

Transcript Prepared By the Clerk of the Legislature
Transcriber's Office

Education Committee
April 23, 2007

[CONFIRMATION]

The Committee on Education met at 8:30 a.m. on Monday, April 23, 2007, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on gubernatorial appointments. Senators present: Ron Raikes, Chairperson; Gail Kopplin, Vice Chairperson; Greg Adams; Brad Ashford; Bill Avery; Carroll Burling; Gwen Howard; and Joel Johnson. Senators absent: None.

SENATOR RAIKES: Good morning and welcome to this hearing of the Education Committee of the Nebraska Legislature, as a matter of fact, the One Hundredth Legislature, First Session. This morning we are gathered to consider the confirmation of five gubernatorial appointees to the Nebraska Educational Telecommunications Commission. I probably need to remind everybody of the procedure. I'll introduce you to the committee first. Soon will be Senator Brad Ashford from Omaha; Senator Gwen Howard just sat down; Senator Carroll Burling from Kenesaw; to my right is our legal counsel Tammy Barry; I am Ron Raikes, District 25; to my left is our committee's Vice Chair, Gail Kopplin, Gretna; Senator Greg Adams from York; Senator Joel Johnson from Kearney; and Senator Bill Avery from Lincoln; Kris Valentin, there he is back there, is our committee clerk. We will have each appointee come forward, make a little presentation to us as you would like, and then we will have proponent and opponent testimony and then close the hearing and move on to the next one. I think that is what we will do. Please shut off your cell phones if you have one with you. So let's begin with the first appointee. We will hear these in the order that they are listed in the sheet here. The first one is Ken Bird. Is Ken here? Well, I might ask the committee, given the name of this individual, is there any reason to go forward or should we just...(laughter).

[CONFIRMATION]

SENATOR AVERY: We can vote now. [CONFIRMATION]

KEN BIRD: I have an evil twin brother that shows up here once in a while.

[CONFIRMATION]

SENATOR RAIKES: Ken, welcome, and tell us a little bit about yourself. And by the way, I neglected to mention Dennis Miller would be a reappointment. The other four appointees are new appointments, including Ken. So Ken. [CONFIRMATION]

KEN BIRD: (Exhibit 1) Good morning, Senator Raikes, members of the committee. I am Ken Bird. I am superintendent of the Westside Community Schools, a role I am in my sixteenth year of having. I have had 11 job titles at Westside, so I have seen it from a variety of angles. I also had a stint with the Nebraska Department of Education for a few years as director of compliance, particularly in the area of special education. I am essentially a lifelong Omahan. I did live in Lincoln for a year when I was not commuting to the Department of Education and living here. I have been involved with NET on the

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foundation side, working with the public television, primarily in the Omaha area, and areas of fund-raising and general assistance in there, and I am pleased to be here today and have an opportunity before you and seek appointment on the commission for NET. [CONFIRMATION]

SENATOR RAIKES: Thank you, Ken. Are there questions for Ken? Senator Burling. [CONFIRMATION]

SENATOR BURLING: Thank you, Ken, for being willing to serve on this. What do you see as the greatest challenge right now to the commission? [CONFIRMATION]

KEN BIRD: This will sound like I am in a different role. Funding; the issue of maintaining the stability and funding for the programming and fulfilling the mission to engage all of our statewide effort. So I think as we go forward we have had some difficult issues and we have been through a number of issues with NET on the funding issue and downsizing. But I think the whole digital era we are moving into and what we can do, I think we are looking at some great opportunities for NET to become a stronger service arm to education to our communities statewide. So it is an exciting time and a lot of challenges. [CONFIRMATION]

SENATOR RAIKES: Other questions? Senator Avery. [CONFIRMATION]

SENATOR AVERY: Thank you. Good to see you, Dr. Bird. [CONFIRMATION]

KEN BIRD: Good to see you. Thank you. [CONFIRMATION]

SENATOR AVERY: Speaking of funding, would you see it among your responsibilities to work with our federal delegation to see to it that Congress continues to fund? [CONFIRMATION]

