning July 1, 2011, inspections no

longer would be performed by Department of Labor employees.

The bill also would make changes to the Conveyance Act, which governs elevator inspections.

Among other provisions, the bill would:

- require a permit to install an elevator;
- exempt elevators in private residences from inspection;
- place responsibility for inspection on the owner of the conveyance;
- increase penalties for violating the act from a class V to a class I misdemeanor; and
- allow the commissioner to contract with qualified elevator inspectors to perform inspections under the act.

Beginning July 1, 2011, elevator inspections would be performed by private inspectors, licensed by the state. The Conveyance Act would be repealed on Jan. 1, 2013.

Carlson said the bill is the result of examining ways to ease the state's budget crisis and would both save money and reduce the size of government.

"We're forced to consider options that, at other times, we maybe wouldn't," he said.

ISSUES UPFRONT

Commissioner of Labor Catherine Lang testified in support of the bill, saying the current elevator inspection program is operating at a deficit and has a backlog of inspections. Fixing the existing program would require hiring more inspectors or increasing fees, Lang said, neither of which is a viable alternative in the state's current fiscal environment.

Randy Johnson, an elevator inspector with the state Department of Labor, testified in opposition to the bill. He said private elevator inspections can cost as much as \$600 and would be a burden to small business owners.

The committee took no immediate action on the bill.

Education

Learning community's free transportation requirements could change

The Education Committee heard testimony Feb. 28 on a bill that would change transportation requirements for students in a learning community.

Currently, school districts in a learning community are required to provide free transportation to students residing in the community who transfer due to open enrollment provisions, qualify for free or reduced-price lunches or add to the socioeconomic diversity of the school. Additionally, those students must live more than one mile from the school of transfer. Free transportation also must be provided for students who attend a focus or magnet school and live more than one mile from the school.

LB53, introduced by Omaha Sen.

Bob Krist, would eliminate the requirement for free transportation for students who transfer but do not contribute to the socioeconomic diversity of a school.



Sen. Bob Krist

According to the bill's fiscal note, schools in the learning community will spend approximately \$3.6 million in fiscal year 2011-12 on transportation costs for students who have transferred due to open enrollment.

Significant funds are spent providing free transportation for students, Krist said. LB53 could result in significant taxpayer savings while preserving socio-economic integration in schools, he added.

Andrew Rikli, superintendent of Westside Community Schools, testified in support of the bill, saying the cost of transporting students is substantial.

Westside schools receive approximately 2,000 students through open and option enrollment and transportation costs are more than \$6,000 per student, Rikli said.

There was no opposition testimony and the committee took no immediate action on the bill.

Senators approve NET changes

Lawmakers passed a bill March 4 that eliminates one of the two required locations for an educational television network.

LB331, introduced by the Education Committee, removes a requirement that the educational television network of Nebraska have two produc-

tion facilities. The bill also eliminates the requirement that one of the facilities be located in Omaha.

The bill passed 46-0.

Education board changes approved

Senators approved a bill March 4 that eliminates the per diem for the Board of Educational Land and Funds.

LB332, introduced by the Education Committee, eliminates the \$40 per diem for board members beginning Oct. 1, 2011. Members will continue to be paid necessary traveling expenses incurred while performing board business.

The bill passed 46-0.

Education cuts advance, fee increase eliminated

Lawmakers gave second-round approval Feb. 28 to a bill containing recommendations prepared by the Education Committee in anticipation of budget reductions.

LB333, introduced by York Sen. Greg Adams, would remove the statutory requirement for schools to have a student achievement coordinator, estimated to save \$103,000 over the next two fiscal years.



Sen. Greg Adams

Additionally, the bill would transfer funds to the lottery fund to support the following programs:

- Early Childhood Education Grants;
- high ability learner grants;

ISSUES UPFRONT

- an integrated information system; and
- the Center for Student Leadership and Extended Learning.

An Adams amendment, adopted 37-0, eliminated the \$15 fee increase for teaching certificates originally purposed in the bill to cover costs for investigating and prosecuting certification violations.

Because significant budget cuts are being made to education, Adams said, it is not the time to increase teacher fees.

After the amendment was adopted, the bill advanced from select file on a voice vote.

Postsecondary education program changes approved

The Legislature passed a bill March 4 that makes a variety of changes to positions and programs at the University of Nebraska and the State College System.

LB334, introduced by the Education Committee:

- eliminates an aquaculturist position;
- repeals a requirement that the Institute of Agriculture and Natural Resources employ a poultry pathologist;
- limits eligibility for the Nebraska Optometry Education Assistance Contract Program to students who participated in the program in the 2010-11 academic year;
- makes operation of the Nebraska Business Development Center at the University of Nebraska at Omaha and university and state college campus small business development

centers permissive rather than mandatory;

- eliminates a requirement that the university operate an agricultural lab in Box Butte County; and
- makes the university's request for general fund support for the Nebraska Safety Center permissive rather than mandatory.

LB334 was approved 45-0.

Refunding bonds and higher levy rates considered for school bonds

School districts would have additional tools to service bonds authorized under the federal stimulus act and bonds financing health and safety improvements under two bills heard by the Education Committee March 1.

Current law permits school districts to issue bonds for projects addressing environmental hazards, accessibility barriers, life safety violations, indoor air quality, mold abatement, capital projects for qualified zone academies or American Recovery and Reinvestment Act programs for school expansion and repair. After holding a public hearing, school districts can levy up to 5.2 cents per \$100 of valuation to service the bonds.

LB633, introduced by York Sen. Greg Adams, would permit school districts to issue refunding bonds to redeem any part of an outstanding bond authorized under current law at or before the maturity date.

Adams said LB633 would eliminate confusion regarding whether schools are authorized to refund bonds. He also said the bill could help schools capitalize on lower interest rates.

A second bill introduced by Adams, LB634, would allow a school district to exceed the 5.2-cent levy if a district's current valuation is lower than the year in which bonds were last issued and the current maximum levy cannot service the bonds. The amount generated from the increased levy rate could not exceed the difference between the principal and interest obligations and the sum of the current maximum levy and federal payments or subsidies associated with the bonds.

Bond rating agencies would be inclined to give school bonds higher ratings under LB634, Adams said, adding that the bill would provide a safeguard against valuation decreases.

Representing Ameritas Investment Corp., Scott Keene testified in favor of both bills. In addition to providing easier access to lower interest rates, he said, LB633 would provide a tool to address a possible funding interruption for federally subsidized bonds.

Keene said many bond issuers refuse to buy limited-tax bonds because of nationwide valuation decreases. The additional taxing authority in LB634 would alleviate those concerns, he said.

"LB634 will dramatically improve the creditworthiness of school district financing because it will make those bonds a better credit risk from the bondholder's perspective, as well as the rating agency's perspective," Keene said.

Lauren Wismer of Gilmore & Bell also testified in support of the bills. The closing of a major employer in a small town can greatly affect valuations, he said, which is a concern among bond agencies and can lead to rating downgrades that significantly affect bond interest rates.

Mark Shepard, associate superinten-

ISSUES UPFRONT

dent for business affairs at Lincoln Public Schools, said one of the two rating firms downgraded the district's bonds due to lack of a revenue safety net. He said one school district that fails to meet its bond obligations could have implications for the rest of the state.

No one testified in opposition to either bill and the committee took no immediate action.

Government, Military & Veterans Affairs

Brain injury support sought for veterans

The Government, Military and Veterans Affairs Committee heard testimony March 2 on a bill that would create the Brain Injury Council and the Veterans Resource Facilitation Fund.

Under LB312, sponsored by Lincoln Sen. Colby Coash, the 15-member council would be housed in the rehabilitation services division of the state Department of Education. The proposed council would advise the director of vocational rehabilitation regarding administration of the Veterans Resource Facilitation Fund, which also would be created by the bill.

