

**Transcript Prepared By the Clerk of the Legislature
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CLERK: Mr. President, Senator Wayne would move that LB492 become law notwithstanding the objections of the Governor.

FOLEY: Senator Wayne, you're recognized to open on your motion.

WAYNE: Thank you, Mr. President. And thank you, colleagues. My legal counsel Trevor wrote a great introduction, and sometimes when I vary right now you'll see Trevor sweating. But the reality is, is some of you know how I got here today and some of you don't know. And I think I should share with you how I got here.

My mom was 33, my dad was 18. My mom and dad got ran out of Coffeyville, Kansas, and my mom spent six months at a halfway house on 24th and Pratt, the Salvation Army that Senator Chambers is familiar with. She stayed there for six months to have me and gave me up for adoption. I went to Nebraska Children's Home in which my adoptive parents, who I call Mom and Dad, wanted actually a biracial girl and was called and said, well, we have a biracial boy, come down and we'll talk. So they saw me and went back and had a conversation. And my older brother was running around at the little daycare inside the Nebraska Children's Home and then he kind of got loose, like we all do when we're three, and they were calling for him, and they went back and he was standing next to my crib.

What those adoptive parents allowed me to do is grow up to have sometimes the worst of both worlds but also in times the best of both worlds, the best of both worlds because my entire life I have lived the urban and rural divide. My entire life I spent between Omaha and a little bitty farm outside of Rolfe, Iowa. And last week my aunt posted a picture of the farm that my grandparents used to own and how destructive it looks and how embarrassing it looks because, like many of the ag farmers today, they had to make a decision to leave the family farm and go back to Rolfe, Iowa.

I say that to say many of the senators I've talked to in rural Nebraska know that I get where they're coming from. I get where they're coming from because I lived it through the '80s and '90s when consolidation and other unknown forces caused my family to leave the family farm. So I understand what it means to detassel, and I don't mean like today where they run a machine over. I mean actually walk out there with long sleeves on and detassel.

But I also understand what it means to play curb ball in the middle of urban Omaha. I know what it means to walk the beans, not like they do today, riding, but actually walk. But I also know what it means to have a family cookout in the middle of a park in Omaha, Nebraska, that is on the other side of my family.

I say that today to say what this bill is about is not about an urban and rural divide. And when we have big ideas, big ideas, whether it's Senator Briese, Senator Linehan, big ideas on how to solve things, there's gonna be a little bit of pain and there's gonna be a little bit of cost. But that's how we move Nebraska forward. That's how we move this state forward. So I, for two years, have played this role of urban and rural divide senator and trying to figure it out.

This year, with the blessing of many of you who voted in support of my bills, I'm almost out of what I think north-- what I can do for north Omaha. So for two years I've dedicated to building something and changing my community and I've already started sharing with people exemptions that I'm willing to close 'cause next year I'm going to attack TEEOSA the same way I attacked TIF, the same way I attacked north Omaha issues this year.

We can get to that solution that you are trying to get to, but we have to get out of this idea that one solution fits all Nebraska. And that's what the Governor's letter says, that property taxes will be raised, and that's just not true. Since 1970, Omaha transits have been on our statute and we have not necessarily updated them except for twice, in the '80s and once in 2003, but no significant changes. We haven't had any significant changes 'cause we have not thought big of how to move Omaha and the state forward. But we had multiple interim studies since 2002, but nobody stood up and said, let's do it.

Well, we are at a point where we have to do it. Our rural senators, you are at a point where you have to do something, too, and it's going to take a Governor override, just like I'm standing here today, next year for you to get your property tax relief. We all know that. And in order for Omaha to move forward, we need this. And I want to just put it in this perspective and then I'm going to go back to the script Trevor wrote before I get in more trouble. Public transit is the lifeline of every community. You look at the cities that are growing right now, it's along the I-80 corridor or Omaha, except for Senator Moser, Columbus. But if you look at what's going through Columbus, is a major highway that is well kept. There is an ability to increase municipalities along these public highways and interstates because public transit matters to economic growth.

But then once you hit a certain size it's no longer about moving goods but you have to be able to move people. You have to be able to move people around in order for the rest of that city to grow. And that's where we're at in Omaha, Nebraska. The purpose of LB492 correctly stated that it is about growing Omaha. We have unworkable statutes right now that allow outside cities or surrounding cities to partner with Metro Transit. Many of you just saw the-- I handed out the recent editorial from the Omaha World-Herald. It's critical of the importance of regional transit, and as I stated: first, to provide access to employment and educational opportunities for low-income residents who can't afford a car; second, to remain competitive with the metropolitan areas in the Midwest in recruiting and retaining young talent that places a premium on transit; and third, to enhance prospects for the continued growth of Omaha's urban core.