KEN BIRD: Absolutely. I think it is imperative, and I know we don't have 100 percent support there. [CONFIRMATION]

SENATOR AVERY: I know that. [CONFIRMATION]

KEN BIRD: And I think that is a major task that we have in front of us, to maintain and build that relationship and seek the support of our congressional representatives. [CONFIRMATION]

SENATOR AVERY: There is, of course, in Washington, some criticism of public broadcasting because of the nature of programming. When a program is aired that they disagree with, they want the end of funding. [CONFIRMATION]

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KEN BIRD: Small deal with freedom of speech and the rights of a public broadcasting system, and I think that is imperative to protect, yet the federal government does have a significant role in funding that and the programming and having access to all of our citizens. [CONFIRMATION]

SENATOR AVERY: The programming is important. When I was at the university I often used video tapes of the Frontline series, and they don't always make people in Washington happy because they often go into behind-the-scenes reporting on a lot of controversial things. And when the administration doesn't look good, they say, oh, we have got to stop this. But it was for me a valuable resource in the classroom. [CONFIRMATION]

KEN BIRD: And in our high schools it is also. And hopefully our congressional representatives in the federal government can rise above that and see the value and depoliticize this issue. [CONFIRMATION]

SENATOR AVERY: And you would use your position to help them see the light of this? [CONFIRMATION]

KEN BIRD: Absolutely. I would absolutely. [CONFIRMATION]

SENATOR AVERY: Thank you. [CONFIRMATION]

SENATOR RAIKES: Any other questions? Senator Kopplin. [CONFIRMATION]

SENATOR KOPPLIN: With all of your many jobs and community involvement, when do you get to use the boat? [CONFIRMATION]

KEN BIRD: That new boat is still sitting there, Senator Kopplin. [CONFIRMATION]

SENATOR KOPPLIN: Okay. [CONFIRMATION]

KEN BIRD: It has not touched the water yet. I think Senator Raikes is going to carve out some time for me after May 31. Thank you. [CONFIRMATION]

SENATOR ASHFORD: Did we go over Superintendent Bird's background? [CONFIRMATION]

SENATOR AVERY: No, we did not. You do that, Brad. [CONFIRMATION]

SENATOR RAIKES: Not sufficiently, Senator. [CONFIRMATION]

SENATOR ASHFORD: I will reserve any further questions. Okay. [CONFIRMATION]

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KEN BIRD: I would say I have the transcripts of one of the committee members, high school transcripts, should you ever need those. I am thinking of using them at some appropriate time. But there may be a higher value to the committee. [CONFIRMATION]

SENATOR RAIKES: Well, let's cut right to the chase. Let's consider a deal. I will support you on this confirmation, if you support...(laughter). [CONFIRMATION]

KEN BIRD: I knew this wasn't going to be easy. [CONFIRMATION]

SENATOR RAIKES: Are there any other questions? I don't see any. Thank you, again, for your willingness to serve in this position. [CONFIRMATION]

KEN BIRD: Thank you, Senator, and all of you. Appreciate it. [CONFIRMATION]

SENATOR RAIKES: Are there proponents? Jerry. [CONFIRMATION]

JERRY SELLENTIN: Good morning, Senator Raikes, members of the Education Committee. Jerry Sellentin, Jerry with a J, Sellentin S-e-l-l-e-n-t-i-n, executive director of the Nebraska Council of School Administrators. Our council full-heartedly endorses and recommends Dr. Ken Bird to the commission. He has been very active, not only in the state and local area, but nationally, in telecommunications. His résumé and the questions you have asked, I don't need say much more, and I am not going to because he is just a person of action, follows through even though he has got a lot interests. He was named by his peers as Superintendent of the Year in 1998, another indication of his qualities of work. Another area that I have found to be very, very helpful to the council is his area in planning and helping organizations and individuals when they need it. I highly recommend Dr. Ken Bird. Questions? [CONFIRMATION]

