CLEMENTS: Good afternoon. Welcome to the Appropriations Committee. My name is Rob Clements. I'm from Elmwood and represent Legislative District 2, which is Cass County and eastern Lancaster County. I serve as chair of this committee. We will start off by having the members do a self-introductions, starting with my far right.

PROKOP: Hi. Jason Prokop, District 27, which is west Lincoln in Lancaster County.

M. CAVANAUGH: Machaela Cavanaugh, District 6, Omaha, west central, Douglas County.

LIPPINCOTT: Loren Lippincott, District 34.

DOVER: Senator Rob Dover, District 19, Madison County, south half of Pierce County.

STROMMEN: Paul Strommen, District 47, which is 9 counties on the Panhandle-- makes up the Panhandle.

CLEMENTS: Assisting the committee today is Cori Bierbaum, our committee clerk. To my left is our fiscal analyst, Suzanne Houlden. Our pages today are Demet Gedik and Wesley Earhart, UNL students. If you're planning on testifying today, please fill out a green testifier sheet located in the back of the room and hand it to the page when you come up to testify. Online position comments must be submitted on the Legislature's website by 8:00 a.m. the day of the hearing to be included in the record. If you have submitted a comment online, we ask that you not testify in person today. If you will not be testifying but want to go on record as having a position on a bill being heard today, there are yellow sign-in sheets at the entrance to my left. These sign-in sheets will become exhibits in the permanent record after today's hearing. To better facilitate today's hearing, I ask that you abide by the following procedures. Please silence your cell phones. Move to the front chairs to testify when your bill or agency is up. When hearing bills, the order of testimony will be introducer, proponents, opponents, neutral, and closing. When we hear testimony regarding agencies, we will first hear from a representative of the agency, then we will hear testimony from anyone who wishes to speak on the agency's budget request. When you come to testify, please state and spell your first and last name for the record before you testify. Be concise. We request that you limit your testimony to 3 minutes or less today. When you begin your testimony, the light on the table will

be green. When the yellow light comes on, you will have 1 minute remaining, and the red light indicates you need to wrap up your final thought and start. Questions from the committee may follow. Written material may be distributed to the committee members as exhibits only while testimony is being offered. Hand them to the page for distribution when you come up to testify. If you have written testimony but do not have 12 copies, please let the page know so they can make copies for you. With that, we begin today's hearing with Agency 50, Nebraska State College System. Please step forward. Regarding the time-- timing, the initial agency representative will not have a time limit, but people following you would have a 3-minute limit.

[AGENCY HEARINGS]

CLEMENTS: All right. Thank you for your attention. We'll now open the hearing for LB627, Senator Dover.

DOVER: Thank you, Chairman Clements. Good afternoon, committee members. For the record, my name is Robert Dover, R-o-b-e-r-t D-o-v-e-r, and I represent District 19. This bill as introduced would technically authorize the design and construction of residential facilities for students attending the UNMC nursing program in Norfolk, and appropriate funds to the Nebraska University System and allow the Board of Regents to finance such construction over time. I introduced this measure on behalf of the Norfolk community and the entire northeast Nebraska region. Since UNMC opened the College of Nursing Northern Division in 2010, the program has been a tremendous success, welcomed by Norfolk and the region. LB627 will allow the program to stay strong and ideally grow in years to come by addressing the housing needs of students wanting to enter the program. This bill will also introduce highly-trained, highly-educated young people into rural Nebraska. It will introduce them to the good life that Nebraska has to offer: great people, whitewater rafting, and a vibrant downtown area. A recent housing study shows that young people who meet and get married in a town stay and raise a family. Getting new health professionals introduced to rural northeast Nebraska and staying is a win for greater Nebraska and a win for the future of our state. I will be followed today by a contingent from Norfolk, who will better spell out the success of the nursing program and doc-- and document the need for housing to sustain and grow the program. In addition, you will hear testimony of how this program will complement other Norfolk redevelopment projects and the successful Growing Together effort that has made Norfolk the model for communities across the state. Norfolk

has set itself apart in how the community will get behind projects and find private dollars to support public efforts. The existing nursing program is just one such effort, as private dollars were utilized in the construction of the J. Paul and Eleanor McIntosh building, where the nursing program is housed. None of the other 4 UNMC nursing programs can make such a claim. To my fellow committee members, I recognize the difficult budget process we are in as we do our jobs here on the committee. As we finish hearings and complete our budget recommendations in the coming weeks, I know it will be difficult, but we will find ways to make prudent investments in our state's future. The funding request contained in LB627 is one of those investments that makes sense, as it will provide for public funding that will be leveraged with private funding to provide a solution for housing for UNMC students and continue development of the Norfolk riverfront. I recognize this request was not part of the University of Nebraska System formal budget submission. I trust that after you hear from the testimony today, you will understand why I am bringing this request forward to be included in this biennial budget recommendation. You also have before you AM408 that clarifies the initial \$250,000 will be appropriated in the '25-26 fiscal year. This will allow for initial work for the project. Secondly, the amendment adjusts the amount appropriated from the state [INAUDIBLE] \$750,000 per year for 20 years. This first \$750,000 will be appropriated in the fiscal year '27-28, in the next biennial budget. In closing, let me just say that this issue is critical to Norfolk community and northeast Nebraska, and I ask that you include this funding and intent language. Thank you.

CLEMENTS: Are there questions? Senator Spivey.

SPIVEY: Thank you, Chair. And thank you, Senator Dover, for your opening remarks. I just have a-- just a couple clarifying questions. So the project is not \$23 million. You're just saying over that course of time, that would be the state's investment to this project that has a larger budget size--

DOVER: Correct.

SPIVEY: --and is leveraging other funding.

DOVER: Yeah.

SPIVEY: Do you know the, the full budget for the scope of the project?

DOVER: So we're simply asking for \$250,000 for-- in this budget. So the only amount appropriated in this 2-year biennial budget would be\$250,000. And then starting in the next year, in the next biannual budget, it would be \$750,000 per year.

SPIVEY: OK. To equal, though, the \$23 million.

DOVER: Correct. Correct, over 20 years.

SPIVEY: So then for the full residential facility, is the project \$75 million? Is it--

DOVER: It's probably-- we're probably going to have to raise-- it-we're get-- we're, we're just in the planning stage, so maybe \$23 million. So we're probably going to raise, it could be-- I mean, this is all planning, right-- maybe around 8, \$8 million, in, in just local appropria-- well, local foundation funding or just from, from our friends, really? I mean, probably some of them are sitting back here.

SPIVEY: OK, so then you'll raise private philanthropy and other investments to help finish out the project--

DOVER: Correct.

SPIVEY: --outside of that. And then just as this coupled with the testimony from the university, so there is the nursing program specifically to support like rural nursing and healthcare access. And you-- and the community is like, behind this. I'm assuming there's been like community engagement around how do you keep and attract folks to the program and then have them live there? So is that like-- the community engagement, I guess. Is that a component of this process--

DOVER: Yes.

SPIVEY: --to ensure like, that it's utilized in the way-- it sounds like a very comprehensive, like, partnership and, and program.

DOVER: I think-- I'm pretty sure we were-- we're the only community that actually funded the UNMC nursing college through public funds-or usually through private funds--I keep saying public. Private funds, we're the only one. And I think it was \$13 million back in 2010. So just figure what that would mean today, as far as raising funds. And, and we are-- I think it was-- gosh, was it Johanns and-- well, there were 2 governors. And this,z and this is kind of funny, but it wasn't

so funny to us at the time. But we always had Johanns and another governor come up and speak to us, right, into our boat. And he'd always say, well, Senator, nice, nice to be here in Norfolk, little miracle on Highway 81. And then he'd go on. Well, we knew what-- you know what that meant. We had no Interstate, we had no rail, and we had no [INAUDIBLE] a river. So I think we pride ourselves in surviving and growing. So we, we have good people like other communities across the state, but we really have to work hard because we don't have those things to rely on.

SPIVEY: Thank you, Senator.

DOVER: Thank you.

DOVER: Other questions. Seeing none, will you be here to close?

DOVER: Yes, I will.

CLEMENTS: All right. Next, we invite proponents for LB627. Good afternoon.

KATHY NORDBY: Good afternoon, Chairman Clements and members of the committee. My name is Kathy Nordby, and I am CEO of Midtown Health Center, located in Norfolk, with satellite locations in Madison and West Point. I'm here today in support--

CLEMENTS: Would you spell your name, please?

KATHY NORDBY: Oh, sorry. K-a-t-h-y, Nordby is N-o-r-d-b-y. I'd especially like to thank Senator Dover for introducing this important legislation. Midtown Health Center is a Federally Qualified Health Center, and we're dedicated to providing high-quality medical, behavioral, and oral healthcare services for those facing barriers to care. In 2024 alone, we served over 8,600 patients, including over-or nearly 28,000 visits. Of those visits, 18,000 of them were medical visits. I've been working at Midtown as their leader for 14 years, and prior to that I was the [INAUDIBLE] director for 9 years. And so I, I recognize well the shortcomings of the healthcare system and the, the struggles that we've had, experiencing the persistent healthcare provider shortages. I really, over that time, have strengthened my belief in that a grow our own approach is the most effective solution to building and sustaining a healthcare workforce. Data from UNMC's nursing program offers hope in 2 key areas for us: 75% of its graduates from the northeast-- from the UNMC Northern Division stay in the community. That brings us 30 new nurses every year. Additionally,

UNMC is planning to ex-- expand its enrollment by 40% over the next 5 years, by doing a twice-a-year admission to kind of stabilize and, and increase capacity. That could bring another 55 graduates, with 45-- 40 staying in the area if they stay true to their placement. I have been a long-standing member of a-- of the partnerships where we do career development. I've done all kinds of things trying to strengthen our, our workforce. I, I serve on advisory committees. I have student nursing rotations, all kinds of rotations for health professionals, trying to bring them into my service area, into my facility so they get to meet our patients and we get to meet them. We develop internal career ladders, and we actually have hired UNMC instructors. This bill seeks a partnership between state and local resources that addresses the logistical challenges by increased enrollment. We're replicating the Wayne State College student. And when I learned of that program, I said, why are-- why aren't health careers doing this, too? This proposal actually builds on a proven strategy that reverses population trends and supports the healthcare system. You can help Midtown, you can help hospitals, you can help nursing homes, and the entire spectrum of healthcare services across the continuum in their small Norfolk-- or excuse me-- Nebraska communities. I hope you will support this bill, and I really appreciate your time and your support of healthcare systems. I'd be happy to answer any questions.

CLEMENTS: Are there questions? Seeing none, thank you for your testimony. Just as a reminder, everyone, because we have 5 bills to hear yet, we're still on a 3-minute time limit. So next proponent, please. Welcome.

AUSTEN HAGOOD: Hey, thank you. Chair Clements, members of the Appropriations Committee, my name is Austen Hagood, A-u-s-t-e-n H-a-g-o-o-d, and I'm the president and CEO of the Norfolk Area Chamber of Commerce. On behalf of over 800 members and business leaders, I speak in total support of LB627. Before I jump into this, I'd like to thank a couple Norfolkans that came out just to support us, our economic development team from Norfolk, Candice Alder and Mel Figueroa, Aaron Otten, president and CEO of Elkhorn Valley Bank, president of Northeast Community College, Leah Barrett is here, and Regent Jim Scheer. So thanks, everyone, for coming. Over the past few years, Norfolk has seen steady growth. Our businesses are thriving, our schools are expanding, and more families are choosing to call Norfolk home. But with this growth comes a challenge that we must address head on, and that's housing. And nursing students are not exempt from the issue. As we all know, nursing students become the backbone of our healthcare system. They dedicate years of their lives

to rigorous studies, practical training, and eventually, to serving those in need of care. However, one of the biggest obstacles these future nurses face is a lack of affordable and accessible housing. This issue is not just about providing a roof over their heads. It's about ensuring these students can focus on their studies, gain experience through clinical placements, and become the skilled nurses we need to support our population. If students have to struggle with long commutes or [RECORDING MALFUNCTION] to perform at their best, affecting the quality of healthcare in our community and in our state. By investing in more housing for nursing students, we're making an investment in our healthcare system and in the future of Norfolk. We want Norfolk to be a destination for these students, and this investment will create a book end to our downtown and a college experience these nursing students won't find anywhere else in the state. We've got to come together and address this need and create opportunities for students to succeed and Norfolk to continue to grow. I'd like to thank Senator Dover for introducing this [RECORDING MALFUNCTION] questions.

CLEMENTS: Questions? Senator Spivey.

SPIVEY: Thank you, Chair. And thank you so much for being here. And this is more so a comment. I worked in philanthropy and would go across the state. And so I just appreciate you acknowledging all the partners, and I think that's one of the beautiful things, when you talk about economic development and trying to get a project. You all are here advocating. You have corporate, Federally Qualified Health Centers [INAUDIBLE] government coming together, so appreciate you just lifting up your other partners that are here that maybe won't get on the mic. So, that was it.

AUSTEN HAGOOD: Thank you.

CLEMENTS: Other questions? Senator Prokop.

PROKOP: Thanks for being here. I decided to ask a question to follow up on something Senator Dover mentioned in his opening there, a discussion on public-private partnership. Can you talk a little bit to the private side, as a Chamber leader, what, what that might entail?

AUSTEN HAGOOD: I think once we can work out a deal here, we will go back to Norfolk and tell our friends there, folks, this is what we got and this is what we have to raise. And Norfolk has a long history of being able to fundraise just about anything we put our minds to.

PROKOP: Thank you.

AUSTEN HAGOOD: Yeah.

CLEMENTS: Thank you for your testimony.

AUSTEN HAGOOD: All right. Thank you.

CLEMENTS: Next proponent. Good afternoon.

ANGIE STENGER: Good afternoon. I am Angie Stenger, A-n-g-i-e S-t-e-n-g-e-r. And Chairman Clements, committee members, thank you for having us here this afternoon. I'm the executive director of the Growing Together Northeast Nebraska Workforce Initiative that is powered by the Aksarben Foundation. You heard a little bit about it earlier in the Wayne State testimony. And this is the, the program that was created by local leaders, along with the Aksarben Foundation, to be a multi-tiered approach to help our community increase high-wage jobs and inspire young people to remain in northeast Nebraska. So I'm here today to tell you a little bit about the critical need for this dedicated healthcare student housing in downtown Norfolk. The, the staff and faculty of UNMC shared the-- the College of Nursing in Norfolk shared their recent housing survey. I have summarized it for you. It is on the back of the 1 piece of paper that you have received. They shared it with our business community, and I wanted to share it with you because it has shown an urgent need. And as I've met with members of both students and faculty out there, the growing demand for affordable, accessible, suitable housing options for these students. Of the students surveyed, you'll see a majority expressed strong interest in living downtown Norfolk, and they want to be a part of our community, which is everything that we are working towards. Our goal is that if they can live downtown in like areas, with people of their same age, same interests, that they can build relationships and build community. But our challenges do persist, because students have told us that limited availability of housing, the high costs of housing, and the difficulty of finding secure and modern accommodations is-there's quite the barrier. Many shared personal stories of struggling to find housing that aligns with their budgets because they are going to school full time and often doing clinical rotations. Addressing these housing needs is not just a matter of convenience. It is essential for the sustainability and growth of the nursing program in northeast Nebraska. The second handout you received comes from Faith Regional Health Services in Norfolk, showing their workforce needs over the next few years. In conclusion, I'm asking that investing in

student housing in downtown Norfolk is an investment in the future of healthcare for Nebraska and hopefully northeast Nebraska, and an opportunity to strengthen our community. So I appreciate your time today and the opportunity to help us welcome new residents to downtown Norfolk, and hopefully lifelong residents. Any questions?