Why is that real? 'Cause-- 'cause I had a meeting yesterday at 8:00 in the morning with a light manufacturer. We were sitting in the hotel lobby before I came down here. They were looking at three sites that were ten acres. All the sites were outside of the core of Omaha. And they told me, and they were actually asking about this bill, they told me they are now looking to other cities because they can't move people to the 300 jobs that they want to move people to. Currently, we have construction going on of some of the biggest datacenters that have over 100 vacancies in south Sarpy that we can't move people there 'cause we don't have the proper transit.

Now let me address the Governor's veto. First, claiming that LB492 would be a tax increase above the city and county's levy flies in the face of political reality. If Metro Transit becomes a regional authority, their levy is no longer within the city and county's authority. It is a virtual guarantee, and if you think about these political times, that Mayor Stothert and the county board will reduce their levy by 2.5 percent by both so they can say they lowered property taxes. If not, they will be held accountable at the next election.

Second, there is almost no way, and I'm kind of smiling when I read this, LB492 will affect taxes on agriculture land. The whole bill is around municipalities. Right now agriculture land is being taxed by Douglas County to provide 2.5 cents to MAT, Metro Area Transit. My bill removes that and says it only applies to municipalities. So the ag land valuation that was quoted in his letter is completely inaccurate. It's inaccurate because there's no ag land except for a couple of farms that I know about inside the city limits.

And finally, LB492 does not, and I repeat, does not create a new political subdivision. It currently exists. We are creating an elected board to hold them accountable to the levying authority that we are

giving them, that they already have. We're just moving it to a different location. It is time to move Omaha forward. It is time to move the state forward. I need not only the support, my community needs the support, Omaha needs the support and, yes, south Sarpy needs the support. All the city mayors were in favor of this. The Omaha Chamber is in favor of this. This is an economic development tool that we need, that our community needs, and I would appreciate a green vote on this. Thank you, Mr. President.

FOLEY: Thank you, Senator Wayne. Debate is now open on Senator Wayne's motion to override. Senator Groene.

GROENE: Excuse me. I thought there would be a long list. I gave a speech earlier last week about I'm from now on going to debate bills and not senators. Senator Wayne and I are friends. This is a tax increase. This is creating another elected board, no ifs, ands, and buts about it. The city of Omaha is up against their levy limit. They want the 5.5 cents to spend on other things in their levy limit and they want to create another 10-cent tax ability so that they can shift the tax-- their tax burden to the people of Omaha and Douglas County and other cities if they sign up.

Taxpayers are not for this. The ones I know in the region of Douglas County, I've asked them about it. They said, what are you talking about? I said did you know there's a bill in the Legislature that might raise your property taxes on your house by \$200? What? I represent citizens. I don't want government entities. I represent the citizens of the state of Nebraska. This doesn't-- has nothing to do with rural and urban. There's going to be a bill next year and 3 cents for NRDs. Are we going to have a bunch of urban senators say, oh, we'll vote for that. That's just western Nebraska, poor little western Nebraska.

I don't vote for property tax increases, period. I'd be a hypocrite to do so as many times as I stood up here and said that property taxes are a problem. Me and Senator Wayne had had a conversation. I'm all for looking at the transit problem, public transit problem in Omaha. There's a problem. The problem is what are they doing with the money they're getting now? I go to Denver, I go to other towns and there's buses I'm passing all the time in traffic. I don't see them in Omaha. What are they doing with the money now? Is it being wasted? Let's do an LR on it. Let's find out what cities are doing a good job and then try to mirror that. But to just create another elected board that when people go there, you've done it, folks.

How many times you go on the ballot and seen somebody on the ballot for an ESU or educational service unit or-- we've got so many taxing entities and so few people that want to step up to run for these entities now. You have no idea who you're voting for. You don't have any idea what they stand for because we have too many elected boards in this state, too many.

This is a tax increase. This thing flew through without a lot of discussion, a lot of debate. This is a huge, huge increase in government in the state of Nebraska. You are gonna raise taxes on people in Douglas County and maybe other communities. The system works now. They could create an interlocal agreement with these other towns: Bellevue, Gretna, Fremont. They could do it. They would get outside their spending limit, their 3.5 percent spending limit, but they would be within their levy limits yet. Let's start there. Let's start there. This, to claim Omaha and Lincoln and Douglas County isn't growing or Sarpy County isn't growing because of tran-- we don't have public transit is nonsense. They are growing and they are growing rapidly right now. Public transit won't change that. They already have-- let's start from square one. They already have public transit in Omaha. They have it. Is it inept? Well, then maybe you need to elect a different mayor or different city council in Omaha because they're not doing a good job with the funding they have for public transit. But to

throw more money at it— is not the answer at all. Let's take a step back here and let's look at this issue again and let's start in a little bit different increment.