SENATOR RAIKES: Okay. Thank you, Jerry. Questions for Jerry? I don't see any. Thanks for being here, Jerry. Are there any other proponent testifiers? Opponent testifiers? Okay. That will close the confirmation hearing on Ken Bird, and we will move to Mandy Johnson. Mandy, please come forward. [CONFIRMATION]

MANDY JOHNSON: Hi. [CONFIRMATION]

SENATOR RAIKES: Thank you, Mandy. Please tell us a little bit about yourself and your interest in this position. [CONFIRMATION]

MANDY JOHNSON: (Exhibit 2) Okay. My name is Mandy Johnson and I am, I think they call it a member at-large. I am up for one of the positions of the public. My background is in education. I have been a teacher for 15 years and a principal for the past four, in Millard. I am originally from Wisconsin, moved to Nebraska about 20 years

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ago, and we decided to stay because it is such a great place to raise a family. You want more background? [CONFIRMATION]

SENATOR RAIKES: Well, as you wish. I mean that certainly introduces us. How did you happen to get interested in NET? [CONFIRMATION]

MANDY JOHNSON: Actually, I was asked by Governor Heineman. With my background in education, I worked on his campaign and then I became interested in giving back to the community and said I would be willing to serve on any commissions, and his office actually paired me up with NETC. [CONFIRMATION]

SENATOR RAIKES: Okay. You are a teacher, as you explained, or principal too. How do you see the intersection between the work of the Nebraska Educational Telecommunications Commission and K-12 education in Nebraska? [CONFIRMATION]

MANDY JOHNSON: I am sorry, could you repeat that? [CONFIRMATION]

SENATOR RAIKES: To what extent can NET, the commission, be helpful, of service to K-12 education? [CONFIRMATION]

MANDY JOHNSON: Oh, in so many ways. A lot of the programming is applicable at the high school level, but we use a lot of the programming at the elementary level as well. For example, the Web site on Nebraska history, our fourth-grade teachers, that is their curriculum and they use that Web site. There are programs, I know they are done on the national level, but like Reading Rainbow, that teachers use that correlate with different units that they are teaching. So there is just a variety of ways. [CONFIRMATION]

SENATOR RAIKES: Okay. Do we have any other questions for Mandy? Senator Johnson. [CONFIRMATION]

SENATOR JOHNSON: I am originally from Minnesota, so I look rather distrustful at anybody from Wisconsin (laughter). Where were you at in Wisconsin? [CONFIRMATION]

MANDY JOHNSON: In Madison. [CONFIRMATION]

SENATOR JOHNSON: Okay. [CONFIRMATION]

MANDY JOHNSON: But I didn't go to college there, if that is what you are worried about. [CONFIRMATION]

SENATOR RAIKES: Any other questions for Mandy? I don't see any. Thank you for

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being here, and thanks for your interest in serving in this position. [CONFIRMATION]

MANDY JOHNSON: Okay. Thank you. [CONFIRMATION]

SENATOR RAIKES: Any proponent testimony for Mandy Johnson? Any opponent testimony? Okay, that will close that hearing, and we will move to Dennis Miller, Jr. Dennis, welcome. [CONFIRMATION]