CLEMENTS: Senator Spivey.

SPIVEY: Thank you, Chair. And thank you so much for being here. I just had 2 quick questions. Has the Aksarben Foundation given any interest into this program, and specifically, like supporting the housing components from a philanthropic space?

ANGIE STENGER: No. That has not been any of the conversation as of yet. The Aksarben Foundation at this point is funding my position and helping to fund my position to do the work. I kind of call myself the workforce matchmaker. I'm the person that's helping bring people together. But-- and so when the UNMC assistant dean told me about the need for housing last fall, it's something we started to look at. As things come up as important, we, we bring people together. But no, they have not specifically, in any, any way.

SPIVEY: And then, my other quick question-- with this survey, and I guess the potential plans with this housing, so the students that live there will still pay something.

ANGIE STENGER: Yes.

SPIVEY: It would not be free, but it would be affordable, based on them being full-time students.

ANGIE STENGER: Yes.

SPIVEY: And would that payment be-- like, could they use their Pell Grant to--

ANGIE STENGER: Yes.

SPIVEY: OK. So.

ANGIE STENGER: I believe that-- I mean, it would be a university-run program, but yes, that is the intention that it would be a part of their--

SPIVEY: Room and board considered--

ANGIE STENGER: Yes. Exactly.

SPIVEY: --or something like that. And then if not, then they can pay it-- something nominal that would still-- allows for some earned revenue to come into--

ANGIE STENGER: Yes.

SPIVEY: OK.

ANGIE STENGER: Yes.

CLEMENTS: Other questions? Seeing none, thank you for your testimony.

ANGIE STENGER: Thank you.

CLEMENTS: Next proponent. Good afternoon.

ANDY COLVIN: Good afternoon, Chairman Clements members of the Appropriations Committee. I appreciate you having me here. My name is Andy Colvin, A-n-d-y C-o-l-v-i-n. And I am the city administrator for the city of Norfolk and I'm also here speaking on behalf of the Norfolk Area Economic Development Council, as I also serve as a advisor on that board. First off, I want to thank you all for your service to the citizens of Nebraska. I know the work you do is often thankless, and I can't imagine the countless hours and days you spend away from your jobs and families, so thank you for your commitment. I'm going to talk to you today about partnerships. We hear the word a lot, and it's easy to miss it sometimes. But I'm going to tell you a brief story about partnerships in Norfolk, and why they are a critical investment to sustain our future of our state. Partnerships are a key component of economic development in rural areas. Particularly in small rural communities, we have to foc-- we have to work harder and be more deliberate in our strategies for growth. We've also come to realize that nobody is going to rescue us or solve our economic woes on our behalf. We need to craft solutions to prevent the loss of our young people, along with their work ethic and innovative spirit, to larger cities and other states. Norfolk and our surrounding communities has come to the conclusion that we need to pause pursuing jobs in factories and instead focus on retaining and attracting talent, or quite simply, attracting people. With a state unemployment rate of under 3% and over 50,000 open jobs, bringing in more jobs can stress an already difficult situation for Nebraska businesses. Jobs are more mobile than ever, and in many cases, following people wherever they go. The more reasons we can give people a reason to-- or

the more opportunities we can give people a reason to move or stay in Nebraska, the better for all of us. Norfolk is living proof that the power of partnerships leads to success. Partnering with Wayne State College to allow students to spend their senior year working for Norfolk businesses and industries, partnering with local developers to build suitable housing for those very same students, and partnering at Northeast Community College for the iHub Workforce Training Lab, all located around Norfolk's historic downtown and completed Riverfront project, made possible by partnerships with local agencies, generous donors, and the state of Nebraska. The infrastructure needed to accomplish this is right here in front of us, across the entire state, in every community. The infrastructures and partnerships where everyone has a role and a responsibility to play in the overall strategy, which is to retain and attract people to our communities, which brings me to LB627. This is an opportunity for the state to expand a partnership with not only Norfolk, but also the communities found in every corner of northeast Nebraska to address a shortage of nurses and healthcare workers and grow our economies. The UNMC nursing program has been tremendously successful in Norfolk, and Norfolk is a hub and I'm very proud of that. We need our surrounding communities and they need us. And investment in northeast Nebraska, such as the one included in this bill, I promise you will return dividends for generations to come. Providing housing for nursing students to live and work in Norfolk, exploring employment opportunities at hospitals and other healthcare facilities in the region, living and working among other similar students, enjoying the amenities we have to offer, all made possible with partnerships. This has too many benefits for the state to pass it up. Furthermore, access to quality healthcare is a cornerstone of every community, and nurses and other healthcare workers are badly needed today more than ever. It is my hope that you will look favorably on LB627. I will conclude now, Mr. Chairman. And I realize that this is a tough budget year. It is for Norfolk, as well, but we can't use that as an excuse to not invest in our future. The returns to rural northeast Nebraska and the entire state on a project like this are too great for me to quantify, and too much for me not to share my optimism and excitement with all of you. Norfolk can handle this. We have a proven track record of successful partnerships. Thank you for allowing me to speak today, and I'm happy to answer any questions you may have.

CLEMENTS: Any questions? Seeing none, thank you for your testimony. ANDY COLVIN: Thank you.

CLEMENTS: Next proponent.

JASON LOVE: Hello. Jason Love, J-a-s-o-n L-o-v-e, with-- market president from Midwest Bank in Norfolk. Good afternoon and thanks for your time today. I would like to highlight some of the successes of the Growing Together efforts in Norfolk, as well as northeast Nebraska. I think one of the most recent tangible successes we have had is finish-- finishing-- finished last summer, the revitalization of Johnson's Park. This project was a success, due to the support of local government, multiple foundations, and more importantly, from the support of local donors from Norfolk. Johnson's Park was a focal point in the summer of 2024, for many families throughout northeast Nebraska, and has continued to be a focal point with the completion of the night-- the new ice skating rink. This has and will continue to help us retain and attract young families to Norfolk. Secondly, and probably the largest success in my eyes is the number of young adults staying and working in Norfolk and-- as well as northeast Nebraska. Through our partnership of -- with Wayne State College, which you guys heard earlier on, speaking for, for me personally, our company has successfully hired 2 students from the first wave of students that came through the graduating class at Wayne State, and we're hopeful that we'll hire 2 more this, this May. Over the last 5 years, the private sector has invested millions of dollars in our downtown. The first Norfolk property is an entry point to our downtown, and with the develop-- redevelopment of this property, we will continue to see success for years to come. LB8-- LB627 will continue to-- will help accelerate the effort by providing funding that will be leveraged for an anchor project that will not only aid in redevelopment, but find needed housing and growth for our UNMC pro-- program. While LB627 benefits Norfolk, it also benefits all of northeast Nebraska. The number of clinics, hospitals, nursing homes within a 60-mile radius of Norfolk is significant. The, the nursing college looks to help provide, provide nurses for these communities. Lastly, I would like to highlight the success of local fundraising of multiple projects in Norfolk, which includes our new, our new YMCA, which, which opened up here recently, in the last couple years, which was in excess of \$13 million, the nursing college, which was, which was in excess of \$10 million, and lastly, the most recent project, providing millions of dollars into the Johnson Park redevelopment. Thanks for your time, and I ask for your support in LB8-- or LB627.

CLEMENTS: Are there questions? Seeing none, thank you for your testimony.

JASON LOVE: Thank you.

CLEMENTS: Next proponent.

ALLISON MASON: Good afternoon. My name is Allison Mason, A-l-l-i-s-o-n M-a-s-o-n. I was born and raised in Norfolk, Nebraska, and I reside there today with my husband and daughter. Following graduation from Norfolk Catholic, I went on to the University of Lincoln to do my undergraduate studies and then attend law school. After I graduated law school, I moved to Omaha, with the desire to grow and explore opportunities. After an employment opportunity arose for my husband, who was a Gretna native, we moved back to Norfolk. Norfolk was always home for me, and I moved back partially with a desire and aspiration to contribute to my hometown's growth, and my husband shared that same sentiment. Since moving back to Norfolk in 2018, I have seen tremendous growth and transformation of Norfolk into a thriving and youthful community. You've heard a lot about the Growing Together Initiative, and that initiative has made Norfolk attractive and accessible for young adults looking for a place to live and grow their family. But for a community to thrive, you need its residents to be happy and healthy. And having a strong healthcare system in Norfolk is vital to its success, and it's important for the momentum of the Growing Together Initiative. Having a vibrant healthcare system and access to nurses and doctors of varying specialties ensures that residents, young families, and aging adults have access to the necessary medical services. This includes routine checkups, emergency care and everything in between. We rely on our local services for convenience, but also for those folks who don't necessarily have the means or ability to travel long distances in order to gain their healthcare. And having that healthcare local gives us a sense of security and a reason to stay. Like for me and my family, a routine, 1-hour appointment for my daughter that I can't get in Norfolk turns into a half day off work for me and my husband to travel in order to gain those healthcare services. Similarly, with having parents in Norfolk and grandparents in Norfolk and those aging, having to travel for those services is -- also can be a burden. The overall quality of life in a smaller community can be directly improved when the residents can rely on timely and comprehensive medical care. The success of the nursing program depends on this bill. I have personally opened my home to a PA student who was doing a rotation in Norfolk who had housing but was not suitable. I have also offered my home to a relative who was looking to attend the nursing program in Norfolk. With that, I would encourage you to pass LB627 and I'm open to any questions. Thank you.

CLEMENTS: Questions? Seeing none, thank you for your testimony.

ALLISON MASON: Thank you.

CLEMENTS: Next proponent, LB627. Welcome back.

JIM SCHEER: Good afternoon. My name is Jim Scheer, J-i-m S-c-h-e-e-r, and I'll try to give you some of your time back, Senator. I'm here 1) on a personal basis. I'm not representing the university, so my comments should not be construed to be that of the university. We have not discussed this project, so these are my own. However, having said that, I can certainly see the relevance and the advantage to having a facility as such in Norfolk to help house the nursing demand. Those nursing students do go out throughout the larger portion of the state of Nebraska. Most of them that are attending there are wanting to stay in a rural area, and are probably coming from a rural area, just to go back to that rural area to help provide, provide service. One item that hasn't really been discussed very much and I'm familiar with it because it's happened to me before, the university, UNMC will have rotations outside -- to experience the rural areas for physical therapists and other spots. Well, it's really hard to find housing for a 60- or 90-day stint. Not many people want to rent anyplace, and it's very difficult for them to find. And I've had several that have lived in my basement, simply because there was just no other al-alternative. And that really hinders not only Norfolk and northeast Nebraska, because we are unable to provide a really adequate living facility for them to even have interest to coming back to that area to service, but it also doesn't give those people a very good-- those that do stay and provide that rotation, I'm not sure they really leave with that great of a taste in their mouth for our rural activity. If you have to live in somebody's basement, you know that's not probably the most conducive to encourage people to go out in rural Nebraska. So providing adequate housing that would give them some type of a home base certainly would be a benefit. But anyway, I do thank you for your time and I appreciate it. And personally, I'm, I'm very much in, in support and endorse the project. Thank you.

CLEMENTS: Are there questions? Surprised you say the university has not discussed this project, for what it's worth.

JIM SCHEER: Well, it just sort of came up to be quite honest, Rob. So Senator, I-- we-- I was not really aware of it. And that's part, again, going back to my age-related difficulties, because I think it was explained to me one time at breakfast in a restaurant. And due to

my lack of hearing, I just sort of smiled and nodded my head and I didn't really fully understand the conversation, so probably more my fault than anyone else's, but that's-- I'm going to add that one to the age related.

CLEMENTS: It appears that the university is going to be an integral part of this--

JIM SCHEER: Absolutely.

CLEMENTS: --getting students there and [INAUDIBLE].

JIM SCHEER: Well, let me, let me, let me preface that, though, Senator. In all honesty, from my previous time here this afternoon, the university's priority are clearly the budget and the NEXT project. And although this would be wonderful if we could have, I'm, I'm not under any illusion that those are not to-- the, the major things that we are looking for and would hope to be successful in relationships to appropriations. So it's not because we, we aren't interested, it's just we do have priorities like everybody else.

CLEMENTS: All right. OK. All right. Thank you--

JIM SCHEER: Thank you very much.

CLEMENTS: --for your testimony. Other proponents, LB627. Seeing none, anyone in opposition? Seeing none, anyone here in the neutral capacity? Good afternoon.

MATT BLOMSTEDT: Good afternoon. Chairman Clements, members of the Appropriations Committee, thank you for the opportunity to testify before you today. My name is Matt Blomstedt, M-a-t-t B-l-o-m-s-t-e-d-t, and I serve as the associate vice president for government relations at the University of Nebraska. I appear before you today to offer neutral testimony on behalf of the University of Nebraska regarding LB627. The university is grateful for the support of the UNMC College of Nursing program and for the support of the Norfolk community. We are also grateful for the leadership of Senator Dover on this and other budget requests under consideration for the University System. Although LB627 is not among our priorities for this session, the partnerships such as the College of Nursing has de-- has developed with communities and with the community colleges, healthcare providers, and, and others across the state of Nebraska are models for ongoing growth and development, which bolsters the University of Nebraska as an economic driver in the state. We are excited by the

possibilities of such models to further develop partnerships and programs across the state and across the system. Specifically, we know that housing is a unique challenge and barrier to economic growth and development. This challenge exists in nearly every setting with a post-secondary presence and beyond. We plan to be engaged in these conversations to help grow the College of Nursing program in Norfolk, and establish models to help sustain and grow the necessary healthcare workforce in every corner of the state. We know we are in challenging times, but with the tenure of President Gold just in the first year, one can already sense a vision that will solve challenges and establish capacity and grow the presence of the university in every sector across Nebraska. This solution-oriented approach is refreshing, especially in challenging times. We know that the university shares that enthusiasm and growth mindset with the community and partners in Norfolk. We will stay involved in this conversation, understanding that it is not everything -- that not everything is settled for the remainder of the session, and the university will always pledge to be a solutions-oriented and dedicated partner to the state and to the communities across Nebraska.