To claim you're going to be for property tax relief in rural Nebraska, but stick the person in Douglas County with a \$200 tax increase, and it is a tax increase, otherwise we wouldn't be asking for this. They are not going to lower Omaha's tax has 5.5 cents and do the transit 5.5 cents. They will keep the 5.5 cents in Omaha for other purposes and they will raise your taxes. And those people won't even know what hit them. They will never use a public bus, most of them in the suburbs, and they will pay for this 'cause they weren't involved in the conversation. And then one editorial and all of a sudden it hit the-- hit the floor and it went flying through. Senator Wayne is a very, very good senator, very honest individual. But that isn't why you vote for bills. You look at the bill.

FOLEY: That's time, Senator.

GROENE: Is it good for Nebraska? No.

FOLEY: Thank you, Senator Groene. Senator Chambers.

CHAMBERS: Thank you. Mr. President, members of the Legislature, when this bill first came up I was not even on the floor. But I watch and I listen down in my office. And it gives you an advantage because there is a zeroing in on who is speaking and you have the opportunity to take notes if you want to, whatever it takes to help you concentrate on what you're looking at. The arguments that were given I felt were cogent, they were reasonable. And this bill does address an existing situation that is not going to be solved by the current way public transportation is operating. I was persuaded by the arguments that I heard. I voted in support of the bill. The Governor, having expressed a contrary opinion and that's all that it is and it's not even accurate, is not enough to overcome all of the reasoning that was presented during debate. There are animals who eat vegetation and they will chew it for a while and they get tired, but having done half the work, they don't want to give that up and have to start all over again, so they swallow it. They have more than one stomach. Then when it occurs to them that either they need to ruminate or cogitate or regurgitate, they can bring it back up. And although to a human being something that has been in the middle regions of the body, not the nether regions but the middle regions, to come back up, slippery, slimy, half-chewed, maybe half-digested would not be appetizing, but we are not constructed by Mother Nature to function in that fashion. But those animals which do function in that fashion live by the rules according to which they exist. So there are those who bring up property tax every time any issue comes up because they look for the conditioned response. You've heard what they said about Pavlov. You cause a living creature to associate one thing with something else. In this case, a certain sound would lead to a certain reaction in certain animals because whenever that sound occurred a certain action took place. So that is known as a conditioned response. It is a response, but it is conditioned. It is not conscious. It is not something that has to be thought about. One thing triggers the other. Property tax is a slogan. Not every issue before us can be resolved by a simple appeal to property tax. It's like Pavlov ringing the bell. Those who voted for this bill in the first instance did not vote for it because Senator Wayne is a nice person, because Senator Wayne is honest. That is not why people vote for bills. If that were why people voted for bills, I wouldn't have so many that can't even get out of committee, which once out of committee cannot be passed, which if passed will be vetoed by the Governor. Who can deny that--I am an honest person, that I am a good person, that I am a likeable person and all the other things? But to be completely frank, I haven't seen anything in the Governor's objection to this bill that would change my mind and I don't think it should change the mind of those who voted for the bill in the first instance. So I will vote to override the Governor's veto. Thank you, Mr. President.

FOLEY: Thank you, Senator Chambers. Senator La Grone.

La GRONE: Thank you, Mr. President. I rise in opposition to the motion to override the Governor's veto. As I've consistently said on this bill, I completely agree with Senator Wayne on the problem. We do have a work force problem in Sarpy County. Where I disagree is that we need to create a new government board and provide more taxing authority in order to deal with that problem. Now Senator Wayne laid out that he doesn't think this would be a tax increase because the affected municipalities would lower their levies, because it would take this outside their levy limit. I can't think of another instance where we generally see that happen. Usually when you move taxing authority outside of a governing entity's levy authority, what you see is that they retain the same levy they previously had and take the extra money. If they don't, they decrease it to a point where they still get more money than they previously had. So overall, that is a tax increase. And second, I think the notion that this bill is-- creates an option for municipalities to join it is a false notion. There are some municipalities that currently contract with the existing authority to provide bus service in Sarpy County. Those existing services would be lost if those municipalities did not join this new entity and raise taxes on their constituents. So the notion that this is optional is really a false choice. It's a setup between a choice of raising taxes or losing existing services. That is not really a choice. This is a property tax increase, primarily on Sarpy County, to pay for services primarily in Douglas County. That's why I've consistently referred to this bill as the Learning Community of Transit. I stand still strongly opposed to the bill and I would urge you to reject the motion override the Governor's veto. Thank you, Mr. President.

