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Health and Human Services Committee
February 23, 2012

[LB848 LB892 LB1002 LB1027 LB1110]

The Committee on Health and Human Services met at 1:30 p.m. on Thursday, February 23, 2012, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB848, LB1002, LB892, LB1110, and LB1027. Senators present: Kathy Campbell, Chairperson; Mike Gloor, Vice Chairperson; Dave Bloomfield; Tanya Cook; Gwen Howard; Bob Krist; and R. Paul Lambert. Senators absent: None.

SENATOR CAMPBELL: (Recorder malfunction)...to the public hearings for the Health and Human Services Committee. And we do have to say we are pleased to say these are our final hearings today on bills, so. All of my colleagues, I think, will be here. We had a noon meeting, and so they'll be coming in a little bit late. I'm Kathy Campbell. I represent the 25th Legislative District, which is east Lincoln and northern Lancaster County. And as our practice here, we do self-introduction so, Senator?

SENATOR BLOOMFIELD: Dave Bloomfield, District 17, Wayne, Thurston, and Dakota Counties in the northeast corner of the state.

SENATOR LAMBERT: Good afternoon. I'm Paul Lambert from the 2nd District. I serve portions of Sarpy County, a portion of Otoe County, and all of Cass County.

SENATOR GLOOR: Mike Gloor. I'm the senator from Grand Island.

MICHELLE CHAFFEE: I'm Michelle Chaffee. I serve as the legal counsel to the committee.

DIANE JOHNSON: And I'm Diane Johnson, the committee clerk.

SENATOR CAMPBELL: And our one and only page today is Phoebe, and she'll be glad to help you if you need some assistance. Coming in the door is Senator Howard and Senator Cook.

SENATOR COOK: Entering stage left.

SENATOR CAMPBELL: Yeah, that was very good, I thought. With that, we'll go through a little bit of the housekeeping instructions. If you have a cell phone with you, would you please turn it off or put it on silent so that the testifier doesn't hear anything ringing in the background. And if you have handouts, we would like 12. They are not required, but if you have them and you don't have that number of copies, Phoebe will help you with that. If you will be testifying today, we ask that you complete one of the bright orange sheets that are on the tables and spell your name very legibly for the clerk. The other point I want to make about the testifying is if you do not plan to testify, but you would like to leave us a note about I oppose this bill or I support this bill, you can leave those

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on the white sheets. We do use the light system here, and I think we'll be at five minutes today; it doesn't look like we have a lot of testifiers. So for the first four minutes, it'll be green and you're going to look down and then it's going to go to yellow. That means you have one minute left, so you probably should start wrapping up. And when you get to red, we'd like you to kind of conclude your remarks because you'll look up and I'll be going time or trying to get your attention. As you come forward, please state your name for the record and spell it; and the reason for that is that the transcribers need, as they listen to the tape, to hear you spell it. When you write it out, that's for the clerk so she can enter it in as she is typing on the computer. A lot of people always ask: Why do I have to do this twice? And that's why. I don't think we've added anyone else. With that, we'll open the first hearing today on LB848. Senator Sullivan is here. I don't think Senator Sullivan has been with us this session. So her bill is to change the Funeral Directing and Embalming Practice Act. Good afternoon, welcome. [LB848]

SENATOR SULLIVAN: Thank you, Senator Campbell. Good afternoon to you and members of the Health and Human Services Committee. I'm Senator Kate Sullivan of Cedar Rapids, that's K-a-t-e S-u-l-l-i-v-a-n, representing the 41st Legislative District. Most states have enacted right-of-disposition laws that specify who controls the funeral and/or disposition of a decedent's remains after death. Nebraska has a limited right-of-disposition law in place. I introduced LB848 on behalf of the Nebraska Funeral Directors Association. It incorporates additional provisions which will assist and guide Nebraska families and funeral homes in making difficult decisions in a timely manner. The new provisions of LB848 address specific circumstances in situations that arise and can impede or even stop funeral arrangements. It specifically addresses the issues of missing relatives, majority control, waiver of uncooperative relatives, what happens in homicides and estrangements, and disposal of unclaimed remains. LB848 amends the Nebraska Funeral Directing and Embalming Practice Act to create clear authority for individuals 18 years or older to dictate the disposition of their remains. It creates a standard notarized affidavit granting another person the right to control disposition of an individual's remains after their death. It sets out the order for the right of disposition as it passes down through kinship. It also establishes a majority rule when there are two or more persons of equal kinship, and establishes a necessary exception to the rule after reasonable notification efforts. It also allows forfeiture of rights-of-disposition. It allows a funeral director to arrange final disposition of unclaimed remains by attesting in writing that good-faith efforts to contact individuals have failed. It creates specific conditions under which right of disposition is automatically forfeited, including first- or second-degree homicide, divorce, estrangement, and missing or uncooperative relatives. It allows the county court in the decedent's county of residence to award right of disposition to the person determined to be most fit and appropriate. It allows relatives to petition county court to determine disposition if relatives can't agree and establishes measures to be used by the court to reach a determination. It provides for a funeral establishment with authority to refuse requests to dispose when there is an ongoing dispute regarding disposition. It allows a funeral establishment to petition county court

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for disposition and include legal fees and court costs in the cost of final disposition. It provides criminal and/or civil liability protection to a funeral establishment when relying in good faith upon predetermined burial instructions. And finally, it establishes that offering to pay for final disposition does not give a person a greater right to disposition than they otherwise have. Yesterday, I was alerted that a group will be testifying after me in support of an amendment. I simply encourage you to listen with an open mind when you hear their comments. As I mentioned in my opening, the right of disposition is a complicated and certainly an often emotional topic. Because it's complicated, I will ask you to save your technical questions about LB848 for the funeral directors who will follow me. They are the experts and they will also tell you firsthand some of the problems that they have encountered and the reasons that LB848 is so important in helping them carry out their duties in a logical process within a reasonable amount of time. So I thank you for your time and your interest. [LB848]

SENATOR CAMPBELL: Thank you, Senator Sullivan. Questions? Will you be staying for closing? [LB848]

SENATOR SULLIVAN: Yes, I will, thank you. [LB848]

SENATOR CAMPBELL: Okay, excellent. Thank you. We will start this afternoon with our first proponent for LB848. Good afternoon. [LB848]

RON LEVANDER: (Exhibit 1) Good afternoon to you, Chairman Campbell. Ladies and gentlemen of the committee, my name is Ron Levander, spelled R-o-n L-e-v-a-n-d-e-r. I operate funeral homes in Boone and Wheeler County including the communities of Albion, Cedar Rapids, St. Edward, and Spalding, and I am currently serving as president of the Nebraska Funeral Directors Association. I am here today to testify in favor of LB848. Historically, every state but Alaska and Hawaii has enacted some kind of right-of-disposition law to specify who controls the funeral and/or disposition of a decedent's remains after death. Our state, along with 46 other states, are considered to be decedent states, which means that we allow individuals the ability to control their disposition before his or her death. They do this by entering a written instrument such as a will, a preneed contract, or a notarized affidavit that spells out the details of the funeral and/or disposition. We also allow individuals during their lifetime to appoint an agent to carry out their final wishes. If an individual has not made provisions regarding his or her death, the responsibility vests in an order of priority set up in existing statutes. We currently follow such as 38-1425. This statute contains a mechanism that spells out who has control: example is surviving spouse, children, siblings, grandchildren, so on. We rely on individuals who make these representations to be truthful and honest as to whether they indeed have the superior right to make these post-death decisions; and generally speaking, enjoy immunity against lawsuits if we carry out these duties in good faith. As in years gone by, our practice in the funeral profession has seen changes that force us to reexamine our disposition laws. Our proposed bill would strengthen our

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disposition laws in five key areas. First-Missing relatives: If a key individual is missing and has a superior right and cannot be located using reasonable efforts, that missing person loses their right of disposition and the funeral home may make arrangements with other individuals who are lower on the priority list. Majority control: Our state has an established priority list; but often, two or more individuals hold equal rights. With this bill, we have solidified majority control provisions allowing the majority of those who hold the right to control the disposition. Waiver of uncooperative relatives: Funeral homes, especially in urban areas, face relatives who hold the right of disposition, but who will not cooperate in making arrangements. An effective law takes away the right of disposition from an individual who does not actively exercise the right within a specific time period. Homicide, divorce, estrangement cases: Effective right-of-disposition laws take away the right of disposition from someone who is arrested for criminally causing the death of that person. This bill would include provisions regarding pending divorce cases, as well as defined estrangement situations where the court can prove that there was a physical and/or emotional separation from the decedent for some time. Probate procedures: And finally, this bill addresses procedures for relatives to petition the county court to determine disposition if relatives can't agree, and provide us authority to refuse disposition requests when the dispute is ongoing. Thankfully, most of these elements I have discussed are the exceptions and not the rule in many of the deaths we encounter with families we serve here in Nebraska. Thank you very much for your time. I'd be happy to answer any questions you might have. [LB848]

SENATOR CAMPBELL: Senator Gloor and then Senator Bloomfield. [LB848]

SENATOR GLOOR: Thank you, Senator Campbell. And thank you for being here, Mr. Levander. Two questions. The first is: Would you explain...I think I understand majority control, but would you explain it a little better? In other words, are we talking about families of where the children, there are three or four or five children in the family and...? I'll leave it to you to answer. [LB848]

RON LEVANDER: Okay. Yes, that's exactly right if they're equal capacity. If there's again, for instance, four or five children in the family and there are two different sides to the issue, one pro and one con as far as determining what type of disposition, then the majority would win in that case, or would have precedence. [LB848]

SENATOR GLOOR: Okay. And my last question has to do with--and I'm going to use your verbiage--the effective right-of-disposition laws take away the right of disposition from someone who is arrested for criminally causing the death of that person. That's not new. That's already built into it, and you're adding divorce cases, estrangements, separation. Or are we also adding in it someone who is arrested for criminally causing the death of the person? [LB848]

RON LEVANDER: We are adding that in there. [LB848]

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SENATOR GLOOR: Adding that in. When that's the case, I mean you're innocent until proven guilty. Someone might be arrested; but assuming that we're looking at disposition within a week, I mean are we, in fact, saying that if you're arrested and accused of, that we're taking away that right? [LB848]

RON LEVANDER: I do not have a specific answer. I think we need to look into that further. [LB848]

SENATOR GLOOR: Yeah, yeah. I mean, my discomfort with that is...I can imagine those things might happen. [LB848]

RON LEVANDER: Right. [LB848]

SENATOR GLOOR: And are we, if we make this law, are we, in fact, effectively saying yeah, if you're accused of a homicide, that, in fact, you have lost your opportunity for disposition? So, we'll...somebody behind you may answer it, yeah. [LB848]

RON LEVANDER: It's a difficult area there, isn't it? Yeah. [LB848]

SENATOR GLOOR: Thank you. [LB848]

SENATOR CAMPBELL: Senator Bloomfield. [LB848]

SENATOR BLOOMFIELD: Thank you, Senator Campbell. And I go back to the last paragraph in the first page of your testimony and we have one of the lawyers' favorite words, is "using reasonable efforts." Whose definition of reasonable are we using there? [LB848]

RON LEVANDER: We went back on forth on that reasonable effort situation, and I guess it...let's see, I think we concluded that we felt three to five days was a reasonable time frame to pursue that. [LB848]

SENATOR BLOOMFIELD: All right, thank you. [LB848]

SENATOR CAMPBELL: Other questions? Senator Howard. [LB848]

SENATOR HOWARD: Well, I'm just going to add a comment to that. In child welfare when there's a missing parent, "reasonable efforts," that same phrase is used and we have to publish. The department would have to publish for the missing parent regarding a termination or resolution of a child welfare case. [LB848]

RON LEVANDER: Uh-huh. [LB848]

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SENATOR HOWARD: So I don't know if that would apply, but that's what's considered reasonable efforts. [LB848]

SENATOR LAMBERT: In a little more of a time factor here, though, don't you? [LB848]

SENATOR HOWARD: Yeah, we're not under the... [LB848]

SENATOR LAMBERT: No. [LB848]

