

**FOURTH DAY - JANUARY 9, 1990****LEGISLATIVE JOURNAL****NINETY-FIRST LEGISLATURE  
SECOND SESSION****FOURTH DAY**

Legislative Chamber, Lincoln, Nebraska  
Tuesday, January 9, 1990

Pursuant to adjournment, the Legislature met at 9:01 a.m., President Nichol presiding.

**PRAYER**

The prayer was offered by Pastor Robert Kunz, First Christian Church, Lincoln, Nebraska.

**ROLL CALL**

The roll was called and all members were present except Messrs. Dierks and Rogers who were excused; and Messrs. Abboud, Ashford, Bernard-Stevens, Beyer, Chambers, Conway, Haberman, Hall, R. Johnson, Landis, Lindsay, McFarland, Morrissey, and Schmit who were excused until they arrive.

**CORRECTIONS FOR THE JOURNAL**

The Journal for the Third Day was approved.

**STATE OF THE STATE ADDRESS**

The following speech was given January 8, 1990, by Governor Kay Orr:

Mr. Speaker, Mr. President, ladies and gentlemen of the Legislature, friends, and my fellow citizens:

It's indeed a pleasure to join you as we enter the 1990s and stand at the gateway to the 21st century. We live in an exceptional time.

Dramatic changes swirl about us. Expectations long suppressed are given new expression. The image is fresh in our minds of the young people of Berlin, tearing down the wall, an act symbolic of a desire for a better life...a richer political, economic, and cultural life. Those changes are happening all over East Central Europe and the Soviet Union.

It's appropriate to recall that many of those who came to Nebraska had origins in Czechoslovakia, Poland, Germany, Russia, the Baltic countries and so many other nations. They came to Nebraska seeking a better life. They continue to come, receiving a better life.

But let us acknowledge and rededicate ourselves to the fact that the better life requires constant effort from one generation to another. As elected leaders of this state we bear much of the responsibility for making the decisions that ensure that better life.

In this first year of the last decade of the 20th century we are positioned to take measured strides toward the future. So it is that I look forward to the nineties with enthusiasm and optimism...convinced we can continue the momentum of recent years.

A moments reflection will reveal the landmarks of our progress. Recall 1987.

--Nebraska unemployment had climbed to 5.5 percent.

Today it is 2.9 percent, the lowest rate of any state west of the Mississippi.

--Manufacturing employment was down dramatically.

Today Nebraska's growth in manufacturing employment is one of the strongest in the nation.

--Job creation slowed to a virtual standstill.

Today 23,000 new jobs are on the drawing board. Approximately 15,000 jobs are already filled by Nebraskans.

--State finances were buffeted constantly like a kite in a gusty wind.

Today state finances have been stabilized...while dozens of other states are in serious financial trouble.

--Until recently advanced research and product development at the University were not competitive.

Today a bold initiative for advanced research at the University of Nebraska promotes economic opportunities for our citizens.

--Not long ago the morale of our teachers and professors was at a low ebb.

Today salaries have been increased, and renewed financial commitments enhance education at all levels.

The turn-around in Nebraska's economy has been noticed! A couple of months ago, the Christian Science Monitor reported that

"New economic development incentives approved in 1987 have polished Nebraska's national image."

These achievements evidence the strength and character of this state. The principles and ideals which bind us are far greater than the differences which divide us. We are committed to the pursuit of excellence in our educational system, and we place a high value on the unsurpassed quality of life that we enjoy.

Just a few years ago the collective vision of our citizens was blurred by conditions of economic stress. It was essential that self-confidence be restored and that renewed economic vigor be returned to the main streets of our communities. It was a time to build, and we did it!

Effective partnerships between government and the private sector were created. Individual initiative and hard work made those partnerships work. Those partnerships brushed away the clouds of misfortune and uncertainty, and set us back on course toward the realization of our hopes for the future.

One of my major responsibilities as Governor is to listen... to listen to the "whisper of the prairie," which, I must admit, sometimes sounds more like a roar. Through the Capital for a Day and most recently, the GREAT Town program, I have criss-crossed this state, listening to Nebraskans from our smallest towns and villages to our largest cities. Several communities hosted a Governor for the first time. Both of these programs have given me a far greater understanding of the hopes and dreams, as well as the problems and frustrations of the people of Nebraska. There is personal reward in visiting these towns. It gives me strength of purpose to study the faces of children in their classrooms, to learn from the wisdom of our elders, whose experiences are the foundations upon which we build the future. It's in these communities where so much of the true spirit and real strength of our people lie.

Bess Streeter Aldrich once explained her affection for her village of Elmwood with these words: "I have experienced a thousand times the warm-hearted hospitality, loyal friendships and deep sympathy of the small town."

And, happily so have I.

Nebraska small towns and their metropolitan counterparts form the fabric we call "community." Together those communities form the tapestry we call "Nebraska."

With all that as background, let us turn our attention to the matter at hand---Where do we go from here to attain the better life for all Nebraskans?