DENNIS MILLER: (Exhibit 3) Good morning, senators. Thanks for the opportunity to visit with you. I am from the Panhandle, from Lewellen, Nebraska, which is on the west end of Lake McConaughy, and I do have a boat and I am waiting for water. I am a retired naval officer. I was in nuclear power, and you probably don't know that the Navy nuclear is licensed on training rather than equipment, so education is a huge deal and I have been involved in education there. Right now, I moved back to where I grew up in western Nebraska. I have a little farm out there and I do a variety of volunteer things, including this one, and I have a particular affinity for NET. Preschool education, I think, is just essential, and especially those that can't afford to go to preschool probably get a lot of their education from NET. And I know that we have had a bad name sometimes. I believe it was a congressman from Florida that said Big Bird is a billionaire and we shouldn't give him any more money or something like that. That was one of the more recent challenges a few months back, and unfortunately people have that opinion. Fortunately, it didn't take away the money, but the funding is a huge issue. I know that was a question before, and the answer is, yes, I absolutely would use my position to support funding. I am involved from the community college. I am a board member at Western Nebraska Community College and I have been on for a year now, and I am just about to learn what NET is about. NET is a rather complex organization with two foundations, one for television, one for radio, and then the commission. And how they all work together and the equipment part that we are a part of funding is essential in community colleges as well as in high schools for distance learning, and I am a strong supporter of all of the new means of education for continuing education, adult education, and lifelong learning. The thing that we talk about in community colleges a lot is about getting the information to people in their homes rather than necessarily having them come to us, so that part is important to me. I do have on my mind how could NET and community colleges work better together, and probably the archives of information is a good thing. I have talked to some of the teachers and they have occasionally had difficulty in timing; you know, if you send for a request of information and it has to be mailed out to you, and then you use it and you mail it back, as opposed to having it electronically online where you can just draw it up, use it. And one of our funding issues was to put everything digitally available so it could just be taken, and of course there is not money for everything, but there is work being done to try to get that through grants. So that issue is still alive. [CONFIRMATION]

SENATOR RAIKES: Okay. Thank you, Dennis. Questions? Is NET, in effect, acting as

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somewhat of a warehouse then for educational materials? [CONFIRMATION]

DENNIS MILLER: It does in many ways, at least the things that NET has developed is all there, and I don't know that it is more than that. I can't tell you for a fact. It might have more than that, but I don't have the answer. [CONFIRMATION]

SENATOR RAIKES: In terms of distance education, advanced placement courses or college credit, dual placement course I guess is what I wanted to say, for kids in high school. You mentioned your connection with the community college. How does NET play into that? [CONFIRMATION]

DENNIS MILLER: Well, the hardware side, NET has technical people who go out and help to install it and I think part of it is paid for through NET, the equipment. The issue that is kind of difficult with community colleges is that if you are not certified as a teacher, then a student that takes that course can't get high school credit for it, and that is kind of an issue that I don't know if going to resolved. But what happens now largely, I believe, and probably somebody else can say better than I, is that one high school teacher will teach and it will be distributed to other high schools, and of course then you have a certified high school teacher as opposed to even though it may be a Ph.D. teaching a class in a school, if a high school student takes it and that teacher is not certified as a teacher, then the credit couldn't go as a high school credit, so it couldn't be dual credit. So there is a little bit of a struggle there that might be able to smoothed out sometime. [CONFIRMATION]

SENATOR RAIKES: Okay. Senator Avery has a question. [CONFIRMATION]

SENATOR AVERY: Thank you, Mr. Chair. I see you are a retired commander in the Navy and you are now living out in the midst of the missile fields in the Panhandle. [CONFIRMATION]

DENNIS MILLER: Yeah. I have got to get close to water--when it is there. [CONFIRMATION]

SENATOR AVERY: You don't look retired to me. When I look at these organizations and offices that you hold right now, you have more time now to be busy then you did when you were working for the Navy. [CONFIRMATION]

DENNIS MILLER: You know, there is plenty to be done, sir, and it is interesting to be a part of. And I learn probably more every time I get on something and I give, but I try to do my part. [CONFIRMATION]

SENATOR AVERY: Are you doing your part to help us conserve water out there in the Panhandle? [CONFIRMATION]

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DENNIS MILLER: Well, now that is a subject...conserve water is highly misunderstood. Mostly conservation turns into a transfer of water, but you may not want to get me going there. That is one of my pet issue right now. [CONFIRMATION]

SENATOR AVERY: It is irrelevant to this hearing anyway. I noticed that you farm irrigated corn. [CONFIRMATION]

DENNIS MILLER: Yes, I do, and it is nice to have ethanol around to boost the price. [CONFIRMATION]

SENATOR AVERY: Thank you. [CONFIRMATION]

SENATOR RAIKES: Senator Burling. [CONFIRMATION]

SENATOR BURLING: Mr. Miller, given the geographical area where you are from, we are all one state, but are there any unique challenges to the Panhandle area as far as NET is concerned? [CONFIRMATION]