SENATOR HOWARD: ...same constraints. [LB848]

SENATOR LAMBERT: Yeah. [LB848]

SENATOR HOWARD: So that's why the interpretation in that is a really good thing to consider. [LB848]

SENATOR CAMPBELL: Are there any changes here that would affect how the county board deals with indigent people who die, to your knowledge? [LB848]

RON LEVANDER: I don't believe this has any direct effect on that situation. [LB848]

SENATOR CAMPBELL: Okay, I didn't see any; but I just thought maybe I'd ask. [LB848]

RON LEVANDER: Yes. [LB848]

SENATOR CAMPBELL: Okay. Any other questions? Thank you very much for your testimony today. [LB848]

RON LEVANDER: Well, thank you for your time. [LB848]

SENATOR CAMPBELL: Our next proponent? [LB848]

WILLIAM LAUBER: Good afternoon. [LB848]

SENATOR CAMPBELL: Good afternoon. [LB848]

WILLIAM LAUBER: My name is William Lauber, L-a-u-b-e-r. I am a funeral director in Milford and Friend, Nebraska, and I used to serve on the Funeral Directing and Embalming Examining Board for a five-year term. I want to address a couple of concerns with the bill when I was sitting on the examining board, and one of them was uncooperative relatives. We had some, mainly in urban settings where we would have funeral directors experience a death at a nursing home or hospital and they would take

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the remains back to the funeral home and begin the process of trying to contact the next of kin. The next of kin was located at a particular address. They would make phone calls and even go physically to the address and try to get them to come in to make some arrangements, and they refused to. And so the funeral homes would have to house the remains, and then weeks would come into a month and the uncooperative relatives still would be uncooperative. And so funeral homes had to explore other avenues, and some of the other avenues were the Anatomical Board and through the county in which the death occurred. And so neither one of those entities would proceed because they knew there was a next of kin out there. They would gladly proceed if they knew the next of kin and the next of kin had no resources, for example, then the county would proceed. The Anatomical Board would not proceed because there was next of kin and they had not made a decision as to what they wanted to do with their "loved one." So we would have to make application in writing to the director of the Department of Health to extend the disposition beyond 30 days. If we go beyond 30 days from...not burying or cremating those remains, we would have to make written request to the director. And so sometimes, these funeral homes would go 60 days before a disposition would be finally decided upon. And also since then, we've also made discussions with the Anatomical Board and discussions with the counties involved in these situations to see if we can't handle that. But this bill would give the funeral homes an opportunity to proceed when it comes to uncooperative relatives. With the homicide cases, the homicide cases, I think--I haven't had a chance to look at the bill here when the question arose--but I think it had something to do with that...if the person was arrested in the death of the decedent or accused of the death of the decedent. And if I read it right, it would give the funeral home and the family members the opportunity to use another family member in that next of kin while that person is accused of that death. So in this case, for example, if a spouse was accused of killing their husband or wife, that spouse would be relieved of that duty even though we're innocent until proven guilty, if they're arrested and accused. Now,--and I have to say the word arrested, okay?--they're arrested, then the funeral home and the family members could use the next order of kin in making that disposition. And also keep in mind that in these cases, a lot of times the funeral homes are going to...we're not going to...we're going to refrigerate or we're going to embalm the remains and allow time involved in these cases. A lot of times in foul play, the county attorneys don't want us to use the disposition of cremation because of the irreversible and destroying of evidence that can happen. So in these foul play and undetermined situations, a lot of times we won't hurry into things until we get the green light from the authorities. But this will allow something not to go beyond 30 days, which is really a burden on the survivors as you can imagine. [LB848]

SENATOR CAMPBELL: Questions? Thank you for clarifying that. Oh, Senator Cook, I'm sorry. [LB848]

SENATOR COOK: Thank you, Madam Chair. And thank you for coming in today. I have a question. What is the top reason offered by the relative next of kin when she or he is

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tracked down? Do you think it's that they are afraid of being hit with the bill, for lack of a less-delicate way? [LB848]

WILLIAM LAUBER: It might be an assets issue. [LB848]

SENATOR COOK: Yes. [LB848]

WILLIAM LAUBER: There might, yeah, might be a price issue or a cost issue to them. That would probably be the number one thing. But I would say that probably the top number two is an estrangement. Maybe they haven't seen the decedent in years, you know... [LB848]

SENATOR COOK: Okay. [LB848]

WILLIAM LAUBER: ...and they just...there wasn't no care for that decedent. [LB848]

SENATOR COOK: Okay. [LB848]

WILLIAM LAUBER: And even though they have the superior right, they will choose not to take that right... [LB848]

SENATOR COOK: Okay. [LB848]

WILLIAM LAUBER: ...and what we have found is there is no one else behind that person. And so, you know, it might be a nephew or a niece at this house, their uncle or aunt passed away, and there's all that's left in that survivorship; and that niece or nephew refuses. So in those cases of refusal, we have no one else in that next of kin and... [LB848]

SENATOR COOK: All right. [LB848]

WILLIAM LAUBER: But I would say probably the number one reason is that there's no resources available, and the decedent didn't have any resources either. [LB848]

SENATOR COOK: Right. [LB848]

WILLIAM LAUBER: And then the number two thing is that the next of kin just didn't have a relationship with that decedent. [LB848]

SENATOR COOK: Okay, thank you. [LB848]

WILLIAM LAUBER: Yeah. [LB848]

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SENATOR CAMPBELL: Any further questions? Thank you very much. [LB848]

WILLIAM LAUBER: Um-hum, yeah. [LB848]

SENATOR CAMPBELL: The next proponent for the bill? [LB848]

JUSTIN BRADY: (Exhibit 2) Senator Campbell and members of the committee, my name is Justin Brady, J-u-s-t-i-n B-r-a-d-y. I appear before you today as the registered lobbyist for the Nebraska Cemetery Association in support of LB848, and I'm the individual that Senator Sullivan spoke about that had an amendment. As they--the Cemetery Association--read through this bill and looked at the concepts in it, they're supportive of it. They believe, though, that they should be added. And as we had discussions with those individuals that support the bill,--as Senator Sullivan, I believe--they support this amendment; but I'll let them, if Senator Sullivan's going to close, to reiterate that in her closing. And what it does is anywhere in the bill right now the bill talks about a funeral establishment or a crematory authority, it adds the term "or cemetery" in that so that they, too, are covered in that part of the bill with that. Not being an expert in this field, I'd try to answer any questions if you had any. [LB848]

SENATOR CAMPBELL: Questions? Thank you. We'll check at the end. [LB848]

JUSTIN BRADY: Thank you. [LB848]

SENATOR CAMPBELL: Okay, the next proponent? Anyone else? Anyone in the room who would like to testify in opposition to the bill? Okay, anyone who wishes to provide neutral testimony? Yes, sir. [LB848]

JIM CUNNINGHAM: Senator Campbell and members of the committee, good afternoon. My name is Jim Cunningham and that's spelled C-u-n-n-i-n-g-h-a-m. I'm the executive director and registered lobbyist for the Nebraska Catholic Conference, and I'm here to testify in a neutral capacity on this bill. Not too long after this bill was introduced, both Senator Sullivan's office and also the lobbyist for the Funeral Directors Association gave me an opportunity to review this bill to see if there were any concerns that we might have, perhaps of a moral nature or something along that line. I've had a lot of experience over the years in both the Uniform Anatomical Gift Act and also the durable power of attorney for healthcare act and to that extent, maybe there is something that I could lend to this bill. And I have four comments that I would like to make. They are not substantive, I don't believe, in any respect. I...had there been a subsequent concern, I would have discussed that specifically with both Senator Sullivan and Mr. Nowka. I did alert them, though, that I had a few technical questions to share with the committee; and I was hoping to have the chance to speak with them about these, but that opportunity didn't arise before the hearing. First of all, I would like you to look on page 4 of the bill, lines 19 and 20. That is a sentence that clarifies that the provision of that subsection

does not...is "not to be considered as an attorney-in-fact pursuant to" those sections, and I believe those sections to be the uniform or the durable power of attorney for healthcare act, and that makes sense. But let me point out that in the current law, that sentence is found tied to the affidavit. When an individual uses an affidavit to appoint someone to dispose of remains, that's where you find that sentence under current law. Somehow now, that sentence has been dislodged or disconnected from the affidavit, which is...begins on line 2 of the following page. So I would like to suggest to the committee that over on page 5 of the bill, line 19, at the end of line 19, that sentence about that "this does not constitute a durable power of attorney for healthcare" should be inserted. Either it's misplaced on page 4 or it should be in both places, but it certainly should be continued to be tied to the affidavit because you wouldn't want something that would suggest that the mere affidavit appointing someone to dispose of remains would somehow constitute a durable power of attorney for healthcare. That's why the sentence is in current law and it should be in the same position in this legislation as well. Secondly, if you would look at the bottom of page 4, line 25. Under the current law, those who have authority under the descending order of priority in any of those categories have to be adults; adult children, adult parents, adult siblings. And I assume that the part there where it says, "if such person is eighteen years of age or older and is of sound mind" is intended to be that same concept, but put into a different context. What I see as a problem there is that it says "if such person," and so I'm immediately asking myself, well, what does it mean by "such person?" Well, the only person that's referred to in that subsection is the deceased person, and that doesn't really make any sense. I commented to Senator Sullivan that I thought maybe this was a syntax problem. And honestly, when I said that, I don't know that I really understand what a syntax problem is, but I wasn't sure how else to describe the disconnect here. And Mikki then said to me, well, he means "s-y-n-tax" not "s-i-n-tax". If it was "s-i-n tax" I would be in General Affairs Committee. (Laughter) [LB848]

SENATOR KRIST: General Affairs, actually. [LB848]

JIM CUNNINGHAM: But I do believe that there is an inconsistency there that perhaps just the insertion of the word "person" after the word "following" on line 25 would clear that up. My next concern or next question has to do on line 23, on page 5, and this is when the descending order of priority falls to the children of the decedent. I notice on line 23 that it says, "However, less than one-half of the surviving children." I'm not so sure that that isn't supposed to say "less than a majority of the surviving children" to be consistent with that section. And also, I would point out that when you're talking about siblings over on page 6 it says, "less than the majority," and when you're talking about grandparents, also on page 6, again it says, "less than a majority," but for some reason on page 5 it says, "less than one-half." I think it should be "less than a majority." And my final comment has to do on page 12, subsection 7. This has to do with joint and several liability and it says that the liability "devolves jointly and severally upon all kin of the decedent in the same degree of kindred." And that prompts me to ask: Well, what

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degree of kindred does that refer to? If it means all of the kin of the decedent, that would seem to be an awfully broad context of joint and several liability. I assume what that means is that it's the same degree of kindred into which the disposition decision fell, that those in that degree of kindred would have joint and several liability. But that's not clear and I think that there might be an easy way to clarify that. And with that, I will conclude my testimony. Thank you. [LB848]

SENATOR CAMPBELL: Questions? We'll certainly check out all of those syntaxes. [LB848]

JIM CUNNINGHAM: Great. I'm going to go back and look that word up in the dictionary, Senator, so that I know before I use it again. (Laughter) Thank you. [LB848]

SENATOR CAMPBELL: Me, too. Thanks, Mr. Cunningham. [LB848]

SENATOR GLOOR: Shall we tell him there's an app on his phone that he can use? [LB848]

SENATOR CAMPBELL: Oh, probably. Any other testifiers in a neutral position? Senator Sullivan, do you wish to close? [LB848]

SENATOR SULLIVAN: Please. Thank you, Senator. And I will say I really appreciated Mr. Cunningham's comments. You know, it takes a village to raise a child. Well, I think it takes a number of testifiers to make a bill better and to craft good public policy, and I also want to add that I am in support of the amendment that was brought forward as well. But you can see, too, that while...there are a lot of moving parts in this bill and there are perhaps features of it that need to be tweaked to make it better. With respect to the reasonable efforts, as near as we can tell, there has been only one state, Michigan, that has tried to put some parameters or identifiers as to what reasonable efforts are, so that might be something to consider. As you've heard, too, homicides and some of your uncooperative relatives, these are all features that the funeral directors deal with, and I think that they've tried to put a face on some of these issues. And the other thing is just the changing dynamics of today's society have brought up different circumstances that perhaps in the past we hadn't even thought of and that are trying to be addressed in LB848. So suffice to say that the features of it are just trying to help funeral directors do their job even better in a respectful and timely manner, and I hope you'll give consideration to it. [LB848]

