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Revenue Committee January 22, 2025  
Rough Draft

**von GILLERN:** And I serve as the chair of this committee. The committee will take up bills in the order posted. This public hearing is your opportunity to be a part of the legislative process and to express your position on the proposed legislation before us. If you're planning to testify today, please fill out one of the green testifier sheets that are on the table at the back of the room. Please be sure and print clearly and fill it out completely. When it's your turn to come forward to testify, give the testifier sheet to the page or to the committee clerk. If you do not wish to testify but you would like to indicate your position on a bill, there are also yellow sign-in sheets back at the table for each bill. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone. Tell us your name, and spell your first and last name to ensure we get an accurate record. We'll begin each bill hearing today with the introducer's opening statement, followed by the proponents of the bill, then opponents, and finally, by anyone speaking in the neutral capacity. We'll finish with the closing statement by the introducer if they wish to give one. We'll be using a 5-minute light system for all testifiers. When you begin your testimony, the light on the table will be green. When the yellow light comes on, you have 1 minute remaining, and the red light indicates you need to wrap up your final thoughts and stop. Questions from the committee may follow. Also, committee members may come and go during the hearing. This has nothing to do with the importance of the bills being heard. It's just a part of the process, as senators may have bills to introduce in other committees. A few final items to facilitate our hearing today. If you have handouts or copies of your testimony, please bring up at least 12 copies and hand them to one of the pages. Please silence or turn off your cell phones. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position comments on a bill to be included in the record must be submitted by 8 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at [nebraskalegislature.gov](http://nebraskalegislature.gov). Written position letter-- letters will be included in the official hearing record, but only those testifying in person before the committee will be included in the committee statement. I'll now have committee members with us today introduce themselves, starting on my far left.

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**SORRENTINO:** I'm Senator Tony Sorrentino, Legislative District 39.

**KAUTH:** Senator Kathleen Kauth, Legislative District 31.

**BOSTAR:** Eliot Bostar, District 29.

**JACOBSON:** Mike Jacobson, District 42.

**MURMAN:** Dave Murman from Glenvil, District 38. I represent 8 counties, mostly along the southern tier and the middle part of the state.

**DUNGAN:** George Dungan, LD 26, northeast Lincoln.

**von GILLERN:** Thank you. Also assisting us today is our legal counsel, Charles Hamilton, to my left. Other counsel, Sovida Tran, is at reserve duty for the next few days, so we thank him for his service. He will be with us-- back with us next week. And then to the far left is committee clerk, Linda Schmidt, who keeps us all in order. Thank you, Linda. Our pages will introduce themselves today. Please stand and introduce yourselves.

**LAUREN NITTLER:** Hi. I'm Lauren, in my second year at the University of Nebraska-Lincoln. I'm studying ag econ, and I'm from Aurora, Colorado.

**JESSICA VIHSTADT:** Hi. I'm Jessica. I'm a sophomore at the University of Nebraska-Lincoln. I'm from Omaha, Nebraska, and I'm studying political science and criminal justice.

**von GILLERN:** Lauren and Jessica, thank you for being here today. We're going to-- we have reordered the agenda a little bit, and that was posted here this morning. We're going to start with LB78, Senator Bostar.

**DUNGAN:** Senator von Gillern, this says LB8 on the outside.

**von GILLERN:** Oh.

**DUNGAN:** Just to make sure that's correct.

**von GILLERN:** Pages, we need to flip the-- I'm sorry.

**CHARLES HAMILTON:** He's LB8.

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**VON GILLERN:** He's--

**CHARLES HAMILTON:** Aren't you LB8?

**DUNGAN:** I know.

**VON GILLERN:** Dungan, Dungan is LB8.

**CHARLES HAMILTON:** OK.

**VON GILLERN:** Bostar is LB78. There we go.

**JACOBSON:** And look at that. We got multitasking.

**VON GILLERN:** Welcome, Senator Bostar.

**BOSTAR:** Thank you. And good afternoon, Chairman von Gillern, fellow members of the Revenue Committee. For the record, my name is Eliot Bostar. That's E-l-i-o-t B-o-s-t-a-r, represent Legislative District 29. I'm here today to introduce LB78, legislation that creates the Domestic Violence and Trafficking Victim Housing Assistance Fund, increases the Nebraska documentary stamp tax by \$0.07, and allocates that funding to the newly created assistance fund. These funds will only be accessible by victims working through a qualified organization, defined as a nonprofit organization or a federally recognized Native American tribe, with a governmental body in Nebraska with an affiliation agreement with the Department of Health and Human Services to provide services to victims of domestic violence and sexual assault under the Protection from Domestic Abuse Act or provide direct services to victims of trafficking. The funds can only be used for housing related assistance, which is defined as rental payments, utility payments, security and utility deposits, and other related costs. Revenues from the Nebraska documentary stamp tax are used primarily to address our state's housing crisis. This change assures that a portion of those funds are supporting housing costs specifically for the most vulnerable people in our state: Victims of domestic violence and human trafficking. Not two weeks ago, Governor Jim Pillen, Lieutenant Governor Joe Kelly, Attorney General Mike Hilgers, and Nebraska State Patrol Superintendent Colonel John Bolduc came together for the signing of a proclamation declaring January Human Trafficking Awareness Month. FBI Special Agent in Charge Eugene Kowel stated at the event that people, even in the heart of the heartland, are being bought, being sold, being exploited, leaving

live-- leading lives of misery, whether being forced into sexual activity, living and working in dangerous and dirty conditions, or being forced to work grueling jobs with little to no pay. These people, primarily women and children, are being exploited, and it is up to all of us to help them to safety. Nebraska policymakers can and should prioritize the immediate housing assistance needs of victims and survivors to further support our broader effort to combating domestic and sexual violence. Every session, this Legislature commits itself to supporting victims of domestic violence and trafficking, but has not yet fully addressed the immediate housing needs of those same victims. 92% of financial assistance requests from victims are for housing-related costs according to a survey conducted last interim for LR346 by the Coalition to End Sexual and Domestic Violence and the Women's Fund of Omaha. If victims don't have a safe place to go, our other efforts to keep them safe will fall short. Domestic violence and human trafficking impact all Nebraska communities, urban and rural. According to the statewide Intimate Partner and Sexual Violence Survey conducted by the Nebraska Coalition to End Sexual and Domestic Violence, an est-- an estimated 81.5% of Nebraska women and 66.7% of Nebraska men experience some form of domestic or sexual violence in their lifetime, amounting to 1.4 million Nebraskans. Since 2021, both the supply of affordable housing and access to financial assistance supporting housing stability has significantly decreased across the state. As the affordable housing crisis gets worse, victims who would previously have come to a shelter and then moved on are now needing much longer to do so, creating a shelter bottleneck so fewer new victims can access shelter service. This bottleneck has become increasingly dangerous, ultimately, ultimately leading to a cascading effect across the state, with shelters and domestic violence prevention programs reporting increased lethality in many situations due to insufficient resources to provide housing assistance. Housing is the single largest factor in determining a victim's ability to access safe-- safety for them and their children. The choice for victims far too often is to either stay in an unsafe situation or become homeless. According to a report titled Domestic Violence, Housing, and Homelessness, released in 2018 by the National Network to End Domestic Violence, 38% of all domestic violence victims become homeless at some point in their lifetime. Domestic violence is the leading cause of homelessness for women with and without children, and domestic violence is one of the leading causes of homelessness for children in the United States, with 25% of homeless children having

witnessed violence. The overwhelming majority of housing-related requests from survivors across agencies in Nebraska were for financial assistance for housing to leave an abusive situation and secure new and safe housing. A lack of housing and resources for housing assistance make it more difficult for survivors to later secure stable employment, ensure the safety of their children, and address their own emotional well-being. Unmet housing needs puts survivors and their families at increased risk for homelessness, and ultimately, continued victimization. Because there is currently no specific funding set aside for housing-related assistance for survivors of domestic violence, providers are relying on referrals to other local organizations that provide assistance to the, the broader public. Providers describe survivors turning to survival sex in exchange for money, increased risk of vic-- victimization and trafficking while on the streets, deteriorate-- deterior-- deterioration of survivors' mental health and addiction. According to the LR346 survey, as one provider stated, we hear from survivors who are living in their car under bridges, staying with family in unhealthy situations, remaining with or returning to their abusive partner because there is no alternative. In the last year, we have known survivors who have died due to limited capacity. We view shelter and housing for survivors as homicide prevention. Put simply, housing assistance for victims of domestic violence and human trafficking will save Nebraska lives. On January 10 of this year, Attorney General Hilgers called on our state to recommit ourselves to doing all in our power to work to end this illegal evil and no longer allow it to thrive in the shadows. I urge you to support LB78. I thank you for your time and consideration, and I'd be happy to answer any initial questions the committee may have.

**VON GILLERN:** Thank you, Senator Bostar. Questions from committee members? Senator Kauth.

**KAUTH:** Thank you, Chair von Gillern. Senator Bostar, is there currently assistance for domestic violence survivors that's not specific to housing?

**BOSTAR:** I mean, there are, there are absolutely service providers out there, but housing is the number one need. And specifically when it comes to housing, there is no-- there is no specific funding source to, to create that support. And so, it ends up that these victims end up in the general pool for housing support when this is a population

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with very acute, specific needs that if not met, can far too often lead in death.

**KAUTH:** So is- but-- is there a fund for domestic violence survivors like, just to help with other things and they could use it for housing if they chose? Or--

**BOSTAR:** So we'll have some providers come up and talk about the specifics--

**KAUTH:** OK.

**BOSTAR:** --of how some of that works and all the support streams that exist. But there is nothing that addresses sort of specifically what we're talking about here, with this bill.

**KAUTH:** Thank you.

**von GILLERN:** Senator Sorrentino.

**SORRENTINO:** Senator Bostar, thank you for bringing this legislation. Very important. Very quick question. On the funding, the \$0.07 added to the real estate transfer tax, which results in, I think, \$830,000 in year one, how, how did we arrive at the budget that we need \$830,000 versus \$1 million or \$2 million, et cetera?

**BOSTAR:** The goal was to secure a stable funding source of \$1 million.

**SORRENTINO:** And that's by using 7%-- \$0.07-- I'm sorry-- gets you to that, by and large, as a year creeps to '27, '28, et cetera?

**BOSTAR:** Yeah. And I mean, you know, you look at-- yeah. Because '25-26, you're at 830, '26-27 is 1.1.

**SORRENTINO:** So it's all an iteration to get to \$1 million.

**BOSTAR:** That's the-- that was the I-- that was the need that was identified that if we could fill that gap and provide that, that we would be able to truly work to address the problem.

**SORRENTINO:** Thank you.

**von GILLERN:** Any other questions? Senator Jacobson.

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**JACOBSON:** Thank you, Mr. Chairman. So, Senator von Gillern, I guess my question is I, I--

**von GILLERN:** Senator Bostar.

**JACOBSON:** --first of all, I, I, too-- [INAUDIBLE]. Excuse me. Not von Gillern, Bostar.

**von GILLERN:** I'm not answering any questions.

**JACOBSON:** I won't ask you any questions.

**BOSTAR:** This is the chair's bill.

**JACOBSON:** I guess I-- obviously, this is a crisis, and I think it's being fought from a lot of different fronts. And I know the bankers have got a fund going, as well. And I'm-- this, this is-- this is all-- like Senator Sorrentino, I appreciate you bringing the bill. I guess I'm trying to figure out the--

**von GILLERN:** Bostar.

**JACOBSON:** No-- Senator Bostar-- Senator Sorrentino thanked him for bringing the bill. That's what I'm trying to clarify. So my, my question has to do-- how does it physically work? In other words, we've got a-- an acute shortage of housing. So I assume these dollars would be used for rental assistance, or how would these dollars actually be deployed? And do we have-- do we have the housing stock available, or the rentals, or-- is, is there, is there a place for them to go outside of a shelter?

**BOSTAR:** Yeah. My understanding is yes. And how it would work is the fund that would be created and resourced through the \$0.07 added to the doc stamp tax, organizations that already have these agreements with DHHS to provide services to these populations would be able to use these funds for-- could be rental assistance. It could be utility assistance. It could be for deposits, you know, housing, renting deposit, utility deposit, but costs associated with putting a roof over someone's head in a safe environment.