FOLEY: Thank you, Senator La Grone. Senator Vargas.

VARGAS: Thank you very much, Mr. President. Senator Wayne and I have worked for some time now. I think I might know him the longest in this body. I think everybody has had some experience working with-- with Senator Wayne and I think we can say he-- he works with integrity and he is doing everything he can to then fight for north Omaha. He says that. And that's right. The reason why I support the veto override is because when he talks about north Omaha, he's not just talking about north Omaha. I don't often get up and talk about the economic conditions of what is going to impact my district. I think we-- we-- we try to focus on broad solutions. But at the end of the day, when specific parts of our communities are struggling, we engage in debates to try to find solutions. So what I want to say is this is a solution to a problem. In a second I'll be sending out reports by legislative district so you can look at some quick facts. As part of some of the research from the Legislative Planning Committee, we do in-- well, the University of Nebraska helps us to collaborate the Nebraska State Datacenter data reports to show which each district. I know we know about our district. I encourage you to look at Senator Wayne's District 13. Look at District 7. I'm going to talk about my district very, very quickly. But my district has a labor force participation of only about 65 percent. About 58.2 percent, kids less than six, their parents are not in the labor force. I need people in my community to get back to work and have opportunities. And if you don't think regional transit and public transit helps aid with that, then I implore you to come down to my district. Come down to Senator Wayne's district. That's what this is about. If you think that they're an isolated-- that this is not a solution to a problem, this is a solution to a very, very clear problem. We have years of research that support that public transit will help with economic development and will help reduce this labor work force shortage that we're seeing. And so I stand in support of this because the pragmatic side in me says I hope we don't view this simply as either a tax increase or-- or a tax decrease or whatever, but instead try to figure out a pathway and say, is this trying to target and is going to have a return on investment? And that return on investment will overshadow whatever you consider to be a tax shift, increase or decrease. And it's very clear this is going to have a positive economic impact on not only

north Omaha but will have a positive impact on south Omaha. So I ask you to stand in support of the motion to veto override. And I yield the remainder of my time to Senator Wayne.

FOLEY: Thank you, Senator Vargas. Senator Wayne, 1:50.

WAYNE: Thank you, Senator. Thank you, Mr. President. Thank you, Senator Vargas. I just want to respond quickly to Senator La Groene's comment regarding Sarpy and the communities that MAT currently serves will not lose their contracts. Actually, Section 5, thank you, we added specific language for them to retain the ability to contract. And again, everybody is assuming that tomorrow, if this bill passes, MAT is going to opt to create an elective board and that south Sarpy, any of the communities, whether it's Papillion, LaVista, or whoever, is going to automatically jump in and say, we're going to be a part of it. We are creating a framework in which these communities, these municipalities can work together to form a regional transit. It doesn't happen overnight. There are many, many steps that have to occur---that is laid out in the bill before anything happens. The problem is we have statutes from the 1970s that are unworkable for them to have that framework to put together a regional transit, no different than our-- our tax code. The issue we struggle with that I've been reading for the last week and a half is we have a 1970 tax system when it was basically products, goods, and now we're trying to figure out how to deal with services. That is a struggle and it's going to be a fundamental shift that we have to undertake, which will require a lot of work. And for the last 15 years, Urban Affairs has looked at this issue in multiple studies and said, this is the way we need to go forward. And we sat down with the city of Omaha. We sat down with the chamber. We sat down with businesses and the communities in south Sarpy. And all their elected officials and all their major employers are saying, yes, this is an issue. Senator La Grone agreed, this is a issue. He just doesn't like the solution.

FOLEY: Thank you, Senator Wayne. Senator Briese.