SENATOR CAMPBELL: Any further questions or comments? If not, we'll close the public hearing on LB848. And Senator Sullivan has the second bill today, which is LB1002, which is to change the long-term care bed moratorium provisions. [LB848]

SENATOR SULLIVAN: Thank you again, Senator Campbell and members of the Health

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and Human Services Committee. I'm Senator Kate Sullivan, K-a-t-e S-u-l-l-i-v-a-n of Cedar Rapids, representing the 41st Legislative District. LB1002 is the result of the closure of a long-term care facility in my district. The closure was facilitated, actually, by a bill passed by the Legislature in 2009 that allowed owners of long-term care beds to sell those beds outright or transfer those beds to other facilities owned by the same company. Municipally-owned facilities would also be allowed to sell long-term care beds. The sale or transfer of long-term care beds was allowed outside of the statutory moratorium on the licensing of new long-term care beds in health planning regions. Although there was no opposition to the bill's passage three years ago, several rural communities have been negatively affected by the bill's provisions this past year as their long-term care facilities have closed. The closure in my district leaves this community without a long-term care facility. It was also one of the largest employers, so the closure has had extremely negative and direct financial effect on the local economy. However, I will also tell you the community is actively exploring some options available to them to rebuild or replace and reopen a long-term care facility, and you will hear more about that in testifiers following me. But one of the hurdles that they face is the statutory moratorium on the licensing of new long-term care beds in Section 71-5829.04(1)(b). In my view, this statute section is one of the largest obstacles blocking proactive steps the community can take to address their long-term care issue locally, so I introduced LB1002 to specifically address this obstacle. My bill provides a very specific exemption to that section--71-5829.04(1)(b)--by exempting a community-owned or nonprofit-owned long-term care facility in a village, population 100-800, or a second-class city, 800-5,000 population, from the moratorium on the creation of new long-term care beds if and only if all long-term care beds in their community were sold or transferred more than 25 miles away. While my community, granted, has many issues to address and in-depth research to complete as they move forward, I, at least, want to remove this one obstacle from their path if possible. A long-term care facility must still comply with state and federal licensing and code requirements, but creation of new long-term care beds would not be prohibited by the moratorium under this very specific exception--exemption. There are those here in this room who do not believe that we have a long-term bed shortage in Nebraska. My guess is that most of those people don't live in or represent a rural district. Even though the populations in small communities are going down, baby boomers are aging and will be looking to move into facilities close to home, where their families and friends live. And you know what? I've also seen a growing trend in my small town in Cedar Rapids, and in other communities in my district as well, of retirees returning to these small hometown communities. All the more reason, in my estimation, to have long-term care facilities in the communities where they're needed by this new aging population, myself included; not yet, but close to be. LB1002 creates a very specific exemption to the moratorium for long-term care facilities developed and licensed by a political subdivision or a nonprofit organization in a city of the second class or village if specific conditions are met. The exception to the moratorium applies when all long-term care beds in a city of the second class or village were sold or transferred outside a 25-mile radius from the city or village, resulting in no long-term

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care beds within the corporate limits of the city of the second class or village. I simply encourage you to advance this bill to General File. I thank you for your time and for your interest. [LB1002]

SENATOR CAMPBELL: Questions or comments? Senator Gloor. [LB1002]

SENATOR GLOOR: Thank you, Senator Campbell. And thank you, Senator Sullivan. And you and I had a chance to talk about the bill and the history behind it since the original bill was mine. And I'm trying to reboot my memory, which sometimes takes a couple of shocks before it occurs. But the certificate of need, the statute as it currently stands, defines a set number of long-term care beds within certain regions of the state, I think. And pardon me, but I'm talking out loud here a little bit. And the recent change in legislation we had in '09 was to allow those entities that owned it to sell those beds outside of the regions. [LB1002]

SENATOR SULLIVAN: Um-hum. [LB1002]

SENATOR GLOOR: That's correct. [LB1002]

SENATOR SULLIVAN: Yes. [LB1002]

SENATOR GLOOR: It used to be you could only sell or transfer those beds within the region and the change in legislation would allow that, then, outside the region... [LB1002]

SENATOR SULLIVAN: Right. [LB1002]

SENATOR GLOOR: ...so communities weren't stuck with an asset that they couldn't sell. [LB1002]

SENATOR SULLIVAN: Um-hum, um-hum. [LB1002]

SENATOR GLOOR: In all likelihood, if they couldn't sell those assets, would then...if they couldn't sell those assets, it's because that area of the state was already overbedded, I think was part of the philosophy that was tried to be carried forward here. What your bill would do is say if those beds were transferred outside 25 miles, the region doesn't come into play. [LB1002]

SENATOR SULLIVAN: No, it doesn't. [LB1002]

SENATOR GLOOR: But the 25-mile radius,... [LB1002]

SENATOR SULLIVAN: Um-hum. [LB1002]

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SENATOR GLOOR: ...if the previous owner sold or transferred those beds outside 25 miles, the community, or whoever wanted to, could step in and begin to reoperate those beds in that community. [LB1002]

SENATOR SULLIVAN: The community or, not necessarily whoever. It has to be either the municipally-owned entity or a nonprofit. [LB1002]

SENATOR GLOOR: But a not-for-profit could come in and do it. Either the city, county or... [LB1002]

SENATOR SULLIVAN: Or a nonprofit, um-hum. [LB1002]

SENATOR GLOOR: ...or a not-for-profit could come in, same number of beds or fewer, I'm guessing. [LB1002]

SENATOR SULLIVAN: Yes, yes. Um-hum, um-hum. [LB1002]

SENATOR GLOOR: Okay. All right, thank you. [LB1002]

SENATOR CAMPBELL: Any other questions or comments? Thank you, Senator Sullivan. [LB1002]

SENATOR SULLIVAN: Okay. [LB1002]

SENATOR CAMPBELL: We'll take the first proponent for LB1002. Good afternoon. [LB1002]

ANN GLASER: (Exhibit 3) Good afternoon, Senator Campbell and fellow community members. My name is Ann Glaser, and that is G-l-a-s-e-r. Nestled in the Cedar Valley is Spalding, Nebraska, located about 75 miles north of Grand Island. I am here today to give you some history about the nursing facility located in our town. The building, built in 1952, was originally used as a hospital. In the 1960s, long-term care was added. The hospital closed in 1970, and the facility operated solely as long-term care after that. In July of 2011, the current owners made the decision to close the facility, and in October of 2011, the doors closed. Friendship Villa was the 33-bed, Medicare-certified nursing facility with many services to offer to the residents of Spalding and the surrounding communities. Excuse me. The facility and staff had received many awards over the years, including the American Health Care Step 1 Quality Award in 2002 and the American Health Care Step 2 Award in 2004, as well as being deficiency free for several years. The staff truly cared and gave the very best personal care to each resident. It was that attitude that set us apart from our competition. Friendship Villa was supported by local healthcare resources. The medical clinic across the street allowed

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residents to have access to healthcare providers five days a week, and the local pharmacy provided the medication. The closing of the facility has truly impacted the community of Spalding. Residents had to leave yet another home, moving further away from their family, leaving behind close relationships they developed with other residents and staff while living at Friendship Villa. Dedicated staff, some of which had been there 20-plus years, were forced to find new employment. With the limited employment options in the Spalding area, we see many traveling some distance to go to work. The community would like to restore what they were able to offer to the residents of Spalding and the surrounding areas: A place to call home while remaining close to the loved ones, where they can receive quality care whether it be outpatient or long-term care. We ask that you consider passing this bill that will allow the town of Spalding to again offer the quality care that they are known for. So thank you for your time and your consideration in passing this bill. [LB1002]

SENATOR CAMPBELL: Thank you, Ms. Glaser. Are there questions? We appreciate your testimony. Thank you. [LB1002]

ANN GLASER: Thank you. [LB1002]

SENATOR CAMPBELL: The next proponent? Good afternoon. [LB1002]

JOHN MEYER: Good afternoon, Senator Campbell and committee members. My name is John Meyer, J-o-h-n M-e-y-e-r, and I'm here today representing my parents, Bernard and Jean Meyer of Spalding, Nebraska, and also to support LB1002. In 2010, my mother, Jean, was in need of full-time skilled nursing care and consequently entered the Friendship Villa nursing home in Spalding, Nebraska. There was no question in our family where we would take her to receive the care she needed, as we'd been there before with grandparents and great-grandparents and our family had a history with the Friendship Villa and we knew that she would be well taken care of in the facility. My mother received excellent care for many months she was at the Friendship Villa. My dad, Bernard, lived a block away, which made it convenient for him so that he could spend the majority of his day with her at the Friendship Villa, as they had been married--or have been married--for 62 years. The community of Spalding, many of whom were employed at the Friendship Villa, looked after both my mom and my dad during this time. I have five brothers and sisters. Unfortunately, none of us live in Spalding, and we took great comfort in knowing that my parents were being well cared of in our absence. Excuse me. In the spring of 2011, it was announced that the owner of the Friendship Villa would be closing the facility. They were giving residents and families notice that they would need to find somewhere else for their loved ones to go. Our family was able to relocate my mom to the Cloverlodge nursing home in St. Ed. Once again, my mother is being well taken care of, but the transition has not come without issues. My dad is 83 years old. St. Ed is 30-35 miles away from Spalding. He makes the drive every day to be with my mom, but this has been somewhat of a challenge. No

longer can he spend the majority of his day coming and going from the nursing home. He must always be mindful of weather, road conditions, and make sure that he can travel 30 miles each way to see her. He makes the drive every day after lunch, stays a few hours, and then returns and tries to avoid night driving. My parents have managed to make the most of this difficult situation. My siblings and I do worry about the drive that our dad makes each day. When my mom was a resident at the nursing home in Spalding, our family could still manage to get together for weekend visits. We could wheel my mom to her house--her and dad's house--and share family meals and get-togethers in that house. We are no longer able to gather in the home at Spalding because we cannot accommodate my mother's health needs for the longer periods of time. We have 28 family members when we all get together, and we now rent the senior center at St. Ed to accommodate the family gatherings. We all miss the time we spent together in my parents' home in Spalding. Lastly, my mother was allowed to enjoy and maintain the friendships of many of the residents in Spalding. Her visitors were many, as friends and neighbors she had known for years would stop by regularly to see her. Many of them are elderly and are currently unable to make the 35-mile-plus trip to St. Ed. My mom misses the regular visits. Had LB1002 been in place when the owner of the Friendship Villa announced its closing, Spalding could have taken ownership of the nursing home and my mother could have continued to receive the necessary care she requires in her lifelong community of Spalding surrounded by her husband, her children, friends, and neighbors. In closing, I encourage you to support LB1002, to help other families who find themselves in a similar situation. Thank you, and I'd be happy to answer any questions that you might have. [LB1002]

SENATOR CAMPBELL: Thank you, Mr. Meyer. Are there questions from any of the senators? Thank you for telling your story about your family. [LB1002]

JOHN MEYER: All right. Certainly. [LB1002]

SENATOR CAMPBELL: Our next proponent? Welcome. [LB1002]

KAREN RANSLEM: (Exhibit 4) Good afternoon, Senator and committee. My name is Karen Ranslem, K-a-r-e-n R-a-n-s-l-e-m. Friendship Villa has always been a second home to the community of Spalding. When I was young, I used to go there to visit, as many of the young adults now could say the same. Friendship Villa was always an inviting place. It was always...has been well-kept. The residents always looked nice and happy. Residents enjoyed seeing young children come to shorten their long day. Children from local schools interacted with all the residents; it is true a smile can go a mile. The staff cared so deeply for their residents that they were all grandpas, grandmas, or a friend to all of us. Residents molded the staff to their special cares they needed. Either it was personal or just a hug, they were taken care of. The facility was deficiency free for several years, and knowing they had outpatient therapy was an added bonus. My grandparents and my mother has had the need several times in her