CLEMENTS: Thank you. Are there questions? Seeing none, thank you for your testimony.

MATT BLOMSTEDT: Thank you.

CLEMENTS: Are there additional neutral testifiers? Seeing none, do we have online comments? Position comments for the record: proponents, 16; opponents, zero; neutral, zero. That concludes the hearing for LB627.

DOVER: Oh, I'm not done yet.

DORN: Closing.

CLEMENTS: Oh, excuse me.

DOVER: If you don't mind.

CLEMENTS: Sorry. Senator Dover, you're welcome to close.

DOVER: Thank you. For clarification, we have-- I don't think you've seen that, but we have a wonderful opportunity in Norfolk, Nebraska. We have-- where it's a big box store, we're on the edge of our, our area of restaurants, and there's a lot of activity there. In fact, I went out with the mayor returned. I had not been out-- I usually don't

go out too much in Norfolk later at night. Every, every parking place was filled. So we have a wonderful thing going on there. And we have a corner on Norfolk and First Street. That's going to be used for something, right? And so there's been discussion -- what could we use it for, what's the best thing for Norfolk, how can we anchor our downtown and those kind of things, because we are a little miracle on Highway 81. And we worked really hard. And in defense of Regent Scheer, he called me up and said, what the -- are -- what's going on here? I haven't heard any-- what's going on? And so this, this wasn't driven by the university or anyone. This is driven by the people behind me here, saying, what, what we should do. And also they said, let's get a bill out. So I-- we squeaked by on the, the last hour to get a bill out. And this surprised a lot of people, including Regent Scheer. He was in the meeting where we kind of had, had a coffee and kind of talking around a bit, but he was sitting on the opposite side. It was a noisy room, and he has hearing aids, as Senator Dorn might understand -- and wasn't thinking we were talking [INAUDIBLE] kind of stuff. So he did not hear what was going on and was quite surprised when it hit the paper. So this wasn't anything that was really [INAUDIBLE] planned, except by the people behind me. I believe in, in all of Nebraska and greater Nebraska. I think that a strong Nebraska is all the communities from Elm-- Elmwood to Harrison, right--- all across the state. We are only a strong state when every community, every village, every town, every city is strong. And some of us come from a more rural Nebraska. We have to do what it takes to make every town strong, and this helps us make us strong. Please excuse the fiscal note. It's not \$23 million. I think it probably ends up somewhere around 15. That means we would raise 8, 8 ourselves. OK, so we're not asking for anything. So we would raise on \$8 million ourselves. We're asking for \$15 million, but we're not asking for \$15 million, like boom. We're asking for simply \$750,000 a year, which is a significant amount of money, but it is, I think, a tolerable amount of money, to help Norfolk grow. If we can-- we're losing people in towns, villages, cities, even in Lincoln and Omaha. And if we can have a-- and, and what the kids want, they want a cool place. We are dreaming of an Old Market in Norfolk. And we will be going after additional private funds through foundation aid and stuff to have a theater. We would like to have a downtown with a theater like an Orpheum, right, where people can go out in Norfolk. They can go to the theater. They can go to a play. They can go to a Broadway play. They can go to music, and go to the restaurant before; maybe go to the restaurant after. So we have big plans. That's what made Norfolk successful. And I really would ask for your support on Appropriations,

because I can't do it without you. Norfolk can't do it without you. We are-- and we are a regional hub. It's not just about Norfolk. It's about Battle Creek, Battle Creek, Stanton, Madison, I mean all of northeastern Nebraska. We have Nucor, we have the Crush plant. We have a lot of employ-- a lot of companies employing a lot of people, and we are the hub that they depend on. So I-- again, I would simply ask for your sic-- your support in this bill.

CLEMENTS: Are there questions?

DOVER: And be glad to answer any questions anyone might have.

CLEMENTS: Questions? I had a question. Who will own this building initially?

DOVER: Eventually, after it's paid off, the university.

CLEMENTS: No, I said initially.

DOVER: Oh, sorry. That-- we don't know.

CLEMENTS: Who's going to build it?

DOVER: We don't, we don't know. We're asking for-- I mean, this-- I mean, again, it came down to the wire. We got the bill out. So we're asking for the \$250,000 over these next 2 years so that we can get and hire the appropriate people to come up with the financing model, to find out who the builder would be, and those kind of things.

CLEMENTS: How many living units will be in it?

DOVER: 100.

CLEMENTS: 100?

DOVER: Yes.

CLEMENTS: OK. And how many nursing students are there now?

DOVER: I'd have to-- I, I could get that to you.

CLEMENTS: OK. All right.

DOVER: Sorry.

: It's about 50.

DOVER: About 50.

: Then they want to double.

DOVER: And we want to double. And also, we're looking-- we're also looking at the hospital, perhaps leasing some space there, when they have doctors that are coming into the community and those kind of things. This is, this is a, a big dream, but this is not a-- this is an important dream for us, and we will make it happen. We-- Norfolk has a history of success, but we really need all of you to support us. And we, we'll-- we will bring the returns in tax-- in property tax, in sales tax, in income tax, and, and, and we will thrive.

CLEMENTS: And the university is saying they haven't really discussed this project. How much discussion-- have you had anything?

DOVER: We, we, we asked them-- we-- after we were down the road and the bill was introduced, we said, do you have any idea what this might cost? Right. And they said, well, I don't know. Because they're building, they're building something over in Omaha now. And I can't remember the exact number per unit. But if you take 23 and divide it by 100, you're pretty much a co-- of what, what a unit might cost. So we did that-- and so we-- afterwards, we did reach out to them. But we're-- they have big fish to fry and this is not on their agenda, but it's definitely on the people here's agenda. It's on northeast Nebraska's agenda.

CLEMENTS: Very good. Seeing no other questions, thank you.

DOVER: Thank you, Chairman Clements and committee members.

CLEMENTS: That will close the hearing for LB627.

HUGHES: Do you want me to start?

CLEMENTS: All right. We now open the hearing for LB11. Senator Hughes, welcome.

HUGHES: Well, thank you, Mr. Chairman. And members of the Appropriations Committee. I am Jana Hughes, J-a-n-a H-u-g-h-e-s, and I represent Legislative District 24. And you guys must be working very hard today in here because it's like 100 degrees. So, my room, I had a blanket on. It's freezing. I am here to introduce LB11. LB11 provides for the direct appropriation of funds to the partner institutions who currently fund the N-- Nebraska Statewide Workforce and Educational

Reporting System -- a mouthful -- call that NSWERS -- within their existing budgets, along with the contribution of private donations. The Nebraska-- I'm just going to-- the NSWERS program was created in-by LB1160 in 2020. The purpose of this act was to work toward a long-term goal to target our limited resources on workforce development. NSWERS was created to build a system to utilize and analyze data to assess our progress in developing our workforce, the effect and-- effectiveness of our educational systems on achieving this goal, and for us in the Legislature to prepare appropriate policy toward building and retaining our future workforce. LB1160, NSWERS, was tasked with providing workforce outcome data to our post-secondary institutions to guide them in improving their programs, their educators, and their institutions. It was tasked with supporting students and their families to understand what education, training, and career path-- pathways best prepare them to succeed in the workforce, and also to provide us in the Legislature with data on student achievement and workforce outcomes to quide us in our policy-policymaking. It also tracks workforce outcomes to align policies and programs within the workforce needs. It uses data to identify and close education gaps and to figure out the long-term return on investment from early education -- early childhood education. NSWERS works bo-- with both the Departments of Education and Labor here in Nebraska. As I mentioned, NSWERS is currently funded through the existing budgets of the partner institutions and from private sector donations. NSWERS partner institutions include our Nebraska State Colleges, our community colleges, the University of Nebraska System, and the Department of Education. LB11 seeks to assure the continuation of NSWERS well into the future by appropriating a total of \$523,572 in fiscal year '25-26, and \$719,180 in fiscal year '26-27, evenly split among the 4 groups. LB11 provides stability and funding necessary to ensure that we can continue the long-term data analysis needed to know if our policies are working, in terms of both education and workforce. LB11 puts NSWERS on a more stable path to fund the important work that they do, which we, and ultimately, the Nebraska taxpayer benefit from. I thank you for your time and consideration and welcome any questions you have. And I do want to mention, if anybody hasn't yet sat through an NSWERS-- I don't know what you call it-- like a-- an example and a-- like an hour-long presentation, it's, it's phenomenal the data that we can get from that. And we, as a legislative body, need to be very versed, and I think-- because it's such a new thing and it's just really up and running now. We need to have our policy dried by the information we get from it, and figure out what policy going forward, using data from that, so that we're really targeting our policy to

meet, you know, what outcome we're expecting. But I encourage you, if you haven't already, to, to sit through a demonstration of it, because I think all of you would find it very beneficial. And I would honestly suggest if you have-- because we have so much time-- even 1, 2, or 3 times hearing it and seeing different aspects of it is helpful. So that's it, if you have any questions.

CLEMENTS: Are there questions? Senator Spivey.

SPIVEY: Thank you, Chair. And thank you, Senator, so much for your opening remarks. To your kind of point, around like seeing the presentation and the data, so I just want to make sure I'm understanding this correctly. This group of folks will take the data around workforce and how that's working with post-secondary education. And then, they're putting out information to maybe chambers of commerce, folks in the business community, around this is where we need to target for, let's say, to grow this industry or this is how this is working together. Am I understanding that correctly?

HUGHES: Yes. So right now, NSWERS is-- and I don't know all the technol-- and we've got the experts behind, so I, I highly recommend asking more detail there. But it's, it's-- they've already coll-collected data and it's in a system that A) will give reports, but better, you can, you can change pieces in it. And you say well what if, what if we want to target the technical field. We need more HVAC folks, or whatever. And they've got all this data, you know, from kindergarten through post-secondary education. We need more in this-you know, on the 2-year degree for that. What can we do prior to that? And, and, and we can target scholarships or we can-- and you can see how that works and-- to, to get the outcome you need. So again, I welcome-- there's Mr. Hastings coming behind me, I believe, speaking, so you can ask some detailed questions. But I definitely encourage you seeing a demonstration of what it can do.

SPIVEY: And then my, and then my only other question was: The appropriation is because they are growing in capacity or the, the need is not there or what is the kind of--

HUGHES: So I-- the original intent was, in 2020, to build this system, and it took years-- a few years to build it. Now it's kind of up and running and, and hopefully doing the purpose that it's supposed to do. And the intent in 2020 was these institutions plus private would, would fund it and get it going. And then the in-- I believe the intent

was once it's up and running and, and we start accessing and using it, then it falls on us to help fund going forward. **SPIVEY:** Us being the Legislature? HUGHES: Correct. Yes. SPIVEY: OK. HUGHES: General funds. SPIVEY: OK. Thank you. HUGHES: Yep. **CLEMENTS:** Senator Prokop. PROKOP: Just for, for clarity's sake, so who, who owns-- or who would own it? I mean is the ans-- is it one single ent-- is it Department of Education or is it all--HUGHES: All 4--**PROKOP:** I guess, who's responsible? HUGHES: -- those 4 department and, and --**PROKOP:** OK. HUGHES: Yeah. Those 4 departments each contribute the same amount. It's its own little body of people. **PROKOP:** OK. HUGHES: But I guess -- I'm gonna leave it -- I'm not sure who exactly like, owns it. **PROKOP:** So like the back end tech-- like the technical, I guess, back end of make sure the data is clean and [INAUDIBLE]. HUGHES: Yeah. They have a staff that -- on their NSWERS that does that. **PROKOP:** That would do that. OK. HUGHES: Yep. They're its own entity. **PROKOP:** OK.

HUGHES: I mean, let's ask that detailed question.

PROKOP: I will ask. I, I, I will.

HUGHES: Perfect.

PROKOP: Thank you.

CLEMENTS: I--

HUGHES: Yes.

CLEMENTS: I'm seeing on the fiscal note, there's an interlocal agreement that exists that creates this. So, any other questions?

HUGHES: I'm staying for closing, so I will be here for afterward.

CLEMENTS: All right. Very good.

HUGHES: OK.

CLEMENTS: We'll welcome the first proponent. And I'll remind you we're on a 3-minute timer today.

MATT HASTINGS: Yes, sir.

CLEMENTS: So, good afternoon.

MATT HASTINGS: Good afternoon, Chairman Clements, members of the Appropriations Committee. I'm Matt Hastings, and I'm the executive director of NSWERS, the Nebraska Statewide Workforce and Educational Reporting System. NSWERS has its roots in LB1071 from 2010 and LB1160 from 2020, when the Legislature directed Nebraska's public education systems and the Department of Labor to share data to better understand how education programs impact student success and drive economic outcomes. In response, NSWERS was created as a public interlocal entity through a partnership of 9 public bodies in Nebraska: the Department of Education, the State Colleges System, the University of Nebraska System, and each of Nebraska's 6 community colleges working in affiliation with the Department of Labor. Our early value-evaluations are already producing striking findings. For example, third graders reading below proficiency who catch up by grade 7 end up graduating from high school at rates similar to their peers. Dual enrollment programs, in fact, in Nebraska, fast track post-secondary achievement in our state. Work experiences and internships boost

college graduates' likelihood of staying in Nebraska 5-8 percentage points, and jobs secured from college graduates within 6 months or less lead to significantly higher long-term earnings for Nebraskans. We've also pinpointed critical gaps in Nebraska's workforce. Given our current talent pipeline size, over 90% of HVAC technical demand, nearly 70% of teaching positions, and 50% of registered nurses role-nursing roles will go unmet. These insights empower our partners to refine programs, they help employers target training and recruitment, and policymakers to act on evidence that drives results. NSWERS was initially developed through a mix of partner contributions and private funding, and these early investments provided the runway necessary to launch NSWERS, the partnership, and to demonstrate its value for education and workforce development. Today, we operate on an annual budget of, of approximately \$2 million, sustained by partner support, grants, and other sources. Looking ahead to 2029, our goal is to shift from a 25%/75% public-private funding split to a 50/50 balanced model. LB11 makes this possible by providing about \$500,000 in fiscal year '26-27, and about \$700,000 in fiscal year '27-28. This funding will enable all partners to maintain their commitments as private and investment scales back. But still, for every public daughter-- dollar LB11 invests, we anticipate nearly \$3 in private funding supporting this work moving forward. Our insights plus tools we've developed provide meaningful analysis to help our partners assess the effectiveness of their programs. This functionality would enable you, as policymakers, to evaluate the impact of the investments you make in education and workforce initiatives. And these tools go beyond simply reporting data. They take analytics a step further, allowing policymakers to simulate and predict potential outcomes. I would be happy to provide a demonstration of that in depth to the committee if they're interested. Thank you for your time, and I'm happy to take any questions you might have.