Coash said the fund would be used to hire a resource facilitator to help veterans with traumatic brain injuries access services. He explained that the department is able to cover administrative costs for the council



Sen. Colby Coash

with existing federal grant funds but cannot use those funds to provide direct services.

"This is going to become much more important as more and more veterans return home with brain injuries," Coash said.

Mark Schultz, vocational rehabilitation director for the Department of Education, testified in support of the bill.

The vocational rehabilitation division was designated as the lead agency for a federal traumatic brain injury grant in 2008, he said. Through the grant, the division has developed screening tools to diagnose brain injuries and conducted trainings for health care workers, Schultz said, but cannot provide access to the services veterans need.

Many veterans who suffer from brain injuries need jobs, he said, but they also need access to assistance for housing, transportation and emotional support.

"We've got to connect them to services," Schultz said.

Tiffany Armstrong, chairperson of the Nebraska Traumatic Brain Injury Council, also testified in support of the bill. Veterans often have difficulty navigating the Veterans' Administration to access services, she said, adding that nearly 800 Nebraska service members have screened positive for brain injury.

"Brain injury has become the signature wound of today's conflicts," Armstrong said.

Coash said the bill's current fiscal note of approximately \$83,000 likely would be reduced. The amount reflects the cost of hiring the resource facilitator, he said, but the position initially was misclassified and would be several pay grades lower.

But, he said, even the existing fiscal

note should not deter the bill's progress.

"That's about \$100 per veteran [with a brain injury] that we'd be asking our state to pay," Coash said. "It doesn't seem like a whole lot."

No opposition testimony was given and the committee took no immediate action on the bill.

Online petition signature collection proposed

Sponsors of initiative, referendum and recall petitions in Nebraska would have the option of gathering signatures online under a bill heard March 2 by the Government, Military and Veterans Affairs Committee.

LB566, introduced by Columbus Sen. Paul Schumacher, would establish a process for petition sponsors to collect signatures online through a secure website administered by the secretary of state's office.



Sen. Paul Schumacher

Under the bill, an eligible petition signer could access the site and submit his or her name, address, county of residence, political party affiliation, date of birth and a unique identifier that could be verified against other state qualified data associated with the potential signer.

Schumacher said an example of a unique identifier would be a pin number used to file Nebraska income tax. Only after a potential signer's identity is verified, he said, would the individual be able to examine a petition and decide whether to sign by electronic signature.

The bill also would require a signer

ISSUES UPFRONT

to be mailed a post card confirming his or her signature and would provide criminal penalties for fraud.

Schumacher said an online signature option would facilitate greater participation in the petition process and would allow local groups to launch petition drives without requiring funds from outside interests.

“This bill provides mechanisms for using modern-age technology to facilitate our petition process,” he said.

Kent Bernbeck of Elkhorn testified in support of the bill, saying it would make the petition process more deliberative and reduce the influence of money. Potential signers could take time to evaluate the merits of a petition without pressure from circulators, he said, and grassroots groups could afford to launch petition drives.

“Finally, there is a bill in front of us that actually goes a long way toward trying to address both those issues,” he said.

Neal Erickson, deputy secretary of state for elections, testified against the bill, citing concerns over the cost of developing and maintaining a system for the petition website. The bill’s fiscal note estimates a \$358,500 cost to develop the system and approximately \$36,000 per year to maintain it.

“The major reason for our opposition at this point is the cost aspect of it,” Erickson said.

Jason Kvols of the Nebraska Farm Bureau Federation also testified in opposition. An online petition process would result in underrepresentation of rural and elderly voters who lack computer access and skills, he said.

The committee took no immediate action on the bill.

Measure would expand impeachable offenses

The Government, Military and Veterans Affairs Committee heard testimony March 4 on a proposed change to the Nebraska constitution regarding impeachment of civil officers.

LR19CA, introduced by Lincoln Sen. Bill Avery, would place a proposed constitutional amendment on the November 2012 general election ballot that would add a misdemeanor or related to the election by which a civil officer was elected to office as an impeachable offense.



Sen. Bill Avery

Currently, the constitution states that a civil officer may be impeached for any misdemeanor committed while in office.

Avery said the change is necessary to cover criminal activity undertaken by a candidate in order to win an office, including election fraud or signing false statements.

“We should hold people accountable for how they behave in pursuit of an office,” he said.

No testimony was offered and the committee took no immediate action on the measure.

Measure would extend recall to more officeholders

Constitutional officers and some board members would be subject to recall from office under a proposal heard March 4 by the Government, Military and Veterans Affairs Committee.

LR45CA, introduced by Omaha Sen. Pete Pirsch, would place a proposed constitutional amendment on the November 2012 general election ballot that would authorize the recall of an individual holding state elective office.



Sen. Pete Pirsch

The measure defines a state elective office as governor, lieutenant governor, secretary of state, auditor of public accounts, state treasurer, attorney general, member of the legislature and member of a board or commission established by the constitution with one or more election district in more than one county.

Nebraska law currently allows for recall of local level officials, Pirsch said, adding that his measure would provide uniformity and accountability by including statewide elected offices.

“The more that the law permits the insulation of elected officials from the people they represent ... the more dissatisfied the people will be with their government,” he said.

No testimony was given and the committee took no immediate action on the measure.

Health & Human Services

Bill extends fluoridation opt-out

Senators passed a bill March 4 that eliminates a deadline for cities and villages to opt out of Nebraska’s mandatory drinking water fluoridation provisions.

ISSUES UPFRONT

Under a bill passed by the 2008 Legislature, cities or villages with a population of at least 1,000 were required to add fluoride to their drinking water supply unless voters approved local opt-out ordinances by June 1, 2010. The fluoridation requirement does not apply to municipalities with a population under 1,000.

LB36, sponsored by Scottsbluff Sen. John Harms, extends the opt-out deadline for cities and villages that reach the population threshold for mandatory fluoridation after June 1, 2010.

The bill passed on a 41-0 vote.



Sen. John Harms

More information provided in adoption process

Senators gave final approval March 4 to a bill that gives adoptive parents more access to information about children being considered for adoption.

LB94, introduced by Omaha Sen. Gwen Howard, requires that adoptive parents have access to a child's file at the state Department of Health and Human Services after filing a petition for adoption and before entry of an adoption decree for a child who is committed to HHS.



Sen. Gwen Howard

The department may withhold information in a case file that would violate state or federal statute.

The bill also requires that adoptive parents be informed that they may review a child's file at any time following

finalization of an adoption by making a written request to the department.

LB94 passed on a 38-0 vote.

Drug incineration program approved

Nebraska pharmacies can participate in a nationwide drug disposal program under a bill given final approval March 4.

Currently, state law allows unused prescription drugs to be returned to the dispensing pharmacy for immediate disposal.

LB274, sponsored by Grand Island Sen. Mike Gloor, removes the words "dispensing pharmacy" and "immediate" from state law, allowing Nebraska to participate in a nationwide program that provides pharmacies secure containers to collect unused drugs regardless of where they were dispensed. Under the program, containers are shipped to a medical incinerator for disposal when full.



Sen. Mike Gloor

The bill allows pharmacies to charge a fee for drug disposal and changes the calculated expiration date for prescriptions from six months to one year.

The bill passed on a 47-0 vote.

Bill would promote SNAP, eliminate asset test

Senators advanced a bill March 3 that would create a plan for Nebraska to share information about the federal Supplemental Nutrition Assistance Program (SNAP) with potential ap-

plicants and current participants.

LB543, introduced by Omaha Sen. Tanya Cook, would require the state Department of Health and Human Services to develop a state outreach plan to inform qualifying persons about the benefits of SNAP.



Sen. Tanya Cook

The bill also would allow the department to work with nonprofit organizations to seek gifts, grants and donations to assist in implementing the outreach plan. The department would be exempt from administering a plan if they could not secure sufficient federal or private funds to cover the costs.