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final year for the facility. It meant a lot to my family and myself to come and visit her daily. [LB1002]

SENATOR CAMPBELL: It's fine, just take your time. [LB1002]

KAREN RANSLEM: I'm sorry. It meant a lot to my family and myself to come and visit her daily and to know she is getting the quality care that she needed. Thank you, sorry. We need this environment to come back to the community so other people could have the same compassion and quality care for their loved ones that they...when they need it. I ask that you consider passing this bill that will allow the town of Spalding to have licensed beds back in the local facility. Thank you for your time and consideration. [LB1002]

SENATOR CAMPBELL: Thank you for your testimony. [LB1002]

KAREN RANSLEM: I'm sorry. [LB1002]

SENATOR CAMPBELL: Are there any questions? Thank you for coming. Our next proponent? Good afternoon. [LB1002]

KURT CARRAHER: Good afternoon, Senator Campbell, fellow committee members. My name is Kurt, K-u-r-t; last name Carraher, C-a-r-r-a-h-e-r. I'm a registered pharmacist in the state of Nebraska, license number 12862. I currently reside with my wife and four children in the central Nebraska community of Spalding, where I work as a pharmacy manager at Spalding Pharmacy. Numerous years of postsecondary education and doctor of pharmacy coursework has provided me with the opportunity to experience life in a multitude of communities across the state. It was through this variety of experiences and promotion of rural healthcare by the Department of Health and Human Services Office of Rural Health that I decided rural central Nebraska would be my home. Rural Nebraska is a great place to raise a family and provides numerous opportunities for healthcare practitioners. I am confident many of those opportunities would not exist if it were not for the Office of Rural Health. I would like to share with you the mission statement of the Office of Rural Health, taken from DHHS's Web site, as it epitomizes what rural health is about. "The mission of the Nebraska Office of Rural Health is to define and promote the development of a healthcare system that assures the availability and accessibility of quality healthcare services to meet the needs of people living in rural Nebraska." The Web site also states, "Programs and activities are designed to assist rural Nebraskans get high quality healthcare through recruitment and retention...community planning, healthcare networks and cooperative ventures..." Examples of some of these programs include federal and state loan repayment programs, the recruitment and retention network to match practitioners with communities in need, and numerous other programs for healthcare practitioners to train, work, and live in rural communities across Nebraska. Isn't it ironic that our current

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legislation tests the very fabric the Office of Rural Health was built upon? The office spends several million dollars each year subsidizing, promoting, and developing rural health programs, and it's working. In rural Nebraska, we have quality healthcare and a vast array of healthcare practitioners that are committed to the area. However, the transfer of long-term care beds out of the community has been a crippling blow to the healthcare system, as nurses and the 40-plus employees from the former Friendship Villa are scrambling to find jobs outside of the community. Spalding Pharmacy has also felt the pain of the long-term care facility's closing, as it has lost one-third of its prescription business due to the loss of residents. In essence, the nursing home closes, the pharmacy may be forced to close. Who's next? Unfortunately, it could be the medical clinic, as the three businesses are almost seamlessly tied together by our healthcare system. What quality of healthcare can you provide without healthcare professionals? The community of Spalding is now faced with the same fate as several other communities across the state that have lost or are in the process of losing their long-term care facility. We are not asking for new licensed beds. We merely want our beds back so that we might continue to take care of our elderly and keep rural Nebraska strong by providing quality healthcare to our people. In closing, I would like to quote the National Recruitment and Retention Network in saying, "Make the place you need to be and the place you want to be one." Thank you. Any questions? [LB1002]

SENATOR CAMPBELL: Um-hum. Questions? Senator Gloor. [LB1002]

SENATOR GLOOR: Thank you, Senator Campbell. And thank you for making the long, windy drive in, Mr. Carraher. [LB1002]

KURT CARRAHER: Yes. [LB1002]

SENATOR GLOOR: I hope, I wish you and others safe trips back. But I've been wondering as several of the previous testifiers came forward what it's going to take to reopen this facility, if the law changes, is a tremendous amount of capital, and not just to get it open again but the operational expense,... [LB1002]

SENATOR CAMPBELL: Hmm. [LB1002]

SENATOR GLOOR: ...obviously, is enough of a challenge that it's probably one of the reasons--and maybe the main and only reason--that those beds went elsewhere. Is there that kind of money available to be raised within the community to get the facility ired up again and to keep it going for awhile? [LB1002]

KURT CARRAHER: I think that there is. There is...there's a buzz in the community. People want this open. The emotional attachment to the facility, it's been there forever. The community of Spalding is a rural farming/ranching community and, as many of you know, it was a record year for many farmers and ranchers--including rural Nebraska,

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central Nebraska--in that line of work. As far as the capital needing to be raised, we don't know; we haven't explored that option. But this is...what this bill would do for us is in essence could save \$300,000 to \$350,000, which is a very significant amount of money for the community that the community would not have to raise by purchasing beds elsewhere. [LB1002]

SENATOR GLOOR: Are those beds available for sale, or have they already been sold elsewhere? [LB1002]

KURT CARRAHER: There are beds available. What I've been told...I've been working with Ron Ross of Rural Health Development. And Ron has stated that there are beds. You might find a facility that has a 60-bed license, maybe they're using 45. They may have 5 beds for sale. Another facility may want to renovate a wing. They may be an 80-bed facility and they're willing to sell 10 beds, and so it's all in a market-driven approach. So I think that--I'm confident that--we can find beds. It may be 5 beds here, 3 beds there, and 10 beds here to get to our numbers, but I'm confident the beds are out there. [LB1002]

SENATOR GLOOR: Okay, thank you. [LB1002]

KURT CARRAHER: Okay. [LB1002]

SENATOR CAMPBELL: Mr. Carraher, what was--and I'm sorry if you answered this for Senator Gloor--what was the capacity of the facility, the number of beds? [LB1002]

KURT CARRAHER: Thirty-three beds. [LB1002]

SENATOR CAMPBELL: Thirty-three. And do you know upon its closing how many residents lived there? [LB1002]

KURT CARRAHER: I think there were around 28. [LB1002]

SENATOR CAMPBELL: Around 28. [LB1002]

KURT CARRAHER: For most of 2011, the facility ran at capacity. In fact, they had a waiting list at one time. [LB1002]

SENATOR CAMPBELL: Okay. [LB1002]

KURT CARRAHER: When the announcement was made to close, I believe they had 28. [LB1002]

SENATOR CAMPBELL: Okay. Was the owner of the facility a single owner or did they

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own other facilities? [LB1002]

KURT CARRAHER: They own other facilities. [LB1002]

SENATOR CAMPBELL: So they were part of a...this was part of a network. [LB1002]

KURT CARRAHER: Right. [LB1002]

SENATOR CAMPBELL: Okay, so did the owner then buy those beds for other facilities or...? [LB1002]

KURT CARRAHER: We've been told that the owner wants to build a new facility in a more urban area, and they were going to use those 33 beds toward that bed count. [LB1002]

SENATOR CAMPBELL: Okay. And do you happen to know the number of employees? I'm sorry, we're asking you because we thought that probably you might know some of these figures. [LB1002]

SENATOR GLOOR: Since you're in healthcare. [LB1002]

KURT CARRAHER: Right, right. Absolutely, no. [LB1002]

SENATOR CAMPBELL: Rather than, you know, a relative of a resident. [LB1002]

KURT CARRAHER: No problem at all. Yes, there were the equivalent, I think, of 28 full-time employees when you add up the hours, but in general there were over 45 I know. I don't know the exact number of full- and part-time employees. [LB1002]

SENATOR CAMPBELL: Okay. And to go more to Senator Gloor's question, do you know the annual budget of it? [LB1002]

KURT CARRAHER: I do not. [LB1002]

SENATOR CAMPBELL: And that's fine; we can...I mean, I'm just trying to figure out the picture of the size of this because Senator Gloor's question certainly was part of mine, too, in terms of the community being able to come together and not only buy the beds, but to sustain the operational effort of that facility over a period of time. That's, you know, not an easy...it's one thing to buy the beds once, but then to sustain it over time. [LB1002]

KURT CARRAHER: Sure, sure. I believe their gross was around \$1.8 million. That's what they brought in every year. [LB1002]

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SENATOR CAMPBELL: Okay. [LB1002]

KURT CARRAHER: And don't quote me exactly on that, but... [LB1002]

SENATOR CAMPBELL: No, that's all right. [LB1002]

KURT CARRAHER: ...this is looking at some of the Nebraska Medicaid cost reports that the previous owners filed for the last four or five years. It's somewhere right around that number. As far as wages and benefits, salaries, those sort of things that it brought into the community, it was right at about \$1 million. [LB1002]

SENATOR CAMPBELL: Okay. And one would have to assume that of the number of residents or even the capacity, a number of those were Medicaid eligible. [LB1002]

KURT CARRAHER: Yes, they were. I don't know to what percentage. [LB1002]

SENATOR CAMPBELL: I would assume. [LB1002]

KURT CARRAHER: I don't know that information. [LB1002]

SENATOR CAMPBELL: But I would assume that they would be pretty close to... [LB1002]

KURT CARRAHER: Absolutely, yeah. [LB1002]

SENATOR GLOOR: I'll bet they were over half, easily half. [LB1002]

SENATOR CAMPBELL: Oh, I would assume it was over half. But we may, if some of the other testifiers, we may try to get at some of those questions, too. [LB1002]

KURT CARRAHER: Okay. [LB1002]

SENATOR CAMPBELL: Thank you very much for coming today and your testimony, and thanks for taking a stab at all of the extra questions here. [LB1002]

KURT CARRAHER: Absolutely. Thank you for your time. [LB1002]

SENATOR GLOOR: Thank you. [LB1002]

SENATOR CAMPBELL: Uh-huh. Our next proponent? Good afternoon. [LB1002]

MIKE HARRIS: (Exhibit 5) Good afternoon. Good afternoon, Senators. My name is Mike

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Harris, M-i-k-e; Harris, H-a-r-r-i-s. I'm here in support of LB1002. Ron Ross, who is president of Rural Health Development, is out of the state today working with the Oglala Sioux Tribe on securing funding for their nursing home project in Whiteclay, Nebraska. Otherwise, he would be here giving this testimony. The nursing home industry is very challenging, especially in rural Nebraska. Medicaid funding continues to be reduced at an alarming rate, population is decreasing, the percentage of elderly continues to climb, and the sensitivity to rural problems by some is not good. Legislation was passed only a few years ago to transfer nursing home beds anywhere within the state. This has caused some providers the opportunity--excuse me--the opportunity to get a better return on their investment and at the same time it puts some rural communities in jeopardy of losing their homes, their nursing homes. When I was director at the Nebraska Department of Health and Human Services, I made a point to try and be fair and sensitive to all Nebraska, from rural to urban. Rural Nebraska needs your help. We need to make sure that our small communities can continue to meet the needs of their elderly. I am willing to work with this committee, the entire body, and the administration to improve services for our elderly, and thank you for your commitment to serve all Nebraskans. [LB1002]

SENATOR CAMPBELL: Questions? Senator Gloor. [LB1002]

SENATOR GLOOR: Thank you, Senator Campbell. And thank you for reading Mr. Ross's letter. And so my message is kind of for the record and if you'd carry it back to Mr. Ross. [LB1002]

MIKE HARRIS: Sure. [LB1002]

SENATOR GLOOR: His sentence that this has caused some providers the opportunity to get a much better return on their investment is a generality. But part of the challenge that we have in the state with the fact that if you assume we're overbedded and the state Department of Health and Human Services seems to think we still are overbedded, what was happening in our state is we had areas that were overbedded and had more beds than were being filled, and then we had areas of the state that were underbedded and had people unable to find open nursing home beds. And so when we did a revision in legislation in '09, it was to allow a better distribution of beds across the state of Nebraska, from areas that were underbedded to areas that were over, or from overbedded areas to underbedded areas. And clearly, part of the outcomes of that is that there is going to be more of a "commodization" of beds when that does occur, but it was intended to get that distribution a little more even across the state. The investment aspect of it was never part of the consideration when the law was changed, but trying to rectify the problem of a maldistribution was and still is, I think, the reason the law sits that way. The unfortunate aspect of it is certain communities falling in that area that's considered overbedded find those beds then subject to being transferred elsewhere, and that's part of the problem with Spalding and several other communities across the