The proposals offered to you today will provide Nebraskans the opportunity to sustain and build on our progress, strengthen our people, and enrich our society as we prepare for the 21st century.

**FIRST...**

I believe that the fundamental responsibility of government is to protect its citizens and provide for their well-being and safety. To achieve that end I am proposing strong legislation that will help eradicate the problem of illegal drugs in our society.

- We must take away the profits
- protect our children in our neighborhoods and schools, and
- remove users from our streets.
- We must strengthen enforcement and prosecution and
- provide for expanded incarceration, treatment, and counseling.
- We must continue to educate both young and old about this deadly scourge.

I want to make it crystal clear. Nebraska intends to rid itself of this evil which is corrupting our youth and spawning crime in our streets. There must be more state drug enforcement officers on the front lines, backed up by tougher laws to take the glamour out of using and the profit out of selling.

I am recommending new appropriations to enhance enforcement, through the addition of 15 drug enforcement officers, 10 drug abuse resistance education officers, and the full reinstatement of paid overtime for the State Patrol.

Under the leadership of Colonel Harold LeGrande, Nebraska law enforcement...from our local police and county sheriffs, to state and federal investigators, are working together, making significant strikes against illegal narcotics activity. These are dedicated women and men, committed to protecting Nebraska families.

I am working with Senator Conway to further develop his proposal to impose an immediate assessment on the street value of drugs found at the time of arrest. Property...cars, houses, bank accounts...would be subject to seizure to satisfy the judgment.

Collection of this drug money should be used to help educate Nebraskans on the evils of drug abuse...to provide for drug treatment programs, and to fund enforcement programs.

In that connection, I urge the legislature to act promptly on Senator Chizek's LB 205, which will strengthen our state seizure and forfeiture laws and conform Nebraska law to the federal anti-drug statutes.

I endorse Senator Pirsch's bill to create Drug-Free School Zones across the state. This proposal follows the same lines as Mayor P.J. Morgan's successful efforts in Omaha.

I am working with Senator Lowell Johnson to deter drug dealers from involving minors in their illegal enterprise by making it a separate felony to hire minors as part of an illegal drug operation.

I support Senator Langford's proposal to suspend the driver's licenses of those convicted of drug-related offenses. To combat the "laundering of money from illegal drug deals, I am proposing a statute that will require financial institutions to report large cash transactions.

Our prosecution forces will be strengthened by doubling the Drug Prosecution Unit in the Attorney General's office.

Today our prison capacity is at 144 percent, 5th highest in the nation. Our new drug efforts will increase that percentage unless more prison space is provided. Thanks to the efforts of Senator Hannibal and his committee on Prison Overcrowding, we now have a coherent and logical basis for addressing the growing needs of the state's corrections system. Accordingly, funding for the addition of 430 beds to the adult facilities will be recommended. We have no choice.

If these prisoners are to have any chance of rehabilitation, they must have treatment and counseling; therefore, six mental health counselors should be reinstated in the Department of Corrections and a portion of the federal block grant reserved for law enforcement should be used to triple the current chemical dependency grant for both adults and juveniles in state custody.

Drug abuse is a plague threatening every single family. It is being fought in communities across the state and led by committed Nebraskans like Tom Barlow, Joe Edmunsen, Willa Kirts, Carl Washington, Paul and Kandy Hofmeister, Creola Woodall, Pastor William Barlow, Parents in Action, the Mad Dads, Malone Community Center, and the Drug Free Youth Network at Scottsbluff High School. Nebraskans expect our total commitment to this war. That commitment is reinforced today.

## SECOND...

We must continue to encourage business expansion and bring new job opportunities to Nebraska. As I've traveled and listened to the people and been involved in their plans for the future, I have been impressed by the independence, determination, and optimism that motivates Nebraskans to improve the quality of life in their communities.

In order to continue the revitalization of rural Nebraska increased resources must be available to the people who live and work in our rural communities. I have asked the Department of Economic Development to make changes in the Community Development Block Grant program to provide more flexibility to meet the various needs of our smaller communities.

Additional business assistance will be available through expansion of the direct loan and loan guarantee provisions, and funds will be available for retail business development in communities with populations of 25-hundred or less.

### THIRD...

Throughout our history, agriculture has been the foundation of Nebraska's economy. We are Number One in Agriculture, and prospects for the future are bright. Just last week Nebraska moved into first place as the leading cattle feeding state in the nation. Of the \$2.4 billion that will be invested under the economic development initiatives, approximately \$540 million will be devoted to the processing of agricultural products. That's good news. The rest of the story is that 1989 was a difficult year for Nebraska agriculture. Eighty-seven of 93 counties qualified for federal disaster relief.

The Drought Assessment Response Team, activated last April, will continue to stay abreast of drought conditions gripping our state. Until our prayers for replenishing snows and rains are answered, the drought situation will be monitored closely; and we will be prepared to act on behalf of our farmers, feeders, and ranchers.