DENNIS MILLER: There is. If you are in the area that I am in, for example, you don't get NET television on satellite. You get Rocky Mountain television on satellite because there is a marketing survey done that determines which stations are beamed down from satellites. So if you are in the southern part of the Panhandle, down in around that area, the way the marketing survey is done, and I can't tell you the name of it anymore, we fall into the Denver marketing area. And consequently, the only signal we get off from satellite comes from Rocky Mountain as opposed to Nebraska, which is really unfortunate. If you want to watch the Lehrer NewsHour, well, you get the same thing whether it is over NET or whether it is over Rocky Mountain. But if you want to know what is happening in Lincoln, you don't get any of it over Rocky Mountain. I have raised that issue but it basically is a DC area in how the licenses are put out, and it is a problem that comes about by the fact that if NET were to be put on, then every other system would have to be put on the same satellite from Nebraska. So it turns into a funding issue and how they license it, and it has been raised but I don't know that it is going to be resolved. That is one particular issue. And I think the other thing is the amount of connectivity that we have with the T10 lines, or I can't say, the fiber optic lines. Now recently we did finish putting through the...I have trouble with the names, there is a main trunk line that goes through there, that did go through, and it improved it but it is relatively small compared to our need. I was talking to the head of the computer information there, and he said we have available about T1 line and we use the equivalent of a T10 for transferring information back and forth between Sidney and Alliance centers, as well as...so it is like anything else. It kind of thins out as you go west, and that is a funding issue because there are lots of miles to cover. There is a potential fix, in that if satellite protocol was changed to IP protocol rather than whatever

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satellite is used now, and it became seamless between the satellite information transfer and the fiber optic lines, then you could use the satellites more. But again that is a big funding issue, and it is also being looked at for ways outside of state funding.
[CONFIRMATION]

SENATOR RAIKES: Okay. Senator Johnson. [CONFIRMATION]

SENATOR JOHNSON: Just a little thing in your defense for living in Lewellen as a naval officer, in the Second World War the 9th Naval District had by far the most sailors out of the Midwest than anywhere else in the country. [CONFIRMATION]

SENATOR AVERY: This is a Navy guy talking. [CONFIRMATION]

DENNIS MILLER: Yes. [CONFIRMATION]

SENATOR RAIKES: I don't see any other questions, Dennis. Thank you for your service so far and your willingness to continue. Are there proponents? Opponents? Okay. That will close the hearing on the confirmation of Dennis Miller, and we will move to Robert Moline. Robert, welcome. [CONFIRMATION]

ROBERT MOLINE: (Exhibit 4) Thank you. Mr. Chairman, committee, my name is Robert Moline. I live in Denton, Nebraska. I grew up in Hastings. I went to the University of Nebraska, got a degree in accounting. I hold an inactive CPA license from the state of Nebraska. I am currently the CEO and president of HomeServices of Nebraska. You may never have heard of HomeServices, but you might have heard of our other brands, Woods Brothers Realty, HOME Real Estate, Capitol Title, HomeServices Lending. We are essentially a real estate services company starting with real estate brokerage and all of the things the you need to do that. I have served publicly before on the Real Estate Commission. I was appointed by Governor Johanns some eight years ago. I grew up listening to Car Talk, and any number of programs on NET, and also have watched public television. I got a call from the Governor's office that said, would you be interested if the Governor would appoint you to the Nebraska Education Telecommunications Commission? I was a little taken aback, but I said, let me research into it and think about it. And after doing so I, if this committee and the Legislature agrees, would like to serve. I like to serve the public. I think there is a lot to be learned. I think the most that I can bring to the commission would probably be my background in finance, in business, and in fact Mr. Bates has already asked me, if approved, if I would serve on the finance committee. So I think some of the real problems that face NET as a very new member to the commission is funding for the future, and I have heard some information already about there is a problem in Washington, D.C., with our delegation about funding. And I think I have some contacts to work on that to get the appropriate funds where they are needed. I enjoy hunting, getting outdoors, and I have a wife and three kids, and two horses, three dogs, and that is a little bit about me.