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state, I think. [LB1002]

MIKE HARRIS: Well, I've had the opportunity in the last year and a half to serve as an interim administrator within Rural Health Development, and I've served at six facilities in rural Nebraska and one in Wyoming and this was all new to me a year and a half ago. But I can attest that this, without a doubt, these nursing home facilities are a real asset for the communities and the county boards and the boards and the families and the residents. It's a wake-up call for me, let's just put it that way, so. [LB1002]

SENATOR GLOOR: Sure. Thank you. [LB1002]

MIKE HARRIS: Thank you. [LB1002]

SENATOR CAMPBELL: It certainly has been a difficult time. I can attest to that in our home county here, in which the county board ran the long-term care facility here for many, many, many years and recently sold it because of funding problems involved, at least for that county board. [LB1002]

MIKE HARRIS: Yeah. [LB1002]

SENATOR CAMPBELL: So it is a changing time, you are exactly right. Thank you, Mr. Harris, for coming, unless there's any other questions. I don't see any. [LB1002]

MIKE HARRIS: Thank you. [LB1002]

SENATOR CAMPBELL: Thank you for your testimony. Our next proponent? [LB1002]

SENATOR GLOOR: Wow, the windows are going to come in. [LB1002]

SENATOR CAMPBELL: We think that's the wind. [LB1002]

SENATOR COOK: Um-hum. [LB1002]

ED CARLIN: Yes. My name is Ed, E-d, Carlin, C-a-r-l-i-n. A note was handed to me on the way up, Senator Gloor, to address your questions. At closing, it was estimated 45 percent was Medicaid. The rest was private and Medicare A, and it had 54 employees, full time and part time. [LB1002]

SENATOR GLOOR: Thank you. [LB1002]

ED CARLIN: That's what I know about that. [LB1002]

SENATOR CAMPBELL: I'm sorry. Could you repeat the number of employees, Mr.

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Carlin? [LB1002]

ED CARLIN: Fifty-four employees. [LB1002]

SENATOR CAMPBELL: Well, thank you. [LB1002]

ED CARLIN: Um-hum. Thank you for allowing me the time to speak today in regards to this item. I am currently serving on the city council for the village of Spalding and come here today representing my board of trustees and the people of Spalding. As a village council member, I can say it is every town's nightmare come true when your largest employer closes its doors. The loss of over 20 percent of the jobs in our community was devastating to us, as well as the economical downfall that followed. Many of the employees in the care home were from out of town and the business they did was a huge boost to us. So when word was received that the care home was closing, a committee was formed with a broad range of members, ensuring representation from several age groups and professions. Our mission was simple, and that was to find out first if the care home under the community--by that, I mean the village of Spalding--could operate financially in the positive. After favorable preliminary results returned to us from consulting firms, it kind of led us to believe we had something that we can pursue and make work. Believe me when I say I know more about care homes now than I ever wanted to or cared to, you know, but we had to...I had to educate myself in it to pursue it. Today, our obstacle is this item that's in front of you. I believe this was originally passed with no intent of hurting the rural area in small care homes. I've been on council for over 10 years and have passed ordinances that after years of being in effect did not give us the original intention we wanted, resulting in us needed to amend it or tweak it, as they say, to get the result we wanted. That is what I feel the issue is today. I don't think the original intent was to have a care home like ours pay \$300,000 to \$400,000 for licensed beds in a small, 33-bed care home. It has turned into a bidding war and worse yet, the state doesn't even receive any of the funding. Some people may come up and oppose this saying that they had to pay for their beds so why shouldn't we. Well, it has to start somewhere and with something, so now would be as good a time as any to start it. Some may fear that by passing this and allowing us to receive beds the market could be impacted. We're open to further amendments that might, give an example, say something that Spalding received our beds and things didn't work and we closed, the beds would dissolve away, we couldn't put them on the market and sell them. Some may say that by us reopening our care home, we could hurt their area and their care home. I believe competition will build a higher level of care for our senior citizens, and that's what we're all about. In my times, I have seen a great emphasis from the state and federal level in keeping the rural areas alive. Several programs are offered through the USDA economic development and others, most of which use tax dollars to accomplish their goals. By passing this today, we'll put us one step closer to reopening our care home, restoring our lost work force, boosting our economy, and giving the residents who lived in Spalding their whole lives a place to live

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out their final years; and the best part of it is it won't cost you one tax dollar to do it. Thank you for your time. [LB1002]

SENATOR CAMPBELL: Thank you, Mr. Carlin. Questions? Senator Bloomfield. [LB1002]

SENATOR BLOOMFIELD: Thank you for coming down today. Where...did most everybody go to St. Ed that was in the home? [LB1002]

ED CARLIN: St. Ed or Greeley were the two next closest care homes. [LB1002]

SENATOR BLOOMFIELD: Yeah. [LB1002]

ED CARLIN: I believe there was one in Ord, I think, too, that some may have, St. Paul. [LB1002]

SENATOR BLOOMFIELD: Yeah. And I want to congratulate you on Spalding. That is a progressive small town in Nebraska that is fighting to stay alive, and they're not afraid to spend a... [LB1002]

ED CARLIN: Some say we live over the one-hour rule of being more than an hour away from Grand Island, Columbus, Norfolk, O'Neill. We fall in that void where the next towns closer than us are all within that hour and they tend to go there, where... [LB1002]

SENATOR GLOOR: Some say it's Irish luck. [LB1002]

ED CARLIN: Yeah. (Laughter) Well, thank you for your time. [LB1002]

SENATOR BLOOMFIELD: If there's a town now that if you make this work, Spalding is the town. [LB1002]

ED CARLIN: Thank you. [LB1002]

SENATOR CAMPBELL: Did you have a question, Senator? Any other questions? Thank you for coming today and for your service on the city council. [LB1002]

ED CARLIN: Um-hum. [LB1002]

SENATOR CAMPBELL: Other proponents? Any other proponents? I'm sorry, I thought there were. Somebody back there is coming forward. Okay, those who are opposed to the bill? Opposition? Those who wish to testify in a neutral position? Such politeness today. Good afternoon. [LB1002]

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RON JENSEN: Good afternoon, Chairman Campbell and members of the committee. My name is Ron Jensen. I'm a registered lobbyist--that's fine--on behalf of the organization LeadingAge Nebraska, which is made up exclusively of nonprofit and publicly-owned nursing facilities and assisted-living facilities, the kind that Senator Sullivan's bill would exempt. I'm here partly because Senator Gloor has made eye contact with me several times during the course of this hearing; and I want to say, we worked with Senator Gloor at the time of the legislation that kind of on the table here. I think that was a good public policy when we did that, and I think it continues to be a good public policy. If we're going to have a flat moratorium on long-term care beds in the state, which is the only kind of healthcare facility or service that has that, then it does make sense to have the flexibility to move those beds to where the people are and...however, today's hearing does kind of put a face on these broad public policy questions. I recall last session the director of Medicaid was here at the table at the time we talked about the Quality Assurance Assessment Act; and it got Senator Cook's attention certainly by saying well, we have too many beds and the free-market system needs to take care of that. Maybe what this shows as much as anything is a problem with the moratorium because they do throw the baby out with the bath water. Having said that, I'll say that I think that this bill only opens the door a crack, particularly if the authority of those beds dissolves if the facility goes away. And I'll also say that I think these folks still have a long way to go to reopen a long-term care facility in that community and have it be viable. Senator Sullivan's bill would remove one of the hurdles that they have to get over to do that, and in fact a gateway hurdle. And perhaps in that respect, I don't think it negates the public policy benefits of the original legislation or it's going to open a gold rush to new and additional long-term care beds in Nebraska. Thank you. [LB1002]

SENATOR CAMPBELL: Thank you, Mr. Jensen. Are there any questions? Thanks for your testimony today. [LB1002]

RON JENSEN: Thank you. Well, I thought those were meaningful looks that...(Laughter) [LB1002]

SENATOR CAMPBELL: I'm sure they were. Good afternoon. [LB1002]

BRUCE RIEKER: Good afternoon. I'm feeling slighted. [LB1002]

SENATOR CAMPBELL: Because nobody looked? [LB1002]

BRUCE RIEKER: I didn't get any eye contact from any members of the committee, so. [LB1002]

SENATOR BLOOMFIELD: Well, you are now. [LB1002]

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SENATOR GLOOR: You've got it now. [LB1002]

BRUCE RIEKER: Is it my hair? [LB1002]

SENATOR CAMPBELL: Okay, you have our full attention. [LB1002]

BRUCE RIEKER: Yeah. My name is Bruce Rieker, it's B-r-u-c-e R-i-e-k-e-r. I'm the vice president of advocacy for the Nebraska Hospital Association and here to testify in a neutral capacity, maybe just to add a consideration to yours as you think about this. And it's the--I don't know what I want to say--the premise of unintended consequences, and I think that the law that was passed in 2009 was well intentioned and did a good job. And I also appreciate the situation that Spalding finds themselves in and, you know hopefully, the intent, you know, will help them solve their issue. And I don't know whether it's 90/10 or 95/5 or whatever it is, but a lot of times we create laws, maybe 95 percent of the laws are created to protect us from 5 percent of the bad actors or anything like that. I'm not here to indict everyone, but we had a question. Okay, from the Hospital Association perspective, our hospital has owned 40 nursing homes, so we do have a little bit of interest in this, and the question is about what do we do with the bad actors. In the scenario as we've read the legislation as introduced, there's nothing that prevents a nonprofit or a political subdivision from getting those beds, never putting a patient in them, and selling them. And for those...I'm not suggesting to Spalding that they could get their cash up front, but they could get 33 beds under our scenario or our analysis, sell them to somebody in an urban area, get your \$350,000 or \$500,000, and then get your license and could get those beds licensed again because there's nothing that precludes the milling of these beds. So the question is--and we don't have an answer for you--but the question is: Is there a requirement to prevent the resale of those beds if they're re-created or if those are placed in that area? Simply a question; don't have an answer for you. [LB1002]

SENATOR CAMPBELL: Questions? Senator Gloor. [LB1002]

SENATOR GLOOR: Thank you, Senator Campbell. And, Bruce, you know, to put another emphasis on that, I'm sure that you have some members who have both long-term care beds and acute care beds... [LB1002]

BRUCE RIEKER: Yes. [LB1002]

SENATOR GLOOR: ...who recognize that those long-term care beds may be their rainy day fund, knowing that when they become cash strapped, they have the opportunity to sell off some of those beds to help keep their heads above water... [LB1002]

BRUCE RIEKER: Yes. [LB1002]

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SENATOR GLOOR: ...on the acute care side. So I would imagine there are some folks who are concerned that an open market here all of a sudden reduces that asset considerably if people can come in and start opening beds again, although I think Senator Sullivan sculpted this wisely by limiting the size of community, as well as putting in a radius, which I think would be somewhat helpful in making sure that doesn't get too out of hand. But clearly, nursing home beds have been and continue to be treated in some aspects as commodities; it can be moved around the state and have a value attached to it. [LB1002]

BRUCE RIEKER: Yes, and I agree that Senator Sullivan's legislation is a good start. However, not only from our members that have both the long-term care beds, as well as the nursing beds; but also in a scenario--as you were just playing hypotheticals here--let's say Spalding is cash strapped. They could, the way the...and I'm not saying they would do this, but we'll use them as the example. They could turn this into a cash cow. If they found a willing buyer of those beds for \$10,000 a bed or something like that--or \$15,000, whatever these beds go for, but it's somewhere in that area--that it could be a revenue generator. And so I think that we need to be cautious or cognizant of the commodity nature of these beds and what it means. [LB1002]

SENATOR CAMPBELL: Questions? Senator Bloomfield. [LB1002]

SENATOR BLOOMFIELD: Yeah. There was, if I remember correctly in testimony, an opportunity to prohibit that by saying if the beds weren't used they would not put them back on the market. [LB1002]