BRIESE: Thank you, Mr. President. Good morning, colleagues. I rise in opposition to the motion to override the veto. I struggled with this one some. Senator Wayne worked hard on this. And I agree with what he's trying to do here and the importance of what he's trying to do. But with that said, for me, it goes back to property taxes. Some of you may think otherwise, but when myself, coming from rural Nebraska, and some of my other rural colleagues stand up here and talk about property taxes, it's not just an ag issue for us. We recognize that Nebraska homeowners, according to the Tax Foundation, have the sixth to seventh highest property taxes in the-- in the nation. And according to TaxRate.Org, they have the fourth highest property taxes in the nation. So what it boils down to, whether you're a Cherry County rancher or a Douglas County homeowner, we rely far too heavily on you to fund local government with property taxes. It's too easy to shove the burden of funding local government on to the backs of our property taxpayers. And that's true whether you're talking about unfunded mandates from the state, like SPED funding or K-12 funding in general, or whether you're talking about creating a local entity with such taxing authority. Our unreasonable reliance on property taxes to fund local government has to stop. Find me a different funding solution for what we're trying to do here and I'm all in. But giving a new entity additional property taxing authority runs counter to what needs to be done here, and that's reducing our reliance on property taxes. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Senator Stinner.

STINNER: Thank you, Mr. President. Members of the Legislature, I thought I'd weigh in on this subject since-- since I live 455 miles away from Omaha. I do support this motion. I have supported

the underlying legislation because I think when you look at Omaha, the greater Omaha area and you understand it, even when you go across the state of Nebraska, if you go to my region, there is a resume there for our community. There's a resume in the Kearney area. There's a resume in the Grand Island area. That resume really has to do with attracting and retaining businesses. We have a situation now in Omaha, I'm going to call it greater Omaha, forget Omaha. We have to think broader. It's a regional power today. It's moving to a national and international power. And this transit situation isn't just about moving people around, and it's certainly important to have that on your resume and be able to move people around. But it's a structure that you have to have in place. It does take money to put this infrastructure in place. It does take money to do that. And of course, we always use the extreme case that it's going to be \$17 million on the property taxpayer to pay for all of these improvements. Doesn't happen right away. They have the option not to-- not to be involved in it. So let's get off of that over-the-top type of analysis. Let's get back to what Omaha is today, what it can be as a greater Omaha area. And the idea of mass transit is obviously to cut down on pollution. I mean you go to Denver; that's-- that's the big compelling factor of moving people around, pollution and traffic congestion. So this actually needs to be put in place for those two components to be balanced. Parking, parking is extremely expensive. Parking is expensive to build. If you want to move people around, you want-- want people to-- to be in their cars and park, it's an expensive proposition. So this obviously cuts down on that as well. Omaha needs the appropriate structure, the appropriate structure of greater Omaha. If suburbs decide that they don't want to be involved in it, fine, they don't have to contribute. If they do want to be involved in it and they have a unique idea of how they can generate those dollars, that's fine. But if Omahas go from kind of a minor league team to a major league team, they have to have mass transit. Therefore, they have to have this structure. Therefore, I support this. You know, the idea that property tax can be thrown out there and basically used as a tool to defeat any kind of sensible legislation I find to be tragic, tragic on us, because this is what's needed. The 3-cent levy for NRDs is needed. Do they use it all the time? No. Has it a proven history of being successful? Yes. Do we need to have big flood control projects? Do we need to have irrigation project, water restored back to the river, conservation activity? It all takes a lot of money. And the mechanism for doing that is a levy. It's for the common good. This is for the common good of greater Omaha. This is building a state. This is growing business, this is attracting and retaining businesses. Yes, and it's 455 miles away from me. But I also understand that I am a state senator along with being somebody from western Nebraska. Now, it's kind of interesting, LB-- if you look at LB289, property tax relief, what do you do? You gave Omaha 6 cents, 6 cents levy authority for their schools. I guess we use property tax when we need it. We just can't throw property tax out as that mechanism to defeat everything. We have to start to weigh the good and the bad. And property tax is a vehicle. It's a tool. And I as a senator want to give the tools to the local people who are asking for it. The chambers asked for it. Omaha has asked for it. And I think it's an absolute critical ingredient for them to have the appropriate structure to grow their city and greater Omaha. Thank you, Mr. President.

FOLEY: Thank you, Senator Stinner. Speaker Scheer.