**JACOBSON:** Gotcha. And just to follow up, I, I-- first of all, I appreciate you not bringing this with a fiscal note without another funding source other than taxpayer dollars. And, and maybe to be

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clear-- I know a lot of people are unclear on this. So the doc stamp fees are paid by the seller of a piece of property, not by the buyer. So we hear a lot about how this is going to drive up the cost of housing. Actually, it's going to reduce the amount, the net amount that the seller receives. And I might add that in most cases, if there's a bank lien, it will reduce the net amount that goes to the bank. But hopefully, they've done their underwriting correctly and, and \$0.07 isn't going to, going to end the world. I think we've got a number of, of bills coming that are going to deal with doc stamps. And everybody's looking for a piece of the doc stamp, so hopefully we don't get too crazy and go well above the \$2.25 that we're at today.

**BOSTAR:** Agree.

**JACOBSON:** But, but I, again, I appreciate you bringing the bill, and I-- that would be my main concern, is do we have, do we have the place to go where it's specifically for housing, as opposed to going into a fund that would help in all needs that they may have?

**BOSTAR:** Yeah. No, and I understand that. I mean, and, and to be clear, we absolutely have a housing crisis in general. And we need to be aggressive in addressing that and ensuring that there is more housing available and affordable to the general public. But, you know, in my conversations with the, the folks that spend every day working in this space, this is the top need, is resources specifically, specifically for housing. And I do get the impression that there are places for individuals to go, but it is a question of, of resources, you know? And when folks are victims of domestic violence or victims of trafficking, they-- we all understand. Right. It's not like they're in a position in those, in those moments to do this on their own. It takes a great deal of support. And what we want to be able to do is put, put folks on the road to recovery and put them in a safe environment and a stable environment where then they can gain employment, get the help they need, and, and get better, instead of far too often, where they, they have to stay in, in an environment that too often will get them killed.

**JACOBSON:** Yeah. Well, I have no more questions for you or Senator von Gillern.

**BOSTAR:** Thank you, sir.



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**von GILLERN:** We both appreciate it. Any other questions-- seeing none-- from the committee? Thank you. And you'll stay for a close? I presume?

**BOSTAR:** Where am I going to go?

**von GILLERN:** Right here. We'll invite up our first proponent testimony. Anyone who would like to speak as a proponent for the bill? And if you're going to speak as a proponent, kind of work your way to the front, or if you're going to speak at all, as the testimony goes on. Good afternoon.

**JASON STILLE:** Good afternoon. I hope my voice makes it through this. Good afternoon, Senator von Gillern, members of the Revenue Committee. My name is Jason Stille, J-a-s-o-n S-t-i-l-l-e. I'm an assistant chief with the Lincoln Police Department, and I have the pleasure of leading the department's operations division. I want to thank the committee and your staff for what you do and will do positively to impact all Nebraskans during this long legislative session. I'm here today on behalf of the Lincoln Police Department to testify in support of LB78, which creates the Domestic Violence and Trafficking Victim Housing Assistance Fund. A few weeks ago, I had an opportunity to attend Governor Pillen's proclamation regarding Human Trafficking Awareness Month for the month of January 2025. During this proclamation, top state and federal law enforcement partners, Attorney General Hilgers, and the Governor himself outlined the human trafficking issue and indicated that this problem is not a Lincoln or Omaha problem, but rather a matter of state concern. I couldn't agree more with these assertions. To highlight the problem at hand for calendar year 2024, the Lincoln Police Department investigated 1,540 cases of domestic assault and 32 cases of human trafficking. Further, we also investigated 357 cases of sex assault, several of which could fall into the category of human trafficking. Our victim assistance unit, who provide support and outreach to victims of crime, outlines that housing is often the single largest factor in determining a victim's ability to remove themselves from a dangerous situation, as the choice, if you really want to call it that, becomes between staying in an unsafe environment or becoming homeless themselves. If those victims do make the difficult decision to leave a dangerous environment, lack of housing and resources related to housing assistance have made it more difficult for survivors to later secure stable employment, ensure the safety of their children, address their

own emotional well-being. To be blunt, unmet housing needs puts survivors and their families at increased risk for homelessness and further victimization. As previously stated, domestic violence and human trafficking impacts all Nebraskans, both urban and rural. And this is not just a quote unquote, big city problem. According to the statewide Intimate Partner and Sexual Violence Survey conducted by the Nebraska Coalition to End Sexual and Domestic Violence, an estimated 81.5% of Nebraska women and 67-- or-- excuse me, 66.7% of Nebraska men experience some form of domestic or sexual violence in their lifetime. We also know that more than a third of all domestic violence victims become homeless at some point in their lifetime. And domestic violence is the leading cause of homelessness for women, with or without children, and as one of the leading causes of homelessness for children in the United States. Survivors who become homeless after escaping an abusive relationship are at an even greater risk because of their housing insecurity. Even here in Lincoln, we have become aware of cases where survivors escaping intimate partner violence have turned to sex in exchange for money, just to make ends meet. The increased risk of victimization to include being trafficked while on the streets, deterioration of their mental health, and addiction to substances. We are also aware of survivors that have died because of the limited capacity. And to be blunt, we view shelter and housing for survivors as violence prevention, and in the most extreme cases, homicide prevention. Every year, this Nebraska Legislature has committed itself to supporting victims of domestic violence and trafficking. Your efforts do not go unnoticed, and previous efforts by this body have undoubtedly saved lives. I believe that the support of this bill is the next logical step in supporting victims of domestic violence and human trafficking. This bill underwrites a Housing First model that is often seen in successful homeless outreach programs, and I believe it will make an impact in all Nebraska communities. For these reasons, the Lincoln pulars-- excuse me, the Lincoln Police Department supports LB78. And with that, I'll be happy to take any questions that the committee has.

**von GILLERN:** Thank you. Questions from committee members? Seeing none, thank you for being here, Officer Stille. Next proponent. Good afternoon.

**RANDI EZEAFULUKWE:** Hello, my name is Randi Ezeafulukwe, R-a-n-d-i E-z-e-a-f-u-l-u-k-w-e. I'm here to provide lived experience testimony in connection with the proposed L-- LB78. Before my relationship, I

was an active woman who maintained multiple jobs and spent time supporting others in our community in any way that I could. I was extremely good with my finances, and always had enough money to get the things I needed or wanted and give or loan money, money to others in my life. In 2009, I met a person who was equally as active as I was professionally and had similar interests. And after 3 years of dating, we became parents. Things started out the same as they do with all parents, running on little to no sleep, hearing phantom cries every time you want a moment alone. However, there were aspects that appeared-- that did not feel like they were part of a normal parenting partnership or relationship, such as being the sole person responsible for the children's care to the extent of not being able to leave the home, or having an allowance for things needed for a household and that amount constantly changing or being inconsistent. Eventually, I was sent a flier that gave examples of different types of abuse that a person could experience. After reading through the list of 30 identifiers and recognizing at least 24 of them show up daily in my relationship, I decided it was time for me to leave. There were barriers such as knowing I had no savings of my own due to earlier having to use them to cover bills or expenses in the earlier part of my relationship. During those times there were promises of repayment, but I never ended up re-- receiving the money back because quote unquote, I needed to relax or stop being so self-centered when there was more important things to pay. The lack of financial responsibility meant that I could not rely on people or services I had before, having overburdened them with contacts of need. My plan was to find a way to become employed and save funds needed to relocate, relocate. This was a completely unrealistic goal in my specific situation. I had no transportation, no childcare, and the programs that I could have applied for would require me to apply as a household, including the income that I did not have access to. Ultimately, my situation required me to flee into homelessness. And though I was able to steal \$800 to take with me, the funds went towards buying 6 cans of infant formula at \$55 apiece so my kids could eat for 3 weeks, some went towards buying a \$60 phone and 4 months of service so I could have a contact number for programs and jobs that I was applying for, the last \$300 I tried my best to stretch as far as I could. But when experiencing homelessness, money drips in through cracks you must seek to find and flows out like an active river stream. I first went to a relative's home that allowed me to stay for 5 days. Luckily, I was able to get into a shelter. The shelter stay was initially 6 weeks. I

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worked hard to get transportation, childcare, and employment. I was able to accomplish those things, but the money I made was still leaving faster than I could, could acquire it. Though I had applied for state programs, I had to wait for the processing and even with applying for child support, I could not expect to access those funds for at least 6 to 9 months. Based on the budget I created with my case manager at the time, I could only save \$20 a month. The home that I would eventually get moved into, the initial costs were \$1,217. It would have taken me 5 years to save the needed funds to get into that home. So in reality, it took me nearly a year to successfully leave the relationship. This was with being heavily supported by community programs and resources. I would say that my-- in my current experience, my situation was unique and with a low number of barriers. My ex partner and I were financially capable individuals, so we never had to use community supports before the relationship, so that made my eligibility for community programs more likely. I truly believe that if the-- I believe that if those supports weren't there, that would not have been the case and my experience of homelessness would have lasted many more years, or I would have entered a cycle of leaving the relationship for a time and eventually returning out of necessity. In my perspective now, the proposal of these funds is a tremendous idea. I buckled down as a single mother of 2, with 2 children under 2 and being 5 months pregnant. I hit the ground running as fast and as far as I could with all my might. I made it through with many obstacles. Today, I ask that you remove just one of those obstacles for the scared but truly brave in heart individuals who flee behind me. Thank you.

**von GILLERN:** Thank you for your testimony. Questions from committee members? Senator Dungan.

**DUNGAN:** Thank, thank you, Chair von Gillern. And thank you for being here. I guess it's less of a question, more just genuinely saying I appreciate you being here. I think what's helpful about this testimony is it's really tangible. Right. We talk a lot about numbers. We talk a lot about budgets and things like that here, but this is information that you shouldn't have to come share but I'm glad that you did. So thank you for doing that. But it's a good reminder that we're all just a few bad things happening away from things being very difficult. So I'm sorry that you have to talk about this all again, but thank you for being here. It's really helpful.

**RANDI EZEAFULUKWE:** Yes. Thank you.

**von GILLERN:** Any other questions? I just want to echo what Senator Dungan said. Thank you for cramming a very challenging story into 5 minutes. You nailed it, by the way.

**RANDI EZEAFULUKWE:** It's what I do best.

**von GILLERN:** And congratulations on working your way out of a very difficult situation. Thanks for being here. Next proponent testifier. Good afternoon.

**JO BAIR:** Good afternoon. I'm Jo Bair, J-o B-a-i-r. I am the executive director of enCourage Advocacy Center. enCourage serves Adams, Clay, Nuckolls, and Webster Counties in south central Nebraska. Our organization is part of the statewide coalition providing critical services and support to those who have experienced or are experiencing domestic violence, sexual assault, human trafficking, and stalking. enCourage offers these core services: a 24-hour crisis line, safety planning, emergency shelter, legal and medical advocacy, assistance with protection and harassment orders, and assistance in accessing other community services. In 2024, enCourage served 403 survivors of violence, providing emergency shelter to 77 of them. While requests for emergency shelter continue to increase, decreases in federal grant funding have forced us to shelter only those with the highest lethality risk, meaning those most likely to be killed by their abuser if they are unable to flee. Of the survivors of violence served by enCourage in 2024, 67% had minor children they were seeking to protect. Safe housing is often the most immediate critical need of those fleeing violence, and yet it is one of the most difficult resources to access. One of the reasons for this is economic abuse, which occurs in 95% of domestic violence cases. This type of abuse is designed to create economic instability and/or make one partner economically dependent, which limits their freedom. Without access to money and the things that money can buy, it is difficult to leave an abuser and access safety. Someone experiencing this type of abuse can become trapped in a relationship with the abuser, unable to resist the abuser's control and at risk of further harm. In this way, economic safety underpins physical safety. The impact of economic abuse makes rebuilding lives challenging. Many survivors of violence leave with nothing, having no money even for essentials, and have to start again from scratch. Many survivors leave with large amounts of debt and a

poor credit history, affecting their long-term economic stability. While many of us in this room would likely be able to turn to supportive family members in a crisis, those we serve have been intentionally isolated from all support systems by their abuser. This means that accessing safe housing is all but impossible for them without help. enCourage Advocacy Center firmly believes that LB78 will have a profound impact on survivors of domestic violence and trafficking in our community. This bill would offer survivors the stability they need to re-- rebuild their lives, regain their independence, and break free from cycles of abuse. Housing is the foundation for economic security and without it, survivors cannot move forward from crisis to stability. Thank you for your time and for considering the needs of survivors across the state. I'm happy to answer any questions that you have.

**von GILLERN:** Thank you. Any questions from the committee members?  
Senator Murman.

**MURMAN:** Yes. Thank you, Senator von Gillern. And I just want to thank you for testifying. Your neighborhood is right in my--

**JO BAIR:** Yes.

**MURMAN:** --neighborhood, right. And I live right in the heart of your neighborhood, I guess, so appreciate you being here. I might have missed it in your testimony, but do you have housing available for victims?