BRUCE RIEKER: Um-hum. Well, I mean, but that's not...that would be something that needs to be handled. I mean it's a public policy decision. But as far as I know and as reading the...you know, we reread the bill. As the testimony or the hearing has been going on, there isn't anything in there specifically that precludes that and maybe that's something you as a committee or the Legislature would want to consider doing. [LB1002]

SENATOR CAMPBELL: Mr. Rieker, to your knowledge, has anybody done a study--and there may be a nod in the back of the room here--but has anybody done a study that since the legislation has come into play, how many beds have actually been moved around the state and how many nursing care facilities have closed? [LB1002]

BRUCE RIEKER: If it exists, I'm not aware of it. [LB1002]

SENATOR CAMPBELL: Okay. [LB1002]

BRUCE RIEKER: We haven't done it, yeah. [LB1002]

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SENATOR CAMPBELL: Okay. We may want to check with the department because it would seem to me that that's one of the things. You know, one of the testifiers talked about unintended consequences. It seems to me that we may need to look at that broad picture here in terms of what may be the best public policy going forward. In any of your hospitals that own nursing facilities, within the last three years, have they sold any of those facilities or sold beds? [LB1002]

BRUCE RIEKER: Yes. [LB1002]

SENATOR CAMPBELL: A number of them? [LB1002]

BRUCE RIEKER: No. A few, though. [LB1002]

SENATOR CAMPBELL: A few have sold beds or a few have closed? [LB1002]

BRUCE RIEKER: A few have sold their beds. [LB1002]

SENATOR CAMPBELL: Okay. [LB1002]

BRUCE RIEKER: These beds--maybe I'll use a term from Senator Gloor--they're a rainy day fund or they're a cash fund. Most of our hospitals do not make money with their nursing beds; it's more of a service they provide to their community. And when the financial pressures continue to mount, that's one of the areas that...you know, and this is very anecdotal, but I have heard several of our members say if you find anybody who wants to buy our beds, let us know because, I mean, they don't want to pull the plug on serving their community, but they are a cash drain. They are a money loser to our hospitals and the cash fund can be--when they make a very difficult community decision, but a financial decision--to sell those beds. [LB1002]

SENATOR CAMPBELL: I alluded to that earlier. But when I served on the board and we owned...and at that point we owned the largest nursing care facility in the state aside from Vet's Hospital, and it is a very difficult business... [LB1002]

BRUCE RIEKER: Um-hum. [LB1002]

SENATOR CAMPBELL: ...from a year-to-year budget situation. Senator Gloor? [LB1002]

SENATOR GLOOR: Yeah, thank you, Senator Campbell. And probably just again for the record and for the committee's education, the reason that the change was made to the certificate of need in 2009 was the fact that within the Speaker's legislative district, there was a community that could no longer afford to keep its long-term care facility open, and it was a community-owned facility... [LB1002]

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BRUCE RIEKER: Right. [LB1002]

SENATOR GLOOR: ...and had hoped to be able to at least sell those beds and found that they could not do so unless they sold it within the region and the region was overbedded. And so sadly for that community, they had to close their nursing home and have nothing of value left and said at least we would have liked to have been able to sell those beds and pay off some of the bills that were outstanding and whatnot. So the purpose behind the change in the legislation to begin with was to allow people to at least have an asset that they could get some value out of; but obviously, it changed the market in ways that were detrimental to some other facilities. [LB1002]

BRUCE RIEKER: And that's why we supported the legislation, because it gave some of our hospitals with very thin margins--or maybe even negative margins--the opportunity to maybe right side themselves financially where they didn't have an option before. So the legislation, the new law is good; but there are still some things that, recognizing what happened in Spalding, that maybe we need to address. [LB1002]

SENATOR CAMPBELL: And part of the thing that you'd want to keep in...you know, you could say it's all well intended about the amendment, but if they couldn't sell them. [LB1002]

BRUCE RIEKER: Um-hum. [LB1002]

SENATOR CAMPBELL: But then you get into a situation like Senator Gloor is talking about that they couldn't and they began encumbering, you know, more and more debt on a public subdivision, I don't...I mean, we'd have to be careful of that consequence. The only thing that, you know, I wrote down here--and perhaps the committee working with Senator Sullivan might want to take a look at this--but, you know, maybe this is an issue that instead of the bill this time; and I know Spalding, you know, they're waiting for an answer; but it would seem to me that we have a bigger picture here that an interim study might be necessary. Not to say that this bill, you couldn't proceed if you wanted, if the committee wanted to; but there are some larger issues here that in an interim study we may have to take a look at. [LB1002]

BRUCE RIEKER: And if you went that direction, we would be very happy to participate from our perspective or what we could add to the study. [LB1002]

SENATOR CAMPBELL: Yeah. Particularly if the heads in the back of the room are saying that they would...that, you know, this has not been all accumulated and studied, I for one would really like to know what that big picture is. [LB1002]

BRUCE RIEKER: Um-hum. [LB1002]

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SENATOR CAMPBELL: Thank you very much, Mr. Rieker. [LB1002]

BRUCE RIEKER: You're welcome. [LB1002]

SENATOR CAMPBELL: Okay, other neutral testimony? Oh, this is the person that's got all the answers to the survey. [LB1002]

SENATOR LAMBERT: Look at all that. [LB1002]

SENATOR CAMPBELL: Yeah. Good afternoon. [LB1002]

HEATH BODDY: Good afternoon, Senator Campbell, members of the committee. I'm Heath Boddy, H-e-a-t-h B-o-d-d-y. I'm before you today as the executive director and a registered lobbyist for the Nebraska Health Care Association, and we're here in a neutral capacity. And I...not to take the committee's time, I would echo just a couple of comments. We were an integral part, with Senator Gloor back in '09, to work through this change in the certificate of need law. One of the things that seemed to be problematic prior to this change was that these beds--as the example in Tilden, Nebraska--if you're an owner of a facility and you buy a 50-bed facility and maybe you're using some, maybe you're not, maybe you're the town, maybe you're not, but those beds have a value. You gave a price for that facility or you built that facility based on a price per bed. And the way the law was written prior to 2009's change, it didn't seem to have a value that you could get back for that unless somebody in that region. So as Senator Gloor has stated a couple times today, it was an effort to make that more reasonable to be able to shift for communities that needed to have the availability to have a bed or two more. When you talked about...Senator Campbell, you asked about has the hospital association had members that have bought and sold, shifted beds, and I would tell you the Nebraska Health Care Association has had members that have done that. There's been some folks that have been outstate in not very populated areas that have sold five, six, ten beds to an area that's trying to maybe add a wing or to try to do something different. And I think when you talk about the value of a licensed bed, one of the things that some of those smaller communities were afforded after the change in 2009 was to take those dollars and invest them in another type of care. We were encouraging folks, much like LeadingAge Nebraska was encouraging folks, to consider some other alternatives like assisted living. Some folks chose some home care, and so it allowed some of the smaller communities a little bit of funds to do those things. So well intentioned, I think, in 2009, and as has been stated a couple of times. I think the Nebraska Health Care Association would also, as the two folks before me have spoke to, encourage the committee, if this is going to advance, to consider some sort of a dissolving, a dissolution clause as it relates to this special clause and certificate of need. I think that as has been alluded to twice here, I think there could be some things that would be loopholes that would be again another unintended consequence of this. And

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finally, the Nebraska Health Care Association, if this committee sees fit to advance this, the Nebraska Health Care Association, much like our colleagues at the Hospital Association and LeadingAge Nebraska would love to be a part of trying to find a solution that would make some sense, so. And I'd be glad to answer any questions. [LB1002]

SENATOR CAMPBELL: Thank you, Mr. Boddy. Are there any questions? I'm sure we could turn to you for some of those statistics... [LB1002]

HEATH BODDY: We'd be glad to get those for you, Senator. [LB1002]

SENATOR CAMPBELL: ...in terms of the number of beds, the number of homes. For those that...the beds that have been bought, they have been in rural areas, have they not? [LB1002]

HEATH BODDY: The beds that were sold to other...? [LB1002]

SENATOR CAMPBELL: Yes. [LB1002]

HEATH BODDY: Yes, rural areas. [LB1002]

SENATOR CAMPBELL: Okay. [LB1002]

HEATH BODDY: I do not...I'm not aware of any urban beds that have been sold one company to another. [LB1002]

SENATOR CAMPBELL: Probably not. But anyway, yeah, those statistics would be helpful. Thank you. Any other questions? Thanks, Mr. Boddy. Others in a neutral capacity? Okay, seeing none. Senator Sullivan, would you like to close on your bill? [LB1002]

SENATOR SULLIVAN: Yes, I would. Thank you very much, Senator, and members of the committee, for your attention on this issue. I also want to say thanks to everyone who testified, and especially the people who came and made the long drive from Spalding to testify. It's, without a doubt, always so important to put a face on some of these issues. You've heard me talk numerous times on the floor about the challenges that rural Nebraska is facing, and I think you've heard firsthand what some of our decisions in public policy have meant to some of the rural communities. And you were right to question the viability and sustainability of a decision that Spalding could potentially make moving forward to try to put a long-term care facility back in their community. I will also agree with you, Senator Bloomfield, that if anyone can do it, having lived about 25 miles from Spalding for the nearly 30 years, I've always admired that--what I call them--a can-do community. And they will do their due diligence in looking at this situation and how they can proceed. I would also remind you, though,

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that they will be entering into this not as a for profit but a nonprofit entity, which could make a difference in how they look at their bottom line. Also, it's been mentioned that to go forward, this bill would need to be perhaps tweaked and looked at and with some additional exceptions. And I would certainly think that that would be necessary, and I know the people of Spalding would be willing to do that as well, you know. They want nothing more than to try to put a long-term care facility back in their community. If there need to be some additional restrictions on it so that there is a time frame in place with which they'd have to do that and also a limitation so that if the project didn't work they couldn't turn around and sell those beds, I think they would certainly be willing to do that and interested in doing it. Also, right before the hearing started, some of the individuals are fully aware that even in a perfect world this bill would have an uphill climb, not being prioritized by either myself or the committee. And so when the mention of your idea, Senator Campbell, of an interim study to flesh out more of the particulars and maybe then looking to reintroduce some legislation next session, I think they'd be interested in that as well. So the bottom line is I hope you've seen how much they care about this idea and their good intentions, and we're willing to work with you in any way we can. [LB1002]

SENATOR CAMPBELL: Comments? Senator Bloomfield. [LB1002]

SENATOR BLOOMFIELD: Thank you, Senator Campbell. Even as eager as Spalding is to do this and as forward thinking as Spalding is, good ideas like this rot after they lay a long time. How long will Spalding hold out this hope before they say, ah, the Legislature is not going to do anything and... [LB1002]

SENATOR SULLIVAN: Well, I can't... [LB1002]

SENATOR BLOOMFIELD: Do you think? [LB1002]

SENATOR SULLIVAN: I can't put a time frame on that. [LB1002]

SENATOR BLOOMFIELD: No. [LB1002]

SENATOR SULLIVAN: I know that they are in the process of having community meetings on this and they've hired a consultant to help them look, and that--at this whole situation--that in and of itself is a several-month process. [LB1002]

SENATOR BLOOMFIELD: Yeah. [LB1002]

SENATOR SULLIVAN: So, you know, before you know it, we'd be looking at another... [LB1002]

SENATOR BLOOMFIELD: The next session, yeah. [LB1002]

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SENATOR SULLIVAN: Yeah, legislative session, so I don't think that's unreasonable. [LB1002]

SENATOR BLOOMFIELD: Okay, thank you. [LB1002]

SENATOR CAMPBELL: Senator Sullivan, Senator Gloor just wrote me a note and said he'd be willing to also help and so would I. [LB1002]

SENATOR SULLIVAN: Great, I... [LB1002]

SENATOR CAMPBELL: Having worked with one of those facilities for a long time while I was on the board, I have great sympathy for what we're doing. We'd also want to be careful that we didn't put an amendment in place that if this went down the road and something happened and they couldn't, they needed to...it didn't work out for the community, but they'd made this huge investment, you also don't want to get to a point where they can't recoup some of that money to pay that debt or that community would be saddled with that debt. So that's my only concern about the amendment. You know, you want to protect them both ways, too. [LB1002]