CLEMENTS: Senator Spivey.

SPIVEY: Thank you, Chair. And thank you so much for your testimony and being here. One, I would love an in-depth demonstration, so put me on the list. But would like some clarity for some of the questions that we asked Senator Hughes, of like, who owns the data? What types of impacts have you seen from kind of building this system now, and like, what has that influenced it, or if you have any metrics or anything to share around that?

MATT HASTINGS: Sure. You bet. So NSWERS is a, a public body, as I mentioned at the beginning. We are an interlocal agency that were--

was created by our-- the partner entities themselves. So for purposes of understanding how students are moving through Nebraska's education-to-workforce pipeline, they, the public bodies, created the public entity, NSWERS, and they own it, in that sense.

SPIVEY: OK.

MATT HASTINGS: Right. And so, we work then, on behalf of all of the public partners. And they've established a public body governance structure to be in charge of NSWERS, the information, and they drive the work that we do. And so--

SPIVEY: Can I ask a quick question about that?

MATT HASTINGS: Mm-hmm.

SPIVEY: So then, I know you mentioned in your testimony that the goal is to try to figure out a better balance on like the fiscal investment with the state and then the public partners, but there is no oversight from the state, currently. Like, no one sits on the board. There's not necessarily reporting that has to happen around your entity. Is there-- or, or is there? I guess I should ask, because I don't know.

MATT HASTINGS: Right. So the, the public board, the governance body of, of NSWERS is something that we call the Executive Council. And each one of our core groups that participate in, in NSWERS have a seat on that board. So you could think of it as a board of directors, right. And that's the president of the University of Nebraska, the chancellor of the Nebraska State Colleges System, the commissioner of the Department of Education, and one president from one of the community colleges. So all of the partners that participate in NSWERS sit on and manage the governing body that is that council.

SPIVEY: OK. Thank you. And then, do you have any insight to any of the impact that you all have been able to achieve since working together? Are you still just coming out of the startup phase of building the structure?

MATT HASTINGS: Sure. I think that some of those that are going to come up after me are going to share some specific examples of how, how they've used this information, but there really are, sort of 2 vectors, in terms of if you think about the use of this information. One is for the partners themselves, right. So as they're thinking about how do they evaluate the, the programs they're putting in place, how are they evaluating impacts on things like brain drain and talent

retention in Nebraska? Does their internship programs make a difference in something like that? They are leveraging the system to understand those particular outcomes, to understand scholarship programs, those kinds of things. So that's one vector, sort of the, the, the partner facing use of this. But the other is sort of a public facing use of this, and we release a lot of that information on our web page in broad, general reports. And we're using that to inform conversations with groups like Chambers of Commerce, the Governor's Office, the Department of Economic Development, and others, as they're thinking about their programs and, and their design and those types of things.

SPIVEY: Thank you.

CLEMENTS: Other questions? Would you please spell your name?

MATT HASTINGS: Yes. Matt, M-a-t-t, Hastings, H-a-s-t-i-n-g-s.

CLEMENTS: Thank you. Next proponent, please, LB11.

BRIAN MAHER: Good afternoon, Senator Clements and members of the Appropriations Committee. I am Brian Maher, B-r-i-a-n, M-a-h-e-r, and I'm honored to serve as Nebraska's Commissioner of Education. Thank you for the opportunity to speak in strong support of LB11. And thank you, Senator Hughes, for bringing this important legislation. At the Nebraska Department of Education, our mission is to lead and support the preparation of all Nebraskans for learning, earning, and living. Accomplishing this requires more than just strong programs and good intentions. It requires clear and timely information that helps us understand how education investments today impact long-term outcomes for students in the state's workforce. This is where NSWERS plays an indispensable role. The outcomes we care about, graduation rates, post-secondary success, and workforce readiness don't stop at the walls of our K-12 schools in Nebraska. Students move from high school into post-secondary education, technical training, the armed services, and the workforce. These transitions across multiple systems and sectors, making it challenging to understand how preK-12 education contributes to the broader economic and workforce goals of our state. Without a collaborative partnership like NSWERS, one that brings together K-12, higher education, and the workforce, it is virtually impossible for the Nebraska Department of Education and our school districts to fully understand how our efforts contribute to these long-term, cross-system outcomes. I'll give you an example of impact here. I want to share a tiny-- or a timely example of NSWERS impacts--

impact. As you know, or I hope you know, one of the Nebraska Department of Education's top priorities is ensuring high-- higher literacy rates for our students. In fact, I would tell you we are laser-focused on that topic right now. We know third grade is a critical juncture in our students' educational journey. And to illustrate the importance of NSWERS, it gave us a longitudinal Nebraska data that, that shows the importance to students, schools, and to our state just how important that proficiency in third grade reading is. You see this in the handout. In September of this last year, 2024, NSWERS developed a brief on early reading proficiency in Nebraska and showed not only are students who have better reading skills in third grade more likely to graduate, but also the importance of focusing on the later elementary and secondary struggling readers. With the power of their long-range data, NSWERS showed these students could still improve towards proficiency. N -- NSWERS transformed this brief into a more qualitative analysis called a, called a tech-- a technical analysis, called it A Tale of Two Readers, bringing 2 fictionalized students, Mia and Lila. We track their journey from 2009 to their graduation in 2021, and see the importance of literacy firsthand, also, the impact of literacy firsthand. I have other things to say, but I'll stop there and make sure that I have time for questions.

CLEMENTS: All right. Are there questions? Well, if you have another-something, wrap up your comments, go ahead.

BRIAN MAHER: You bet. I'll make, I'll make a couple of points in clothing-- closing. Number one-- in clothing, as well. LB11 is-thanks. LB11 is essential for our state, as the bill would provide funding necessary to sustain this critical resource. NSWERS maximizes the impact of taxpayer dollars by ensuring that our current investments in education and workforce init-- initiatives are strategic, effective, and responsive. My second point would be that at the Nebraska Department of Education, we're committed to continuous improvement. NSWERS is a valuable partner in that effort. Helps--NSWERS helps us examine how our work fits into the broader ecosystem that supports Nebraska students and economy. My final point would be that I respectfully urge the committee to advance LB11 and sustain this valuable re-- valuable resource for Nebraska. Thank you.

CLEMENTS: Thank you. Thank you for your testimony. Next proponent.

PAUL TURMAN: Good aft-- good afternoon, Chair Clements, members of the Appropriations Committee. My name is Paul Turman. That's spelled

P-a-u-l T-u-r-m-a-n. And I'm the chancellor of the Nebraska State College System. I get the opportunity to speak to you today in support of LB11, as a proponent, basically, for the higher education sector. So Leah-- Dr. Leah Barrett, president of Northeast Community College, certainly right now serves as the president of our interlocal, our Executive Council. Over the last 2 years, I served in that respective role. I was fortunate when I first arrived here in the state 6 years ago, to come together with our higher education and K-12 leaders, to begin to have these conversations on trying to move NSWERS to the place we, we knew it needed to be. Most states have very aggressive longitudinal data systems. We were very much behind in that space. And in some ways, I think the capacity for what Matt Hastings and his team have done over the last 2-3 years have really elevated to where we're one of the most predominant longitudinal systems in the country, because of the capacity of its back-end functioning for doing predictive and simulative types of work. I'll give a couple of examples. Dr. Maher talked about K-12 and the graduation rate being critical for them, and then college-going, as we look at and how we utilize the data right now from the NSWERS system helps to drive our persistence and then also exploring what are the things that are going to improve our graduation rates for our students. The key component that is, I think, influential is that right now, it can show you a spectrum of these are the 20-30 different factors that are having an impact on each of those 2 different metrics, but which are the ones that are going to have the biggest impact, and the ones that you can have the most influence on if you begin to make the right types of investment or reinvesting into those resources. We do that right now in our system, to continue to find ways to get more students to graduate and graduate on time and use the answers data to help us drive that. Additionally, I would also say I spoke in, in my earlier testimony about the critical value that the state colleges bring toward teacher education. We want more students to, to go into that pipeline, to be able to feed the workforce development of this state. I think one of the things that we see through the NSWERS data is that right now, we have a very large number of students that are from Nebraska who go into teacher education. 92% of them end up being placed in a Nebraska district when they graduate. Our nonresident students, however, find that only about 22% of those students are placed in the state of Nebraska. Some of the data that Dr. Evans-- or Hastings had noted is the fact that right now, the earnings that individuals, whether in the state as a resident or a nonresident, have a big impact on the likelihood of us retaining those, whether it be intern-- internships, cooperative educational experiences or

practicum. And so, our use of that data is to help our teacher education programs continue to, to make advancements, to keep more of our students in the state so we continue to address that gap. The 8 different outcomes that they have and they evaluate are all critically important not only to serve our students, but also improve our educational outcomes and the workforce outcomes that we have. I'd be happy to answer any questions that you have.

CLEMENTS: Are there questions? Seeing none, thank you for your testimony.

PAUL TURMAN: Thank you.

CLEMENTS: Next proponent, LB11. Anyone here in opposition? Seeing none, anyone here with neutral testimony? Seeing none, Senator Hughes.

HUGHES: Make sure it's short and sweet for you guys, because I think you guys still have some more bills. But, I'm over in Education. We have a few more bills, too. LB11 seeks to assure the continuation of NSWERS well into the future by appropriating funds for the '25-26 year and '26-27, evenly split among the 4 groups to, to pay for the cost of the NSWERS. LB11 provides stability and funding necessary to ensure that we can continue the long-term data analysis needed to know if our policies are working, in terms of both education and workforce. And I would argue we need to really rely on this system going forward when we decide bills, policies that we're-- if we're going to create a scholarship program for something, if we're going to incent more welding classes in a high school, whatever, we need to use this program to figure out, does that make sense? And also, once it's in play, monitor it. Is it still working? Is it what we need? The internship example is a great one. We've got a lot of money out there with different entities, doing different internships. What is working, what is not, and this-- I, I am a data person and this is, is a piece to it. It's got a lot in there. And we've got -- we're paying money to do it, to have it, we need to use the tar out of it. And ultimately, I think it could have savings that far cover the cost of it down the road. Anyway, I think this is very important. I think it'll help us be better policymakers. And I thank you for your time and consideration, and would welcome any questions for me.

CLEMENTS: Are there questions? I had one question on the fiscal note. First page, I see the private/philan-- philanthropic commitments reducing. Is that a factor as to why you need to bring this bill?

HUGHES: Sorry. What, what we're at on the fiscal? Oh, right. The middle, private--

CLEMENTS: Showing 1.5 and 1.4 and 1.3.

HUGHES: Yes. So private-- right. I think the agreement-- again, the intent. I wasn't here in 2020 when we were getting this thing off, off its feet. A lot of private industries put money, you know, to get sto-- to get it going, with the intent that once it's up and running and we're using it, it becomes our tool and we start paying for more of it so they're not going to be putting as much in. So they kind of put that money in as a let's get this sucker going. We want to use it for our workforce needs, too.

CLEMENTS: OK.

HUGHES: Does that make sense?

CLEMENTS: Yes. That's what it looked like. Any other questions? Seeing none--

HUGHES: Thank you, guys.

CLEMENTS: -- thank you.

HUGHES: Appreciate it.

CLEMENTS: We have comments for the hearing record: Proponents, 11; opponents, none; neutral, none. That concludes LB11. And we will now proceed--open the hearing for LB307. Just a minute, please. Senator Ibach. Good afternoon.

IBACH: Thank you very much. I know it's getting toward the end of the day, too, so mine is very brief, not hard. Good afternoon, Chairman Clements and members of the Appropriation Committee. My name is Teresa Ibach, T-e-r-e-s-a I-b-a-c-h, and I'm here to present LB307 today for your consideration. LB307 is a simple bill that appropriates funds to the University System, the State College System, and with AM346, the Community College System for the cost of tuition that we, as a state, have required them to waive for cert-- certain students. There are multiple waivers that can be provided to students. Among these are the Dependents of Veterans Waiver, the First Responders Recruitment and Retention Waiver, the In the Line of Duty Dependent Education Act Waiver, and waivers for members of Active Selective Reserve. In 2023, after the enactment of the First Responders Recruitment and Retention

Waiver, LR153 examined the fiscal impact of these waivers on the university's budget. As a result of this study, the University System reported that between 2018-2022, nearly 4,000 waivers were granted systemwide to students, costing nearly \$20 million. These costs only continue to grow as the Legislature continues to enact new waivers or expand existing waivers. For academic year 2023-24, the University of Nebraska granted \$5.95 million in tuition remissions, largely due to enactment of the First Responders Recruitment and Retention Waiver and the Dependants of Veterans Waiver. Data provided to our office from the State College System showed that for fall 2023, there were 50 students enrolled in the various state colleges that received waivers at a cost to these colleges of \$129,000. For our community colleges for fall 2023, there were 217 students who received waivers that cost the schools over \$217,000. I believe that representatives from the university, the state colleges, and the community colleges will be here following me to provide updated fiscal figures on how these waivers. Are impacting. Their individual budgets and how they are currently absorbing these costs. That being said, I fully believe that if we are going to continue to mandate these waivers be provided to certain groups of students, it is fundamentally unfair to rely on other students to fund these waivers through increased fees and tuition. We, as a state, should provide funding for these waivers, as we are the ones who have decided that these waivers should be provided. Thank you for your time. I encourage you to listening-listen to the supporting testimony, and I ask you for your support of this bill. Thank you.

CLEMENTS: Are there questions? Senator Dorn.

DORN: Thank you, Senator Clements. And thank you for being here and bringing this, I guess. I've been here 6 years and didn't quite understand all of this concept. So these are, I, I call it these are laws or bills that we passed-- the state has passed, we're requiring these to be, now, tuition-free, and yet, we're not funding these.

IBACH: We're not funding them.

DORN: So the schools, the schools or those entities are strictly picking them up?

IBACH: Yep.

DORN: So this is, in, in other words, and maybe somebody can explain it more, this is an unfunded mandate.

IBACH: It's an unfunded mandate.

DORN: Yeah. OK.

IBACH: Yeah. And I think when you look at the situation that colleges are in-- I mean, we continue to ask them to provide services, yet we aren't really providing the funding to support it.

CLEMENTS: Senator Spivey.

SPIVEY: Thank you, Chair. Thank you, Senator Ibach. Just to add to Senator Dorn's comment, the, the list of those unfunded mandates for those waivers was what President Gold gave us in the back of that book that has-- it had like, a list. I'm seeing head nods. Yes. OK. So yeah, I got my question answered that those are those.

IBACH: I was. Talking nitrates in Agriculture, so I trust you.

SPIVEY: Yeah. They, they gave us a list around those and specifically called that out and said a bill will be today. So I just--

IBACH: Yes.