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[CONFIRMATION]

SENATOR RAIKES: Okay. Thank you, Robert. Questions for Robert? You live in Lincoln, is that correct? [CONFIRMATION]

ROBERT MOLINE: Denton. It is about seven miles outside of Lincoln.
[CONFIRMATION]

SENATOR RAIKES: No, Denton actually. Okay. [CONFIRMATION]

ROBERT MOLINE: I like to get out where it is dark. I live on an acreage.
[CONFIRMATION]

SENATOR RAIKES: Okay. Have you gotten to the point now where, and you have been on there for just a short time, where you understand the revenue and expense streams of the commission and how you try to make that work? [CONFIRMATION]

ROBERT MOLINE: Well, I have gone through half of an orientation and I was asking questions about that, and maybe that is how Mr. Bates decided that I had the acumen to be able to figure out some rather complicated funding. [CONFIRMATION]

SENATOR RAIKES: Okay. Senator Avery. [CONFIRMATION]

SENATOR AVERY: I would like to go back to the challenge that we have with our delegation. The real issue, as you may know, is that a number of people in Congress do not like the programming with PBS, and it is the political programming they worry about because it doesn't always present their side of the issue in a favorable light. But it doesn't always present the other side of the issue in a favorable light either, which is the way it ought to be. The problem I think we have with Congress is that they want to turn it into a mouthpiece for whoever happens by the White House, whatever the prevailing point of view is in Washington. I would hope that if you accept this appointment that you would work against that and that your appointment is not one that will be used to support efforts from our own delegation to undermine the public broadcasting.
[CONFIRMATION]

ROBERT MOLINE: Senator, I would agree with that. It doesn't matter your political point of view. Everyone should get a fair hearing and the chance to have programs on television. In fact, talking to Mr. Bates early on, one of the first questions I asked him was, what is our authority? And as he summed it up quickly in orientation, was to make sure that the funds that the Legislature appoints to the NET are appropriately used. But also our job as a commissioner isn't necessarily content; that is the job of the program staff. And I would agree with you that this is a free democracy. Everybody should allow appropriate things to be on television and the radio in politics, and not whether or not it

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favors your particular point of view, and I think that is what makes our democracy strong. So I would be a proponent of allowing all people to use public television, no matter what. [CONFIRMATION]

SENATOR AVERY: You use the word appropriate. A lot of people believe it is inappropriate to air anything that they disagree with. [CONFIRMATION]

ROBERT MOLINE: There are some things that I don't believe should be on public radio/television, similar to like the comment made on the Imus program recently. [CONFIRMATION]

SENATOR AVERY: That shouldn't be anywhere. [CONFIRMATION]

ROBERT MOLINE: Correct, sir. [CONFIRMATION]

SENATOR AVERY: I do note here that your job is to make certain that facilities are not used for any purpose which is contrary to the Constitution of the United States or Nebraska, or for broadcasting propaganda or attempting to influence legislation. I presume that that means what it says: facilities. It doesn't mean that you as a commissioner could not try to influence legislation if it would promote and further the goals and purposes of PBS? [CONFIRMATION]

ROBERT MOLINE: I would not be in favor of PBS using their ability to communicate to our citizens for political purposes. Did I answer your question, sir? [CONFIRMATION]

SENATOR AVERY: Yeah, you did. But you still would use your position to support PBS and to promote its activities... [CONFIRMATION]

ROBERT MOLINE: Yes, sir. [CONFIRMATION]

SENATOR AVERY: ...in an appropriate way. [CONFIRMATION]

ROBERT MOLINE: I think if you are going to take on this job, you need to be 100 percent behind it, and support public television and radio, otherwise you should say I am not willing to serve. [CONFIRMATION]

SENATOR AVERY: I note you are also an Eagle Scout. That is a good thing. [CONFIRMATION]

ROBERT MOLINE: I am an Eagle Scout and actually was president of the Boy Scout Council here for three years. [CONFIRMATION]

SENATOR AVERY: Yeah. I knew that. My son is on his way to being Eagle.