SENATOR SULLIVAN: You're right. But I think the other thing that perhaps is unique about Spalding, they truly have some creative ways of financing in that community. [LB1002]

SENATOR CAMPBELL: (Exhibit 6) And I'm sure we could depend upon that. We should note for the record that we received a letter from the department, from Dr. Schaefer, in opposition, talks about several points. Do you have a copy of this, Senator? [LB1002]

SENATOR SULLIVAN: Yes, I do. [LB1002]

SENATOR CAMPBELL: Okay. And I'm sure that Dr. Schaefer would be willing to sit down and discuss the points. We have always found that to be true, that she would try to be helpful. [LB1002]

SENATOR SULLIVAN: Thank you very much. [LB1002]

SENATOR CAMPBELL: Okay, with that, we'll close the public hearing for today. Our friends and guests from Spalding, please feel free to stay if you'd like to. However, listening to the wind, it might be the best advice for you all to get on the road. Thank you all for coming and drive safely. We'll give them just a minute. Come forward certainly, Senator McGill, but we'll give them a minute and clear out. [LB1002]

SENATOR MCGILL: All right. Yes, to clear out. Ooh, there were a lot of them. [LB892]

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SENATOR BLOOMFIELD: A third of the town. [LB892]

SENATOR MCGILL: Yeah, good Lord. [LB892]

SENATOR CAMPBELL: And it's not to say they all didn't come for your bill, too, but... [LB892]

SENATOR MCGILL: I know. What's up with that? I've got some good guests from out of town as well, so there. [LB892]

SENATOR CAMPBELL: I'm sure you do, I'm sure you do. Senator McGill, glad to welcome you once again. You've been here several times; always good to see you. [LB892]

SENATOR MCGILL: I like my visits here. [LB892]

SENATOR CAMPBELL: Absolutely. We'll open the public hearing on LB892, Senator McGill's bill to provide for credentialing military applicants and spouses under the Uniform Credentialing Act--long title. Senator Gloor--oh, Senator Gloor--Senator McGill, go right ahead. [LB892]

SENATOR MCGILL: Thank you, Senator Campbell and friends on the Health and Human Services Committee. I bring to you what I think is a really important and actually exciting piece of legislation that we can be introducing and passing here in our Legislature that will directly impact members of our military and their families. LB892 has two purposes and two sections. The first, it specifies that military members shall be issued a license or a certification in an occupation covered under the Uniform Credentialing Act if that member of the military can demonstrate that he or she has completed a program in the military that is equivalent to the requirements for licensure or certification in our state. Veterans are finding that their military experience does not always translate directly into the civilian work world. Reuters reported in October of last year that in the U.S., there are 235,000 unemployed veterans from the Iraq and Afghanistan wars. Many U.S. companies and some veterans themselves do not know how to translate military experience directly into those civilian jobs, and there is a disconnect between company requirements and veterans giving confusing descriptions of their military experience to civilian employers. Those trained as medics during the military, their military service, for example, may not enter the private sector medical field because of all the extra training required, and yet they really did learn the practical skills that are necessary to do those jobs. While here in Nebraska, our unemployment rate for veterans is lower than the national unemployment rate, that is encouraging, but it also has prevented Nebraska from receiving financial assistance to help with unemployment issues of veterans; and I would argue that in some cases, they're underemployed

because they're not fully using those skills to their best advantage to serve our work force. You know, this is one of many barriers that face veterans and, you know, this seeks to assist veterans obtaining postservice employment, and it's my hope that this will help with a successful return to civilian life. And in my opinion, and I know that many others share this opinion, a veteran possesses extraordinary discipline, experience, and skill, all qualities that make for invaluable employees. The hallmark traits of the military, which are integrity, loyalty and commitment, are traits that any employer is seeking. Now, the bill also goes on in its second part to deal with military spouses as they're trying to seek employment. And last week, I was very honored to be invited to the Pentagon because of the introduction of this bill and this particular part of the bill because our First Lady and Second Lady, Michelle Obama and Dr. Jill Biden, have been working on an initiative called Joining Forces, and they've been working with the chairman of the Joint Chiefs to work on how to better serve military families/spouses as their loved ones are serving in the military or overseas. And so in their travels across the country to different bases, they were hearing that the biggest barrier for military families is as the family is relocated to another state, they have trouble getting credentialed to do their previous jobs in that new state. And it can take up to six months just to get that license, and then another six months to actually get a job and before they know it, they've moved on to another state. And so the First Lady and the chairman of the Joint Chiefs have pledged or challenged all the states to try to pass military spouse credentialing and licensure legislation by 2014. And so I bring you this piece of legislation to help with this problem and, you know, if we can't find a place for it this year with anything that's prioritized, I certainly plan on bringing this back next year so that we can indeed serve our military families as they move around the country and for the spouses to indeed be able to get work. It was a moving experience to get to go there last week and meet with spouses and be a part of this national initiative. With that, I would take questions, but I also have some folks behind me that have been helping craft this legislation. [LB892]

SENATOR CAMPBELL: Excellent. Thank you, Senator McGill. Are there any questions before we start the hearing on the proponents? Thanks, we might have questions. [LB892]

SENATOR MCGILL: I'm going to try to stick around. [LB892]

SENATOR CAMPBELL: Okay. [LB892]

SENATOR MCGILL: But we may start "execing" in Judiciary. So if that happens, then I will bail out. [LB892]

SENATOR CAMPBELL: Okay. Senator McGill, just on another matter, in case you have to leave... [LB892]

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SENATOR MCGILL: Um-hum. [LB892]

SENATOR CAMPBELL: ...I will give you a call after we're done today because I do have an answer to your questions. [LB892]

SENATOR MCGILL: Oh, okay, fabulous. And Health and Human Services has contacted us on this particular bill... [LB892]

SENATOR CAMPBELL: Okay, good. [LB892]

SENATOR MCGILL: ...and they gave us some very helpful suggestions as well in terms of credentialing and how some of this language might be counterproductive when it comes to certain professions, so. [LB892]

SENATOR CAMPBELL: (Exhibits 7-12) Right. We'll note for the record that we have letters from the Nebraska Academy of Physician Assistants, the Nebraska Board of Dentistry, the Nebraska Board of Medicine and Surgery, the Nebraska Board of Pharmacy, and the Nebraska Pharmacists, all in opposition to the bill, and a neutral letter from DHHS Division of Public Health. So as you say, you may want to pull together some of those to see what the letters, and we'd be glad to provide you copies with them. [LB892]

SENATOR MCGILL: Oh, certainly. And I know in other states there have been, you know, questions and some push back when it comes to credentialing, but really I appreciate that the way this issue has been approached is on a state-by-state level because it is important to have state control over what should be in a license or what the necessities should be, but allowing a better process so that as our families move around the country and they're serving our country, that they can get jobs and support their families as well. [LB892]

SENATOR CAMPBELL: Thank you, Senator McGill. [LB892]

SENATOR MCGILL: Um-hum. [LB892]

SENATOR CAMPBELL: I just wanted to mention that in case you had to leave. [LB892]

SENATOR MCGILL: Yes, yes, thank you. [LB892]

SENATOR CAMPBELL: All right, we will go forth with the first proponent for the bill. Good afternoon. [LB892]

MARTIN DEMPSEY: Good afternoon, Senator Campbell, committee members. My name is Martin Dempsey, and that's spelled M-a-r-t-i-n D-e-m-p-s-e-y, and I'm with the

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Department of Defense State Liaison Office. And since Senator McGill stole a lot of my thunder, I hope to be very brief and not duplicate a lot of things here. The credentialing survey shows that one in three military spouses has a job that requires state license or certification. As too many spouses know, most licenses do not move when your family moves to the state to state. The situation is exacerbated by the report finding that military spouses are 10 times more likely than their civilian counterparts to move across state lines in the last year. Unfortunately, this leaves many qualified military spouses unemployed. Viable skills are going unused. State's slots that have vacant seats are being unfilled. The 26 percent unemployment rate among military spouses we believe is just unacceptable and way too high. While unemployment rates among the spouses is double that of their civilian life counterparts, Deputy Treasury Secretary Neal Wolin noted licensing certification requirements are part of the reason for the discrepancy. It places extreme financial and emotional pressures that is completely unnecessary, he says. Although it's been stated that 235,000 veterans are also seeking employment, in the next five years, the department projects that number is going to go to over 1 million veterans that are unemployed. So that's why, another reason this bill is very important, very exciting, because it's got a lot of top talent names that come up with it. However, as the senator said, I think nobody's better to handle this issue than the state of Nebraska. These issues both for spouses and military separating from the service are very, very well handled in LB892. We at the department are very excited about this because we think if passed, it can be held up amongst the 50 states as the best legislation to date, it's that good. Senator McGill has done a marvelous job in making this happen and making a quality piece of legislation. Yes, you're going to see proponents (sic). I think some of the proponents (sic) look at this bill and they think they're having their, I'll say their "survivalhood" impeded. We are not asking that anything be usurped in the Nebraska state laws at this time or any time in the future. We're simply asking that these people be allowed to go to work while complying with all laws Nebraska requires for credentialing. The six to nine months, sometimes even longer, time period that the spouses go unemployed is totally unacceptable. We realize it takes two incomes today to make people viable, and especially in this economy. Along with that, the people that are impacted are quality, oftentimes senior military members and spouses. What this causes and creates is spouses and their military service members sit around the table and they decide am I going to stay in, am I going to reenlist or am I going to separate. Items such as this issue arise and they say well, you know what, worst-case scenario, we separate; second-worst-case scenario, this military member will go to the new duty assignment while the spouse and family stay behind, creating two households, twice the bills. And again, we feel that's a lose/lose situation. And the senior military representatives that are impacted and possibly walking out the door, it takes years and years and millions of dollars of training, sometimes up to one military member. Financially, that is also unacceptable on the department's behalf. In a nutshell, we think LB892 is absolutely great legislation, and I would like nothing better than to be able to wave it in the faces of 49 other states and say we like this. Thanks for your time. I stand ready for any questions should there be any. [LB892]

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SENATOR CAMPBELL: Are there any questions for Mr. Dempsey? Mr. Dempsey, as you've taken a look at this in some of the other states--and I apologize because I have to say I don't remember it in the bill, but that doesn't mean it's not there--have you run into any problems in terms of...you said to allow them to work while meeting the qualifications. Has there been any problems with the liability issue that... [LB892]

MARTIN DEMPSEY: The... [LB892]

SENATOR CAMPBELL: ...and like a physician would have or, you know, in some of the...or a dentist or some of our professions that they have someone working for them that's not met those qualifications? [LB892]

MARTIN DEMPSEY: Well, I think it's important to note not all professions are in this bill. Lawyers are not in this bill for any reason because we realize the laws are very particular and specific to that state. [LB892]

SENATOR CAMPBELL: Right. [LB892]

MARTIN DEMPSEY: And anyone that has had opposition, once they understand the department's position, they understand well, okay, we're not asking for a free ride here; we're just asking that the playing field be leveled. [LB892]

SENATOR CAMPBELL: Right. [LB892]

MARTIN DEMPSEY: And the 11 states that have passed this legislation have had no problems with identifying that and agreeing with that. [LB892]

SENATOR CAMPBELL: Okay. [LB892]

MARTIN DEMPSEY: The 13 states that currently have legislation pending, I know of no action that is prohibiting the advancement. [LB892]

SENATOR CAMPBELL: And we've run into that in some other issues that are unrelated to this and that's why I just raised it thinking you might know, but that... [LB892]

MARTIN DEMPSEY: Hmm. [LB892]

SENATOR CAMPBELL: I appreciate your answer and the knowledge. Any other questions? Thank you for coming, Mr. Dempsey. [LB892]

MARTIN DEMPSEY: Thank you for your time. [LB892]

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SENATOR CAMPBELL: Our next proponent for the bill? Welcome. [LB892]