SCHEER: Thank you, Mr. President. I rise in support of LB492. I voted for it to begin with. It's a good bill. If we expect to try to get the population in our greatest populated area to be able to increase their income, move to better and higher paying jobs, it's imperative that they have a transportation mode that will get them to those jobs from where they live. This is a permissive bill. It does not make anyone raise any of their taxes. It provides those local entities the ability to join if they wish to, and it allows their governing board to make that decision if they want to join. This is not something we're doing to anyone or any community. Those leaders in those areas have the opportunity to participate or not. This isn't anything that is required of anyone. We are giving those that want to help their-- their communities, their constituents the opportunity to make a move on the economic scale, allowing

them to go to where higher paying, better benefited jobs exist. It's that simple. I find it a little disingenuous when Senator Groene gets up and tells me that he never will talk or never support property tax increases. LB289 had exactly that in it. Senator Groene voted to bring that bill out of committee with a 6-cents levy for OPS to utilize to help them out of their retirement program's problems in funding. So if we're gonna get up and talk, let's talk about what is important, what we truly believe in, not what is convenient for the day. We all need to start being a little more consistent. If we believe property tax is bad, fine. But this doesn't impose property tax. This gives local entities, local governing bodies the decision if indeed they want to participate, that simple. As we move forward and if we want the state to move forward, if we want to quit worrying about having to worry about if we have enough money to cover our checks or we've got things to improve the lives of our constituents and the citizens of the state of Nebraska, people have to make more money. The only way we get more dollars is if people have more money, because when they get more money they pay more income tax, they have more disposable income, and they pay more sales tax. It's no secret. This is not rocket science. This is as much an economic development bill as any. We have to help people move to those locations that are having better funded positions so that they can have more dollars to help their families move themselves up in this world. This is a help, a helping hand up. This isn't a hand out. This isn't forced. But we need to be respectful of the fact that there are people in this world-- I come from a rural area. We have no mass transit. If people are going to get to the job, they have to-- thank you, Mr. President-- they have to at least get a ride with a friend or they have to do something else or perhaps even ride a bike. But it's only three miles across Norfolk. It's pretty easy to get across. You could probably walk. That's not true in the Omaha area. If we want-- if we want Omaha to grow, if we want Nebraska to grow, then this is an extremely important part of that growth. But let's call it what it is. It's not a tax increase. We're allowing local entities to determine if they want to participate and we're helping people up to a better life, a better lifestyle. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Senator Friesen.

FRIESEN: Thank you, Mr. President. I stand in support of LB492 and the motion to override. I've had the opportunity to travel a lot, being with the Corn Board. And when you travel to any large metropolitan city, they have a much better transit-- public transit system than Omaha does. In the past I've always said, what's good for Omaha is good for Nebraska, and sometimes what's good for rural Nebraska is going to be good for Omaha. This is two-way street. I did not promise anyone here that I would come to cut taxes or raise taxes or not raise taxes. I've always come here to do whatever I thought was best for the state. And I will support this because I think this is something that probably Omaha needs. Now if you want Omaha to grow, I mean people do need public transit. Other cities you travel to, parking is terrible, the traffic is terrible. And if you want to alleviate some of that and get a head start on it, now is the time to start working on some other mode of transportation. Younger people do use public transit more. They depend on it. So this is one of things that I think that's-- it's not an urban-rural thing. It's what's good for Nebraska. With that, I'd yield the rest of my time to Senator Wayne.

FOLEY: Thank you, Senator Friesen. Senator Wayne, 3:30. He waives that off. Senator Walz.

WALZ: Thank you, Mr. President. I rise in support of LB492. I think this is crazy, the fact that we are debating this bill to provide transportation to people to work and participate in their communities, to do a job. You know, in Fremont we would welcome this because we have an opportunity with Costco, but we need employees. We have to have transportation. And then to use this bill as a property tax excuse or not supporting this because of a property tax excuse is crazy. I've reflected on

this year quite a bit. I thought about the many bills brought to our committees, bills that would provide quality services to people, bills that would fund special education and provide property tax, bills that would increase provider rates to nursing homes, allowing them to stay viable so people can continue to work, bills that would promote education, healthcare, bills that would provide incentives to farmers, increase broadband in rural areas, bills that would support family and children who need a hand up. So many bills stuck in committee that would improve the quality of life for people who live in Nebraska, that would allow Nebraskans to work and to buy property. We have got to start looking at the whole picture. And I talked with Senator Briese about this yesterday. When we talk about-- when we talk about our ability to reduce property taxes, we have to look at the whole picture. We have to look at keeping our nursing facilities open, our schools viable, our infrastructure strong. We need to move forward to keep people working in Nebraska, to keep kids educated in Nebraska, and to keep people living in Nebraska. I hope that we have learned a lesson this year about winning, because this year nobody won. You can't win when you just want to do your own thing. You don't win when you don't open your minds to other people's ideas. We've got to look at the whole picture to move Nebraska forward and that means supporting agriculture, that means supporting transportation, education, healthcare, industry, and business as a team of legislators. Someone who sits in front of me, and he's not here right now but doesn't want to be mentioned, said it very well this morning. He said, you know what? We should be working together to move good legislation forward and support each other. Instead of looking at just a tax problem again, we need to look at the whole picture and how we can provide more jobs and more opportunities for more people. So let's stop focusing on the negative. Let's stop saying, well, you know what, there's something everybody will hate this bill. And let's start thinking about some positive things, looking outside the box and moving our state forward. Again, I am in full support of moving Nebraska forward, of providing more jobs, and providing people the opportunity to buy more homes in Nebraska. I support LB492. Thank you.