SNAP promotes the health and well-being of low-income families, the elderly and people with disabilities, Cook said. Currently, she said, only 64 percent of those who qualify for SNAP are participating in the program.

LB543 would enable Nebraska to leverage existing funding with contributions from nonprofit organizations, she said, which would be an innovative and cost neutral way to assist Nebraska families struggling with hunger.

Omaha Sen. Jeremy Nordquist introduced an amendment, adopted 25-8, that would eliminate the asset test currently required to determine SNAP eligibility.

Nordquist said the problem with the asset test was brought to his attention by a single mother who had saved \$5,000 for her son's college fund and had to spend down those assets in order to qualify for SNAP. The amendment would allow families trying to transition out of poverty to maintain and build up their assets,

ISSUES UPFRONT

Nordquist said.

Furthermore, he said, the asset test requires an in-depth screening process that HHS staff must complete. With the state facing a budget shortfall and requiring agencies to do more with less, Nordquist said, streamlining SNAP administration would be helpful.

Sen. Danielle Conrad spoke in support of the Nordquist amendment.

"This is indeed a really positive development because we have an opportunity to help Nebraskans with no fiscal impact to the state," Conrad said. "We should encourage savings and help those who are strongly trying to lift themselves out of poverty."

Kearney Sen. Galen Hadley spoke in opposition to the Nordquist amendment.

"If you take the [asset test] away completely, you might be leaving open the door for people to manipulate the system," Hadley said.

Hoskins Sen. Dave Bloomfield also opposed the amendment, saying people with significant assets should be required to use their resources before qualifying for federal assistance.

The Nordquist amendment was adopted 25-8 and the bill advanced from general file on a 35-2 vote.

Judiciary

Life without parole provisions clarified

Senators gave final approval March 4 to a bill that clarifies provisions of Nebraska law regarding the penalty for a Class I felony.

Currently, penalties for a Class I felony include death and life imprison-

ment without parole.

In 2002, the Legislature held a special session to address Nebraska's capital punishment sentencing laws following a ruling by the U.S. Supreme Court in *Ring v. Arizona*. In that case, the court held that a defendant has the right to have a jury, rather than a judge, decide on the existence of an aggravating factor that makes the defendant eligible for the death penalty.

During the special session, language was adopted to clarify that the penalty for Class I felonies, when the death penalty is not utilized, is life imprisonment "without parole."

However, in 2005, the Nebraska Supreme Court ruled in *State v. Conover*, that two of those changes were outside the scope of the governor's call, which determines the parameters of what lawmakers may consider during a special session. As a result, the addition of the words "without parole" was ruled unconstitutional in those two sections.

LB12, introduced by Lexington Sen. John Wightman, strikes the phrase "without parole" in the sections of law where it was added during the 2002 special session.

The bill passed on a 45-0 vote.

Penalties increased for unlawful intrusion

A bill that increases penalties for unlawful intrusion received final approval March 4.

Under LB61, introduced by Elk Creek Sen. Lavon Heidemann, the

penalty for viewing or recording a person in a state of undress without his or her knowledge in a place of solitude or seclusion increases from a Class III to a Class I misdemeanor.

Current law defines a place of solitude or seclusion as one in which a person has a reasonable expectation of privacy, such as a restroom, tanning booth, locker room or dressing room.

The bill also increases to a Class IV felony the penalty for making a video or electronic recording of an unlawful intrusion. Distributing such a recording is a Class III felony.

In addition, the bill places a three-year statute of limitations on the crime beginning when a victim reaches the age of 21 or when a victim or law enforcement receives notice of the existence of a video or the distribution of images or video.

Finally, the bill requires a defendant over the age of 19 whose victim was under the age of 18 to register under the Sex Offender Registration and Notification Act.

LB61 passed on a 47-0 vote.

Bill authorizing public breastfeeding approved

Senators gave final approval March 4 to a bill that allows a mother to breast-feed a child in public.

Fullerton Sen. Annette Dubas, sponsor of LB197, has said legislation was needed to codify that a woman is not breaking a law by breast-feeding in public.

The bill passed 46-0.



Sen. John Wightman



Sen. Annette Dubas

ISSUES UPFRONT

Bill would abolish the death the penalty

The Judiciary Committee heard testimony March 4 on a bill that would repeal Nebraska's death penalty.

LB276, introduced by Omaha Sen. Brenda Council, would replace death penalty provisions with the sentence of life without the possibility of parole.

The bill also would allow the court to require payment to be made to a victim's estate for any pain and suffering to the victim caused by the offense.

"Now is the time to end state-sanctioned homicide in Nebraska," Council said.

A significant number of other states have declared the death penalty unconstitutional, she said.

"We should not wait until we are the odd state out before repealing the death penalty," Council said. "Instead, we should be in the forefront of this humanitarian movement."

Amy Miller of ACLU Nebraska testified in support of the bill, saying the death penalty is more expensive than sentencing offenders to life in prison.

She said studies conducted in neighboring states show the average cost of imposing the death penalty is \$1.9 million more per inmate than life imprisonment. Nebraska currently has 12 men on death row, she said.

"This is a failed economic experiment and the death penalty should be abolished," Miller said.

Lela Shanks, member of the Nebraska Coalition for Peace, testified in support of the bill.



Sen. Brenda Council

"Most of the industrialized countries have moved on from the death penalty," she said. "It has been compassion and nonviolence that have moved the human race forward."

Robert Boyce, whose wife was on a jury that sentenced a man to death 20 years ago, also testified in support of the bill.

"This decision doesn't just affect the person who is executed or the person in the family, it affects others as well," Boyce said. "That decision and the fact that he was executed haunted [my wife]."

Lancaster County Attorney Joe Kelly testified in opposition.

Kelly said abolishing the death penalty and replacing it with life without parole could simply shift costs rather than save the state money. The state will continue to face appeals of the most severe punishments, he said, whether that is the death penalty or life without parole.

The committee took no immediate action on the bill.

Bill would increase bartender and liquor licensee liability

The Judiciary Committee heard testimony March 3 on a bill that would create a cause of action against bartenders or liquor license holders that serve alcohol to an intoxicated person.

LB693, introduced by Holdrege Sen. Tom Carlson, would give a person who sustains injury or property damage, or the estate of any person killed as a direct result from negligence of an intoxicated person, a cause of action



Sen. Tom Carlson

against the licensee who served alcohol to the intoxicated person.

The bill also would require retailers to have liability insurance in an amount determined by the Nebraska Liquor Control Commission.

Selling liquor by the drink to an obviously intoxicated person is not showing responsible service, Carlson said. LB693 creates a cause of action, in addition to those available in tort law, against a server who knew a person would become intoxicated, he said.

"My feelings of anger are heightened when I read about someone being killed by a drunk driver," Carlson said.

Tom Osborne, athletic director for the University of Nebraska - Lincoln, testified as an individual in support of the bill, saying that drinking establishments have some liability in alcohol-related incidents.

"A person serving drinks is in the best position to know when the overconsumption of alcohol is occurring," Osborne said.

Anna Jo Cowan, whose father was killed by a drunk driver, testified in support of the bill.

Cowan said the woman who caused the accident was overserved at a bar and allowed to drive while intoxicated. The driver's blood alcohol content was 0.146, she added. The legal limit is 0.08.

"I will not forget that night and I definitely will not forget that pain," Cowan said. "Every other business has to have liability insurance - why should that exclude the bar industry?"

Robert Moodie, representing the Nebraska Association of Trial Attorneys, also testified in support of LB693, saying a plaintiff must establish that a licensee served alcohol to someone they knew was intoxicated already. There is

ISSUES UPFRONT

a burden of proof on those making a claim under the bill, he added.

“This does not shift responsibility for these accidents away from the drunk driver,” Moodie said. “It is an additional consequence.”

Troy Falk, owner of Doc’s Place in Lincoln, testified in opposition to the bill, saying his staff is trained not to overserve alcohol to customers.