**JO BAIR:** We provide emergency shelter. We utilize hotel rooms. And so it is a temporary stay that often ends up being far longer than, than any of, any of us would like because of the difficulty in accessing housing, both in finding actual housing, but more so in paying for that housing when it is identified.

**MURMAN:** I can understand how hotel or motel housing wouldn't be the safest option. If you had some kind of shelters available or shelter, at least maybe they could be more-- the victims could be more protected there.

**JO BAIR:** And there are benefits and downfalls of both models. I know as an agency we've utilized both models. And I know across the state

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agencies are using different models, and there's, there's good things and challenging things about both.

**MURMAN:** OK. Thank you.

**JO BAIR:** Thank you.

**von GILLERN:** Senator Dungan.

**DUNGAN:** Thank you, Chair, von Gillern. I just want to make sure that I understand and am clear on the kind of services we're talking about.

**JO BAIR:** Yes.

**DUNGAN:** So I think that sometimes when we talk about housing, there's a conflation between long-term housing, like getting somebody a house and paying their--

**JO BAIR:** Yes.

**DUNGAN:** --mortgage and things like that, versus emergency sort of acute care. Your advocacy center and similar organizations, do you provide sort of that short-term, stepping back into the community or is it more the long-term housing solution?

**JO BAIR:** We provide the immediate, short-term, helping people get back on their feet. One of the conversations that our advocates are always going to have is what does long-term stability look like? And we work really hard to not put people in situations that they're not going to be sustainable over the long term. So looking at the overall budget, looking at what resources are available, but many people need-- their primary need is that immediate first help to get them into long-term housing, out of the crisis situation, and then they're going to be sustainable for the future. And it's my understanding that that's what this fund would provide, is that immediate help to get them stable, while they're going to have-- also have that case management help and support in making sure that they're going to be able to maintain that on their own without that continued assistance from a fund like this, not that that assistance is available--

**DUNGAN:** Right.

**JO BAIR:** --but that they would be able to be sustainable.

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**DUNGAN:** And you answered the second part of my question there pretty much, which was just to bring it back to LB78, which is-- so my understanding is the, the, the goal of this fund that we're talking about here is for that acute care, that, that acute housing needed right away. And then we can continue to address the other pieces of the puzzle for housing down the road, but this would be to address the immediate necessity to keep people safe.

**JO BAIR:** Absolutely.

**DUNGAN:** OK.

**JO BAIR:** Absolutely.

**DUNGAN:** Thank you.

**JO BAIR:** Right now, my, my staff, if we have someone who is in need of this kind of help, they're calling all of the, the community agencies, like, OK, well, we can give \$200. We can give \$100, and piecing together the funds in order to help someone get into housing. And because there is a housing shortage, when a landlord agrees, OK, you can rent this property, they want that deposit and first month's check that day. And so, there's not time to be going from place to place trying to access those resources. We need them available for survivors when survivors have the option to move into that housing. Because if they're not able to take advantage of that, that could potentially be months more before they're able to find the right fit.

**DUNGAN:** Got it. Thank you.

**JO BAIR:** Thank you.

**von GILLERN:** Thank you. Senator Sorr-- Sorrentino.

**SORRENTINO:** Thank you, thank you, Mr. Chairman. Ms. Bair, 2 quick questions. You testified that you have federal funds for your organization now. I wonder if there are-- number 1, if there are any other funding. And number 2, to be a beneficiary of this intended legislation, your organization would need to be a qualified third party. Would you meet that definition?

**JO BAIR:** Yes, we would meet that definition. We are part of the network of 20 programs that would meet that definition. And federal



funds are available. That's our primary funding source, but they are limited and they are continually decreasing. Our budgets are getting tighter, and we're having to get more and more creative about how we meet these needs while still serving survivors.

**SORRENTINO:** Thank you.

**JO BAIR:** Thank you.

**von GILLERN:** No other-- seeing no other questions, thank you, Ms. Bair, for being here today. Next proponent testifier. Good afternoon.

**KATHLEEN BAUER:** Good afternoon. My name is Kathleen Bauer, K-a-t-h-l-e-e-n B-a-u-e-r. I am the executive director at Sandhills Crisis Intervention Program, SCIP, in Ogallala. I am here today to support LB78. SCIP is one of 20 programs that cover all 93 Nebraska counties, providing services and support to domestic and sexual violence survivors. Our program serves the rural counties of Arthur, Deuel, Garden, Grant, Keith, and Perkins in western Nebraska. We provide services such as 24-hour crisis line, emergency shelter, and short- or long-term support. In 2024, we served 158 survivors. The majority are survivors of domestic violence, with 19 survivors of sexual assault and 2 survivors of sex trafficking. Finding affordable housing in our communities is difficult. One issue survivors face is contacting the Joint Housing Authority. Survivors have to leave a message to schedule an appointment in hopes of hearing back within 72 hours. According to their website, the current waitlist for a housing voucher is 6 months to 1 1/2 years or longer. In 2020-- in 20,002, I left an abusive relationship with my 4 children. I applied for housing assistance then and was informed that there was up to a year-long waitlist. It is disheartening to see that 22 years later, there has been no increase in housing support for survivors. And through this bill, we can finally, finally do that. Survivors who have left difficult situations are struggling, as rent has risen significantly from an average of \$700 to \$1,200 per month. Many are relying on minimum wage jobs after long absences from the workforce, making it hard to cover rent, utilities, and other essentials. This fund aims to assist with initial housing costs and help survivors retain their homes during financial hardships, such as unexpected car repairs or legal fees. Many survivors experience financial abuse by their partners. Controlling someone through finances is one of the easiest methods of manipulation. When survivors manage to leave, they often

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discover that they can only receive a few night-- nights of shelter, and the waiting list for permanent housing is long. As a result, many feel compelled to return to the abuse. As survivors face housing issues, SCIP and similar programs are experiencing federal funding cuts, affect--affecting our ability to provide emergency shelter. In 2024, SCIP offered 82 nights of emergency shelter, a drastic 77% reduction from 347 nights in 2023. This-- excuse me-- this underscores the urgent need for survivors to be able to transition into housing quickly. LB78 is a crucial bill for survivors. It would provide essential funding to help them secure and maintain affordable and safe housing. SCIP believes that LB78 will significantly impact the lives of these survivors, and we urge you to support its advancement. Thank you for your time, and I'm happy to answer any questions you may have.

**von GILLERN:** Thank you for your testimony. Questions from committee members? Senator Kauth.

**KAUTH:** Thank you, Chair von Gillern. Hi.

**KATHLEEN BAUER:** Hi.

**KAUTH:** Thank you for your testimony. So I want to look at the-- you said in 2024, you offered 82 nights of emergency shelter, but in 2023, it was 347 nights. Is that primarily due to federal funding or are there other funding streams that didn't come through?

**KATHLEEN BAUER:** Primarily from the federal funding.

**KAUTH:** And do you have for philan-- philanthropy donating to this, as well?

**KATHLEEN BAUER:** Mm-hmm. We do.

**KAUTH:** OK. And how is that? Are they dropping or are-- I mean, everybody's belts are tightening everywhere. So I'm just wondering if the philanthropic community is--

**KATHLEEN BAUER:** Yeah. And we're also very rural. So a lot of those organizations are spreading their money across multiple--

**KAUTH:** Got it.

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**KATHLEEN BAUER:** --agencies, so they just don't donate as much. And you don't have as many options as you do like in urban areas.

**KAUTH:** OK. Thank you very much.

**von GILLERN:** Any other questions? Just as a matter of clarity, you used the term SCIP, which is an acronym for Sandhills Crisis Intervention Program. Correct?

**KATHLEEN BAUER:** Yes.

**von GILLERN:** OK.

**KATHLEEN BAUER:** Sorry.

**von GILLERN:** Thank you. No, that's fine. We connected it, but we want to make sure we're on the same page. Thanks for your testimony today.

**KATHLEEN BAUER:** Thank you.

**von GILLERN:** Next proponent. Good afternoon.

**ERICA McDANIEL:** Hi, I'm Erica McDaniel, E-r-i-c-a M-c-D-a-n-i-e-l. I am a domestic violence survivor, and I also now work as a domestic violence advocate for Catholic Charities in Omaha. I wanted to share a bit of my story, my struggles that I went through. I left my kids' father in Florida. He found me. He told me what I drove, where I lived, everything. All I could bring was what I could fit in my car. So I packed my kids' stuff up in the car and I came up here to Nebraska. Catholic Charities, I was able to get into at the time. I was able to get my children into daycare. I was able to find a job. The problem was, was finding help with application fees, rental assistance and everything. I just had to wait until my job started bringing in the checks. Because once I decided to leave, I decided I was going to lose everything because I didn't have a choice. So it's really hard when you're going from a home to nothing as a domestic violence survivor. It took me about 5-6 weeks that I was able to finally find help. Yes, there's resources out there, but there's times that they don't have funds available. Like Together Inc. might not have the funds, but WCA can only help with 300. So it was a, it was a little challenging trying to find funds to get on my feet, but I was able to, and I am now helping women that have been through my situation. And I'm still single to this day because I am scared to get

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back in that same type of relationship. But it is a struggle as a single mother of 3 to be able to lose everything and try to come back up and tell your children it's, it's gonna to be OK. But deep down inside, as parents, you feel like a failure. And I feel like if we could help these families more and be able to get them on their feet, that they would be able to provide that stability and the kids would know, my mom did it. So if they were ever in that situation, they would leave, too. That's all.

**von GILLERN:** Thank you. Any questions from the committee members?  
Senator Dungan.

**DUNGAN:** Thank you, Chair von Gillern. And thank you again for being here and sharing that. What other sorts of housing assistance are there out there right now that you tried to access? And what were some of the difficulties that you encountered trying to access those services?

**ERICA McDANIEL:** I went-- well, this was years ago. I went through 211. They helped me with 500. WCA, they helped me with 300 at the time.

**DUNGAN:** \$300?

**ERICA McDANIEL:** Yes.

**DUNGAN:** OK.

**ERICA McDANIEL:** So they'll help with so much, but then you gotta find the other companies that will help pay the rest. So I think it was St. Vincent-- it was another program that helped me pay the rest and I was able to get on my feet. Because I had the job, I had the income, it was just waiting for my checks to start building up and coming in.

**DUNGAN:** OK. So it was up to you, essentially, to kind of go together-- or go and find those different assistant organizations and cobble together that amount of money?

**ERICA McDANIEL:** At the time, I did it just because I, I figured it'd be easier. But we do have a housing advocate that now helps with that. And when I stayed there, you know, it was years ago. He wasn't there. But me, I intend to just do stuff on my own also, and try to come up.

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Because my kids needed stability, so I was driven by trying to get them in a better place and safe.

**DUNGAN:** OK. Thank you very much.

**von GILLERN:** Any other questions? Ms. McDaniel, again, thanks for being here and sharing your story. And thanks for your bravery.

**ERICA McDANIEL:** Thank you.

**von GILLERN:** Next proponent.

**JACQUELYN LaPLANT:** Hello.

**von GILLERN:** Hello.

**JACQUELYN LaPLANT:** My name is Jacquelyn LaPlant, J-a-c-q-u-e-l-y-n L-a-P-l-a-n-t. I am the chief advocacy officer at Catholic Charities of Omaha, located in Douglas County, in Omaha, Nebraska. I am here today in support of LB78. Catholic Charities of Omaha has served Nebraska for nearly 100 years. For over 55 years, our domestic violence shelter has served as the only domestic-- as the only dedicated domestic violence shelter in Douglas County. We serve all, whoever comes to us in need. Our domestic violence, our domestic violence services program is one of 6 programs that annually serve 325,000 people in 40-plus Nebraska counties. In 2024, Catholic Charities provided nearly 5,000 nights of secure and confidential shelter for women, men, and children facing domestic violence, sexual assault, and human trafficking. We work closely with local hospitals and law enforcement and other agencies, as, as also operate a 24/7 DV hotline to connect service-- to connect survivors to our program. We offer more than a safe place to stay. Most survivors come to Catholic Charities with only the clothes on their backs. We become their literal lifeline. Our trained advocates holistically support every person we serve. As Catholic Charities, survivors have access to a secure and nurturing shelter, basic supplies, 24/7 advocate support, education, case management, a connection to our Market choice pantry, child advocacy program, and access to our mental health therapists. Every resource is centered on one goal: Building survivor empowerment. This requires access to housing. Throughout their 28-day stay, we help survivors identify housing resources. One of the strongest barriers in doing so is the lack of access to financial resources for housing assistance and services. Once we help a survivor find housing, it is

often their inability to pay a security deposit, application fee, or a substantial rental deposit that prevents them from moving forward. Research and over 55 years of experience in helping survivors overcome violence has proven that to thrive after escape, survivors need access to shelter, support, resources, and housing. Truly, our work is life-changing and often life-saving. Every part of our program is provided at no cost to our survivors, as this is a mission-driven program. Without stable housing, it is almost impossible to address the deeper needs of survivors, as they may be forced to return to their abuser or face homelessness. This is a major barrier to their recovery and safety. As Maslow's Hierarchy of Needs, a well-known and respected research model confirms, housing is the foundation for all other aspects of well-being and recovery. Without it, individuals cannot effectively begin to rebuild their lives, regain stability, or pursue goals like employment, education, or personal development. Housing is not just a basic need. It's a critical stepping stone toward independence and healing. Freedom is powerful. LB78 is a bill about freedom. LB78 will enable Catholic Charities and organizations like ours to help survivors step out of the darkness of violence and into a future that is free from fear, free from silence, and free from constant vigilance. LB78 will help survivors gain housing, breaking the isolation and control that once defined their world, giving them a strength they never knew they had. The road to escape violence and abuse is not easy, but with support of LB78, survivors can find their voice, courage, worth, and begin a new-- have a powerful new beginning. Thank you for your time. We urge you to advance the bill out of the committee, and I would be willing to take any questions.