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[CONFIRMATION]

ROBERT MOLINE: Congratulations. That is a great honor. By the way, just for the record, my three sons are all Eagle Scouts too. [CONFIRMATION]

SENATOR RAIKES: Any other questions for Robert? I don't see any. Thank you very much, Robert, for being here and for your willingness to serve. [CONFIRMATION]

ROBERT MOLINE: Thank you, sir. Thank you, committee. [CONFIRMATION]

SENATOR RAIKES: Is there proponent testimony? Opponent testimony? Okay. That will close the hearing on Robert Moline, and we will move to Clay Smith. Clay, welcome. [CONFIRMATION]

CLAY SMITH: (Exhibit 5) Good morning, Chairman Raikes, members of the committee. My name is Clay Smith. I live in Lincoln, Nebraska. I am actually a third- and fourth-generation Nebraskan. My grandfather homesteaded in Stapleton and another one homesteaded in Custer County. I was born and raised in Lincoln, Nebraska, and attended the University of Nebraska for a year and a half prior to transferring out to Stanford University. Actually, I may have a conflict with Chairman Raikes in the sense that when I transferred to Stanford, I moved into the dorm room of his brother, who was transferring out. He moved into another dorm. [CONFIRMATION]

SENATOR RAIKES: You are not going to talk about the circumstances under which he was transferring out. [CONFIRMATION]

SENATOR AVERY: That is one vote for you. [CONFIRMATION]

CLAY SMITH: He was promoted, let me put it that way. At Stanford I was a very active student. I was involved in the student government, also a student teacher both at the engineering school and the graduate school of business. I was on the student senate there and also served two years as a student representative to the board of trustees at Stanford, serving on the finance committee. After graduating from Stanford, I had my undergraduate in economics and my master's in industrial engineering. The engineering course work was matriculation through both the graduate school of business and the graduate school of engineering at Stanford. Upon graduation, I went back and worked in New York City with the Booz Allen & Hamilton management consulting firm. We were management consultants to the Fortune 100 in our country. I did that through promotion for up to three years. Leaving Booz Allen in New York, I was actually hired to join an investment bank in San Francisco and did that for a number of years prior to being recruited back to our family business here in Lincoln, Nebraska. I am one of the co-owners and vice presidents of Speedway Motors here in Lincoln, Nebraska. We are a direct merchant of antique car supplies and racing products nationwide. We are the

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largest supplier in our segments of that industry. I am also the sole general partner of a real estate company here in Lincoln. Our primary goal is to refurbish and save many of the older buildings in the intercity neighborhoods as well as downtown. That partnership has been very active in saving a lot of downtown's best properties from condemnation. I have been very active in this community statewide. Locally I think you have a list of some of the organization I have been involved with. I was asked to serve on the community health endowment, where I served, I believe it was nine years. That was the organization created to manage the funds from the sale of the Lincoln General Hospital through that merger with Bryan. So I had a chance to serve at the request of the mayor and actually be appointed by the city council for that commission. I still serve on their finance committee even though I am not active on that board through term limits. I have been involved in the Nebraska Humanities Council, again on their finance committee. I have been involved in several state organizations. I have been a member of the Museum of Nebraska Art in Kearney, I think for a decade now, and certainly enjoy my time in the western part of the state. I have been involved and appointed through the university system to the Sheldon Memorial Art Gallery in Lincoln, Nebraska, as well. I was asked to serve at the request of the Governor. I believe that he was looking to me for my business background, my finance background, and some of my statewide experiences. I am the incoming president for a group that is called the Young Presidents Organization. It is a statewide group of under 50-year-old business owners, and I am the education chair at this point in time, and next year I will be the president of that statewide group. So with that, I will be free to answer any questions you may have. [CONFIRMATION]

SENATOR RAIKES: Okay. Thank you, Clay. Questions for Clay? Apparently given the two new appointments, you and Robert Moline, the Governor is going to turn this into a moneymaker. That would be great. You didn't maybe touch as much on your particular interest in the commission and its work and how it ties into your many other activities and points of public service. [CONFIRMATION]