“As a small business owner, my number one goal is the safety of my employees and patrons,” he said.

In addition, Falk said, LB693 is not needed because current laws already address the issue.

Brian Kitten, owner of Brewsky’s sports bar, also testified in opposition to the bill, saying the requirement for liability insurance could be overwhelming for small business owners.

“It would be plausible that I could face over \$50,000 in insurance [premiums] per year,” Kitten said, which could force him to lay off employees.

The committee took no immediate action on the bill.

Retirement

Northern Ireland investment restrictions eliminated

A bill that eliminates restrictions on investments in Northern Ireland by the state of Nebraska was given final approval March 4.

LB303, sponsored by Omaha Sen. Beau McCoy, repeals requirements that the Nebraska Investment Council:



Sen. Beau McCoy

- compile an annual list of corporations doing business in Northern Ireland in which the state investment officer has invested state funds;
- determine whether each corporation on the list has, during the preceding year, taken affirmative action to eliminate religious or ethnic discrimination in Northern Ireland; and
- invest in a way that encourages corporations that pursue a policy of affirmative action in Northern Ireland.

The bill passed on a 45-0 vote.

Revenue

City, county and NRD state aid programs discontinued

State aid programs to municipalities, counties and natural resources districts are discontinued under a bill approved by the Legislature March 4.

LB383, introduced by Bellevue Sen. Abbie Cornett at the request of the governor, removes the aid programs from state law. The bill passed 36-9 on final reading.



Sen. Abbie Cornett

Income tax credit for ag land property tax proposed

Farmers and ranches would receive a credit for property taxes paid on agricultural land under a bill heard by the Revenue Committee March 3. LB428, introduced by Bellevue

Sen. Abbie Cornett, would provide a refundable income tax credit to taxpayers who are actively engaged in agricultural operations and have at least \$50,000 in adjusted gross income from agricultural operations, and no more than \$50,000 in adjusted gross income from non-farm sources. The credit would be equal to the difference between property taxes paid on agricultural property and 10 percent of the taxpayer’s adjusted gross income from agricultural operations.

Historically, property tax relief measures have benefited agricultural land owners equally, Cornett said. She said property tax relief does not necessarily result in what farmers and ranchers want: lower land valuations.

“If property taxes are reduced for all owners of agricultural land, people who make their living on the land will continue to compete with outside agricultural land purchasers,” Cornett said. “Both will benefit from lower taxes, but the relative cost of buying, owning and growing fields in Nebraska will stay the same.”

Cornett said her bill would provide property tax relief to people who work the land, which would improve the agricultural economy without raising agricultural land values.

No one testified in support or opposition and the committee took no immediate action on the bill.

Cigarette tax increase considered

Nebraska’s cigarette tax would triple under a bill heard by the Revenue Committee March 4.

LB436, introduced by Grand Island

ISSUES UPFRONT

Sen. Mike Gloor, would increase the excise tax on cigarettes from 64 cents per package to \$1.99. Of the amount collected, \$1.46 would be deposited into the general fund and 37.5 cents or \$30.8



Sen. Mike Gloor

million in aggregate, whichever is greater, would be allocated to the newly formed Health Care and Human Service Provider Rate Stabilization Fund. The bill also would direct half a cent or \$486,470 in aggregate, whichever is greater, to the Tobacco Prevention and Control Cash Fund.

The Health Care and Human Service Provider Rate Stabilization Fund would be created by the bill to support reimbursements for providers, including those providing services under the Medical Assistance Act, the Children's Health Insurance Program, the Nebraska Behavioral Health Services Act and the Nebraska Community Aging Services Act.

The bill also would increase the tax on the first owner of tobacco products, other than snuff, from 20 percent to 65 percent.

Gloor said LB436 would provide revenue to offset potential cuts to Medicaid provider rates. In addition, he estimated the bill would persuade 11,000 Nebraskans to quit smoking because of the price increase, which he said would provide \$459 million in health care savings.

"Smoking-related disease and illness is the number one public health problem in this state," Gloor said.

The last time Nebraska raised the cigarette tax was 2002, he said.

While the number of packs sold in Nebraska decreased after that, Iowa had no appreciable change, Gloor said, suggesting in-state cigarette use decreased without transferring sales to neighboring states.

Glen Bolger of Public Opinion Strategies testified in support of the bill, citing a survey conducted by his firm that found that 73 percent of likely voters in Nebraska support the cigarette tax increase proposed in LB436. Even 48 percent of smokers supported a tax increase, he said.

Allan Thorson, representing the American Cancer Society, testified in favor of LB436. He said 30 percent of all cancer deaths and 87 percent of lung cancer deaths are related to tobacco.

"Battling tobacco is the single most positive way to eliminate cancer as a major health problem in the United States," Thorson said, adding that a tax increase would discourage people from starting or continuing to smoke.

Representing the Nebraska Hospital Association, Kim Russel also testified in support of the bill, saying it would help save 9,400 lives and deter 20,000 young people from becoming smokers.

In addition, LB436 would help bolster inadequate Medicaid provider rates, Russel said. Current provider rates cover only 26 percent of costs, she said, and funds from LB436 would help deter physicians from refusing to accept Medicaid patients due to insufficient provider rates.

Dan Johnson of Omaha testified in opposition to LB436, saying it would increase the costs for cigarette stamps, causing wholesalers and retailers to lose \$20 million in operating capital.

Dick Cosaert, president of Cubby's Inc., highlighted the "border bleed"

problem in his opposition testimony. When Iowa raised its cigarette tax to \$1 in 2007, cigarette retailers experienced a loss of 34 percent in business, he said, and stores close to the border lost up to 50 percent.

Nebraska Candy and Tobacco Association President Ted Stessman also testified in opposition to the bill. The number of cigarette packs stamped in Nebraska has decreased from 3 to 4 percent for the past decade, he said. Raising the cigarette tax would increase revenue only temporarily, he said, and would encourage illegal distribution of tobacco products, which he said already is a \$5 billion business.

"[LB436] hurts small businesses, threatens jobs and encourages illegal activity," Stessman said.

The committee took no immediate action on the bill.

Ag land valuation proposals heard

The valuation of agricultural land would be affected by a bill and proposed constitutional amendment heard by the Revenue Committee March 3.

LB439, introduced by Elk Creek Sen. Lavon Heidemann, would change the school district valuation of agricultural and horticultural land

from 75 percent of actual value to 65 percent. The acceptable range would be modified from 69-75 percent to 59-65 percent of actual value. The bill also would change the value of agricultural land for state aid to education purposes from 72



Sen. Lavon Heidemann

ISSUES UPFRONT

percent to 62 percent.

The bill would have an operative date of Jan. 1, 2012, and is estimated to result in a \$52 million reduction in school district property tax revenues and a \$33 million increase in state aid under the current funding formula.

Heidemann said changes to agricultural land valuations are needed to address the disproportionate burden placed on farmers and ranchers to fund rural schools. LB439 would help neutralize agricultural land valuation increases, he said, which totaled 11.75 percent from 2009 to 2010, compared to 4.32 percent for all real property.

The higher property taxes paid by Nebraska farmers put them at a disadvantage with their counterparts in neighboring states, Heidemann said, adding that some farmers close to the border are choosing to expand their operations out-of-state because of tax considerations.

John Bonaiuto, executive director of the Nebraska Association of School Boards, testified in opposition to LB439. Hoping for a \$33 million increase in aid to offset the \$52 million in reduced property taxes is not realistic, he said. Rural schools face dwindling student enrollments and district-wide valuation increases, he said, and would not fair well competing for state aid dollars.

Seward County assessor Marilyn Hladky, representing the Nebraska Association of County Assessors, testified in a neutral position. She said LB439 could require assessors to keep two records and submit two sets of statements because of the unique valuation for school districts.

LR9CA, introduced by Ogallala Sen. Ken Schilz, would amend the state constitution to allow agricultural

and horticultural land to be divided into subclasses for taxation purposes.