**von GILLERN:** Thank you for your testimony. Any questions from the committee members? Seeing none, thank you for being here today.

**JACQUELYN LaPLANT:** Thank you.

**von GILLERN:** Next, proponent. If you're planning on testifying, go ahead and move up to the front row, and be ready to run on up. Good afternoon.

**VERONICA PINO:** Good afternoon, Chairman von Gillern and members of the Revenue Committee. My name is Veronica Pino, V-e-r-o-n-i-c-a P-i-n-o. I serve as a St. Gianna Program manager at Catholic Social Services of Southern Nebraska. And I'm here to support LB78. The mission of Catholic Social Services is to perform the works of mercy in response

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to the call of God, and to inspire hope and love in every encounter we have with our clients and others we serve. Our organization serves Nebraskans within the region of the Catholic Diocese of Lincoln, which includes all of the counties south, south of the Platte River, east to west. CSS has 4 locations: Lincoln, Hastings, Auburn, and Imperial. And we have 4 programs: Family Support Services, which includes food and diaper distribution and short-term financial assistance, Refugee Resettlement, Immigration Legal Services, and the St. Gianna Program. Last fiscal year, CSS provided over \$2,300,000 in direct assistance to people in need across southern Nebraska. Today, I want to speak about how LB78 could positively impact the work, the work we do for women and children fleeing domestic violence. CSS has been operating a domestic violence home since 2011, called St. Gianna Women's Home. Since that time, we have served 270 women. When you add in their children, we have served 676 people. In 2024 alone, we provided 19,523 bed nights or nights of shelter. We provide each family a safe and secure environment where they can deal with the trauma caused by their abuse and help them to become self-sufficient and learn to develop healthy relationships in the future. We serve any woman experiencing abuse, regardless of their faith background. In addition to housing, we provide education, employment, and counseling services. The average length of stay at the home for the women and children we serve is right around 1 year. Beginning in 2023, the program was expanded to include services for individuals or families not living in the home. This assist-- this assistance can be used for rent to move into a new apartment, transportation to relocate to a different city or state, or to pay rent or utilities at a current residence. We have assisted 51 additional individuals and their families by expanding these services, which are essential for those seeking to rebuild their lives free from domestic violence. As important as these statistics are, what's most important is real people. Mary [PHONETIC] is one of our 270 women that we have served. She experienced numerous abusive relationships, but her last one was the worst by far. She started with us in 2019, and came to us with almost nothing. Her daughter, who has mild special needs, was struggling with school, and Mary didn't have a job because her abuser didn't allow her to work. Thankfully, she found St. Gianna's. We provided her a safe home, surrounded her by people who encouraged her. Little by little, Mary was able to put the pieces of her life back together. We got her counseling and a good job at, at an insurance company. Her daughter was also able to get into a private school that was more equipped to meet her daughter's educational needs

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and could flourish in her new environment. Around 2 years after Mary moved out of St. Gianna's, she was diagnosed with pan-- pancreatic cancer. We were able to assist her with rental payments and funeral expenses, which allowed Mary to enjoy the little time she had left. As her time grew short, it astounded me to speak with her and how she talked about her daughter. They each had a great deal of peace and confidence because they lived a process of healing together and developed a very close relationship. Mary passed away in January of 2023. While we continue to have some contact with her daughter and her adoptive family, it hasn't been easy, but she expresses incredible gratitude for all she and her mom received. I can't imagine what this process would have been like for Mary and her daughter if she hadn't received the support and services to rebuild their life. She could have continued to live at the hands of her abuser. Her daughter very likely would have ended up in the custody of her abuser. But securing a safe place to live was the first step on a path that led Mary and her daughter to healing. For every Mary that we are able to help, we know that there are many others we are unable to reach and help because of the lack of housing availability and financial assistance. We see this problem on a regular basis. We strongly believe that LB78 will help us and other agencies like ours have further resources to make sure, make sure we can impact the Marys of the world and provide them the peace and healing they deserve. Thank you for your time today, and please advance LB78 from the Revenue Committee.

**von GILLERN:** Thank you for your testimony. Any questions from committee members? Senator Murman.

**MURMAN:** Thank you for your testimony. And as a Christ-based organization to serve the community like you do, the victims as you do, do you have concerns that with any kind of state or federal funding that-- for housing or whatever it might be, that there could be regulations tied to it that, that might prevent you from serving victims in the way you do? And, and if you can't answer it, maybe there's some others that can answer, too.

**VERONICA PINO:** Upon reviewing the bill to, to come testify today, we believe we would be able to accept the, the funds without a problem, but I am not the person who makes that final decision. So I can always find out some more information and follow up on that, but.



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**MURMAN:** OK. Thank you very much.

**von GILLERN:** Any other questions? Seeing none, thanks for being here today. Are there any other proponents? Good afternoon.

**MAUREEN BRASE:** Sorry. My name's Maureen, M-a-u-r-e-e-n Brase, B-r-a-s-e. I'm speaking from personal experience. One of the first times I tried to leave, when I came back, he said he would have found me because he had people out looking for me. Another time when I had said that I was going to leave, the next time I went to the grocery store, my credit card was declined, my check was declined, and another check was declined. I didn't know. Thank you. I didn't know. Maybe that just happened by chance. But after learning about economic abuse, I, I know, I understand what happened. Another time, when-- so he was just really angry, screaming at me, screaming at my kids. And our rule was always to go away from him when he was angry, so we went away. And then we heard a lot of shooting. And my daughter said, why is, why is he shooting now? I mean, it was dusk. And I, I was like, I don't know. And she's-- well, maybe he's just trying to get his anger out. And I thought, OK, let's get our things. We'll stay somewhere else tonight. We always, always had a bag packed, and we went into the house to get our things. When I went to my daughter's bedroom to get her and I opened the door, and she was standing there with a knife. And she had-- and I was just so shocked. I told her, you know, don't ever do that because you could get hurt or you could hurt someone you don't mean to. And she said, I was just trying to protect us. And then I noticed her screen was out of the window, so they were ready to get out. We, we left. And I went to at least half a dozen hotels trying to find a room. Everything was full because it was a long holiday. And they were-- we found one, but it was so expensive and we just stayed in the vehicle overnight. And it was really cold, but I always had blankets in there. I don't think people understand the terror. And I know I probably shouldn't, I probably shouldn't be talking because I'm still going to face retaliation. But I think a lot of this, you can listen to all the information and, and not know how being in that situation, it affects you, it affects your children. And even though I'm so much stronger and I'm better, I'm better now, I'm OK, I'm OK now, I'm still alive, it's, it's a lot. So if people had somewhere to go, that would just be one less thing. Thank you.

**von GILLERN:** Thank you. Any questions from the committee members? Thank you for being brave enough to come here and share your story. We

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appreciate it. Any other proponent testimony? Seeing none, are there-- is there any opponent testimony for LB78? Good afternoon.

**KORBY GILBERTSON:** Good afternoon, Chairman von Gillern, members of the committee. For the record, my name is Korby Gilbertson. It's spelled K-o-r-b-y G-i-l-b-e-r-t-s-o-n. I'm appearing today as a registered lobbyist on behalf of the Nebraska Realtors Association and the HBAL/MOBA Coalition, which is the Home Builders Association of Lincoln, Metro Omaha Builders Coalition [SIC] in opposition to LB78. And I want to start by saying I'm in no way trying to diminish the severity of the issues that have been brought forward to you today. And the realtors and homebuilders would be very happy to help find funds to help provide this housing issue as they work on housing issues across the board. But what I want to bring to the committee's attention is that there are 5 or 6 other bills that also raise the documentary stamp tax for various reasons. One of them is to eliminate the inheritance tax. While I think every one of these different bills probably has a legitimate reason for being introduced, our concern is that the documentary stamp tax will become the new go-to for funding because we don't want to use general funds for very important issues. So first of all, we would recommend general funds be looked at for this type of issue, because if it is that important to the state of Nebraska, the state of Nebraska should be able to step up and do it and not just tax-- shift a tax to people that are trying to sell their homes. We also believe that a larger discussion needs to be had about the appropriate use of doc, doc stamp tax funds. If you have looked at the governor's proposed budget, you will see that once again, they are sweeping funds from the Affordable Housing Trust Fund, \$8 million this time. If there are \$8 million-- if there's \$8 million sitting in the Affordable House-- Housing Trust Fund, we would argue that perhaps this bill should be fit under the require-- under the qualifications for the Affordable Housing Trust Fund dollars, so that we can get money out-- actually out the door and used for its purposes, rather than being swept and used for general budget purposes. Because unfortunately, as Senator Bostar said several times, funds can only be used for the following. That sounds great. Sounds the same for the Affordable Housing Trust Fund dollars, that these dollars would be able to be swept just the same way. So if there's any money sitting there, even though people think that money is going towards providing housing for these victims, that is not necessarily the case. And we think that's the overall issue with continuing to try to fund

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different programs. We need to make sure that those dollars are being used for what their intended purpose is and not being swept to meet General Fund shortfalls. So with that, I'd be happy to answer any questions. And we would be more than happy to work with Senator Bostar and the other proponents on this.

**von GILLERN:** Questions from the committee members? Senator Jacobson.

**JACOBSON:** Thank you, Chair von Gillern. Ms. Gil-- Gilbertson, I, I-- as I mentioned before, yeah, there's, there's a lot of people going after the document stamps. And I understand that as house prices go up and land values go up, the amount of the doc stamp fee is-- it's, it's a higher number. But do you know when the last time was the doc stamp fee was increased from the \$2-- up to the \$2.25?

**KORBY GILBERTSON:** I want to say 10 years ago or so. But the bottom line, it-- the amount has gone up. And so it's not that-- just because the rate hasn't been increased, the amount that people are paying has gone up. Because as we all know, property valuations have skyrocketed, not necessarily to the level that values probably equal.

**JACOBSON:** Yeah. OK. Thank you.

**KORBY GILBERTSON:** Yep.

**von GILLERN:** Any other questions? Seeing none, thank you for your testimony.

**KORBY GILBERTSON:** Thank you.

**von GILLERN:** Any other opponent testimony? Seeing none, is there anyone who would like to testify in the neutral position? Good afternoon.

**ELAINE MENZEL:** Good afternoon, Chairman von-- excuse me-- Chairman von Gillern and members of the Revenue Committee. For the record, my name is Elaine Menzel, here today on behalf of-- excuse me. Let me back up and spell my name.