FOLEY: Thank you, Senator Walz. Senator Groene.

GROENE: Thank you. Let's start by clearing up fallacy that growth for the city, growth of a state leads to lower property taxes. Absolutely false, biggest lie out there. You look at the highest property taxes: Omaha, Bellevue, Gretna. They're growing, growing communities. Property taxes go up, hit the lid. It's called mismanagement. You got more taxpayers, more property. And what did the cities do? They come for us for more tax power. Senator Walz, the taxpayers of this state pay the highest taxes in the nation, one of the highest. They support public higher education. They support higher education. They support public transit. Because our elected officials are incompetent and our administrators that can't use the money correctly and wisely is not the taxpayers' fault. We are a high-tax state. You are a hypocrite if you say you believe in property tax relief and then vote for property tax increases. You cannot do that. I am not a hypocrite. I will sleep good at night no matter what happens here. But it's a fallacy to claim that growth leads to lower taxes. It does not. Let me address LB289. In LB289 the people of Omaha will get a 20 percent reduction in their property taxes for their school. a 20 percent, 10 percent lower of the levy authority, 10 percent lower of their property tax valuations. And they are given an option of a 6 percent increase. Twenty-cent reduction, six-cent option to bail them out of a mess that they're in on their retirement plan. So don't tell me. You accept an amendment, bring this back next year, I cut the levy limits for local entities by 10-- by 10 cents. In exchange for 10 cents, I'll go one for one. Of a new entity for transit, I'll vote for that. But, Senator Scheer and Stinner, read the whole bill, LB289. It is an overall property tax increase for the citizens of Omaha and reaches out a hand of help from the rest of the state on a major problem they have with their retirement plan. That is the truth. Where's the city council members of north Omaha, Senator Vargas' and Senator Wayne's area? Where are they? Where's the \$18 million being spent now that they tax people of Douglas County? That's Omaha. I don't know, when you throw in whatever

Douglas County is taxing, too, for transit, where is the money being spent? You would think they'd fork-- focus in the area where there isn't a lot of private ownership of vehicles, where those folks need jobs to get to their destinations. You think buses would be running into each other in north Omaha if city government would function-- was functional in Omaha. That's not my fault. That's not the fault of all the citizens of Douglas County and Omaha and those other communities who have their vehicles, pay their taxes on their vehicles, pay the gas taxes, drive their own car to work. Let's make Omaha fix their problem and show us some changes in their management, because of what I'm hearing here, it's a complete disaster. People are locked in their homes, can't get to work. And they're spending millions of dollars, folks. False promises, government is full of false promises. You just raise taxes and you'll be happy and-- and promises of joy and a job. Well, we've had a lot of false promises in this state because we have some of the highest taxes in the nation and this will add to that. Talking about working together? Four-four vote, Senator Walz,-- --and you would have had three more of your bills out on the floor. Let's work together. I'll have an Exec this afternoon. Anyway, I work with people and I'm working for all the taxpayers of the state of Nebraska. I want to protect children in their classrooms. I want to cut the cost in our schools because we do have less violence in it. I'm looking for efficiencies in government, not more spending in government. We're looking for the same ends, the same place we want to be. But we need the government in this state to be leaner, meaner, and more efficient. I don't see the bills coming out for that. I see let's throw more money at it. This is a let's throw money at it bill. That's what this is. I admire Senator Wayne's passion for this, his goals of whys and good. The answer is wrong. Throwing money to the same people who have messed up the transit authority now is wrong, wrong, wrong.

FOLEY: That's time. Thank you, Senator Groene. Senator Erdman.