Schilz said his amendment would allow the Legislature to implement legislation to consider productivity in the taxation of agricultural land.

Jay Rempe, representing the Nebraska Farm Bureau, testified in favor of LR9CA, saying it would provide a more accurate reflection of the income potential of agricultural land, specifically pastureland.

Hladky testified in a neutral capacity, citing concerns over how mixed use parcels would be assessed. She said assessors already group agricultural land into classes based on their market values.

Further, she said, LR9CA could lead to a property tax shift from owners of grass land to other land owners.

Bruce Johnson, professor of agricultural economics at the University of Nebraska-Lincoln, also gave neutral testimony. Agricultural land valuations should reflect future income flows, he said, and pastureland historically has been overvalued in relation to its income-generating potential.

Both Iowa and Kansas value agricultural land based on its income potential, Johnson said, and Nebraska could move closer to that system with LR9CA.

The committee took no immediate action on either the bill or the proposed constitutional amendment.

Bill could secure state tobacco settlement funds

Nebraska would adopt additional cigarette regulations under a bill heard by the Revenue Committee March 2.

LB590, introduced by Grand Island Sen. Mike Gloor, would change

laws regulating tobacco licenses, tobacco sales, cigarette taxes, the state directory of cigarettes, escrow deposits under the Master Settlement Agreement (MSA) and reporting requirements. The bill would create new requirements and penalties for licensees that would apply to Native American tribes and would authorize the state to negotiate a compact with tribes regarding tobacco products.

Gloor said the bill is intended to secure funds provided by the MSA under a 1998 settlement between the four largest U.S. tobacco companies and 46 states. Under the agreement, tobacco companies provide annual payments to states to cover public health costs associated with tobacco use, Gloor said, and states require companies that are not part of the agreement — called nonparticipating manufacturers — to put money in escrow as if paying their share of the settlement.

Gloor said tobacco manufacturers contend that states have not collected the escrow from nonparticipating manufacturers. Consequently, \$46 million has not been deposited into Nebraska's Health Care Cash Fund, he said, and collected funds are in dispute.

"If the court finds the state has not been diligent in enforcing this law, we could lose future payments and potentially have to pay back millions sitting in the Health Care Cash Fund," Gloor said.

LB590 would help the state by closing loopholes and enhancing enforcement under the MSA, Gloor said.

Among other provisions, enforcement measures would include:

- requiring nonparticipating manufacturers to post bond if their cigarettes have not been sold in the state for a year or they fail to

ISSUES UPFRONT

- make escrow deposits;
- increasing the frequency of stamping agent reports and holding agents liable for non-participating manufacturers escrow payments if their products are stamped;
- revoking stamping agent licenses for inadequate reporting, outstanding escrow deposits or sales of unstamped cigarettes;
- requiring cigarette manufacturers and importers to report all sales into Nebraska within 15 days;
- removing manufacturers from the state directory that fail to submit required reports;
- revoking stamp agent licenses and removing manufacturers from the state directory for violations of similar laws in other states; and
- prohibiting tobacco products not on the state directory from being sold to or purchased from tribes that do not follow the provisions of LB590.

Chief Deputy Attorney General David Cookson testified in support of the bill. Under the MSA, he said, Nebraska must ensure that companies not party to the settlement provide escrow for each cigarette. A current loophole in this enforcement is tribal cigarette sales, he said.

Tribes have the authority to tax tribal members and entities, Cookson said, but the state has no such authority. The state does, however, have authority to tax tribal sales to nontribal members, he said, but many of these transactions occur on reservations.

Cookson said LB590 authorizes the state to negotiate a compact with tribes similar to the agreement in place with

the Winnebago Tribe to collect gas taxes.

If the state were deemed not in compliance with the MSA, up to \$300 million could be subject to return, Cookson said.

Lance Morgan, CEO of Ho-Chunk and a member of the Winnebago Tribe of Nebraska, spoke in opposition to LB590, saying it would reduce the competitiveness of tribal manufacturers of tobacco products. The tribe receives no benefit from the MSA, he said, so mandating escrow deposits would hurt tribal revenues and businesses.

The committee took no immediate action on the bill.

Flat rate state income tax proposed

Nebraska would institute flat rates for individual and corporate income taxes under a bill heard by the Revenue Committee March 2.

Currently, the individual income tax rate is based on a primary rate of 3.7 percent, to which a multiplier is applied to create four tax brackets of 2.56 percent, 3.57 percent, 5.12 percent and 6.84 percent. The corporate income tax also uses the primary rate to create two brackets of 5.58 percent and 7.81 percent.

LB620, introduced by O'Neill Sen. Tyson Larson, would create a single individual income tax rate of 3.5 percent and a corporate income tax rate of 4.5 percent, which annually would decrease by 0.1 percent until it reached 3.5 percent. The bill would have an implementation date of Jan. 1, 2014.



Sen. Tyson Larson

The bill would not allow itemized deductions or extra standard deductions for age or blindness and would implement standard deductions of \$4,000 for a single return, \$8,000 for a joint return and \$5,500 for a head of household.

The bill also would eliminate credits for the elderly, child care, beginning farmers, earned income, community development assistance and biodiesel.

Larson said Nebraska's current progressive income tax penalizes those who earn more, discourages growth and leads to tax evasion. Seven states and 23 countries have adopted flat taxes, Larson said.

Seth Giertz, assistant professor of economics at the University of Nebraska-Lincoln, testified in support of the bill, saying it would broaden the state's tax base and reduce marginal rates. Lower tax rates would encourage growth and investment in Nebraska, he said, adding that a lower universal rate would provide more growth than current targeted tax incentives.

Giertz said eliminating itemized deductions would most effect people with large mortgages and those who make substantial charitable contributions. He said the middle class would benefit from job creation and increased economic activity.

Mark Intermill, representing the AARP, testified in opposition to LB620, citing the bill's fiscal impact of \$458 million in fiscal year 2014-15. Taking away 10 percent of the state's general fund revenue and modifying the state's consistent income tax structure is not a wise decision in the current economic climate, he said.

The committee took no immediate action on the bill.

ISSUES UPFRONT

Transportation & Telecommunications

Bill restricting, capping telecommunications occupation taxes advances

Lawmakers gave first-round approval Feb. 28 to a bill that would cap telecommunications occupation taxes and restrict their application to telecommunications services.

As originally introduced by Valentine Sen. Deb Fischer, LB165 would have prohibited any municipality from imposing a new telecommunications occupation tax or increasing the rate of an existing tax without voter approval.



Sen. Deb Fischer

The bill would have capped telecommunications occupation taxes at 6 percent beginning on Jan. 1, 2012, with the rate decreasing by 1 percent annually until its elimination on Dec. 1, 2017.

The bill also would have prohibited the application of telecommunications occupation taxes to total receipts for the purpose of sales tax computation.

A Revenue Committee amendment, adopted 42-0, replaced the bill. The amendment would restrict telecommunications occupation taxes to telecommunications services and cap the tax rate at 6.25 percent, unless city voters approve a 0.25 percent increase.

Cornett offered an amendment to the committee amendment to delay the bill's implementation until Jan. 1, 2013. She said the amendment would give Lincoln time to complete the current budget cycle and prepare

for a loss of revenue.

The city of Lincoln currently employs an occupation tax on telecommunications services and equipment.

Cornett's amendment was adopted 42-0 and LB165 advanced from general file 44-0.

Mandatory ignition interlocks considered for DUI

Those convicted of driving under the influence of alcohol would be required to install ignition interlock devices under a bill heard by the Transportation and Telecommunications Committee Feb. 28.

Current law permits the impoundment or revocation of an offender's license and an optional requirement to install an ignition interlock device.

LB625, introduced by Lincoln Sen. Tony Fulton, would institute mandatory driver's license revocation for those convicted of driving under the influence of alcohol and require courts to order those convicted to apply for ignition interlock permits.