**von GILLERN:** Thank you.

**ELAINE MENZEL:** E-l-a-i-n-e M-e-n-z-e-l, here today on behalf of the Nebraska Association of County Officials. I'm appearing here for

purposes of a neutral capacity. As you've mentioned, we will be testifying on the other bills that are-- been presented. And I'll even see you at a later bill this afternoon. But I'll just like to make a few statements regarding LB78 and the relationship that counties have with respect to the documentary stamp tax. It's collected at the county level, and a substantial portion, \$1.75 of that \$2.25 lim-- or amount is then sent to the state. Counties are already doing this remittance, so any changes in terms of modifications to that system will not be difficult. In 2023, that \$1.75 accounted for \$27.4 million statewide, so each nickel would yield roughly \$783,000. You will be considering other bills as suggested, roughly 5 or 6, as I understand, asking you to adjust the amounts. You'll be seeing likely my boss, for those bills. We would respectfully ask you to consider to perhaps adjusting the amount from \$0.07 to \$0.10, and I'll tell you why in just a second. But-- well, I guess I'll go ahead and do that now, since that's the way my comments are written. I apologize. I got a little help with-- but anyway, there's roughly 60 counties that use their calculations and-- by calculator-- or by computer, excuse me, whereas roughly 20 or so plus do it on paper. So if you were to increase it from \$0.07 to \$0.10, it's going to be a little bit easier to do that calculation, en-- ensure that there's not clerical errors or something of that nature. The amount of that, if I'm doing my math correctly, would equate to roughly \$350,000 for purposes of the program that's wanting to be collected for to \$500,000. So again, those were just my quick calculations. But this concludes my remarks. If you happen to have any questions, I'd be glad to answer them or take them back to the office and get the information if I'm not familiar with the top--

**von GILLERN:** Thank you. Any questions from the committee members? Seeing none, thank you for being here, Ms. Menzel.

**ELAINE MENZEL:** Thank you very much.

**von GILLERN:** Appreciate it. Any other neutral testimony? Seeing none, Senator Bostar, would you like to close? And as you come up, there were-- position comments for hearing, we had 28 proponents, 1 opponent, and 0 neutral. Senator Bostar.

**BOSTAR:** Thank you, Chair von Gillern, members of the committee. I think I'll start with just, you know, I, I appreciate everyone that came and, and testified today. I know that wasn't easy for everyone to

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do, but it, it was, it was valuable and, and I'm deeply appreciative of it. Look, I'm not opposed to NACO's request that we put more money in.

**von GILLERN:** You're so agreeable.

**BOSTAR:** You know, if that's just something we can do to make the bill just a little bit more palatable, I think that's fair. You-- look, we-- I know people go after doc stamp, right? Anyone that's been on the Revenue Committee for more than a day knows that every year we have conversations about the doc stamp, its distribution, whether or not things should be added to it, what, what makes sense. This was selected because it's in line with the existing mission of that funding source, which is housing related. This is about providing housing to, to the folks who need it the most. So while it could be a General Fund thing, I suppose that would be a 1-year appropriation, that doesn't really meet the needs of what we're talking about, which is a, a dedicated funding stream that can be counted on for folks who need this the most. A couple of things I just want to add. One is if there's money left over in the fund that this would create, it can be used to construct housing for this purpose. So it, it could be used to build out shelter beds, things like that. So that-- that's, I think, an important component here. Another unfortunate situation that we're trying to address is a lot of the affordable housing programs that exist or, or housing support programs that exist require a lot of disclosures of information, personal information about the users of that housing support. That's in contrast with requirements for different kinds of federal program funding for domestic violence and trafficking victim support that require information to be kept private. So we're, we're dealing with the nexus here of good intentions leading to pretty unfortunate results, which is this is a population that is functionally ineligible to a lot of the support that is out there already, and for good reason, for good reason that their information should be private, and good reason that most of our housing programs should have information collected. I think we can agree that both of those things make sense. It's just that these 2 facts don't coexist in a way that results in, I think, the kind of policy direction that we would all think is the right way to go. So that's a big part of why this is necessary. Having a dedicated housing program for a unique population that is incredibly vulnerable that in order to be even served in other ways, must have their personal information protected. And often, as you can imagine, that's for their

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safety and the situations they're in. So we have to do something. Over the years since I've been here, there have been a lot of good bills trying to work on domestic violence trafficking. But I truly do believe that if we don't get this fundamental piece right, that a lot of our other efforts are being wasted. So with that, I'd be, I'd be happy to answer any final questions that the committee may have.

**von GILLERN:** Any questions from committee members? Seeing none, thank you, Senator Bostar.

**BOSTAR:** Thank you very much.

**von GILLERN:** We will move on to Senator Dungan, with LB8.

**DUNGAN:** Good afternoon, Chair von Gillern and fellow Revenue Committee members. I am Senator George Dungan, G-e-o-r-g-e D-u-n-g-a-n. I represent Legislative District 26 in northeast Lincoln, and today I'm here to introduce LB8. LB8 is a bill intended to promote the production and use of sustainable aviation fuel, or SAF. This bill builds upon last year's LB1072, which I'm sure some of you from the committee recall. For those unfamiliar with sustainable aviation fuel, SAF is an alternative to traditional fossil fuel-based aviation fuel designed to reduce aviation's carbon footprint and mitigate the industry's environmental impact. SAF is produced from renewable resources such as biomass, waste oils, and agricultural residues. Its chemical composition is similar to standard jet fuel, meaning it can be used in engines that can take traditional fuel without needing to change out the machinery. The aviation industry has set a net zero carbon emission target by 2050. The industry has identified SAF as the primary tool to achieve that goal, thanks to SAF reducing carbon emissions by up to 80%. However, airlines cite a lack of supply and overall cost of SAF compared to traditional jet fuels as significant hurdles. The demand for SAF far outweighs the supply, and Nebraska is perfectly positioned to fill the market. Geographically, we are the most western agriculture-based economy, which gives us access to western U.S. markets such as L.A., Denver, Phoenix, and Salt Lake City. Colleagues, we passed this bill last year, and I had the opportunity to attend a number of conferences over the interim pertaining specifically to sustainable aviation fuel. And I can tell you that our bill made a mark on both the national and I'm not being hyperbolic when I say international community. I went to a SAF conference in Illinois. And when I was speaking to them-- actually

before they even knew I was there, they put up, on a PowerPoint presentation, our tax credit, and said that this was a model for what we need to be doing in the rest of the country to make states a welcoming market for sustainable aviation fuel. When I, when I talked to some folks and they realized I was there, there was a number of folks from local production companies who lined up to speak with us about our tax credit. There were individuals from all of the different airlines there to speak to us about our tax credit. And there were individuals who represent companies from Germany and elsewhere in Europe, saying that they're looking to breach into the American market and were interested in our tax credit. Consistently, though, the one thing that we heard was that what we passed last year was a good structure but did not go far enough to actually incentivize the industry. And so I had a conversation with many of them, saying that it was my commitment to continue to work on our our, tax credit, and to continue to do something that actually would bring sustainable aviation fuel production to Nebraska and make us the hallmark of what I think would be a state actually supporting and incentivize-- [MALFUNCTION]. The original bill that we brought was sort of the gold standard. And this bill, LB8, seeks to return to what we intended to do in that first bill. In 2023, the global SAF market was valued at \$1.1 billion, with analysts estimating it to be over \$16 billion by 2030. This is why it's imperative to make this legislation not only the first in the nation, but also the most competitive. We need to do this before somebody else does. Illinois has a tax credit, Iowa is consistently working on one, and we need to do this before it's too late and we lose out on this market to some lesser state like Iowa. Here is what we've changed from the previous year's legislation. We've moved the implementation date from 2027 to 2028. It takes about 3-4 years to build a SAF plant, and so we intended to move that implementation back to reflect the actual time it would take to create a plant. We've made the credit refundable instead of nonrefundable. We've removed the \$500,000 cap on the credits per fiscal year, and that was one particular piece that almost every single person in both the production and consumption of the industry of SAF said was a major hurdle we'd have to overcome to be competitive. And then, we finally removed language allowing producers of SAF to only claim the credit for 5 taxable years. Farmers and entities that advocate for farmers, along with the industry and production experts, are going to be testifying after me, and they can better explain the production of SAF and the economic impact that SAF would have on Nebraska. When I start

to explain what SAF is, I hear the scientists behind me start to squirm because I don't think I do a great job of explaining it, but some folks are going to probably do better than me. But they will articulate, hopefully, some answers to the questions you have. I wanted to briefly address the fiscal note, for those who've had a chance to look at that. Very excited to say it has \$0 General Fund impact in '25-26 and \$0 General Fund impact in '26-27. Part of that is the implementation date, but this bill would not cost us anything in the immediate future. I understand there's some conversation on there about what it would ultimately cost. I think they say there's about a \$2 million potential cost in 2029, and then there's a discussion about this SAF plant from DG Fuels that is projected to be built around 2030. And I think the fiscal note estimates there could be a General Fund impact that has the potential to reach up to \$200 million. I want to be very clear that we have to do something that actually brings the market to Nebraska before any of this even matters. And I am happy to have a conversation, especially into the future, about various limits and guardrails that we need to put into place to make sure that this tax credit works. But in order to get to that point, we have to actually matter to the industry. In addition to that, this conversation about the plant being built by DG Fuels, I think it's important to note that there was a town hall where the CEO from DG Fuels was present in December of 2024, so just about a month ago. And he said in that town hall with folks from that area that the final investment decision for the actual production of that, of that plant would not be made until '26 or '27, and it would be dependent on whether or not the economic environment at that time was in such a way that it made sense for them to invest in the production of this. So, yes, right now there is a plant that is on track to be built, but it's incumbent upon us to ensure that the economic environment exists, that they're going to continue to invest in Nebraska. So, again, folks coming after me can probably explain a little bit more about the production and the market. But for, for now, I'm happy to answer any questions you might have about the bill or how we got here.

**von GILLERN:** Thank you, Senator Dungan. Questions from committee members? Yes, Senator Sorrentino.

**SORRENTINO:** Chairman von Gillern, thank you. Thank you for your introduction. This is probably a very basic question, and I'm familiar with taxes but not in this respect. Could you delineate the importance



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of going from nonrefundable tax credit to refundable tax credit?  
Please.

**DUNGAN:** I'm probably going to butcher this and I apologize to the--

**SORRENTINO:** Someone else can [INAUDIBLE].

**DUNGAN:** No. Essentially nonrefundable tax credits can't go past your tax liability. So once you get your tax liability down to zero, you can't continue then to collect the tax credit after that point, whereas a refundable tax credit can go past your tax liability. So there are certain tax credits that if you have no tax liability, you can't claim. If you have-- that would be a nonrefundable tax credit, but these refundable tax credits go past your tax liability. So even if that tax liability hits zero, you can then continue to claim the credit afterwards.

**SORRENTINO:** So in, in theory they are carried over the successive tax years.

\_\_\_\_\_: No.

**DUNGAN:** It's in the same tax year. Right. So I'm, I'm, I'm struggling off the top of my head to articulate a refundable tax credit. I think the child tax credit, the CTC, is a refundable tax credit. I'd have to go back and double check. I can have a conversation with you--

**SORRENTINO:** That's fine.

**DUNGAN:** --after this. But yeah, essentially, it-- you can claim a refundable tax credit even if your tax liability is zero. You still would get money back, as opposed to a nonrefundable tax credit, if you hit zero on your tax liability, you can't claim anything else. You're not going to get money in your pocket--

**SORRENTINO:** OK.

**DUNGAN:** --versus a refundable tax credit that allows you to claim it even once you've hit zero--

**SORRENTINO:** [INAUDIBLE].

**DUNGAN:** --Liability. Correct.

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**SORRENTINO:** OK. Thank you.

**von GILLERN:** Thank you. Other questions? Senator Ibach.

**IBACH:** Thank you, Mr. Chair. Are there any federal programs available that SAF would be able to apply for or qualify for?

**DUNGAN:** So currently, yes, there are some federal tax credits. I can't remember the exact subsection, but there is a particular SAF tax credit that I think was implemented as part of the Infrastructure Investment Act. My understanding from folks that I've spoken to at the national level and folks who are experts in the industry is that there is a concern that that is going to go away. I think it's already set to sunset in the near future, and there's a concern that it would not be renewed and could even be revoked prior to that sunset. In addition to that, the folks that I've spoken to who want to build in Nebraska have specifically said a state tax credit is simply just more reliable. Right, then you're not reliant on this federal tax credit that could ebb or flow based on whatever the political mores at the time are. This would allow us, as a Legislature, to have control over our tax credit and it gives, I think, a level of comfort to the folks in the industry that are willing to invest in building in Nebraska. So the short answer is yes, but the asterisks there is it could go away and it doesn't provide the level of comfort and possibly reliability that a state tax credit would be able to claim.

**IBACH:** Thank you.

**von GILLERN:** Senator Jacobson.

**JACOBSON:** Thank you, Chairman von Gillern. I guess my question would be-- I realize that, that we're talking several years out so there is no fiscal note, but would we have some kind of cap on what that annual cost would be to the state in terms of-- you're, you're talking about \$500,000, which I assume is, is-- was that total or was that per?

**DUNGAN:** It was total.

**JACOBSON:** OK. So--

**DUNGAN:** The way it was originally passed last year was \$500,000 for the entire state--

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**JACOBSON:** OK.

