

FOR AN ACT relating to appropriations; to appropriate funds to the Department of Health and Human Services for alcohol-related birth defects prevention programs.

ANNOUNCEMENT

The Transportation and Telecommunications Committee elected Senator Stuthman as Vice Chairperson.

RECESS

At 11:29 a.m., on a motion by Speaker Flood, the Legislature recessed until 1:30 p.m.

AFTER RECESS

The Legislature reconvened at 1:30 p.m., Speaker Flood presiding.

ROLL CALL

The roll was called and all members were present except Senators Chambers and Hudkins who were excused.

PRESENTATION OF COLORS

Presentation of Colors by the Nebraska Army and Air National Guard.

INAUGURAL CEREMONIES

Chief Justice Michael G. Heavican, administered the Oath of Office to the newly elected state officials.

Governor Dave Heineman delivered the following Inaugural Address:

GOVERNOR'S INAUGURAL ADDRESS

Mister President, Mister Speaker, Mister Chief Justice, Members of the 100th Legislature, Tribal Leaders and other Distinguished Guests ... Friends and Fellow Nebraskans;

I am honored and pleased to have this opportunity to continue as the 39th Governor of this great state.

The experiences of the past year have provided me renewed energy and optimism about what lies ahead for Nebraska.

I want to first congratulate my fellow constitutional officers and the newly installed members of the Nebraska Legislature.

As I'm sure you have already experienced, it is both an awesome responsibility and an incredible opportunity to be able to serve the people of this state.

* * *

A remarkable trust has been placed in our hands ... and I have great confidence in the passion and abilities of everyone in this chamber to make the best interests of Nebraska their first priority.

I have tremendous respect for the members of this body and I pledge to continue building on the good relationships we have already begun...

Whether that relationship began years ago in the halls of this historic building ... or in the hours that followed last fall's election.

* * *

While we are here today to discuss some of the important issues that lie ahead for our state, I would be remiss if I did not call attention to the very serious and immediate challenges facing many Nebraskans.

The effects of the New Year's storm have left thousands of our fellow citizens without power...

I want to assure every Nebraskan that we are putting all of our available resources to work, and while there are difficult days and weeks ahead as Nebraskans work to rebuild what was lost...

I have confidence in the people of this state, and I know that we will get through this challenge.

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Early on as Governor, I said that I had faith that Nebraskans would reward good performance ... so I am grateful for the opportunity to stand before Nebraskans today to say thank you for the confidence that's been placed in me.

I pledge to the people of this state that I will continue to work as hard in the years to come as the first two I've spent as your Governor.

There's no doubt that there are exceptional opportunities on the horizon for Nebraska.

But we are also at a crossroads.

We are faced with a future of limited resources, as well as the

accompanying reality that state government cannot be all things to all people.

The days when state government could provide funding for every project are in the past.

Yet I will argue that we have extraordinary potential when it comes to making strategic investments that will move Nebraska forward and make our communities even stronger.

* * *

I believe in the people of this state, and I believe in each of you in this chamber.

I believe we have an incredible opportunity to make changes that will make this state an even better place to live, to work and to raise a family in the years to come.

I believe strongly in education and economic development.

Our state provides an excellent education to students of all ages.

The reality, however, is that we can no longer afford to ignore that many young people are leaving our state to begin their careers in other states and other countries.

This is a reality that we must change.

Creating dynamic, 21st Century jobs for our sons and daughters must be part of our vision for the future.

More than that, it must be a priority.

That is why I believe so strongly that education and Nebraska's continued economic vitality go hand-in-hand.

My hope is that we can make these pillars of our state even stronger in the future.

To do that we need to come together as educators, as business leaders, as employees, and perhaps most importantly, as parents ... to ensure that we create opportunities for our young people to remain in Nebraska and to be part of our great future.

A sustained focus on job creation and making Nebraska a competitive place for new business development is key to turning the tide and making our state a more attractive place for young families.

* * *

The need to create a 21st Century business climate is a call to action for every Nebraskan ...