Sen. Tony Fulton

The bill would require the state Department of Motor Vehicles to certify before restoring unrestricted driving privileges that a driver has not in the past three months:

- attempted to start his or her vehicle with a blood-alcohol content level of 0.08 or higher;
- failed to take or pass any requested retest; or
- failed to appear at an ignition interlock device vendor for maintenance of the device.

The bill also would create a new penalty for persons driving under the influence of alcohol or drugs with a passenger 15 years old or younger. Violators would be guilty of a Class IV felony and would serve at least 120 days in jail.

Ignition interlocks are an effective tool in reducing repeat drunk driving offenses, Fulton said, citing a Centers for Disease Control and Prevention report suggesting that the devices reduce drunk driving recidivism by 67 percent. Ignition interlock devices allow those convicted of drunk driving to remain integrated in their lives, he said, whereas taking away licenses often leads to continued drunk driving.

"This allows us to both get tough on drunk driving and get smart on drunk driving," Fulton said.

Fulton said the new penalty for driving with a child passenger is needed to protect children. A state Department of Highway Safety report found that more than 230 children were put in danger by drivers under the influence of alcohol from 2005 to 2009, he said.

Simera Reynolds, executive director of Mothers Against Drunk Driving Nebraska, spoke in support of LB625, saying drunk drivers in Nebraska kill one person every five days and one child every three months.

Reynolds said courts frequently give drunk driving offenders the option to have ignition interlock devices installed, rather than requiring them. Nebraska saw 13,000 arrests for driving under the influence in 2009 and a conviction rate of 86 percent, Reynolds said, but only 1,800 ignition interlock devices were used in that time.

"From county to county, we have inconsistent treatment of offenders," she

ISSUES UPFRONT

said. "Everybody should know what to expect when they get arrested for DUI."

No one testified in opposition and the committee took no immediate action on the bill.

Urban Affairs

Municipal bidding procedure waiver approved

Cities and villages in Nebraska are able to waive municipal bidding procedures when required to comply with a federal grant, loan or program under a bill given final approval March 4.

Lincoln Sen. Amanda McGill said she introduced LB335 in the wake of possible conflicts between municipal bidding procedures and bidding procedures for federal stimulus grants under the American Recovery and Reinvestment Act program.

Senators approved the bill on a 47-0 vote.



Sen. Amanda McGill

Economic development bill amended, advanced

Senators gave second-round approval Feb. 28 to a bill that would give cities more revenue sources to fund economic development projects.

During the 2010 general election, Nebraska voters approved a constitutional amendment to permit cities to use a greater number of revenue sources for economic or industrial development projects approved by city voters. Previously, property taxes and local option sales taxes were the only revenue sources authorized. The amendment added to the list of suitable funding sources any general tax authorized by the municipality and revenue generated from municipal utilities, grants, donations, or state and federal funds.

LB471, introduced by Wilber Sen. Russ Karpisek, would incorporate the approved amendment into the Local Option Municipal Economic Development Act. The bill



Sen. Russ Karpisek

also would restrict uses for revenues generated from municipal utilities to utility-related projects or activities associated with a city council-approved economic development program, such as energy efficiency, load management and site development.

Omaha Sen. Heath Mello offered an amendment, approved 35-0, that would increase yearly funding caps in the bill by \$2 million for each class of city in the state, resulting in the following annual maximums:

- \$5 million for metropolitan and primary class cities;
- \$4 million for first class cities; and
- \$3 million for second class cities and villages.

Mello said increasing the caps would make economic development projects more attractive to Lincoln and Omaha. The amendment also would extend to primary and metropolitan class cities the ability to approve a retail entity as a qualifying business, he said.

After adopting the amendment, lawmakers advanced LB471 to final reading by voice vote. ■

U.S. CONGRESS CONTACT INFORMATION

Senator Mike Johanns
United States Senate
404 Russell Senate Office Building
Washington, D.C. 20510
Tel. (202) 224-4224

Senator Ben Nelson
United States Senate
720 Hart Senate Office Building
Washington, D.C. 20510
Tel. (202) 224-6551

Congressman Jeff Fortenberry
(District 1)
1535 Longworth House Office Building
Washington, D.C. 20515
Tel. (202) 225-4806

Congressman Lee Terry
(District 2)
2331 Rayburn House Office Building
Washington, D.C. 20515
Tel. (202) 225-4155

Congressman Adrian Smith
(District 3)
503 Cannon House Office Building
Washington, D.C. 20515
Tel. (202) 225-6435

MEET THE SENATOR

Schumacher puts creativity to work at Legislature

Sen. Paul Schumacher was interested in technology long before the commercial availability of the Internet. Before Microsoft began selling an operating system, Schumacher demonstrated a primitive instant messaging service at the 1978 Nebraska State Fair.

Using a computer built by hand with ham radio parts, Schumacher and his project partner developed a system to send text from one terminal to another by typing on a keyboard built into a briefcase.

“It wasn’t Internet; it was just digital communication across phone lines. We certainly weren’t Al Gore,” Schumacher joked. “We didn’t invent the Internet.”

Schumacher said he got the idea for his demo device a few years earlier when he and a debate colleague envisioned a system in which people could send text from computer to computer. His technological ventures were put on hold in 1978, however, when he was elected as Platte County attorney and his project partner moved out of state.

His interest in digital communications later resurfaced in 1994 when he noticed a Central Community College flyer for a seminar on the Internet. He signed up, but was later contacted by the event’s organizer, Linda Aerni, to let him know the seminar had been canceled due to a lack of interest.

They visited about the need to increase Internet access in Columbus. This gave Schumacher the idea to start one of the first Internet companies in the state.

“We formed one of the first rural Internet companies long before phone companies and cable companies were even interested in delivering that service,” he said.

Digital communications was not the first area in which this Platte County farm kid navigated uncharted waters. When he was attending law school at Georgetown University, he worked with close confidants of President Nixon’s during the transition period after the resignation.

“Because no one wanted to be anywhere near the White House, I thought it would be an interesting place to be,” Schumacher said.

Later, while serving as county attorney and build-

ing a private practice in which he represented many small towns, Schumacher recognized the need for a new mechanism for localities to raise revenue for public infrastructure.

The result was the Nebraska Cooperative Government, which Schumacher took the lead in designing. Researching state law, he said, he found a way for communities to get together and conduct a lottery to raise revenues. Schumacher is the founder and president of Lotto Nebraska, the entity that administers the charitable gaming activities of the Nebraska Cooperative Government.

Schumacher maintains a law practice in Columbus dealing in real estate and probate law. He calls work his hobby and takes pride in the careers of his twin daughters. ■



Sen. Schumacher is fond of using his tablet computer while debating bills in the legislative chamber.

COMMITTEE HEARINGS

Monday, March 7

Appropriations

Room 1524 - 1:30 p.m.

Agency 71: Nebraska Energy Office
Agency 18: Dept. of Agriculture
Agency 52: State Fair Board
Agency 84: Dept. of Environmental Quality

Business & Labor

Room 2102 - 1:30 p.m.

LB502 (Cook) Change provisions of the Nebraska Workforce Investment Act
LB674 (B. Harr) Prohibit or restrict certain electronic monitoring of employees by employers
LB184 (Smith) Change interest rate provisions under the Nebraska Workers' Compensation Act
LB341 (Smith) Include benefits under the Nebraska Workers' Compensation Act as income for support payments
LB245 (Carlson) Provide for release of employee medical records as prescribed under the Nebraska Workers' Compensation Act

General Affairs

Room 1510 - 1:30 p.m.

Appointment: Roper, Lynn - Arts Council

Transportation & Telecommunications

Room 1113 - 1:30 p.m.