**DUNGAN:** --which makes it essentially negligible.

**JACOBSON:** Right. So what would be the right number?

**DUNGAN:** That's a really good question. And if I could, just zooming out, I think we can have a larger conversation about the fiscal impact of all of the tax credits that we're going to talk about this year moving forward. And I think we're going to have to look at all of them weighed against each other. We have to wait and see, frankly, who invests here and who builds here before we can get at a concept of how much it's going to cost us. I'm happy to have a conversation about the potential of certain caps. Right. I'm happy, happy to have the conversation about guardrails that could be put in place. This bill removes what we did to sort of start fresh. And I think that we as a committee, if I'm just being honest, are going to have to have a really tough conversation throughout the rest of the session about tax credits. Clearly, we've all seen the governor's proposed budget and there's a number of tax credits included in the proposal to remove. But I think we're going to have to have a conversation about what is not doing what it's supposed to do and what can we cut to save money, versus what's going to actually incentivize growth in Nebraska and make this state the first of its kind when it comes to SAF. So happy to talk about what other sort of parameters we can put on this to make it financially responsible, but we have to wait and see what the market's going to look like before we can even start to have that conversation. Because right now, we've not incentivized anybody to do anything. And so, yeah. I understand the concerns.

**JACOBSON:** So, so what we're saying is pass the bill and we'll let you know later what's [INAUDIBLE]?

**DUNGAN:** Well, I think we're going to have to have a conversation about all the different tax credits, but yeah. We'll have to wait and see what the actual industry investment is before we can see what's going to be beneficial versus, I think, harmful, when it comes to caps.

**JACOBSON:** And, and when we're talking about the, the credits, how do the credits-- I mean, I'm curious how much of that is that per gallon and how does that-- do we know what that number would be?

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**DUNGAN:** It's \$0.75 per gallon, I think is what we ultimately passed. And so we're not changing anything with regards to the actual numbers. Right. So the credit is still what it was that we passed last year, which I think is 75% per gallon. And then there's a fluctuating credit that I believe they can claim \$1 per-- essentially a percentage they go above a carbon impact or an environmental score. It's, it's based off the federal standards, but \$0.75 per gallon of SAF produced.

**JACOBSON:** Well, we got more testifier [MALFUNCTION] hear from them and that might clear up any other questions I have.

**DUNGAN:** OK.

**JACOBSON:** Thank you.

**DUNGAN:** Thank you.

**von GILLERN:** Other questions? I have, I have a couple and, and you and I had a couple of good conversations leading up to this. In, in your comments about some of the other conferences, if we've got the best bill in the country, why are we looking to make it better?

**DUNGAN:** So the bill they were talking about was the one that I proposed.

**von GILLERN:** That's what I thought you were going to say.

**DUNGAN:** Yeah, the, the original one--

**von GILLERN:** That didn't get passed.

**DUNGAN:** Correct. Yeah.

**von GILLERN:** OK. All right.

**DUNGAN:** The original proposal was what I think a lot of industry experts had identified as what would potentially be the most beneficial to incentivize that production.

**von GILLERN:** OK.

**DUNGAN:** What we passed, I know, well-intentioned and I think was a starting point, but even last year, I know we had conversations, a number of us on this committee, about we'd have to continue to talk

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about what this looked like in the future, to actually bring that business in.

**von GILLERN:** OK. And then I, I think it's not too early in the season to start picking on fiscal notes. And there's a comment in here that-- estimating \$2 million, but it could increase exponentially. I don't think we're really talking about the potential of a \$4 trillion ex-- fiscal note, are we?

**DUNGAN:** I don't believe so. No.

**von GILLERN:** OK. All right.

**DUNGAN:** And this is the difficulty in a fiscal note, trying to predict the cost of an industry that's still in its nascent phases. It's just difficult to know what that's going to look like. But I do think that the zero for the next few years is very nice to see on there.

**von GILLERN:** That part we can quantify apparently.

**DUNGAN:** It seems, seems accurate.

**von GILLERN:** All right. Thank you for your opening. You'll stay around for the close?

**DUNGAN:** Yes. Thank you.

**von GILLERN:** And the rest of the committee meeting, I presume?

**DUNGAN:** Yes.

**von GILLERN:** Thank you. First proponent. Good afternoon.

**DAWN CALDWELL:** Good afternoon, Chairperson von Gillern, members of the Revenue Committee, fellow Nebraskans. My name is Dawn Caldwell, D-a-w-n C-a-l-d-w-e-l-l, and I'm the executive director of Renewable Fuels Nebraska. I'm here today on behalf of the-- not only RFM, but the entire Ag Leaders Working Group to express our strong support for LB8, which amends the SAF tax credit to further Nebraska's leadership in renewable fuels innovation and economic growth for our bioeconomy. And just because we are fresh back, I'll run through the members of the Ag Leaders Working Group: Nebraska Cattlemen, Nebraska Corn Growers Association, Nebraska Farm Bureau, Nebraska Pork Producers Association, Nebraska Sorghum Producers Association, Nebraska Soybean

Association, Nebraska State Dairy Association, Nebraska Wheat Growers Association, and us, Renewable Fuels Nebraska. In future times, I won't do all those. So LB8 represents an essential step toward ensuring that Nebraska remains a national leader in clean energy production, innovation and value added agriculture. The modifications proposed in this bill will strengthen the state's support for SAF producers by making the credit refundable, eliminating limitations on the duration and annual availability of the credit, and enhancing the program's accessibility and impact. These changes are critical for several reasons. Nebraska's renewable fuels sector is a cornerstone of our rural economy, generating thousands of jobs, enhancing farm income, and stimulating-- stimulating investment in advanced biofuel technologies. By incentivizing SAF production, LB8 will attract new investment and innovation to our state. This is particularly important, as aviation fuel represents one of the fastest growing markets for renewable energy products. Sustainable aviation fuel has been identified as a key solution to reducing the carbon footprint of air travel. And by supporting SAF producers through an enhanced tax, tax credit, LB8 aligns Nebraska with global efforts to decarbonize the aviation industry. It positions us as a vital supplier in this emerging market, creating economic and environmental benefits that will extend well beyond our borders. The refundable nature of the tax credit ensures that SAF producers can realize the benefits of the program, regardless of their tax liability. This change is especially valuable to smaller, innovative producers who may not yet be generating large profits but are driving critical advancements in renewable energy technology. Additionally, the demand for SAF creates new markets for Nebraska's ag commodities, such as corn and soybeans. These feedstocks are essential for producing biofuels, and increased demand will directly benefit Nebraska's farmers. LB8 ensures that our rural communities will continue to thrive as they contribute to the state's renewable energy goals. LB8 also harmonizes Nebraska's tax policies with federal initiatives aimed at reducing greenhouse gas emissions in aviation. This alignment amplifies the impact of both state and federal incentives, making Nebraska an even more attractive location for SAF investment. By ensuring that Nebraska's tax policies are competitive, this bill positions our state as a destination of choice for companies seeking a supportive environment for renewable fuel production. With this policy in place, we can more effectively compete with neighboring states such as Iowa, which was mentioned, and Kansas, which are also vying for investment in renewable energy

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industries. Nebraska's unique combination of robust ag output, skilled workforce, and forward thinking tax policies, policies will make us a national leader in SAF production and innovation. LB8 is that forward-thinking policy that strength-- strengthens Nebraska's renewable fuels industry, benefits our rural communities, and solidifies our position as a national leader in sustainable energy. By passing LB8, the Legislature will send a clear message that Nebraska is committed to innovation, environmental stewardship, and economic opportunity. On behalf of RFN and our members, I respectfully urge you to advance LB8 from committee and support its passage into law. Thank you very much. And I, I do have a few things to add since I have the green light. Senator Ibach asked about the federal incentives. The tax credit that has been in place prior to now is 40B. That is shifting to 45Z, which we're starting to get some of the rules for. They have-- they, our federal government, has been very slow in sending those rules toward us, but they go down to the very farm level for climate smart farming practices, and, and to get that carbon intensity score that you heard Senator Dungan talk about. We have been assured by our Nebraska delegation of senators for sure, but then their colleagues at the federal level that they, they plan though-- things will be cut from the IRA, as it was passed previously. 45Z is, is a major piece that they want to hang on to, so when they, when they adjust the IRA, they go at it with a scalpel, not a sledgehammer, and keep that very important piece for rural America.

**von GILLERN:** Thank you for your testimony. Real quick, IR-- IRA stands for?

**DAWN CALDWELL:** That is the Ins-- in, in-- Inflation Reduction Act. Yes, thank you.

**von GILLERN:** Pretty sure it wasn't--

**DAWN CALDWELL:** I shortened it so many times throughout time.

**von GILLERN:** Pretty sure it wasn't an Individual Retirement Account, but.

**DAWN CALDWELL:** It is not, sadly. It-- for some, maybe.

**von GILLERN:** Senator Jacobson.

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**JACOBSON:** So I, I think we're all familiar with ethanol plants, and you know, that, that, that is ethanol production for, for motor vehicles. I'm assuming the SAF plants are much higher purity or they're doing something different that's significantly more expensive. Is there a way to, I guess, convert existing ethanol plants or are they able-- would they be able to add on to be able to be-- produce SAF fuel as well?

**DAWN CALDWELL:** So my understanding is there is one company that is looking very hard at, at exactly what you're describing. It is possible. Other companies have discerned that it's better to begin with green field construction, just start from scratch and build a new ethanol facility that does the full process in one shot, because the cost to retrofit is equal to or more than new construction.

**JACOBSON:** And I guess I'm just thinking more along the lines, can they add to an existing site where they already have the grain handling and the, the, the distillers grains and all of that in place, so you're not having to duplicate that?

**DAWN CALDWELL:** Those with a nice large footprint probably could.

**JACOBSON:** You're fairly familiar--

**DAWN CALDWELL:** Those who are, those who are confined in a more urban area, for instance, may have more of a challenge to do that.

**JACOBSON:** You're pretty familiar with one in south central Nebraska? I presume they would be potentially in a position where they could do that.

**DAWN CALDWELL:** Very, very likely.

**JACOBSON:** OK. Thank you.

**von GILLERN:** Thank you. Other questions from committee members?  
Senator Ibach.

**IBACH:** Thank you, Mr. Chair. I was looking at the fiscal note and made a couple of notes, as well. You had mentioned limitation on duration. Do you have any-- I mean, if we're looking at \$200 million in future



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years, do you have any timeline for profitability or exactly how-- what the timeline-- line would look like for these companies?

**DAWN CALDWELL:** So companies, we have one, quote unquote, future producer that is a member of our association, and they have just told me to not plan on them being a producer in the extremely near future by any means. And the, the company that has announced-- that Senator von Gillern has brought up a few times in his questions previously today-- indicated in their press release not before 2030 for any production, much less profitable production. And when I say any production, typically those first years are nowhere near what capacity or nameplate capacity would indicate. So, I do believe we're a ways off from tens of millions of gallons.

**von GILLERN:** Other questions? Senator Bostar.

**BOSTAR:** Thank you, Chair von Gillern Thank you for being here.

**DAWN CALDWELL:** Yeah.

**BOSTAR:** How much of that-- I, I'm going to characterize it as a delay for-- to have folks come in and begin production everything. How much of that is due to electrical availability challenges?

**DAWN CALDWELL:** A great deal.

**BOSTAR:** Thank you.

**DAWN CALDWELL:** Yes.

**BOSTAR:** I suspected.

**DAWN CALDWELL:** Yes. Yeah. That is the, the, the cue for additional power availability and the desire for that power to be clean, or by definition clean, so either nuclear or renewable--

**BOSTAR:** Are you getting--

**DAWN CALDWELL:** --also lengthens that timeline.

**BOSTAR:** So with conversations, depending where you are with some of the utilities, are you getting-- what, what are you seeing as far as projected interconnection times?

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**DAWN CALDWELL:** Minimally, 5 years, mostly 9 years.