However, the challenge for us as their representatives ... lies in finding ways to control the growth of government spending while providing real and broad-based tax reform in the years ahead.

In that regard, I want share with you today that I am committed to pursuing policy decisions that will help confront the challenges facing both us and the citizens of this state.

As every Nebraskan can attest, over the past two decades, Nebraska has become a high tax state.

I believe that we are at a crossroads and that there are two very clear paths.

We can act now and grow our state to meet the demands of the future ...

Or we can do nothing, change nothing, and watch the slow decline of a great state.

Nebraska can't afford the status quo.

I believe that together we have a unique opportunity to make changes that will help create the real and sustained growth that is needed to ensure that our sons and daughters can remain here in our state.

We all want them to be a part of Nebraska's future, and we are in a position to do something about it.

This opportunity is the result of a truly unique set of circumstances that brought the members of this body together.

* * *

The 100th Legislature is made up of senators who have experience and a fresh perspective.

The fact that a class of 22 senators is beginning its first session together is an opportunity we should not waste.

I've had several opportunities to meet with this year's class of new lawmakers, as well as our returning senators, and I know each of you brings a wealth of talent and ideas to address the challenges before us.

From taxes and spending, to education, water and the restructuring of

government ...

We need to confront these challenges and those that await us over the next four years head-on.

* * *

In one week, we will begin the discussion of Nebraska's future when I deliver the State of the State Address.

That discussion will center on providing real tax relief for our citizens and moving us toward a lower tax burden through the reform of our income tax system and providing tax relief aimed at middle-class Nebraskans.

Yet I also know that there is a need for our state to have an open, honest discussion about property taxes.

Ladies and gentlemen, our efforts at the state level to address local property taxes are a tax shift, not a tax cut ... and each one increases state spending.

We should acknowledge them for what they are ... and move forward with an honest resolve.

Toward that end, my budget will include significant investments in property tax relief ...

As well as my income tax reform proposal.

Both of these ideas will be contained in a tight-fisted budget that limits state spending growth to a far more reasonable and sustainable number over time ...

A far more reasonable number than we have historically achieved.

It is a budget that does what I told the people of Nebraska we would do ...

It makes difficult, prioritized spending decisions, and it respects the people who elected us.

* * *

I have confidence in this Legislature, and in the people of this great state.

Nebraskans have an incredible ability to come together and find solutions to the challenges we face.

Our people are truly our greatest resource, and the future of Nebraska rests with each and every one of us.

We need to engage our citizens in these difficult and complex policy discussions and then we must be willing to make the tough decisions that Nebraskans expect of their leaders.

I value the opportunity to work with you, and I believe very strongly that together we have an unprecedented opportunity to make changes for the good of Nebraska.

* * *

It has been an honor and privilege to serve this state these past two years, and I look forward to what we can accomplish together over the next four years.

I am excited about the opportunities in front of us, and I am enthusiastic about finding ways to resolve the challenges we face.

Together, we will chart a course toward a more vibrant and opportunistic Nebraska ...

A place that our children and grandchildren will proudly call home.

Thank you.

The Governor, Lt. Governor, Chief Justice, associate justices, newly elected state officials, and families were escorted from the Chamber.

PROPOSED RULES CHANGES

Senator Schimek offered the following proposed rules change:

Amend Rule 3, Section 4(e). Reference Committee.

(iv) The committees to which a gubernatorial appointee has been referred for confirmation shall conduct a confirmation hearing. Each appointee shall be required to appear in person before the committee conducting the confirmation hearing. The appearance of the appointee may be waived for good cause ~~shown by a majority vote of the members assigned to the committee conducting the hearing.~~ as determined by the chair of the committee.

The committee shall prepare a report either approving or rejecting the appointment. Said report shall be filed with the Clerk of the Legislature. The Legislature shall then have the opportunity to accept or reject the report of the committee.

Referred to the Rules Committee.

VISITOR

The Doctor of the Day was Dr. Brian Finley from Papillion.