SPIVEY: --was making sure that I dotted the, the right I's with this.

IBACH: Yep. This is it.

SPIVEY: OK.

IBACH: Yeah.

SPIVEY: OK.

IBACH: Thank you.

CLEMENTS: Very good. Will you stay for closing?

IBACH: For sure. Thank you.

CLEMENTS: All right. First proponent, please. Good afternoon.

JOANNE LI: Good afternoon, Chairman Clements, members of the Appropriate-- Committee. Thank you for the opportunity to testify today. My name is Joanne Li, J-o-a-n-n-e L-i, and I serve as the chancellor of the University of Nebraska at Omaha, UNO. I'm honored to represent my fellow chancellors across the University of Nebraska

System in support of LB307. The Nebraska Legislature has mandated tuition waivers for several student groups, including: Dependents of Veterans, spouses and children of Nebraska veterans; First Responders and their dependents, law enforcement, firefighters, and emergency medical personnel; Members of the Selected Reserve, Nebraska National Guard and military reservists; Survivors of first responders who die in the line of duty, ensuring access to high education. While UNO has a mission to serve many deserving learners, just last year, we witnessed a 55% increase and a 180% increase since inception in the cost of these unfunded mandates. These unfunded mandates place a disproportionate financial burden on UNO due to several factors: (1) Metropolitan location. As Nebraska's urban university, we serve a high proportion of individuals eligible for these waivers. (2) Military-friendly reputation. Our strong commitment to serving veterans attracts more students who qualify for these waivers. We take great pride in our destination as the number 1 public university for veterans, ranked by The Military Times. Tuition dependance. As the most tuition-dependent campus in the University of Nebraska system, any loss in tuition revenue directly impacts our ability to fund student services, faculty recruitment, and affordability efforts. As of this year, UNO carries the burden of almost \$3.5 million of statutory mandated remissions, and this number continues to grow year over year. These waivers now account for nearly 1% of the entire university system's state-aided budget, and almost 5% of UNO's state-aided budget. Without dedicated state funding, the university must absorb these costs, forcing difficult choices such as raising tuition or fees for other students, reducing institutional scholarships affecting both need and merit based financial aid, scaling back academic programs or student services due to funding constraints, cutting programs to sustain financial operation in the near future. With strong ties to military veterans and first responders, UNO understands their needs and remains committed to serving them, but the current model is financially unsustainable. LB307 offers a solution, supporting waiver recipients without burdening the broader student body. I urge you to support LB307 to ensure fairness in funding for mandated tuition waivers while maintaining affordability and quality education for all students. Thank you for your time. I'm happy to answer any questions.

DORN: Thank you. I, I--

CLEMENTS: Senator Dorn.

DORN: I guess -- thank you.

JOANNE LI: Yes, Senator.

DORN: Thank you for being here. The veteran-- or not-- the military part of this. What is the requirement as far as being a-- how long do they have to live in the state, or a dependent, or is there any requirement?

JOANNE LI: I'm not 100% sure, but as long as they are military veterans, they come to, you know, we open the door and their spouses and the dependents.

DORN: So if somebody, if, if somebody came to Offutt, though, and then when they retire, if they have military veterans and--

JOANNE LI: Yes.

DORN: --maybe have only been here a year-- or dependents, they're eligible?

JOANNE LI: I believe so.

DORN: Thank you.

JOANNE LI: Yes.

CLEMENTS: Other questions? Senator Lippincott.

LIPPINCOTT: Number 1 public university for veterans by Military Times. How long has that been? That's fantastic.

JOANNE LI: Thank you very much, Senator. Three years ago, UNO ranked 103. Two years ago, we ranked 17. This year, we rank number 1. Actually, we rank number 2, because the first one is private school. There are about 340 university in the country being ranked by Military Times. This is a strategy to complement what the state is really good at. And this is our commitment: To serve veterans and military personnel. So we are very focused on that strategy, but we just need a little help.

LIPPINCOTT: Congratulations.

CLEMENTS: Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for being here, Chancellor.

JOANNE LI: Yes, Senator.

M. CAVANAUGH: So I-- what I heard you say in your, your testimony is that if we were not to pass LB307 and with the budget as it currently is, you're going to have to make significant cuts to programs or ultimately, choose not to honor the waivers that we have forced upon you. Because, as I mentioned earlier, I'm pretty sure they're unconstitutional so you could make that choice. Is that accurate?

JOANNE LI: That's accurate. I've been here 4 years, and just like Dr. Gold, a Nebraskan by choice. And I have 3 degrees in finance. I have been spending my time for the past 4 years plus 2 months prior to accepting this job studying the, the budget situation. And we recently completed a space assessment. And the consultant asked us, with your budget, you shouldn't serve 15,000. You should serve fewer than that. And then also, with the space assessment, we literally have no space. Part of it is a classroom constraint. We have a lot of small classrooms. Even if you say, I have 5 more student coming in through this mandated program, I have to open a session. I have to find a, you know, part-time or whatever I can find to do it. So financially, it's, it's very difficult for us as a metropolitan university, because we serve a lot more citizen in the metropolitan area.

M. CAVANAUGH: Thank you.

CLEMENTS: Other questions? I was just curious, did the university testify on any of these bills that were-- have become mandates?

JOANNE LI: Has the university testified?

CLEMENTS: Yeah. These, these bills for these waiver programs, did the university testify as a proponent or an opponent?

JOANNE LI: You mean in the past?

CLEMENTS: Yeah, those past bills that were brought.

JOANNE LI: I think University of Nebraska System, just like what Dr. Gold said, our goal is serve the state of Nebraska, whatever within our capacity will do the utmost. But as you can imagine, you know, Chairman, every year we have more individuals adding to the list. So, as I mentioned, right, for University of Nebraska at Omaha, since inception and duration, we have increased our costs by 180%, just last year, 55%. And Doctor Gold mentioned for the whole system, it's about a 115% increase in cost. Last year, for the whole system it's about 45% increase. And for us, it's particularly painful because we don't

get any help. I have to cut off almost 5% of my operating budget, which is \$160 million.

CLEMENTS: All right. I was just curious as to if the university took a position on these bills that were brought that had no funding that went with them. And we'll, we'll perhaps find someone else. So seeing no other questions, thank you for your testimony.

JOANNE LI: Thank you, sir.

JOSEPHINE LITWINOWICZ: I gotta go home and meet my health aide. Sorry.

CLEMENTS: I know.

JOSEPHINE LITWINOWICZ: [INAUDIBLE]. 6:00 or whatever-- 5.

CLEMENTS: Good afternoon.

JOSEPHINE LITWINOWICZ: Good afternoon, Senator Clements and members of the committee. My name is Josephine Litwinowicz, J-o-s-e-p-h-i-n-e L-i-t-w-i-n-o-w-i-c-z. And I think it's important for me to apologize to Senator Spivey, for the language I used. I-- I'm a, a Norman Lear person. And so, I, I use it to emphasize disgust, but I wouldn't have done it if I had known you would have objected. But I'm not sorry for the way I express myself. I just got to be careful, because that's how, that's how I feel. That's how I think about this stuff. If you ever watch that video, watch it. YouTube, What makes America Great, Archie Bunker. Put that in. And that's the generation I grew up in. And I am sorry, but I also didn't think it was your place-- I, I think you should have grabbed the mic and told me. I would have said I'm sorry, but to, to prevent me from speaking from the next bill, that was inexcusable. I'm just honest, as I see it, about everything. Anyway, I support this bill here because Professor Bone spurs, you know, he doesn't care about the military or first responders or anyone. He doesn't care about anybody but himself. So I just -- we got to make sure that -- I, I love what's, what's going on here. We need to fund this. And, and I guess, -- I'm worn out, so I'm going to get going. But I support this bill because it's just got to get funded -- got to get probably more money. You know, there's no much-- no money for anything. Anyway, take care. Going home.

CLEMENTS: Questions? Seeing none, thank you for your testimony.

JOSEPHINE LITWINOWICZ: Thank you.

CLEMENTS: Next proponent. Good afternoon.

JUSTIN CHASE BROWN: Good afternoon. Chairman Clements, members of the Appropriations Committee, thank you for the opportunity to testify today. My name is Justin Chase Brown, J-u-s-t-i-n C-h-a-s-e B-r-o-w-n, and I serve as the Director of Scholarships and Financial Aid at the University of Nebraska-Lincoln. In this role, I work directly with students and families navigating financial aid, witnessing firsthand how access to education transforms lives and strengthens Nebraska's workforce. I'm here today on behalf of financial aid officers across the University of Nebraska System to express our support for LPB307, introduced by Senator Teresa Ibach. Tuition waivers are a critical tool in expanding access to higher education, particularly for Nebraskans who might not otherwise be able to afford college. However, the cost of statutorily-mandated tuition waivers at the University of Nebraska has grown significantly in recent years, reaching nearly \$6 million in the last academic year. Unlike institutional scholarships or federal grants, these waivers impose a direct financial burden that the university must absorb without dedicated state funding. While these waivers play an important role in enrollment and access to higher education for students, helping us fulfill our mission of making education accessible to all Nebraskans, the cost burden is unsustainable. This growing financial obligation puts increasing strain on our ability to support other essential financial aid programs, including scholarships, need-based grants and emergency financial assistance, and thereby impacting the overall university budget. Without additional resources to cover these waivers, the university will face difficult choices, such as reducing these programs or limiting other student services that benefit a broad range of students. At the University of Nebraska-Lincoln, the increasing numbers of eligible students for mandated waivers have placed a strain on campus aid programs. This shift means less funding for students facing unexpected hardships and fewer dollars for need-based assistance, all while applying greater pressure on the financial aid officers trying to balance competing demands. The financial burden of these waivers is growing at an unsustainable rate, outpacing the university's ability to absorb costs internally. Without intervention, this could lead to further budget reductions or tuition increases, compounding the challenges students already face. The financial strain of mandated tuition waivers is not unique to one campus, it's a university-wide challenge affecting all 4 campuses. LB307 offers a critical solution by ensuring dedicated state funding for mandated tuition waivers. This legislation would help sustain these tuition

waiver programs while protecting broader financial aid resources like scholarships and need-based financial aid programs from unintended cuts and ultimately maintain the financial stability of our public university system. In closing, I urge you to support LB307. It's not just about funding, it's about ensuring that Nebraska strengthens our ability to offer accessible, high-quality, education to all Nebraskans and ensures that our campuses can continue to serve as engines of opportunity and innovation. By supporting LB307, you will help sustain the student financial support ecosystem that makes college affordable for tens of thousands of students across our state. Thank you for your time and consideration, and I welcome any questions you may have, including the ones about whether we've testified--

CLEMENTS: Questions?

JUSTIN CHASE BROWN: -- on previous bills.

CLEMENTS: Yes, I'm--

JUSTIN CHASE BROWN: So--

CLEMENTS: --curious if the university took positions on these bills.

JUSTIN CHASE BROWN: We testified as neutral on those bills, and what we are interested in is recapturing those costs.

CLEMENTS: Right. So this-- the university's budget request does not include the tuition waiver cost as it was presented previously?

JUSTIN CHASE BROWN: I don't believe so. I don't believe so.

CLEMENTS: All right. Thank you. Other questions? Thank you for your testimony.

JUSTIN CHASE BROWN: Thank you.

CLEMENTS: Next proponent.

PAUL TURMAN: Senator Clements, members of the Appropriations Committee, Paul Turman. That's spelled P-a-u-l T-u-r-m-a-n, chancellor of the Nebraska State College System. I also want to be here in support of LB307. I think-- I've had the opportunity to be involved in the iteration, at least in the time that I've been here, the expansion of the first responder legislation that is seeing significant increases in our overall cost for our students. So in 2022, LB7--

LB1273 resulted in the expansion of an increased waivers from 30% to 100%. In the year that followed, to just give a little bit more clarification as to what our role was in that conversation, when LB447 expanded it to firefighters and then to dependents in those areas, it was actually a, a representative on this committee, Senator McDonnell, who agreed with us to put forward an L-- legislative resolution, that would result in a opportunity for us to have an interim study, to have a conversation more broadly about the impact these collective waivers are having. Last year, when LB1032 came forward, we all supported it, primarily because it did facilitate a number of pieces of cleanup to that legislation that we felt would make the program run much smoother. But I think you also may see that LB608 is in place now to expand corrections into that program. And so, each one of these continues to create compounding of the effect. And I think Dr. Gold did a nice job of explaining that earlier today. The one thing that it does in our restriction, our board policy 3400, does not allow our presidents to provide waivers to students that go beyond 22% of our total tuition revenue in a given year. And so, every new program that gets added takes away more of the strategic ability of my presidents to make good use of the limited financial resources that they have at their institution. And I think that 22% is, is fair, and it aligns very closely with what we see across the region. I'll add to the fact that since 2016-17, when the vast majority of these programs began to come into play, we, as a system, have seen a 700% increase in these tuition waiver programs during that, that time period. I think it's also important that if, based on our fiscal note, if LB608 does eventually make it through without the appropriation that is embedded in that piece of legislation, it's going to result in another \$380,000 of waivers that we expect based on that fiscal calculation. When we go back to my earlier testimony, 1% increase in tuition generates 311. That equates to a 1% increase in tuition. That's similar to the other testifiers-- gets shifted onto the backs of other students. So I would certainly ask that you very much consider this piece of legislation, and I'd be happy to answer any questions you might have.

CLEMENTS: Questions? Senator Prokop.

PROKOP: Question around gradua-- graduation rates for those that take advantage of the tuition waiver. I don't believe-- if it got mentioned earlier, I'm sorry if I missed it. But I know you can only speak for the state colleges, but do you have a sense on what the actual graduation rate is for those that participate in this or are, are able to use the waiver?

PAUL TURMAN: Do, do not have that information. We certainly could, could, could look at it and explore the students, irregardless of the waiver program. I think in some ways this goes to maybe the earlier conversation around NSWERS. That would be very useful if we're going to put these programs in place. Because the testimony on all 4 of these bills that have surfaced in the last 4 years, whether it was just law enforcement personnel, it was going to improve attrition. It was gonna improve their ability to recruit and retain employees. Same thing, corrections employees. If that's truly the case, then these types of programs should be sunsetted, in that you say all right, in 5 years, if they live up to what it is that we said it was going to increase graduation rates, better attrition, then the data should be there for you all to make a decision as to is that the right investment for the state? And last year, Senator Kauth had a bill that she brought forward. Initially, it did not have a state appropriation tied to it. It was to support students in their student teaching, their final year of education. And she requested eventually, after our conversation, a \$3 million investment be, be made there. I think that's why it wasn't ultimately successful. But she had sunsetted the program that if we don't have a teacher shortage problem, then this is a, a piece of legis-- legislation where we reinvest in different places.

PROKOP: Thank you.

CLEMENTS: Senator Spivey.