Appointment: Gerrard, LeRoy - Board of Public Roads Classifications and Standards

Appointment: Wacker, David - Board of Public Roads Classifications and Standards

LB182 (Hansen) Change provisions relating to the issuance of one license plate
LB185 (Fulton) Provide for one vehicle license plate

LB216 (Coash) Provide for special interest motor vehicle plates
LB661 (Karpisek) Change specialty license plate fees

Tuesday, March 8

Appropriations

Room 1524 - 1:30 p.m.

LB450 (Ashford) Extend Supreme Court cash fund authority
Agency 5: Supreme Court
Agency 15: Board of Parole

Agency 94: Commission on Public Advocacy

Education

Room 1525 - 1:30 p.m.

LB582 (K. Haar) Adopt the Student Expression Act
LR20 (Dubas) Encourage the school boards, in conjunction with the Game and Parks Commission, to voluntarily promote and include trap shooting as a high school sport
LB63 (Cornett) Ratify the Interstate Compact on Educational Opportunity for Military Children
LB575 (Price) Adopt the Military Children Educational Opportunity Act

Transportation & Telecommunications

Room 1113 - 1:30 p.m.

LB87 (Christensen) Change provisions relating to mowing weeds in ditches
LB244 (Carlson) Allow certain signs along scenic byways as prescribed
LB589 (Smith) Allow for encroachments on state highways for special events as prescribed

Wednesday, March 9

Appropriations

Room 1003 - 1:30 p.m.

Agency 24: Dept. of Motor Vehicles
Agency 40: Motor Vehicle Licensing Board
Agency 17: Dept. of Aeronautics
Agency 27: Dept. of Roads

Government, Military & Veterans Affairs

Room 1507 - 1:30 p.m.

LB277 (Coash) Change the Nebraska Visitors Development Act to provide for the advice of a visitors committee to a county board
LB685 (Schilz) Change provisions of the Nebraska Visitors Development Act relating to the use of funds and the members of committees
LB523 (Pahls) Require identification for petition circulators

Health & Human Services

Room 1510 - 1:30 p.m.

LB219 (McCoy) Adopt the Health Care Freedom Act
LR21 (Janssen) Provide the Legislature

reject the Affordable Care Act and call for repeal of the act by Congress

Judiciary

Room 1113 - 1:30 p.m.

LB461 (Pirsch) Adopt the Freedom of Conscience Act
LB521 (Fulton) Provide how certain drugs used to induce an abortion shall be administered
LB690 (Brasch) Change consent and parental notification provisions regarding abortion

Natural Resources

Room 1525 - 1:30 p.m.

LB587 (Nordquist) Provide grants for compressed natural gas innovation projects and funding
LB626 (Mello) Adopt the Electronics Recycling and Job Creation Act
LB653 (Christensen) Provide for inter-basin transfers during times of flooding as prescribed

Revenue

Room 1524 - 1:30 p.m.

LB359 (K. Haar) Change a renewable energy tax credit
LB385 (Utter) Terminate provisions of the Low-Income Home Energy Conservation Act
LB358 (K. Haar) Change provisions relating to sales taxation of net metering
LB357 (Ashford) Authorize an increase in local option sales and use tax

Thursday, March 10

Appropriations

Room 1003 - 1:30 p.m.

Agency 7: Governor
Agency 8: Lieutenant Governor
Agency 9: Secretary of State
Agency 10: Auditor of Public Accounts
Agency 11: Attorney General
Agency 12: State Treasurer
Agency 14: Public Service Commission
Agency 3: Legislative Council

Government, Military & Veterans Affairs

Room 1507 - 1:30 p.m.

LB643 (Lautenbaugh) Provide additional public records that may be withheld
LR22 (Fulton) Resolution for an amend-

COMMITTEE HEARINGS

ment to the United States Constitution providing for repeal of federal law or regulation by vote of two-thirds of state legislatures

LB654 (Christensen) Provide filing requirements for presidential and vice-presidential candidates and prohibit presidential electors from voting for uncertified candidates

Health & Human Services

Room 1510 - 1:30 p.m.

LB140 (Lautenbaugh) Change provisions relating to criminal background checks required for health and human services transportation services
LB166 (Coash) Change the Developmental Disabilities Services Act to authorize a private preemployment screening service to conduct criminal background checks as prescribed
LB221 (Janssen) Provide for drug screening of public assistance applicants and recipients

Judiciary

Room 1113 - 1:30 p.m.

LB665 (Pirsch) Change provisions relating to criminal child enticement
LB652 (Christensen) Change provisions relating to theft penalties
LB689 (Christensen) Change provisions relating to human trafficking
LB350 (Lautenbaugh) Change medical lien and personal injury damage suit provisions

Natural Resources

Room 1525 - 1:30 p.m.

LB328 (Fischer) Provide for amendment of hydropower appropriations as prescribed
LB645 (Christensen) Require inclusion of established surface water and ground water uses in certain agreements as prescribed
LB683 (Mello) Create the Storm Water Management Commission

Revenue

Room 1524 - 1:30 p.m.

LB560 (Cornett) Provide for sales and use taxes on certain services
LB82 (Coash) Change revenue and taxation provisions to redefine contractor or repairperson and gross receipts

to exclude sod as prescribed
LB252 (Cornett) Exempt admissions to indoor tanning services from sales and use taxes
LR46CA (Pirsch) Constitutional amendment to require bills that impose a tax or license fee to have a two-thirds vote to pass

Monday, March 14

Appropriations

Room 1524 - 1:30 p.m.

LB93 (Howard) State legislative intent with respect to administrators' salaries within the Division of Children and Family Services of the Department of Health and Human Services
LB464 (Campbell) Change child care reimbursement
Agency 25: Dept. of Health and Human Services
Agency 25: Dept. of Health and Human Services - Operations
Agency 25: Dept. of Health and Human Services - Division of Children and Family Services
Agency 25: Dept. of Health and Human Services - Division of Public Health
Agency 25: Dept. of Health and Human Services - Division of Veterans Homes

Banking, Commerce & Insurance

Room 1507 - 2:00 p.m.

Testimony Will Not be Received During Briefing
Dept. of Insurance - Federal Health Care Reform Briefing by Bruce Ramge, Director of Department of Insurance

Education

Room 1525 - 1:30 p.m.

Appointment: Camara, Wayne - Technical Advisory Committee for Statewide Assessment
Appointment: Watkins, Dallas - Technical Advisory Committee for Statewide Assessment
Appointment: Bieganski, Gary - Board of Trustees of the Neb. State Colleges
Appointment: Peterson, Carter - Board of Trustees of the Neb. State Colleges
Appointment: Starman, Darlene - Educational Telecommunications Commission
Appointment: Ward, Charles - Board of

Educational Lands and Funds

Tuesday, March 15

Appropriations

Room 1524 - 1:30 p.m.

LB325 (Howard) Appropriate funds for behavioral health care in Region 6 as prescribed
Agency 25: Dept. of Health and Human Services
Agency 25: Dept. of Health and Human Services - Division of Behavioral Health
Agency 25: Dept. of Health and Human Services - Division of Medicaid and Long-Term Care
Agency 25: Dept. of Health and Human Services - Division of Developmental Disabilities

Education

Room 1525 - 1:30 p.m.

LB58 (Adams) Provide for a study of dual-enrollment courses and career academies
LB635 (Adams) Change the Quality Education Accountability Act

Nebraska Retirement Systems

Room 1525 - 12:10 p.m.

Neb. Investment Council Annual Report
Neb. Public Employees Retirement Systems Annual Report

Wednesday, March 16

Government, Military & Veterans Affairs

Room 1507 - 1:30 p.m.

LB142 (Lautenbaugh) Change campaign statement and report filing provisions and repeal the Campaign Finance Limitation Act
LB175 (Avery) Provide for transfers from the Campaign Finance Limitation Cash Fund
LB292 (Avery) Eliminate per diems for members of the Nebraska Accountability and Disclosure Commission
LB568 (Schumacher) Provide duties for the State Treasurer relating to state employee benefits

Health & Human Services

Room 1510 - 1:30 p.m.