This Fall, the people of Nebraska will...once again...have the opportunity to determine how agriculture real estate should be valued. I believe that ag-land should be fairly valued on its ability to produce.

### FOURTH...

Modern technology gives us the opportunity to link our state together to provide exciting new education opportunities to students and teachers in communities across the breadth of this state.

I will recommend substantial funding for Phase II of NEBSAT, the Nebraska telecommunications delivery system for education. The benefits of NEBSAT range from allowing students in low-enrollment schools to receive instruction from teachers in larger schools, to an MBA program to be offered at the Panhandle Research and Extension Center in Scottsbluff.

In addition, funding will be sought to enhance the delivery of nursing school programs to Scottsbluff by the University of Nebraska Medical Center in Omaha. Matching funds will be proposed so that 22 additional schools can purchase satellite dishes to receive Star Schools and NEBSAT programming. In all, the system will link 82 communities across Nebraska.

In that regard I wish to acknowledge the role of Jack McBride, Director of the Nebraska Educational Television Network, and the Telecommunications Coordinating and Planning Group, for bringing together a feasible plan for employing space age technology in the delivery of educational services.

## FIFTH...

The environment also demands our attention. Agriculture, municipalities, industries...the people of Nebraska, and wildlife compete for the use of natural resources. Cooperation and compromise will be a hallmark of continuing programs to balance these competing needs.

Specifically, in the area of water management non-point source pollution holds the greatest danger to all users of water in Nebraska. The NRDs are in the forefront of monitoring and addressing the management practices necessary to reduce the level of pollution. Indeed, they serve as a national example.

## FINALLY...

Property tax relief must be continued. One of the most important duties of any government is to insure that it takes from its citizens no more than is absolutely required to finance the services of government. Thanks to increased revenues resulting from our improved economy, we were able last year, through LB 84, to provide more than \$100 million dollars in property tax relief to Nebraska property taxpayers.

If there is one issue on which there is near unanimous agreement in our state, it is that local property taxes are too high. It is only proper that the state should, to the extent it can, assist in easing the burden borne by local units of government. Therefore, I will be proposing again this year, the legislature provide property tax relief in an amount of nearly \$100 million dollars. Tax relief is possible, but it must begin with spending relief.

Spending choices are never easy. Neither are vetoes.

The drought last year caused me to be cautious about the state's economy. I vetoed \$66 million of additional spending in light of that harsh reality.

There are signs that growth in our nation's economy is slowing down. Those signs are also evident in the tax receipts of states in our own region.

We in Nebraska must carefully balance a recovering economy with fiscal responsibility. In that regard you acted with commendable responsibility during the November special session in moving to protect our school districts, our cities and villages, our counties and other local governments from the threatened loss of millions of dollars in property tax revenue growing out of congressional action and decisions by federal and state courts. Together with Senator Warner's LB 7, the measures proposed offered a practical solution to this dilemma.

As you know, my expanded Response Team has been examining the constitutional questions surrounding the personal property tax.

The enlarged group is chaired by Attorney General Robert Spire. I pledge my cooperation as they fashion solutions that will pass final constitutional muster.

In connection with your consideration of property tax legislation, you will be dealing with the recommendations of the School Finance Review Commission. While I have some reservations about the Commission's proposals, I will follow the debate and discussion closely. If there is to be a shift from the property tax base to sales and/or income taxes, Nebraskans expect the absolute assurance that change will not increase taxes.

As we look ahead toward the 21st century, we can foresee expanded horizons for growth and development in Nebraska. We can envision changes that will come with increasing swiftness. The future will be filled with challenges and bright with promise.

And in that vision, there is one constant that sustains and supports us...the quality of life which is uniquely ours.

My own view is that our clean air, our rivers and lakes, and a wealth of recreational opportunities are very important to our quality of life. Our good schools, high literacy rate, affordable living costs, and the cultural opportunities to enjoy add much to long and healthy living in Nebraska.

But I think the essence of the quality of life is in our neighbors, our families, our friends. It is in the strength of the character of our people, in the willingness to work to achieve our visions. Nebraska's greatness today results from people not being guaranteed success, but from people having been given the opportunity for success.

Nebraskans have put their trust in you and their trust in me to do what is right. The key is knowing how much is right, and how much is enough. There is a serenity prayer which asks God: "Grant me the serenity to accept the things I cannot change, the courage to change the things I can, and the wisdom to know the difference."

In much the same way those of us entrusted with government leadership need to know what is necessary to provide, and what is not...and we need to have the wisdom to know the difference.

The 29th chapter of the Book of Proverbs reminds us: "Where there is no vision, the people perish."

Let us trust one another. Let us seek together the inspiration, the openness, and the vision for a brighter future.

Our tomorrows will be decided by the courage and determination of all Nebraskans. Together those of us who have been elected by the people to serve can help bring their vision to reality.

You have my every good wish for a successful and productive session. May your deliberations be blessed by the Almighty.