SPIVEY: Thank you, Chair. And thank you so much for your testimony. You've been here all day with us, so thank you for sticking out and hanging out here. I just wanted to thank you for flagging LB608, because I think also, right, like-- and I'll speak for myself, like head down, you kind of are in your area. But I, I also think the intention behind some of the waivers and what does that look like and how it's used, where it looks like that original intent of the waivers has a very different purpose than maybe what LB608 is expanding it to, and has more of a workforce initiative that could be considered different, like in a scholarship program or held inside something else. So I just appreciate that information so it can help us make better decisions, so thank you.

PAUL TURMAN: And I, I did test-- as a neutral opponent. I laid out some of these same arguments to the committee. Because it does have a-- an appropriation of at least covering 50% of what the cost is. But it's a delayed appropriation, and it would still have to come in front

of this body to eventually get approved, but it could eventually make it forward. And those additional corrections employees would be funded through this program. The one, the one thing I will also emphasize, the-- we, we have really no understanding of what's going to happen at the federal level when it comes to Pell. I think President Gold did a nice job of talking about that earlier. This is a last dollar in scholarship. All of these programs are like that. So after we've used up federal and other state programming, we cover the cost of the waiver. You take away a Pell Award, the, the numbers that we've [INAUDUIBLE] articulated tonight-- or today would probably go 3- or 4-fold of what they are right now. And I think that's important to, to recognize as well.

SPIVEY: Yeah. And, and President Gold, in our binder, talked about like the investment of appropriations, too, just over the course of the last 25 years. And we've seen a 300% into corrections. And so also, my standpoint is like, if we have a staffing shortage, we really shouldn't be incarcerating people. That money can be best served in other types of investment. And so I think it's like that broader conversation, too, of like, what is a priority? What does community well-being look like? So I just wanted to uplift that because he did provide data around, again, priorities and what does it look like as a state, so.

CLEMENTS: I had one question.

PAUL TURMAN: Yes, Senator.

CLEMENTS: Are these-- any of these need-based or is it just-- you just qualify without need?

PAUL TURMAN: No need-based criteria. I know at least the first response-- responder have-- they start initially at the Department of Revenue. And they do the evaluation to affirm that, yes, they are dependents or that they are currently employed. But beyond that, need-based is not a criteria for the awarding of the scholarships.

CLEMENTS: Possibly that could be looked into. I would think. We're wanting to try to help people that otherwise wouldn't be able to attend college, [INAUDIBLE] looks like the expansion that we've seen here is-- partly could be controlled, you know.

PAUL TURMAN: And I, and I think if we ever get to a place where the one that keeps coming up-- if we do volunteer firefighters, we'll be

in a, a world of trouble. So that one compounds it in ways that we cannot even calculate.

CLEMENTS: All right. Thank you for your testimony.

PAUL TURMAN: Thank you, Senator.

CLEMENTS: Next proponent. Good afternoon.

COURTNEY WITTSTRUCK: Good afternoon, Chairman Clements and members of the Appropriation Committee. My name is Courtney Wittstruck, C-o-u-r-t-n-e-y W-i-t-t-s-t-r-u-c-k, and I'm executive director of the Nebraska Community, Community College Association. I'll try not to repeat anything that my predecessors have said. But I will say our community colleges, we support any and all efforts to increase access to the life-changing benefits of higher education. We take pride in our role as open-access institutions tasked with making higher education more accessible and affordable for Nebraskans. We also recognize the need to offer incentives to attract and retain employees in key industries across our state. The challenges for our colleges come when incentives such as tuition waiver programs are established, but funding is not provided. As more and more tuition waivers are created, it becomes increasingly difficult for our colleges to simply absorb the associated costs, which is why we appreciate Senator Ibach and her office bringing attention to this issue and including us in this bill. We are proud to play a key role in addressing Nebraska's skilled workforce gap, and look forward to partnering with the state to identify and fund the most effective workforce development initiatives. And with that, I again like to thank, thank Senator Ibach for introducing the bill, and I'd be happy to take any questions.

CLEMENTS: Any questions? Seeing none, thank you for your testimony.

COURTNEY WITTSTRUCK: Thank you.

CLEMENTS: Next proponent. Good afternoon.

MATT BLOMSTEDT: Thank-- good afternoon or evening, Senator Clements. Matt Blomstedt, M-a-t-t B-l-o-m-s-t-e-d-t. I'm the associate vice president for government relations for the university. I just wanted to point out that actually, there is a report in the back of that binder that, that Dr. Gold gave you on tuition remissions that does address some of the-- kind of the questions. And we'll-- if you have other things, we'll certainly work to provide that for you. I think your other point, Senator Clements, and, and certainly, Dr. Turman

addressed many of those similar points, but I know the university from the past has, has a-- has expressed concerns in hearings on bills where these things come up. Obviously, as you start to see the, the percentage decrease or in-- you know, the percentage of, of students that are taking advantage of those increase while we see other appropriations decreasing, that becomes the problem. And so, some-finding some balance is absolutely necessary. And, and hence, the reason that we, we again, appreciate Senator Ibach bringing this forward as a, as a concept for you.

CLEMENTS: All right. Are there questions? Regarding that binder report, is that just University of Nebraska?

MATT BLOMSTEDT: Yes. I, I believe in our report, it's just ours. But I know we've done some joint work across all of the different entities, too, that we can, can review. I think that's right, anyway. Right, Paul?

CLEMENTS: All right. Thank you for your testimony.

MATT BLOMSTEDT: Yeah. Thank you.

CLEMENTS: Other proponents for LB307. Anyone here in opposition? Seeing none, anyone here with neutral testimony? Seeing none, Senator Ibach, you may close.

IBACH: Thank you very much, members of the Appropriations Committee. And I, I would just-- to Senator Dorn's comment, I would say the waiver program is very successful, and it does secure attendance to our state and colleges and our universities. However, I think understanding the ramifications of the budget piece of it or the funding piece of it is very, very crucial. So, appreciate you listening. I'll keep it short. If anyone has any questions, I think most of them have been answered.

CLEMENTS: Other questions? Seeing none--

IBACH: Thank you very much.

CLEMENTS: --thank you. We have position comments: 2 proponents, 2 opponents, zero neutral. That concludes LB307. Next, we have-- we'll open the hearing for LB460.

CLEMENTS: It's now good evening, Senator Juarez.

JUAREZ: Good evening. It's been a day, I'll tell you. Of course. It's sort of early compared to last night for me, so I should be excited.

CLEMENTS: OK.

JUAREZ: Thank you. My name is Margo Juarez, M-a-r-g-o J-u-a-r-e-z, and I-- excuse me. I represent District 5 in south Omaha. Today, I'm introducing LB460, which creates the Nebraska Council on Economic Education Cash Fund. This bill was brought to me by the Nebraska Council on Economic Education, or the NCEE, which is a statewide initiative to advance economic and financial literacy, literacy. You'll hear more from them and the great work that they do today. I am sure all of us have in some way or another, have said to ourselves, seen on social media or heard someone say, I never learned this in school, or why don't they teach how to do our taxes in school? Our state has taken the call to address the sentiments our cit-- our citizens feel about the lack of economic education seriously. When I talk to teachers in my district, they told me that the NCEE's professional development seminars are loaded with great resources and materials that they use in their class. With Nebraska in dire need of teachers, providing them with as many quality resources as possible is of utmost importance. In 2021, this Legislature passed a law requiring all students to complete a personal finance course before graduation. However, that law did not provide the groundwork for funding to assist schools with the financial literacy mandate. NCEE stepped up to provide quality training and materials to address the demand. This bill seeks to appropriate \$300,000 for fiscal year 2025-26, and \$300,000 for fiscal year 2026-27 to support this organization in their efforts to ensure Nebraska students are financially literate by the time they graduate high school. My experience on the OPS School Board allowed me to see firsthand the benefits of this organization in preparing our educators to be equipped with high-quality financial literacy resources. Even beyond Omaha, the NCEE serviced programs to teachers from 85 out of the 93 counties last year. Finally, the amendment simply changes the funding source from the state's Settlement Cash Fund to the General Fund. Behind me, you will be hearing from testifiers who can share more about this council's excellent work and how they help teachers across the state. And with that, I'd be happy to answer any questions you may have. And I just wanted to say that of course, with our budget challenges, we all know how important it is to learn about finance, right? That's a testament in and of itself, that little topic there.

CLEMENTS: Senator Strommen.

STROMMEN: Yeah. Senator Juarez, thank you for being here this evening and bringing this. I think this is important, personally. I do have a question, though. There used to be, throughout the country, a-coursework in high school called Home Ec, that taught all of this. And for some reason, we got rid of it. Do you have any understanding as to why we got rid of all those programs and now we're trying to backtrack and get back into it?

JUAREZ: No, I do not, except I can tell you I remember those home ec courses.

STROMMEN: Right?

JUAREZ: I mean, if I date myself, I remember to back in the day of having that, so I can attest to that. But I really don't know what the history is behind why those were eliminated. But I'm sure I could contact my OPS School Board-- the superintendent, because he's been there so long, he might be able to give me some history on that, and I can get back to you.

STROMMEN: Yeah. I'd love to understand why these programs were all cut, because they do provide an important service for kids and an important service for, for, for them to understand how these, these, these important financial services work.

JUAREZ: Yes. And I can also say that even my own daughter, who is an, an OPS graduate, she expressed the same frustration to me that she wished she would have had classes of this nature because she now is using a financial planner to help her with decisions that have to be made in this area. So she's def-- and I'm not making that up. She definitely made that complaint to me. So.

STROMMEN: Thank you.

CLEMENTS: Any other questions? Seeing none, will you stay for closing?

JUAREZ: Yes. Thank you.

CLEMENTS: Very good. We welcome up proponents for LB460. Good evening.

JENNIFER DAVIDSON: Good evening. Long haul. Thank you, Chairman Clements and members of the Appropriations Committee. I'm Dr. Jennifer Davidson, J-e-n-n-i-f-e-r D-a-v-i-d-s-o-n. I'm an associate professor of practice in economics, and I have the privilege of leading the Nebraska Council on Economic Education. I know I'm preaching to the

choir on the need for economic and financial literacy, so I don't want to spend my time making that case. Instead, I want to remind and applaud this body for passing the Financial Literacy Act in 2021, requiring all high school students to complete a personal finance course before graduation. While this was a crucial step forward, it was not accompanied by the necessary funding to support teachers and schools in implementing these courses effectively. This is where the Nebraska Council on Economic Education has stepped in. When the act was passed NCEE more than quadrupled teacher professional development opportunities like our very popular and intense personal finance institutes. These additional offerings meant tireless fundraising and a spenddown of savings. With over 60 years of leadership in economic and financial education, NCEE has earned a stellar reputation in Nebraska. Through professional development programs, curriculum, resources, and student competitions like the Stock Market Game and the Finance Challenge, we ensure that teachers are well-equipped to provide high-quality instruction in personal finance and economics. In the past academic year alone, we served 440 unique teachers from 85 of Nebraska's 93 counties, indirectly reaching tens of thousands of students across the state. Given the current budget deficit, I understand that new funding faces significant challenges. However, I urge this committee to consider the long-term benefits in investing in economic and financial education. It is also informative to acknowledge that NCEE is housed at UNL, but we are not funded by UNL. We're a separate nonprofit. And while we have done an exceptional job sustaining and expanding programs through private partnerships, grant writing, and fundraising, this model is not sustainable in the long run. NCEE has received on again, off again legislative support in the past, and most other states at least partially support their economic education councils through state funding directly or through the budget of the State Department of Education, recognizing that economic and financial literacy and teacher professional development are public goods that benefit everyone. By passing LB460, the Legislature has the opportunity to make a lasting impact on the economic well-being of future generations. I respectfully urge you to help us find a way to support LB460 and ensure that the Nebraska Council on Economic Education has the necessary resources to continue its impactful work. I hope that the sup-- the support through today's testimony, in person and via online letters, shows the magnitude of our reach across Nebraska and the necessity of our work. Thank you for your time and consideration. I'm happy to answer any questions you have.

CLEMENTS: Any questions from the committee? Senator Spivey.

SPIVEY: Thank you, Chair. And thank you, Dr. Davidson, for being here. So you are the president, and then each college has its own department that rolls into your structure?

JENNIFER DAVIDSON: Correct. And it is a unique relationship with each of the universities and colleges. Often, it is a full-time faculty member that is doing this work that we are fundraising to pay by the piece for the work they do.

SPIVEY: Because their college is still not covering it.

JENNIFER DAVIDSON: Some do and some don't.

SPIVEY: OK.

JENNIFER DAVIDSON: Some-- at some of the universities, UNL and UNO, the person has partial time to do the center work.

SPIVEY: And what is your like, overall budget, just in general?

JENNIFER DAVIDSON: \$350,000 annually.

SPIVEY: OK.

JENNIFER DAVIDSON: Mm-hmm.

SPIVEY: And then, with the bill that passed, it created an unfunded mandate that you had to do the curriculum inside of the schools but did not give you a funding source to do it. So, it was assumed that you would have had to fundraise from private dollars or other stuff to do it.

JENNIFER DAVIDSON: Correct, or schools would figure out how to handle it. Yeah.

SPIVEY: And they haven't, is what I hear you saying.

JENNIFER DAVIDSON: We have really stepped up to the plate, because we know that it's important and we want to provide that as a resource for students.

SPIVEY: So if you don't receive this appropriation, would you have to cut other things that you're doing to try to honor this unfunded mandate or like, what are the implications?

JENNIFER DAVIDSON: Oh, 100%. Yeah.

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SPIVEY: OK.

JENNIFER DAVIDSON: Yeah.

SPIVEY: Thank you.

CLEMENTS: Other questions? I had a question. I'm familiar with a program called EVERFI--

JENNIFER DAVIDSON: Sure.

CLEMENTS: --that we've-- the state has supported in high schools. Do you coordinate any efforts with them?

JENNIFER DAVIDSON: We are aware of EVERFI. It is very different than what we do. So EVERFI is an online module system that students can work on independently in the classroom. It is a great supplement for the teacher in the classroom. We're focusing on the teacher and the teacher quality in the classroom to ensure they have the content, curriculum, and pedagogy, the teaching strategies to deliver this in a high-quality manner, so 2 different things.

CLEMENTS: Teachers are encouraged to use EVERFI if it's available?

JENNIFER DAVIDSON: Teachers can use it, yes.

CLEMENTS: Yes. All right.

JENNIFER DAVIDSON: Yep.

CLEMENTS: Thank you. Thank you for your testimony.

JENNIFER DAVIDSON: Thank you.

CLEMENTS: Next proponent.