LR23 (Smith) Recognize pregnancy

COMMITTEE HEARINGS

care centers for their unique and positive contributions
LB599 (Campbell) Provide coverage for certain children as prescribed pursuant to the Medical Assistance Act
LB433 (Campbell) Provide requirements for contracts for child welfare services between private agencies and the Dept. of Health and Human Services

Judiciary

Room 1113 - 1:30 p.m.

LB609 (Pirsch) Adopt the Correctional Facility Reimbursement Act
LB545 (Pahls) Establish a copay for medical services provided at a correctional facility
LB671 (Flood) Prohibit a sex offender from changing his or her name
LB508 (Bloomfield) Authorize certain residency restrictions near parks for

sexual predators
LB460 (Ashford) Change the Sex Offender Registration Act

Revenue

Room 1524 - 1:30 p.m.

LB559 (Cornett) Change the income tax rate
LB561 (Cornett) Change the sales tax rate
LB695 (Pirsch) Change the income tax rate
LB603 (Conrad) Exempt fees and admissions charged by student organizations at institutions of higher education from sales tax

Thursday, March 17

Agriculture

Room 2102 - 1:00 p.m.

Appointment: Minert, Lowell - State Fair Board

Judiciary

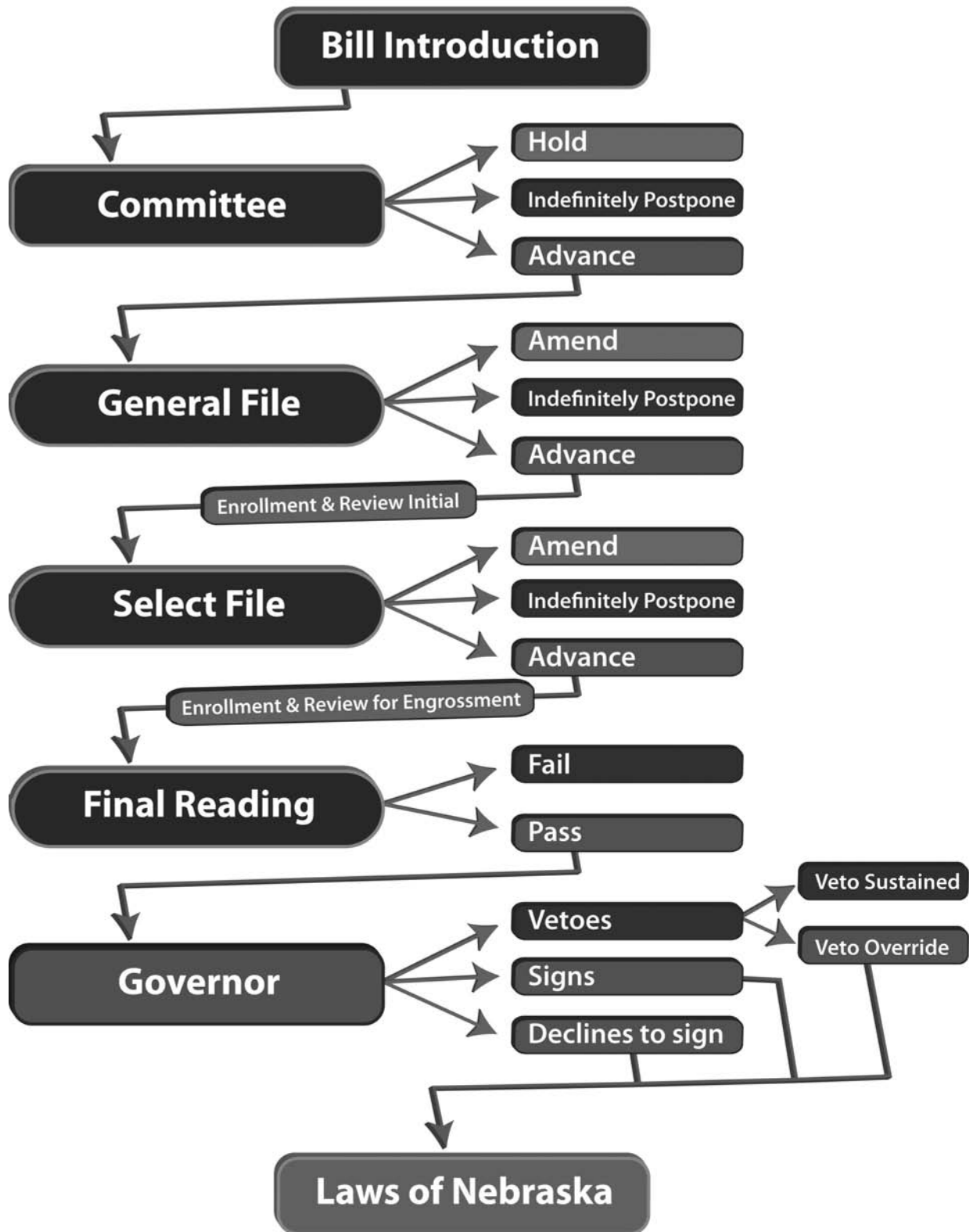
Room 1113 - 1:30 p.m.

LB612 (Pirsch) Increase statute of limitations for plaintiffs suffering injury from sexual assault as a child
LB565 (Ashford) Require secure storage of firearms and notice of such requirement by retailers upon sale and create the offense of improper storage of a firearm
LB647 (Christensen) Prohibit the use of certain foreign laws in Nebraska courts
LB515 (Christensen) Adopt the Federal Health Care Nullification Act and provide a civil right of action and criminal penalties relating to enforcement ■



Hallway in the Nebraska State Capitol Building.

HOW A BILL BECOMES LAW



Unicameral Information Office
Nebraska Legislature
P.O. Box 94604
Lincoln, NE 68509
03-23-05

PRESRT STD
U.S. POSTAGE PAID
LINCOLN, NE
PERMIT NO. 212

UNICAMERAL UPDATE

The Unicameral Update is a free newsletter offered weekly during the legislative session. It is produced by the Clerk of the Legislature's Office through the Unicameral Information Office. For print subscriptions, call (402) 471-2788 or e-mail uio@leg.ne.gov.



On Twitter at
twitter.com/UnicamUpdate



By RSS feed at
update.legislature.ne.gov



Online at
update.legislature.ne.gov



E-mail unicameralupdate+subscribe@googlegroups.com to subscribe to a weekly summary

Clerk of the Legislature: Patrick J. O'Donnell

Editor: Heidi Uhing

Contributors: Nicole Behmer, Bess Ghormley,
Kate Heltzel and Kyle Petersen

Assistance provided by the Clerk of the Legislature's Office, the Legislative Technology Center, committee clerks, legal counsels, journal clerks, pages, transcribers, mail room and bill room staff and the State Print Shop.

LEGISLATIVE RESOURCES

STATUS OF BILLS OR RESOLUTIONS

Legislative Hot Line - (402) 471-2709 or (800) 742-7456
www.nebraskalegislature.gov/bills

BILLS, RESOLUTIONS OR LEGISLATIVE JOURNALS

Subscriptions: State Capitol, Room 2018 or (402) 471-2271
Individual copies: 24-Hour Request Line at (402) 471-2877

LIVE VIDEO STREAM OF THE LEGISLATURE

www.nebraskalegislature.gov

SENATOR WEB PAGES

www.nebraskalegislature.gov/senators

SENATORS' MAILING ADDRESS

Senator Name
District #
State Capitol
P.O. Box 94604
Lincoln, NE 68509-4604

NEBRASKA BLUE BOOK

Nebraska Blue Book Office: (402) 471-2220
www.nebraskalegislature.gov/about/blue-book.php

STUDENT PROGRAMS AT THE LEGISLATURE

Unicameral Information Office: (402) 471-2788
www.nebraskalegislature.gov/education/student_programs.php