CLAY SMITH: Certainly. I would like to share some time on that. It is interesting in my household; I have three young daughters that are four, six, and seven. They are only allowed to watch television if it is on one station, and it is public television. We find that the other television stations are significantly inappropriate, and in fact we have to be careful of watching the news in front of our daughters because one of them recently said, even the news scares here. So I am actually a user in our household of public television and believe that it has a very important role within young families. [CONFIRMATION]

SENATOR RAIKES: Would that be news about state government or federal government? [CONFIRMATION]

CLAY SMITH: At times it may be both, Senator Raikes, but I think it is mostly the

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unfortunate experiences we are seeing nationwide, especially this past week back in Virginia. I also have had a unique experience. Ron Hull, who was a long-time program director for NET, was a personal family friend of ours. I was very close to his children growing up, and in fact I spent many evenings having dinner with their family. And Ron was always one to include a lot of his early programming subjects and people that he cared about greatly at the dinner table, and I often was there. I can remember actually having dinner on more than one occasion with John G. Niehardt around the dinner table talking about programming at NET at an early age, probably at the age of 10 or 12. I believe that NET has a statewide mission. I have served on boards that are statewide boards, and constructing a board that can be effective on a statewide basis is a very tricky thing to do. Representation and who is involved is very important, and having exposure and contacts throughout the state is very important to be effective. I think the Museum of Nebraska Art is actually probably one of the best models that we have statewide for getting statewide representation, but also then taking programming out to those parts of our broad state. So I think I will use some of those skills that I have learned through my other affiliations and other representations to try to move the mission of NET forward. [CONFIRMATION]

SENATOR RAIKES: Okay. Thank you, Clay. Any other questions? [CONFIRMATION]

SENATOR ASHFORD: I am very familiar with your work, Clay, and I am glad you are willing to serve. [CONFIRMATION]

CLAY SMITH: Thank you. [CONFIRMATION]

SENATOR RAIKES: Senator Avery. [CONFIRMATION]

SENATOR AVERY: I have a couple of things. I happen to know that Clay Smith has done an awfully good job working in the city of Lincoln to restore and maintain historic buildings. My wife works for the mayor, most of you know that, and she has worked there many, many years, and she speaks very highly of you. So she has an interest in what I do here today. But I noticed that you were a former trustee of the Community Health Endowment. [CONFIRMATION]

CLAY SMITH: Um-hum. [CONFIRMATION]

SENATOR AVERY: You may not know, but the first item on the agenda today is my priority bill, which is LR6, which will allow the investment of public endowments in something other than these conservative investments that we have been doing under the constitution written in 1875, will allow us to invest these public endowment monies according to a prudent investor standards and practices. Have you been following that a bit? [CONFIRMATION]

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SENATOR RAIKES: Senator Avery is pointing out the kind of political message that would not be allowed on NET. [CONFIRMATION]

SENATOR ASHFORD: You don't have to answer this I don't think. [CONFIRMATION]

SENATOR AVERY: I couldn't pass up the opportunity because at some point we are going to be raising money for the campaign, for the primary election, and you can expect to hear from me. [CONFIRMATION]

CLAY SMITH: I am aware of that because I was called upon previously and I rose to the occasion. Actually, I was part of the committee raising the money. [CONFIRMATION]

SENATOR AVERY: Okay. Well, maybe we can get you to do that again. [CONFIRMATION]

SENATOR ASHFORD: That did not rise to the level of any kind of deal though, Senator. [CONFIRMATION]

CLAY SMITH: Thank you, Senator. [CONFIRMATION]

SENATOR RAIKES: Thank you very much for being here and for your willingness to serve, Clay. We appreciate it. Proponent testimony? Opponent testimony? Okay. That will close the confirmation hearing for Clay Smith and will close our confirmation hearings for this morning. Thank you all for being here. [CONFIRMATION]

Chairperson

Committee Clerk