ERDMAN: Thank you, Lieutenant Governor. Good morning. As I listened to the discussion this morning, I was amused by Speaker Scheer's comments. I want to speak to those just for a moment. He said that people need to make more money, so to make more money they pay more taxes. Is that the reason we want people to make more money, so they pay more taxes? I think not. I think the reason we should want people to make more money, so they can keep more of what they have, their own money. For you see, this may come as a shock to some of you, no government has ever given you anything that they didn't first take from somebody else. So if we want to grow the state to get more people so they can pay more taxes, so the government can spend more, that's the wrong reason to grow the state. We need to take care of the 1.9 million people we've got. Raising the wage level so people make more money to collect more taxes is the wrong direction. We have continued to spend more year after year after year. If you manage your personal budget like that, you go bankrupt. But we the state continue to do that: 2.9 percent increase in spending this year, every year I've been here except when we're forced not to because the revenue is down. So we need to think about why we're asking people to come here, why we're asking them or trying to get them to make more money. So they can pay more taxes-- that's an amazing concept. That doesn't fit into my vocabulary. Thank you.

FOLEY: Thank you, Senator Erdman. Senator Wayne, you're recognized to close on your motion.

WAYNE: Thank you, Mr. President. And I want to first thank my colleagues who were in the queue and turned off their lights. I know they wanted to respond to some things on the mike and I really do appreciate allowing this vote to go forward at this time. The reason I told you about the story of me being adopted and how I got here today is because one of my colleagues last night called me a renaissance man. And for almost 30-plus years, you struggle with the urban and rural divide in your life. You struggle with the black and white, the farm versus city. And it validated that struggle to be real, because I didn't introduce the hemp bill for farmers this year for any other reason than I

understand that there's a need for an alternative crop. I didn't work on bills that affect rural Nebraska for any other reason than I go back to the family farm that my parents or grandparents owned.

We are here because we all have our life experiences. And it's very easy to say no. It's very easy to push a red light and say property taxes, sales tax, or whatever other issue versus sitting down and working through the problem. Everyone in here has identified the problem. Even the people who will vote red today will admit there is a fundamental problem as it relates to moving people around Omaha, Nebraska. Everybody will admit that this is a part of economic growth, that there are companies leaving Omaha area because they cannot fill jobs because we don't run bus lines.

I can take you through my district on McKinley and show you people walking up and down 'cause the closest bus route is out a—a mile and a half away from their job. But they still want to work. And people say, well, why is this needed? Let me put this in perspective. Right now the taxing ask, the request, generates about \$30 million. Omaha Public Schools spends \$36 million on moving kids around. And if you say, well, that's their choice, well, let me tell you, half of that budget, 20 of it, \$20 million of that is special education. That isn't their choice. They have to provide that service. And we're talking about moving the entire city, having a place where you get off at airport that we look like we are a urban city, that you can catch the bus to your hotel. We don't have that on a consistent basis. We passed out the article on the second round where somebody gave up lent-- I mean gave up their car for lent. It took them four hours to get to Bellevue. He had to run seven miles to catch the next bus to be dropped off a mile and a half from his home at 12:00 at night. This is the reality of the busing system in Omaha.

There is a reason the chamber, the businesses, and constituents, the taxpayers are willing to pay, because they need this service. They need this service. So I am grateful to be labeled as a renaissance man, but I have to thank my birth mother, my adoptive parents for giving me the experience to understand what that really means. It's about being able to recognize what community you represent and what they need, and building the bridge to somebody who doesn't live in your community, who looks like you or acts like you, and making sure they understand what that need is. That's what we do in this body. That's what we're about. And that's what this vote is about. This is about giving a tool to Omaha so they can grow and be more efficient with the population they have inside of Omaha. And if those outside of Omaha want to join in and make it regional, they can. If they choose not to, they don't have to. But this has been studied for ten years and it's time to take some action on it. And this is one step, one step in moving this state forward and moving Omaha forward. So I would appreciate a green vote to override the Governor. Thank you, Mr. President.

FOLEY: Thank you, Senator Wayne. Members, this—

WAYNE: House, roll call, a roll call vote in reverse order.

FOLEY: There's been a request to place the house under call. The question is, shall the house go under call? Those in favor vote aye; those opposed vote nay. Record, please.

CLERK: 29 ayes, 5 nays to place the house under call.

FOLEY: House is under call. All members please return to your desk and check in. The house is under call. All unauthorized personnel please leave the floor. The house is under call. Senator Halloran, will you check in. All 49 members are now present. Members, you've heard the debate on the override motion. This motion requires 30 votes. The question is, shall LB492 become law notwithstanding the objections of the Governor? Roll call vote has been requested in reverse order. Mr. Clerk, please call the roll.

CLERK: (Roll call vote taken.) 33 ayes, 16 nays, Mr. President, on the motion that LB492 become law not—

FOLEY: Motion is adopted. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign the certificate that reads LB492, having been returned by the Governor with his objections thereto, and after reconsideration having passed the Legislature by the constitutional majority, has become law this 31st day of May, 2019.