**BOSTAR:** Thank you very much.

**DAWN CALDWELL:** Mm-hmm

**von GILLERN:** Any other questions? Seeing none, thank you for being here.

**DAWN CALDWELL:** All right.

**von GILLERN:** Next proponent.

**JACOBSON:** Thank, thank you for the question earlier.

**REID WAGNER:** Good afternoon, Chair von Gillern and the rest of the members of the Revenue Committee. My name is Reid Wagner, spelled R-e-i-d W-a-g-n-e-r, and I am the executive director of the Nebraska Ethanol Board. I know Senator Dungan mentioned a few of us would cringe when he tried to explain how SAF is made and I'm one of them. I'm able to answer some of these technical questions, but I did want to put out there first and foremost that within our mission statement and our bylaws, the Nebraska Ethanol Board is very supportive of all agricultural production, increase opportunities for demand, for use of ethanol and other co-products from any of our processing facilities, and that's why we're here in support of LB8. Being able to try to attract and bring significant demand drivers to agriculture is the name of the game for Nebraska; it's the heartbeat of our state. So as he also mentioned, he uses a term that I like, which is gold standard, because I've heard in several rooms and several events and things like that, that same term utilized for the definitions and the standards. And trust me, I'm a nerd on the standards. Don't ask me too many questions. I'll bore you to death. But we are truly in a gold standard place for that. But being able to open it up, to be able to meet those potential capital costs for whatever your application is, if you're using corn, rendered fats and greases, oils from grains, being able to make this a true production credit in the way that LB8 is able to do so is, is an absolute imperative part of being able to attract these opportunities. Another thing I-- just kind of thinking through some of the questions that have been asked. I appreciate the questions on alphabet soup in the IRA, with 40B and 45Z. You know, 45Z is also a 3-year tax credit at the current moment, and having something stable and consistent like a state level incentive is very important to be

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able to understand how your economics are going to shake out. And that was a good point made by, by the speakers before me. Just kind of wanted to highlight that. The other thing, too, is another advantage that Nebraska does have in utilizing existing ethanol plants is we have a really good capability to geologically sequester carbon dioxide in our state. But we also have the potential to have really good solid transport of carbon dioxide through some of the pipeline projects that you guys have heard, in particular for, you know, carbon capture and sequestration in souther-- so-- south Nebraska and coming in from the northeast. Those are extremely good opportunities that are able to open up great runways-- not trying to be too punny here-- to actually bring SAF production to the state. And it's done basically through a technological piece there, but also through the economic advantages that it brings. So I just kind of wanted to highlight that as part of our recipe for success. Because when you bring in these incentives plus that technological advantage and the existing infrastructure, we're right here. We're ready to capture this thing. So I'll just kind of pause there and let you guys answer it-- or I'll an-- try to answer your questions. But if you have any questions, please let me know. Happy to take those.

**von GILLERN:** Thank you. Any questions from committee members? Senator Bostar.

**BOSTAR:** Thank you, Chair. Thank you, sir. It's good to see you. What-- for the-- for standard aircraft turbine engines, what fuel ratio with SAF can they currently use?

**REID WAGNER:** It's-- it depends on the type that you're creating. But generally, it's 50/50 on the opportunities that we're interested in.

**BOSTAR:** And I seem to have a recollection that like CFM was making an engine that would use 100%. Is that true?

**REID WAGNER:** Yeah, there are good standards bodies in the U.S., called ASTM International, is actually helping spearhead a lot of that testing to make sure that we can retrofit existing engines to 100% SAF. Just trying to make sure that that blend is the exact right thing. Obviously, you want to make sure that's 100% certified before getting up in the air. So there's some good work there.

**BOSTAR:** Yes.

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**REID WAGNER:** But 50% is a significant stake of the existing liquid fuels market. It's a great opportunity.

**BOSTAR:** OK. Thank you.

**von GILLERN:** Thank you. Any other questions? Seeing none, thank you for your testimony.

**REID WAGNER:** Thank you.

**von GILLERN:** Other proponents? Good afternoon.

**ADAM FESER:** Good afternoon, Chairman von Gillern and members of the Revenue Committee. My name is Adam Feser, A-d-a-m F-e-s-e-r. I'm the director of cooperative advancement for the Nebraska Cooperative Council. We are a statewide nonprofit trade association, representing nearly all of Nebraska's supply and marketing agricultural cooperatives, and several rural electric and telephone cooperatives, as well. The council supports LB8 with the amendment language you just received, which ensures that cooperatives are able to pass through the SRF tax credits to their patron members, like other pass-through entities. Sustainable aviation fuel holds the promise of significant benefits for Nebraska agriculture, particularly fuels derived from soybean oil. LB8 would improve upon SAF incentives and would provide substantial economic benefits to our state. One of our members is Ag Processing Inc., headquartered in Omaha. They are the largest soybean crusher west of the Mississippi, and they are in the process of adding a major crush plant in David City and have an existing one in Hastings. AGP is owned by our local cooperatives then-- that deliver soybeans they purchase from their farmer-owners. Profits from AGP are passed through to local cooperatives as patrons, who then pass through their-- the credit-- the profits to their farmer patrons, creating economic activity across the state. The Nebraska Cooperative Council and its members hope that you advance LB8 to General File. With that, I'll try my best to answer any questions you have.

**von GILLERN:** Thank you. Questions from committee members? Senator Jacobson.

**JACOBSON:** I would, I would just say that I, I appreciate you bringing the proposed amendment, because I think that's important. There are a lot of farmers that are, that are working through cooperatives, and they do take into consideration dividends and also, tax credits that

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might be pushed through. Plus, I think that a lot of the cooperatives are maybe in a good position to either be a partner or minority partner or potentially be in this role, as well. So, thank you.

**ADAM FESER:** That's the best question I've ever gotten.

**von GILLERN:** I don't remember hearing a question, but are there any others? I just have a quick question. The, the [INAUDIBLE] legislation that we passed 2 years ago had a provision for co-ops.

**ADAM FESER:** We did a very similar thing where a lot of times with tax credits, it will list [INAUDIBLE]--

**von GILLERN:** OK. This just needs to specifically state it.

**ADAM FESER:** This just-- yeah. Put-- make sure that we're included.

**von GILLERN:** Got it. Thank you. Seeing no other questions, thanks for your testimony. Other proponents?

**KENT ROGERT:** Good afternoon, Senator Rockefeller. Members of the Revenue Committee. My name is Kent Rogert, K-e-n-t R-o-g-e-r-t, and I'm here today representing Gevo Incorporated, who is a renewable fuels and chemical company focused on commercializing sustainable airline fuel from corn ethanol. First, I want to thank Senator Dungan for introducing this bill. He is correct. We-- this would put us to the forefront in the, in the Midwest in a burgeoning S-A- SAF industry, and we don't want to lose out to Iowa and Minnesota, for sure. I'll just give you a few numbers. Currently, Gevo is working on site selection and inspections across the state of Nebraska. They intend to build a plant here. This-- there's some numbers here. So approximately a plant might look at 60 million gallons of SAF and 5 million gallons of other hydrocarbons annually, employ about 100 full-time employees, and have 1,500 construction workers over the next 3 years. And it expects-- it would look to utilize about 38 million bushels of corn annually and produce 475 million pounds of high protein animal, animal feed and 38 million pounds of corn oil. That would be all the corn in my home county of Burt County. That would be-- take it all. Our total investment would be around \$2 billion and an additional \$200 million for renewable investment to power the plant. Our customers across the country and world are looking for about 350 million gallons of SAF a year. So we would be looking at building at, at least 6 plants that are across corn country to, to

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serve those customers. And we'd sure like to get one here in Nebraska, and this would be a big piece of the puzzle in getting it done. So I-- thanks again for my-- listening to me today, and I probably can't answer any questions, but I'll try.

**von GILLERN:** Questions? Senator Jacobson.

**JACOBSON:** Thank you, Chairman von Gillern. It was kind of mentioned kind of off the cuff earlier about only using renewable forms of electricity. Now, I, I realize ethanol plants use massive amounts of electricity. And working with your customers, is that going to be a requirement on their part? Are they, are they OK on using electricity that's generated in the state of Nebraska no matter what the source?

**KENT ROBERT:** So to be, as I understand it, to be actual SAF, it has to be a renewable energy to power the plant. So nuclear, wind, solar, in that, in that-- either one of those could, could be possible [INAUDIBLE].

**JACOBSON:** So how would you factor that in? There has to be a plant nearby that's-- that they're directly tied to, or is it coming off the grid?

**KENT ROBERT:** We could--

**JACOBSON:** And as long as--

**KENT ROBERT:** We can-- so what we also cannot do is, you know, I think-- so our-- one of our wind farms up in like Bassett, northeast Nebras-- north, north Nebraska. Jacksonville, Florida buys so that, that electricity-- so they, say they buying wind electricity. It has to be direct pumped. So one thing we could do is to put up 10 wind turbines in-- somewhere near the plant or on the foot plant and get, get the power directly in there to run that, and put a battery up to run when the wind isn't blowing and we need to.

**JACOBSON:** All right. Thank you.

**KENT ROBERT:** Mm-hmm.

**von GILLERN:** Other questions? Senator Ibach.

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**IBACH:** Thank you, Mr. Chair. Thank you for bringing, bringing Gevo to light. I was able to speak with one of their guys--

**KENT ROBERT:** I know.

**IBACH:** --over in Des Moines.

**KENT ROBERT:** Just recently. Yeah, mm-hmm.

**IBACH:** And we had a great conversation. And I'm glad you answered the question on how many. I was going to ask you how many plants you thought Nebraska could sustain. Is there any discussion using different sources other than corn or corn stover?

**KENT ROBERT:** Yeah. I-- all those discussions and those, you know, experiments are going on. The-- for, for real, however, the best heat comes from grain. And no, in, in your part of the world, there are other grains. Right? We could use milo. It's not produced a lot of places, but I think it could work. Stover does work, it just takes a lot. And when it-- when you do that-- and from my standpoint, you're taking all that organic material away from the soil, so you got to replace it in order to keep your-- you know, I'm a farm kid. So you take off-- whatever you take off, you gotta put back out there. So-- and some of it-- some of the byproducts of these plants you can send back out there. So it, it can be part of the combination. But for the most part, really actual hot-burning grain seems to be the best.

**IBACH:** And just one follow up question. With that contentious issue of wind--

**KENT ROBERT:** Yup.

**IBACH:** --do you see that as an issue for energy?

**KENT ROBERT:** It-- in some places, for sure. Now it's, it's more recently been added, these little, little nuclear boxes. It-- that wasn't originally part of the SAF group, as I understand, but has recently been added to that. And we are being told that those can be-- in about 5 years, we can have those. And I mean, if it can power a aircraft carrier, it can power a plant.

**IBACH:** Thank you very much. Thank you, Mr. Chair.

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**KENT ROBERT:** I, I would make one comment to your-- both of your originals. In limiting, you know, the-- how, how big this would be, I think you could look at it kind of like the Imagine Nebraska Act. You know, we, we just find out how much we want to expend and we fit it into there and, and make it part of the discussions between the investors and those who want to come to the--

**von GILLERN:** OK. I'd just have one quick question. Do-- if you want to pass this off to somebody else. Is the demand on the corn supply in Nebraska going to be so great that it will begin to pressure feed prices and then eventually drive up--

**KENT ROBERT:** So--

**von GILLERN:** --the cost of livestock?

**KENT ROBERT:** I want to-- I, I, I actually was fiddling around yesterday when I was not reading bills, looking at the, the, the trend that is going. We're, we're gaining a-- about 4 to 5 bushel a year in, in average corn production trends. And I think where we would want to do, do one of these is be in one of those areas where we have high enough production that it's better, you know, more-- closer to 200 average than 100 average of-- per bushel [INAUDIBLE]. We also, you know, we send a lot of corn to Mexico to feed animals on trains. We could keep that and let other places worry about that, and-- because that, that would take-- that would actually low-- they'd-- it increases the profit on that stuff because it's expensive to send it down to Mexico on a train. And if we just have to send it to-- right over there, it-- we got, we got more room to do that. I, I, I agree that there could be-- we'd have to-- you just got make-- look at the puzzle and make sure you don't oversaturate the-- what you're doing.