TANNER ELLIS: Chairman Clements, honorable members of the Appropriations Committee, thank you for the opportunity to speak before you today. My name is Tanner Ellis, T-a-n-n-e-r E-l-l-i-s, and I serve at the-- as the high school business teacher out at Ravenna Public Schools. I'm here today as a witness to the transformative power and the profound impact of the Nebraska Council on Economic Education. In my school, where graduating classes average just 25 students, we have proven that success is not dictated by size, but by access. NCEE enables us to teach financial literacy in a way that is engaging, rigorous, and life-changing. Through NCEE, we've launched an

in-school savings program. And in just 4 months, 43% of our elementary students have opened accounts, collectively saving over \$5,000. And this is just the beginning. This program has even encouraged our local bank to consider opening branches in neighboring districts, compounding not only savings, but student well-being. Financial literacy is more than just savings, though. My students compete annually in the Stock Market Challenge, the Economics Challenge, the Personal Finance Challenge, and the Loper Business Invitational, engaging with real-world financial concepts in a competitive spirit. NCEE provides an athletic arena for academics, if you will. Just as Nebraska treasures its football team, economic educators rely on NCEE as their team. Additionally, my students have participated in Economics Day. And last fall, we hosted a Funding the Future financial literacy concert, an event widely regarded as one of the most impactful school assemblies in our district's history. For the past 2 years, 2 entirely different teams of my students, all female and one of the only all-female teams in the entire country have been Nebraska's Personal Finance Challenge state champions. This year, we're striving for a 3-peat. This competition has provided more than just experiential learning, one of my favorite aspects of NCEE programming, it's given students their first airplane ride, their first trip out of state, the opportunity to network with peers from across the country. They've walked the halls of the Federal Reserve, witnessing government collaboration in action, proving that all Nebraskans can stand among the best. Of the 8 students who have competed for me nationally, 6 have since changed their college majors to business-related fields. That's the power of economic education. It doesn't just teach; it transforms. Without NCEE, districts like mine would be forced to rely on expensive, one-size-fits-all curriculum that lacks engagement and innovation. When school budgets are stretched thin, NCEE's free and reduced-cost programs are not just valuable, they're essential. While difficult to precisely measure, I estimate that in my 8 years of teaching, NCEE has saved my district over \$19,000. But money aside, they provided opportunities that would not otherwise exist. On a personal level, NCEE has made me a more in-effective educator through monthly professional development. I've completed over 70 hours of PD, learning about the realities of socialism, perils of gambling, and countless more relevant topic-topics. But more importantly, through their Personal Finance Institute, I am now a nationally certified financial literacy educator through their partnership with Wise. In closing, partnering with NCEE and benefiting from the expertise of their center directors has been one of the greatest privileges of my teaching career and is at the

heart of my classroom. I urge you to support LB460 so that teachers can teach with confidence, students can learn with purpose, and Nebraska can continue to foster financially literate, economically and the most civically responsible citizens in our great country. Thank you.

CLEMENTS: Questions? I had a question about your, your statement about free and reduced-cost programs. Does your local school district contribute to NCEE?

TANNER ELLIS: So, yeah. So most of the programs that we go through them, the Economics Challenge, the Finance Challenge, those are all free to our district. However, some of the competitions that they provide, some of the curriculum, does have a minimal cost, such as the Loper Business Invitational-- allows my students to prepare for FBLA state competition, et cetera. Due to the testing that's required and how they test at the university, there is a transaction fee. It's very nominal that, you know, if they didn't cover most of the funding, rather than \$20 a student, it would probably cost my district \$40 a student. And so, yes, my district does cover those expenses, but they are minimal compared to what they would be without NCEE.

CLEMENTS: OK. Thank you.

TANNER ELLIS: Yes, sir.

CLEMENTS: Senator Spivey.

SPIVEY: Thank you, Chair. And thank you for your testimony. And congrats, going for a 3-peat.

TANNER ELLIS: Thank you.

SPIVEY: I think that's amazing, and especially when you think about the representation of women in the finance field, whether it's for CPAs or certified financial advisors. Like, this opens up their career path, too. So thank you for your work, and thank you for leading these young people to this space. So.

TANNER ELLIS: Absolutely. Thank you. And one thing I would like to add to that, if you have a moment to look up the National Council's online promotional video. My students from Ravenna take up a majority of the testimony in their national promo video, so I think that's a great representation of what Nebraska is doing-- that small town kids can

compete against these private academies from New Jersey or anywhere else in the United States.

SPIVEY: That's awesome. And once y'all win, because we're going to manifest it, you have to let one of the senators know, so we can acknowledge you on the floor. So make sure you follow up and let us know.

TANNER ELLIS: Thank you. I appreciate that.

CLEMENTS: Seeing no others-- yes. Congratulations. And thank you for your testimony.

TANNER ELLIS: Thank you. I appreciate your time this evening.

CLEMENTS: Next proponent. Good evening.

MATT PIERSON: Good evening. Thank you, Chairperson Clements and the members of the Appropriations Committee. My name is Matt Pierson, M-a-t-t P-i-e-r-s-o-n. And for the past 18 months, I have served as the associate director of the Nebraska Council on Economic Education, but my story with the council goes back much further. I was a public school teacher in Omaha for 13 years before my time at the council. I graduated with my social science endorsement to teach high school, and truly hoped with everything I had that I would never have to teach economics. I wanted to teach history and government, and that's all I really felt comfortable in. This is the reality of many teachers around Nebraska. They do not feel comfortable teaching economics or personal finance in the classroom. Thankfully, the Nebraska Council on Economic Education existed. I was exposed to their professional development through my district, and little by little, my anxiety about teaching economics was gone. Quickly after, I was writing curriculum, designing classes, and choosing textbooks for economics in my district. The ability of the council to provide professional development that was engaging and also treated teachers like professionals was truly life-changing. When a teacher feels comfortable with their subject matter, I truly believe it unlocks a whole different level of teaching for that person, because now they can focus on lesson delivery instead of just understanding the content. I believe the ability to teach students the economic way of thinking and give them the power to see the world through that lens is a skill that will benefit them well beyond school. Being able to educate students about their opportunity costs, their tradeoffs, their decision-making is not only a skill that will help them in an

economics course, but they transfer to life, as well. The exact scenario plays out for personal finance as well, as students transfer these skills to budgeting, investing, retirement -- all skills that help adults and the citizens, you know, of the United States. This council also made a huge investment in their teachers. Through the council, I was able to be part of 2 award-winning curriculum projects while I was still teaching in high school. I was able to expand my love and understanding of the subject due to the investment in the council. The council invested in me further by being the main driver behind my enrollment in the Masters of Economics and Entrepreneurship for Educators program at the University of Delaware. Through this program, I was able to connect with economic, economic educators across the country and truly dive into economics. This is the-- this investment by the council is the true embodiment of the multiplier effect. Investing in teachers pays dividends. I taught well over 200 students per year, and that's over 13 years, and they were all impacted then. All those students were impacted by the council. With over 440 unique teachers being impacted in the last year, this multiplier effect truly touches nearly every corner of the state. These students who are impacted by these teachers carry-- they touch their lives. I cannot tell you how many times I've received an email from a student asking me for advice on economics or finance because of the work that we did in class and them feeling comfortable asking those questions to me. And those stories are common throughout educators in the economics and financial literacy world. So an investment in the Nebraska Council of Economic Education truly is an investment that will grow exponentially. And I thank you for your time, and I would be happy to answer any questions.

CLEMENTS: Any questions? Seeing none, thank you for your testimony. Next proponent. Good evening.

JOSEY MOORE: Good afternoon, Chairman Clements and members of the Appropriations Committee. My name is Josey Moore, J-o-s-e-y M-o-o-r-e, and I'm a junior at Ravenna High School. I also have the honor of serving as the Nebraska Future Business Leaders of America state officer team vice president. Today, I want to share how the Nebraska Council on Economic Education has changed my education, my leadership, and my future. Through NCEE, I've had the privilege of, of competing in the Economics Challenge, the Personal Finance Challenge, and the Loper Business Invitational. These experiences have pushed me to think critically, apply real-world financial concepts, and develop the skills necessary, necessary to navigate an increasingly complex world. But beyond competition, they have given me something even more

valuable: Confidence, confidence in my ability to understand financial principles, and more importantly, to share that knowledge with others. I've had conversations with my peers about healthy financial habits that I never would have imagined myself leading before these experiences. However, the impact of NCEE extends far beyond my own journey. It has ignited excitement across my school district. In the past, athletics dominated conversations. But now, academic competitions are generating just as much energy. With NCEE, we've proven that academically, we can stand toe-to-toe with the largest and most well-resourced schools. NCEE creates opportunities where academic excellence isn't defined by a ZIP code. It's defined by effort and determination. NCEE is more than just competitions or textbooks. It's about empowering students with real-world skills that will shape their futures. The lessons I've learned through NCEE will stay with me for my life, and I know that I'm not alone. Personally, I hope to continue my school streak as Personal Finance Challenge state champions and earn the opportunity to compete against the best students in the country at the Federal Reserve in Atlanta. But even if we don't bring home another title, I know that Nebraska will be represented well because our Economic Council puts students first in everything they do, so much so that if I am reelected as a Nebraska State officer, I plan to advocate for making NCEE programming a regular part of FBLA opportunities. That's how much I believe in this program. In closing, I urge you to, to support LB460 so that these life-changing opportunities remain available to students across Nebraska. Thank you.

CLEMENTS: Are there questions? Senator Spivey.

SPIVEY: Thank you, Chair. I just wanted to thank you for being here. I was not this focused in high school or coming to testify. So just you being here and just your intention around your education and being a state champion is just remarkable. So I just wanted to say keep going and thank you.

JOSEY MOORE: Thank you.

CLEMENTS: Have you testified at a state legislative committee before?

JOSEY MOORE: No.

SPIVEY: You would never know.

CLEMENTS: You did a good job. I'll, I'll let you know that I was-graduated in a class of 21, from a little town of 650 people, and it

amazes me to sit here sometimes. But we people from small towns, we do have good abilities. I really congratulate you on your accomplishments.

JOSEY MOORE: Thank you.

CLEMENTS: Thank you for your testimony. Next proponent.

KIRSTEN SONESON: It's hard to follow that one. Good evening, Mr. Chairman, and honorable members of the Appropriations Committee. Thank you for the opportunity to speak before you today in favor of LB460. My name is Kirsten Soneson, K-i-r-s-t-e-n S-o-n-e-s-o-n, and I serve as board chair of the Nebraska Council on Economic Education. I'm proud to work alongside Dr. Davidson, her small but mighty team of 2, our center directors, and other board members who dedicated their ambitions to the council's mission of providing economics and financial literacy curriculum to both our teachers as well as students across the whole state of Nebraska. I am honored to represent our vast board here today, which is comprised of great minds in these disciplines. Their dedication to this cause is unparalleled, with average tenure on our board exceeding 5 years, providing longevity for the council's continued and involving work. Since joining the board in 2021, I have witnessed firsthand how the programming NCEE provides to educators and students enables a brighter future in understanding economics and finance. The curriculum, training, workshops, and hands-on simulations help build essential critical thinking and problem-solving skills that equip Nebraska's children with the knowledge to properly prepare for their futures upon graduation. So students begin to understand the concept of saving with our school savings programs as early as kindergarten, and that exposure from a young age is paramount to understanding basic life skills, such as not spending more than you make and contributing to retirement and investing early in their professional careers. As many enter advanced education, they will have an understanding of student debt and other forms of credit. As a commercial banker myself and former economist, I have aided in writing components of the state Economic Challenge questions and judged these students' knowledge. Last year, we focused on interest rates and this year will be on tariffs-- timely topics for everyone. I continue to be impressed by the intelligent students who participate and the respect and admiration they have for their teachers that devote the time to make them shine. Students understand concepts I wasn't introduced to until college, which I found by way of an extraordinary economics professor, Dr. Fairchild, at Wesleyan University, down the road. She believed in my ability to compete with

students across the country, even though I was a small farm town kid from Holdrege, Nebraska, which led me to my first career as a financial economist for the Commodity Futures Trading Commission in Washington, D.C. As you heard from Tanner, he plays the same role in his students' lives, although on an earlier time frame. He is empowering young women to pursue professions in areas often dominated by men. He is exposing his students to a bigger world, helping them formulate critical thinking skills and instilling confidence. In turn, our teachers are confident in being able to educate students when properly equipped with our powerful curriculum. As it was mandated by this Legislature, each student has a personal finance course prior to high school graduation. We appreciate you believing us then, and we are asking for you to please support us now with funding. It's important that Dr. Davidson and her team spend their time educating and not fundraising to keep our 60-year-old council alive. The NCEE is looked to as a cornerstone program in the country-- or across the country, and other state councils that do receive continuous state funding try to emulate our efforts, which speaks volumes to the work that we do. NCEE and our programming are imperative to educate our future leaders and help the financial health of our state. Our teachers empower these students and our council empowers those teachers. We would appreciate your support in our endeavor, and I'm happy to ask any questions you may have.

CLEMENTS: Questions? Seeing none, thank you for your testimony.

KIRSTEN SONESON: Thank you.

CLEMENTS: Next proponent.

DEXTER SCHRODT: Good evening, Chairman Clements, members of the Appropriations Committee. My name is Dexter Schrodt, D-e-x-t-e-r S-c-h-r-o-d-t, president and CEO of the Nebraska Independent Community Bankers Association, and I have the privilege of serving on the board of the Nebraska Council on Economic Education. And I got to tell you, when I first joined the board and went to my first board meeting, they did a recap of the previous year and what they had done. And I was, I was blown away by the amount of competitions, education, teacher trainings that they're able to hold with just a staff of 2 and limited funding. It was truly remarkable. And I also felt a, a little sense of jealousy, because I wish that we had these programs when I was in high school, because I would have loved to play the stock market game, and things of that nature. So it, it's great for our students to learn these concepts. I'm surprised it wasn't pointed out yet, but WalletHub

actually named Nebraska number 2 in financial literacy in the country. So the, the dividends that-- or the work that the state is putting in and the efforts are paying dividends for the, the children of, of Nebraska and-- going forward. And I would also like to point out that community banks across the state are proud to be in support of the NCEE. In particular, you heard a little bit about them in prior testimony in the-- in, in school savings programs in elementary schools. We have dozens and dozens of community banks across the state that help administer those programs, train up the student tellers. And it's just something that the industry is very supportive of. And in the interest of time, I'll conclude my comments there. Thank you.

CLEMENTS: Any questions? Senator Spivey.

SPIVEY: Thank you, Chair. Just a quick question. Thank you for your testimony. Do you all, within your membership or contribute any dollars through like, your corporate affairs or your philanthropic efforts to this initiative?

DEXTER SCHRODT: Oh, I believe a lot of our member banks do contribute directly. Yes.

SPIVEY: OK. Thank you.

DEXTER SCHRODT: Thank you.

CLEMENTS: Thank you for your testimony.