**von GILLERN:** OK, great. Thank you. Seeing no other questions, thank you for your testimony. Next proponent.

**BRUCE BOHRER:** Good afternoon, Chairman von Gillern, members of the Revenue Committee. Bruce Boyer. For the record, that's B-r-u-c-e B-o-h-r-e-r. I am the registered lobbyist for the Lincoln Chamber, and it's my pleasure to be here this afternoon in front of you on behalf of the Lincoln Chamber and also the Nebraska Chamber of Commerce and Industry in support of Senator Dungan's LB8, which, as you've already heard, makes several changes. And these are changes that we do view as



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competitive improvements to our Nebraska statutes related to the SAF, or the sustainable aviation fuel credit. I want to begin by thanking Senator Dungan for his strong efforts on this. This is something that certainly wasn't in my lexicon until a few years or excuse me, a few months ago. We actually made a trip out to D.C. and heard about the SAF tax credit from Congressman Mike Flood-- pretty excited about it, other members of the delegation, as well. And so I think I probably had a conversation with Senator Bostar and then Senator Dungan, too, and just started to hear a lot more about it from our economic development people. The Chamber runs the economic development group here in Lincoln and also has a partnership that you might not be aware of that is a regional partnership that includes the counties of Gage, Seward, York, Otoe, and Fillmore Counties. So I think you received a letter. I received a copy of it from Rachel Kreikemeier from Gage County, or NGage, and I think she is working on a project right now related to SAF production facility. I guess that's just part of-- I, I want to emphasize that, that I, I do the, you know, reviewing legislation. But I have the benefit of also talking to kind of frontline economic development people, so that's helpful to me. The Lincoln and Nebraska Chamber support growing our economy, expanding innovation, both of which you've already heard quite a bit about earlier testimony, also promoted under LB8 and the state SAF credit. We support job growth. Obviously, we support future forward efforts and efforts to expand the bioeconomy. We see this as a win-win. It's innovation. We can respor-- or support our research base, as well, our ag producers, the environment. So with that, I'll thank you for your consideration, and we urge your support. And that would conclude my comments, unless there are any questions that I could answer.

**von GILLERN:** Thank you. Any questions from committee members? I just have one quick one. One of the--so-- I know at least one of the counties you named has a pretty active anti-wind movement.

**BRUCE BOHRER:** Yeah.

**von GILLERN:** And maybe more than one. Any quick comment you want to make regarding the energy demands?

**BRUCE BOHRER:** Well, I think it's just the earlier conversation you just had with the previous testifier, Kent, and saying that there are

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opportunities in some places, and some places that you're going to have to probably say, let's take a pass there.

**von GILLERN:** Very good. Thank you. Thank you for your testimony. Any other proponents for LB8? Seeing none, any opponent testimony? Seeing none, anyone in the neutral position? Seeing none, Senator Dungan, would you like to close?

**DUNGAN:** Thank you, Chair von Gillern. And I guess I wanna say thank you to everybody coming in and testifying today. Like I started off, I, I'm not an expert in this, but I've learned a lot over the last couple years. And one of the things that I've learned and I'm not trying to be hyperbolic when I say this, but SAF really is going to be a massive part of the future production of renewable fuels in the country. And the question that we have to ask ourselves is, do we want to be a part of that or not? It's going to happen. People are finding places to do this and companies are going to find a place to go. And when I talk to anybody in, in the industry, whether it's from the ag section or the production section or the consumption section, they identify Nebraska as a key place they want to come locate. I've been contacted by folks from a company called Twelve. I have some testimony from them that I'll hand out to members of the committee later. They didn't get it in in time for the actual cut off because this got scheduled on the first day. They're a company, I think, out of California who's looking to, to build a plant, their first ever commercial production plant, and they think Nebraska is the place they want to come. Like I said, there's people in Germany who have reached out to me. We have folks who are already working here in Nebraska-- ADM, I've worked very closely with ADM and talking about how they can merge into this industry. Gevo has been a great partner. So the, the interest is there. We just have to make sure that we do what we can to make this a viable option for them. So to Senator Jacobson's concerns earlier about caps or money, happy to have those conversations, but we have to start from a position of wanting to do this. And then we can negotiate, I think, a little bit more amongst ourselves, both now and in the future, of what that looks like to make this actually effective and incentivizing. But the bones have to be there before we can start nitpicking. So, happy to answer any additional questions, but thank you again to everybody who came. And I look forward to being a part of the conversation moving forward with you all.

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**von GILLERN:** Thank you. Any questions from the committee? Senator Murman.

**MURMAN:** Yes, thank you. I, I kind of waited with this question, and Senator Ibach referred to it a little bit. Surprised that there wasn't any testifiers with-- talking about residue for SAF production or so much about animal fat either. I think it was mentioned, but-- or soybean oil. Because from what I've, I guess, researched in the-- in recent years, I thought those were going to-- those things were going to be the main fuel for producing ethanol-- or excuse me, SAF. So do you have any information on that at all? I, I think there's a--

**DUNGAN:** I do.

**MURMAN:** There's a large plant--

**DUNGAN:** Yes.

**MURMAN:** --actually going to be built in-- I'm not sure exactly whose district it is. It's really close to the line between, I think, 3 senators' districts. But do you have any information on that at all?

**DUNGAN:** Yeah. And again, I don't want to make the scientists behind me cringe too much. But let me start by just overall saying that is included. And that would be included, right. So SAF, sustainable aviation fuel, is an umbrella term, right. There's not one fuel that is SAF. And there is essentially a number of different pathways or ways that you can create sustainable aviation fuel. One of those is, to your point, fats and oils and things such as that. Another would be biomass, which we've been talking a lot about today. There's a, a measurement to determine whether or not something meets certain standards called the GREET model, which we utilize in this. And in order to fall under the GREET model or to qualify as sustainable aviation fuel, I believe that 2 of the pathways that go in there are either biomass or fats and oils. And so that would be included. So you've heard a lot of testimony today about biomass because that's a lot of what we've talked about, with regards to corn stover and other things like that. But yes, the, the oils would be, I believe, included in the qualifications for sustainable aviation fuel. And what I'm particularly interested in with the way we've written this is it remains, I think, relatively flexible. And we can continue to have conversations moving forward about what is SAF as new developments

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happen. And so, you know, we need to continue to keep up with the science. But yes, to, to your point, those would be, I believe, included in what would qualify, so long as it does fall under that-- the different parameters laid out in the GREET modeling.

**MURMAN:** Sure. The incentives, as I understand it, is on the fuel produced, a credit on the, the fuel produced. So--

**DUNGAN:** Correct.

**MURMAN:** --all of those things should qualify.

**DUNGAN:** Yes.

**MURMAN:** But I guess-- I was a little surprised we heard mostly about ethanol today. I thought we'd hear a little more about residue and the--

**DUNGAN:** Well, and I'm--

**MURMAN:** --other oils, but.

**DUNGAN:** --happy to connect you with folks that would be able to talk a little bit more about that, as well. Like I said, I've been in contact with a number of different producers and potential producers, so you and I can keep chatting about that, and I'll fill you in on sort of where we are on those options. But I am very interested in making sure it's as inclusive as possible, to make sure that we're including things like that. I bel-- that is included in my bill, but we'll continue to give you more details about that.

**MURMAN:** OK. Thank you.

**von GILLERN:** Any other questions? Before we wrap up, we did get 6 online proponent comments and zero opponents and zero neutral.

**DUNGAN:** Sounds like consent calendar. All right.

**von GILLERN:** I like your optimism.

**DUNGAN:** Thank you.

**von GILLERN:** Thank you, Senator Dungan. We'll close out LB8, and we'll open on LB194, Senator Sorrentino. Hey, folks. We're, we're ready to

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open on LB194. Welcome, Senator Sorrentino. Your very first hearing. Glad to have you here.

**SORRENTINO:** Ever.

**von GILLERN:** Ever.

**SORRENTINO:** Good afternoon, Chairman von Gillern and members of the Revenue Committee. My name is Tony Sorrentino, T-o-n-y S-o-r-r-e-n-t-i-n-o, and I represent Legislative District 39, which is Elkhorn and Waterloo in Douglas County. I bring to you today LB194. This bill was introduced by Revenue Committee Chair von Gillern as LB1177 on January 12, 2024, and was voted out of the Revenue Committee 8-0 and placed on General File on February 14, 2024. LB194 was brought to me by the Nebraska State Bar Association-- full disclosure, I have been a member of that association for 40-plus years-- as well as attorneys who practice in the area of estate planning and probate. The bill is offered with the intent to clarify the intended application of an exemption from the state's documentary step-- stamp tax in instances where-- which real estate is transferred between and among family members and no actual consideration is exchanged. Attorneys in this field work regularly with clients in planning to transfer their assets upon death. When real estate is involved, that planning can often give rise to a need to transfer the legal title to property in anticipation of death. The control of the person's home or operation of the farm in question will remain with the client until their passing. Depending on the situation, LLCs, limited liability corporations, or other business entities may be established. A trust might be created or a part or portions of ownership may be gifted, with some remaining interest retained. In nearly all of those instances, instances where family is involved, no consideration or actual value is exchanged. Indeed, the property is not sold and control is typically not transferred. Understanding this, the Legislature provided for an exempt-- exemption for application of the tax with respect to these types of transactions. Nebraska Revised State Statute 76-902 has provided for an exemption from the tax when property is transferred among family members, dating back to the 1960s. However, recently, questions have been raised as to whether some of these types of transfers meet the definition of transfer among family members as the current statute states. Most notably, the Department of Revenue has opined that a transfer from a married couple to an LLC with a sole member or from an individual to an LLC with a

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sole member does not fit within the definition of family, as far as 76-902 reads. That interpretation of the application of the exception to such transfers departs from a long history of how attorneys and county officials have handled these types of estate planning transfers. The department then has advised counties not to accept the filing of a real estate document with this exemption applied when it is structured in this way. What this means is that families can be on the hook for potentially thousands of dollars in filing fees for paperwork that is meant solely to plan for the future. And when the transfer does not affect control of the property or result in any real value being exchanged, as you would see in a public sale, this departure from past practice had also resulted in an inconsistency among counties in how they've accepted the filing of these types of documents. At least one county official has determined to comply with the directions provided by the department and has refused to accept filings under this exemption and required payment of the tax. Other counties have continued the past practice of applying the exemption to these transactions. LB194 merely clarifies the longstanding interpretation and application of this exemption in these real estate planning instances. Thank you, and I'm happy to answer any questions you may have.

**von GILLERN:** Thank you, Senator Sorrentino. Questions from the committee members? Seeing no questions, we'll move on to proponents. And can you stay to close? Any proponent testimony?

**TIM HRUZA:** Good afternoon, Chair, members of the Revenue Committee. My name is Tim Hruza, last name is spelled H-r-u-z-a, appearing today on behalf of the Nebraska State Bar Association. I just want to start by thanking Senator Sorrentino for introducing LB194 and thanking our chair for introducing its past counterpart in LB1177 last session. As Senator Sorrentino mentioned, the bill was voted out of committee last year unanimously. I-- we were working on a consent calendar request and we didn't get it done. It is a clarification bill that simply ensures that folks who are transferring these no value transfers for purposes of planning don't end up getting stuck with a bill as they do those things. So I'm happy to answer any technical questions. I think Senator Sorrentino's opening explained the bill fairly well. You'll note there's no fiscal note on this one, as well. And I look forward to the committee advancing this and getting it passed this session.

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**VON GILLERN:** Thank you. Any questions from committee members? Seeing none, thank you for your testimony.

**TIM HRUZA:** Thank you.

**VON GILLERN:** Next proponent.

**ELAINE MENZEL:** Chairman von Gillern and members of the Revenue Committee, for the record, my name is Elaine Menzel. That's E-l-a-i-n-e M-e-n-z-e-l, here today on behalf of the Nebraska Association of County Officials, testifying in support of LB194. And I will echo a good share of what Senator Sorrentino indicated was the purpose for this legislation. Just-- we appreciate his introducing it. And as Mr. Hruza mentioned, the chair introducing it last year. As you will recall, we had testified in support of that legislation last year, as well, and supported it. Our-- we would welcome the clarity that this would bring to our clerks and register of deeds for purposes of institut-- or administering the documentary stamp tax. So with that in mind, please support this legislation. And if you have any questions, I'd attempt to answer them.

**VON GILLERN:** Thank you. Any questions? Seeing none, thank you for your testimony.

**ELAINE MENZEL:** Thank you.

**VON GILLERN:** Any other proponents? Seeing none, any opponents? Seeing none, anyone who would like to testify in the neutral position? Seeing none, Senator Sorrentino, would like to close? And we had no letters on record, no online comments. Everyone must love it.

**SORRENTINO:** Thank you, Chairman. I will observe the 3 B's of public speaking. I will be brief, I will be brilliant, and I will be gone. The target of this bill is to rectify a situation that is best described as form over substance. From a substantive standpoint, this remains a family, a family transfer. As estate planning tools have progressed and become more technical, the vehicle has changed, that being the use of LLCs. I would urge you to vote to move this legislation forward. Thank you.

**VON GILLERN:** Thank you. Any questions from committee members? I will affirm what others have said, and this did come out of committee last year unanimously. Somehow we dropped the ball, did not get it added to

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the consent calendar. So I'll take the-- since I'm the only one left around, I'll take the, the fall on that one, but we'll see if we can do it again this year. Thank you. That closes--

**SORRENTINO:** Thank you.

**von GILLERN:** --testimony on LB194, and closes our Revenue hearing for the day. Thank you.