DEXTER SCHRODT: Thank you.

CLEMENTS: Other proponents. Seeing none, anyone here in opposition? Seeing none, anyone wishing to testify in the neutral capacity? Seeing none, Senator Juarez.

JUAREZ: Thank you very much. Senator Strommen, I wanted to tell you, fortunately, since I have a former teacher in my office, she let me know that they cut back on the home ec kinds of classes because schools went towards career-oriented types of courses and-- you know, like computer science. So the, the push, the focus became more career-oriented, and that's why classes like home ec were eliminated.

STROMMEN: That's where all the personal finance stuff was, though.

JUAREZ: So? I'm sorry. Say that again.

STROMMEN: I said, that's where all the personal finance was at the time, was in the home ec classes.

JUAREZ: Yeah. OK.

STROMMEN: I think I'm correct. I see people bending over. Is that right, or--

JENNIFER DAVIDSON: The difference is, the financial sector has gotten so much more complicated, it needs a full semester, so it was very, very different.

STROMMEN: Right. No, exactly. Yeah.

JENNIFER DAVIDSON: -- from home ec. Yeah. I, too, I was home ec.

STROMMEN: OK.

JUAREZ: OK. Thank you. I'd like to thank all the testifiers who took the time to come and be here today. And I appreciate all the use-useful information they shared about the NCEE and their important mission. I wanted to reiterate a couple of points that were made. First, the amendment did change the funding source, source from the State Settlement Cash Fund to the General Fund so that the bill complies with existing statute. And second, while the council is housed under the University of Nebraska, they are a separate entity, and these funds would simply be passed through the board of regents to the council. And again, I thank you for your time. And is there any other questions you'd like me to address?

CLEMENTS: Any questions? Seeing none, thank you, Senator.

JUAREZ: Thank you.

CLEMENTS: We have position comments for the record: Proponents, 14; opponents, none; neutral, none. And that concludes the hearing for LB460.

JUAREZ: Thank you.

CLEMENTS: And next, I open the hearing for LB678, who we've been waiting for all day. Welcome, Senator Hardin.

HARDIN: Thank you, Chairman Clements. And good afternoon, Senators of the Appropriations Committee. I'm Senator Brian Hardin. For the

record, that's B-r-i-a-n H-a-r-d-i-n, and I represent the Banner, Kimball and Scotts Bluff Counties of the 48th Legislative District in western Nebraska. I'm here to introduce LB678, which seeks General Fund support for the Nebraska State Colleges to address fixed cost increases expected in fiscal years '26 and '27. Specifically, this bill would help cover negotiated salary increases of 3% for faculty and staff, projected health insurance increases for employees, and the impact of Nebraska's voter-approved minimum wage increases. Maintaining affordability at our public 4-year institutions is critical to ensuring that Nebraskans continue to have access to higher education at a reasonable cost. Each biennium, the Nebraska State Colleges submit a budget request that reflects core operational needs, not program expansions or new initiatives, but simply what is required to maintain current services at Chadron, Peru, and Wayne State Colleges. As open-access institutions, the state colleges play a vital role in educating a high percentage of first-generation and low-income students. Their academic programs align with Nebraska's high-skill, high-demand, and high-wage workforce need, helping to drive economic development in a constantly evolving economy. To continue providing these essential opportunities, a strong partnership with the governor and the Legislature is necessary to keep costs low for students. While I support the governor's commitment to fiscal responsibility, holding the state colleges to a 0% increase over the biennium would undercut their ability to sustain academic programs and critical student support services -- services that directly impact retention and graduation rates. One unique challenge facing the state colleges is the collective bargaining process. These institutions negotiate with 3 different unions, representing roughly 76% of their employees: The Nebraska Association of Public Employees Local 61, the American Federation of State, County and Municipal Employees, that's NAPE/AFSCME, that's just the first one; the State College Education Association, SCEA; and the Nebraska State College Professional Association, NSCPA. The Department of Administrative Services recommended a 3% salary increase and after extensive negotiations, all 3 unions reached agreements reflecting that recommendation. However, following these negotiations, the governor's budget proposal did not include support for the increase. The result? These established commitments total over \$2.9 million in fiscal year '26 and \$2.8 million in '27. To generate the necessary funding, Chadron, Peru, and Wayne would need to implement a 15% tuition increase, a burden that should not fall on Nebraska students and families. This need also does not account for additional cost increases in utilities, operating expenses, and DAS rate adjustments. I want to highlight that the

governor's recommendation and this committee's preliminary budget proposal do support a 3% salary increase and an 11% increase in health insurance for all other state employees, at a total cost of \$97.2 million. With that in mind, I respectfully ask this committee to explore a path forward to ensure that state college employees receive the same level of support. Without it, the state colleges will be forced to shift these costs onto students, like I was, at Chadron State College, long, long ago, Chairman Clements, or they have to make significant program and service reductions, both of which would harm affordability and access. This concludes my opening statement. Following me today is Chancellor Turman, who will provide additional details on the negotiation process and key cost drivers. However, I'm happy to answer any monosyllabic questions you may have. Thank you.

CLEMENTS: Questions from the committee? Seeing none, will you stay for close?

HARDIN: I would not miss it.

CLEMENTS: All right. Proponents for LB678.

PAUL TURMAN: Good evening, Chair Clements, members of the Appropriations Committee. Paul Turman, P-a-u-l T-u-r-m-a-n, chancellor of the Nebraska State College System. Worked in, in consultation with Senator Hardin to bring LB678. I think one of the questions you might be asking is, how is this different from the earlier testimony for our agency? Certainly, we wanted to be able to kind of pinpoint and, and highlight something that I think was probably not warranted in that conversation, really, around the way in which the negotiation process unfolds for our state colleges. As the testimony from the senator reinforced and what I think I talked about earlier this afternoon, DAS recommendations eventually come forward. Our board, who does have the authority to determine what those salary increases are going to be and what comes to you, tends to and I think for the last 2 decades, we have aligned very closely with what the DAS recommendations have been. Had conversations with the Governor's Office about whether or not they felt we were going to get that level of support when budget recommendations came forward. And if not, that we would change our-the approach that we took with the negotiation process itself. I think I am very fortunate, in that for a state higher education system, we have probably one of the most seasoned negotiators, someone who's been doing it at the Department of Education and/or with our system for more than 25 years now. And so, she's gone through this process again and again and understands what I have on that handout, what that

process entails. In September, our nego-- our teams come forward and tell us what they would like -- that they would like to negotiate, and we begin that process. We also experienced a time under her leadership where, unfortunately, when we have gone to impasse, when that has now gone to mediation, we saw ourselves having to increase our salaries by 11% about 12 years ago. And so our goal is to constantly drive toward getting an agreement with our-- for unions, which we were successful in doing. The back page of that document highlights the fact that while we talk about the increase from the state and then the increase we would need to make for tuition, how are those 2 things compounded? I think it's important to emphasize that when we look at the amount that we request to get core needs and then what we are not able to get from the Legislature and whether or not we pass those on to students, over the course of the last decade, other than in '16 and '17, where we did see actually generating a little bit more revenue to get caught back up after 2 years of tuition declines, each year out of the last 8 years, we've seen us not raising tuition enough to even cover the core need requests that we have. When you compound that, that's resulting to-- growing to last year, about \$9.5 million of shortfalls that our institutions have had that en-- encumber, to be able to make up that difference. And so I know that during our individual conversations, I talked to you about what our tuition increases have been and what that partnership has been. I just wanted to also make sure that you are aware that simply saying to us, it's time to tighten your belt while we have tight times -- I know you heard a lot of testimony from the university system earlier today, but I would hope that you would be supportive and, and think through the ways in which the fixed cost that -- my board has no more authority other than we know that we have these 4% increase in each of the next 2 years of the biennium that we have to impose and implement in our system. And I'll end there and answer any questions that you have. And this will be the, the last time you'll see me this year.

CLEMENTS: Are there questions? You start up by talk-- I think you said you asked D-- DAS or the administration if your salary and health was going to be included. What was their answer?

PAUL TURMAN: They asked us to, to visit with the people that were doing the negotiations, and they were forthright with us on kind of where those were at. And also, I think it's important to note that the same people who were doing the NAPE negotiations on the NAPE employees side are also the ones who are across the table from us for our 2 respective unions, as well. And so, we didn't get a, a clear delineation. But even 2 years ago, we received 60% of what our request

was. But we also, on top of that, utilities and operating expenses, we had also gotten 60% of those requests, which was new. I mean, that had not ever really happened in our state system. Traditionally, salary and health insurances are the things that we have traditionally accounted for when we got into those negotiation processes.

CLEMENTS: Yeah. Now I recall that. Yes.

PAUL TURMAN: Times are tight.

CLEMENTS: Yes. And Senator Lippincott.

LIPPINCOTT: What's a, a, a 10-year college-- 10-year not tenure-college professor at a state college make versus the University of Nebraska? Apples to apples.

PAUL TURMAN: I, I certainly can--

LIPPINCOTT: Approximately.

PAUL TURMAN: I can get you that information. I shared earlier like a new assistant professor. I think our associate professors in our system-- I, I, I would want to get the information for you. But it's very similar to the differential, probably 25% difference, you would compare our faculty to the university system-- also have different research expectations. And you would throw ag-based, health-based programs, as well as engineering, all of those are very costly programs and they attract high cost faculty as well.

LIPPINCOTT: So your folks get paid a lot less than the university people?

PAUL TURMAN: I think almost any category you look at, that's, that's probably the case. Yes.

LIPPINCOTT: 25%?

PAUL TURMAN: That's the number. I can get you those numbers, to be clear.

LIPPINCOTT: OK.

PAUL TURMAN: Yeah.

CLEMENTS: Could I ask how enrollment is doing?

PAUL TURMAN: Enrollment has held steady. We're certainly higher in enrollment than when I first arrived here in the system. I believe this last semester, we were just under 8,400 students. We had been at a point where we were at about 8,800, kind of on our path to the 9,000 kind of benchmark that we put in our strategic plan. But I think-what we've seen is a decline dramatically in dual-credit enrollment, as the state has provided additional funding and support for the community colleges. When they're offering that for low-cost or for free for local high schools, that has had a, a significant impact. I believe Chadron only serves maybe 4 districts in their area, and Peru continues to lose districts that they've served in the past in both York and Nebraska City, locations that have been relatively close to them, partly because of the work that Southeast and Metro-- so in the end, the students are getting served and getting served at a low cost, but that's had a-- probably the biggest impact on our enrollment.

CLEMENTS: All right. Any other questions? Seeing none--

PAUL TURMAN: Thank you Senator.

CLEMENTS: --thank you, Chancellor. Any other proponents for LB678? Welcome.

CONNIE EDMOND: Good evening, Chairman Clements, and members of the Appropriat -- Appropriations Committee. And thank you for your stamina and being with me as I'm your last testifier today. My name is Connie Edmond, C-o-n-n-i-e E-d-m-o-n-d, and I'm here today as a representative of the board of trustees for the Nebraska State Colleges to ask for your support of LB678. Although I am a new-- new to the board, my connection to the state colleges runs deep. My husband and I both graduated from Peru State College in the 1980s, and we have remained actively engaged by serving on the Peru State College Foundation and contributing our time and resources to ensure the future-- to ensure that future students have the same opportunities we had to earn a meaningful degree that allowed us to live and work here in Nebraska. One of the key reasons I pursued service on the board of trustees is its long-term standing commitment to ensuring an affordable education for the students we serve. A significant portion of our student population, approximately 45%, are first-generation college students, many of whom come from low-income families. So therefore, access to a high-quality, affordable education is a critical factor in shaping their long-term success and economic mobility. As Senator Hardin and Chancellor Turman have affirmed in their testimony, the board of trustees faces several financial

challenges as we enter this next biennium. We are already committed to salary increases for our employees, established health insurance cost increases, and the statutory minimum wage adjustments. These are fixed costs that we must address, and the support of LB678 will help to ensure that we meet these obligations without placing an excessive financial burden on students through tuition increases. The handout I've distributed provides important context outlining the annual core needs requests over the past decade, the level of support received from the Legislature, and the tuition increases that have resulted. The table at the bottom illustrates the total cost of our core needs requests, the General Fund support received, and the remaining gap funds that have either been shifted onto students or addressed through reductions at the colleges. As Chancellor Turman noted, these reductions have totaled over \$9.5 million. I'd also like to redraw-draw your attention to the map on the back, which compares tuition and fees at Chadron, Peru, and Wayne State Colleges to our regional peers. Currently, only 3 of our peer institutions have lower tuition and fees. Maintaining this affordability is essential not only for recruiting Nebraska students, but also for attracting students from the region to meet our state's workforce needs. Without adequate funding, we risk losing our competitive edge, which could have long-term implications for both our institution's and the state's economic future. To maintain this critical partnership between the board of trustees and the students we serve, I respectfully ask for your support of LB678. The investment you make in this, this aligns with the governor's priorities of workforce development, education reform, economic growth, and fiscal responsibility. The economic impact study conducted by Lightcast revealed that for \$1 invested into the State College System, it generates \$9.50 in economic activity. That is almost a 10-1 return on your investment, contributing \$1.4 billion annually to Nebraska's economy. We will look-- we look forward to working with the Legislature to ensure Nebraska state colleges remain strong, affordable, and competitive for future generations. Thank you for your investment in me over 38 years ago, and for your time today, listening to your return on your investment. I would be happy to answer any questions.

CLEMENTS: Are there questions? Seeing none, thank you for the information. Thank you for your testimony.

CONNIE EDMOND: Thank you.

CLEMENTS: Other proponents for LB678? Seeing none, is anyone here in opposition? Seeing none, anyone wishing to testify in neutral? Seeing none, Senator Hardin.

HARDIN: Thank you, Chairman Clements. Unfunded mandates, of one sort or another are, are never welcome. Also, Nebraska is not the only place that college instructors can work. It's easier to keep them than find them. We would humbly ask for your help. Thank you.

CLEMENTS: Any questions? I, I was just wondering how this bill happened to get drafted because we already have a request from the state colleges in their budget.

HARDIN: And did that -- and does that bill contain this information?

CLEMENTS: Well--

HARDIN: Not all bills are created equal, I've noticed since I got here.

CLEMENTS: Well, it may not. Right.

HARDIN: OK.

CLEMENTS: This discusses the negotiated salaries and was prob-probably new information, I believe. You're not supposed to ask the committee questions.

HARDIN: I'm sorry. I was musing out loud. And as a former Chadron State music major, I was going to sing my entire testimony, so I saved you.

CLEMENTS: Well, very good. Have any other closing remarks?

HARDIN: None whatsoever.

CLEMENTS: OK. Thank you for your testimony. Thank you, Senator Hardin. We have no [INAUDIBLE] position comments for the record. That will conclude LB678. And that concludes our business for the day.