PAUL COHEN: Thank you, Chairman Campbell, thank you very much. Good afternoon, members of the committee. My name is Paul Cohen, P-a-u-l C-o-h-e-n. I am currently, among other things, the second vice chairman of the board of the Military Officers Association, a 377,000-member organization headquartered in Arlington, Virginia. I'm a retired brigadier general in the United States Air Force, and I'm a past president of the Heartland of America Chapter of MOAA located in Bellevue. MOAA and the local chapter absolutely support LB892, and we appreciate the consideration of Senator McGill for introducing it and this committee for considering it. I won't take any more time in the description of the bill--you've heard it--other than to say to you that my oldest son called me yesterday. He's a colonel on active duty whose wife of two years has gone through her third base now as we speak. She is a speech therapist, and she has been through this kind of torturous route to get her certificates recognized from state to state where they've gone. In this particular case, it has taken her an additional seven months to get a license that she already had in another state to do the kind of work that she really needs to do. A bill like this would have prevented all of that and made her a very productive citizen and contributor to the economy of the community where they currently live. LB892 has been explained to you. You discussed before, it doesn't alter any professional standards. Nobody is asking for anything less than what the state of Nebraska already requires for credentialing. In fact, the bill requirements for credentialing in the losing state must be at least equal to--at least equal to--what's present in this state. The bill gives credit for an individual's experience, previous professional background, education, previous credential obtainment and professional reputation. It provides for payment of applicable fees. It does everything that the state would require of it other than...the addition, however, is to recognize that there is experience, education, and background to the individual making application to participate. Enactment of this legislation would make us the 12th or 13th, depending on who goes next, in this list. A couple of our neighboring states already have passed it. Colorado, Missouri have done so. Enactment here will continue the long and proud support, as you well know, of our state's support of our nation's heroes and their families, from back in World War II to North Platte to the absolutely heartfelt turnouts on the return of our own guard and reserve forces returning to our state from the current conflicts. We have a long history of recognizing the sacrifices of military members and their families. This issue does have a shelf life. As we move forward, quality of life issues become more and more important as they relate to where basing is done on the national level. The President's budget recognizes that there will in all likelihood be another base realignment and closure commission. Quality of life issues play into that determination when they look at where should we go forward with basing opportunities. It's always better to be out front than being behind on these kinds of issues, and we think this one is very important to it. The passage of this legislation is the right thing to do. I urge your support, and I'll be happy to address any questions that you might have. [LB892]

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SENATOR CAMPBELL: Thank you, Mr. Cohen. Senator Krist? [LB892]

SENATOR KRIST: General, nice to see you again. [LB892]

PAUL COHEN: Thank you, Senator. [LB892]

SENATOR KRIST: I heartily support the concept. I think that the reality of the situation is this far into the session, particularly with the...I'll call them the misunderstood objections of those professions, I've tried to read through these letters, and I think there's a brick wall being built around the fact that they don't understand that--as you have said--that the requirements in order for certification are not handed to the individual. They have earned them in another state, and that we're not asking them to bypass the current licensure or certification. We're asking them to recognize those experience levels from before. I quite frankly think that it's probably on my front burner for 2013 only because, as you've said, when those BRAC issues come up and the President and Joint Forces decide to take a hit at...take a chop at those basing, this is an important part of the family structure. So I will tell you that I will assist Senator McGill in the efforts going forward. The reality is we've got to make sure that these professionals understand that nobody is trying to take away their livelihood or circumvent the licensure or certification process, but that's a job that we'll have to undertake over some "over coffee" discussions about what needs to go forward; but I give you my word that I will assist in any way I can. [LB892]

PAUL COHEN: Thank you, Senator, and the association will be happy to support and assist in any way that it can. [LB892]

SENATOR KRIST: Thank you, General. [LB892]

SENATOR CAMPBELL: Any other questions? Thank you very much for your testimony today. [LB892]

PAUL COHEN: Thank you, Senator. [LB892]

SENATOR CAMPBELL: Our next proponent? Good afternoon. [LB892]

JERRY STILMOCK: Good afternoon, Senators. My name is Jerry Stilmock, J-e-r-r-y, Stilmock, S-t-i-l-m-o-c-k, testifying on behalf of my clients, the Nebraska State Volunteer Firefighters Association and the Nebraska Fire Chiefs Association, in support of LB892. Small-town Nebraska, the suburbs around metro areas, we need volunteers, and so our associations looked at it a little bit differently than the other professional groups that the senator recited in terms of those objecting. We look at it as more in line with Senator McGill and her comments and the testimony that followed and Senator Krist's comments

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is those persons have already made the effort, they've satisfied the credentialing of the military. We very much are in need of volunteers; and in many small communities, it's a year-round effort in recruitment and then the recruitment tags off into retaining those individuals that you've recruited. We very much need these individuals to be able to assist in our smaller communities and the metro suburbs. Just a quick, quick story. A holiday basketball weekend, small town. A basketball player goes down, no contact, no interference, and so you're in the spectrum of what could have happened from the very worst to perhaps slight. But she blacked out, not regaining consciousness right away. I jumped out of the stands just as a spectator and ran to look for somebody or perhaps go to where I had good cell phone contact to make a 911 call. I ran into a young man that was recently released from the military, having completed his term of service. He looked at me dumbfounded, and he said I want to help, I want to help; but I can't. I just don't feel like I can go out there and assist. Perhaps on point, perhaps a little bit removed; but the point is there's an individual in a small community that's able to help because of his training and knowledge and background, but unable to help because of the licensure requirements. We're very much in support of the effort and look forward to working with Senator McGill, the committee, and Senator Krist. Thank you. [LB892]

SENATOR CAMPBELL: Okay, thank you very much. [LB892]

JERRY STILMOCK: Yes. [LB892]

SENATOR CAMPBELL: Next testifier as a proponent? Okay, those who wish to testify in opposition to the bill? Okay, anyone wishing to testifying in a neutral position? All right, Senator McGill, would you wish to close? [LB892]

SENATOR MCGILL: I'll just go ahead and waive. [LB892]

SENATOR CAMPBELL: She's going to waive closing. All right, that concludes our hearing on LB892, and we will proceed to the next one and I see Senator Brasch here to be with us. So if you are leaving today, we'll just ask you to leave quietly and we will open the hearing on LB1110, Senator Brasch's bill to provide for assistance for temporary and permanent housing after a natural disaster. Good afternoon and welcome. [LB1110]

SENATOR BRASCH: (Exhibit 13) Thank you, good afternoon. Good afternoon, Chair Campbell and members of the Health and Human Services Committee. My name is Lydia Brasch, L-y-d-i-a B-r-a-s-c-h, and I represent Legislative District 16. I am before you today as introducer of LB1110. The state of Nebraska experienced an unprecedented flood along the Missouri River last summer, and my district was largely affected by the flooding. From that disaster, it became evident that there is a need to provide adequate housing solutions for individuals displaced by an unforeseen natural disaster. Speaking to the flooding in particular were many that were fortunate to find

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temporary housing with relatives and also the vacant Dana College dormitories provided a temporary home for more than 150 families. We were fortunate that the dorms were available; but these were not permanent, and the struggle became getting people into a more permanent home, especially when they were originally renting their home for some. Renters and homeowners alike experienced extreme financial challenges in the face of an immediate and unexpected, unplanned-for move in an effort to obtain shelter. Nebraskans had not yet received a federal declaration at that time, which I would add is much harder to attain for individual assistance, when these people needed to be out of the dormitory after living there for months. Nebraska counties along the Missouri River did receive a presidential disaster declaration, so individual assistance has been made available to those counties. However, some counties experiencing Platte River flooding were denied individual assistance. The individual assistance is significant; but it is not intended to make someone whole again and there are limitations to this, delays to receiving the funding. And keep in mind that it is a process that factors in at a point in time after the disaster event. I believe Nebraska has a responsibility to be prepared, preemptive, and responsive for housing needs of our citizens after a natural disaster. LB1110 addresses the need to provide for housing for our citizens whose homes are uninhabitable or destroyed by specifically designating funding for temporary and permanent housing. LB1110 utilizes funds already intended for housing purposes, and establishes subaccounts within the Affordable Housing Trust Fund and the Homeless Shelter Assistance Trust Fund. To meet the immediate housing need when someone finds themselves homeless because of a disaster, LB1110 requires that \$300,000 be transferred into a subaccount of the Homeless Shelter Assistance Fund and thereafter, 10 percent of the money remitted to the fund until the subaccount reaches a balance of \$500,000. Upon the Governor declaring a state of emergency, the Department of Health and Human Services shall provide funds at the request of a city, county, or village. An individual displaced or homeless due to the natural disaster may apply to the governing body for temporary housing assistance using forms provided by the department. The temporary housing assistance may be available for up to three months for the applicant. The department will be required to establish rules and regulations and create an expedited process for receiving the emergency assistance and includes factors of criteria for eligibility and prioritization. Five-hundred thousand dollars shall be transferred from the Affordable Housing Trust Fund into the subaccount for permanent housing for assistance for natural disasters and thereafter, 10 percent of the money remitted to the fund from the documentary tax stamp until the subaccount reaches \$2 million or when it is reduced below this amount. The money in the subaccount is available to counties, cities, and villages to provide funds to individuals applying for assistance upon the Governor's request for a federal disaster declaration. The Department of Economic Development provides the forms for individuals to apply. It establishes an action plan, coordination of resources, and an expedited application process for governing bodies to receive the funds. Additionally, the department's rules and regulations should provide criteria for eligibility of individuals for the assistance, including financial need and prioritization funding for political subdivisions and

individuals. When we cannot predict natural disasters, we can prepare for natural disasters for the needs of our citizens. I believe addressing shelter and housing is one important need we must meet. While this legislation may not be able to fund every need, it sets up the process and a certainty that funds are set aside for this purpose. The Affordable Housing Trust Fund has, in fact, been used in the past to help for this very purpose after a natural disaster. When I inquired about assistance through the fund for the most recent flooding, we were told that it was all tied up. We couldn't access it. I would argue that the money should be budgeted for and readily available for emergencies so that in critical cases, we can provide assistance for those who have nowhere to go. This is not intended to duplicate FEMA funding when counties are approved for individual assistance as I have heard concerns about. In speaking to FEMA, there are accountability measures and in large part, the collaboration between FEMA and the state is of utmost importance. If they know that we have a program that has been acted, their forms can be reflective of this. Likewise, the state can also receive information from FEMA regarding those who have received assistance. FEMA pointed out what is often seen is the underinsured and the FEMA funding limit is surpassed, leaving a gap in completing necessary repairs or construction for damaged homes. This is one example of how even after federal assistance, this fund may be of benefit. Often, we do not receive an individual assistance, which also speaks to the merits of having this in place. The damage to individual homeowners may be just as significant, but no individual assistance will be granted. Sometimes, a disaster declaration is delayed because of an inability to collect information to apply. Sometimes, there is a lag because we appeal the decision to not provide individual assistance. In any event, these people continue to be without a home. Again, we are speaking about helping average, everyday people, as well as entire communities with LB1110. This provides a contingency fund, so to speak, so a natural disaster does not take away a very basic housing need. Thank you for your time and attention. I am happy to answer your questions. [LB1110]

SENATOR CAMPBELL: Questions? Senator Krist. [LB1110]

SENATOR KRIST: Take me through what you think a chronology might be. For example, within this flood activity that just happened, a small community along the river is wiped out. No action is going to happen until NEMA interfaces with the county emergency folks. County emergency folks, not the village or city or anybody, it's the county that's going to have to forward it up to NEMA. NEMA then makes a decision that there's definitely a situation that we could declare a disaster. They bring the NEMA folks in and there is a disaster that's declared. Okay, the water recedes. Now we have people who are homeless who are living in, as you described, dormitories or with families in other places, and then NEMA comes back in with FEMA and says they either are or they're not going to rebuild because they were in the floodplain or for whatever other reason. Where does this process interface and at what point do we say there is money available? And the reason I'm asking the question is there's a section in here--original

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section in here--that's deleted on page 15: It is further the intent of the act that homeless individuals shall include persons--15, at the top of the page, number 1--who lack a fixed, regular, and adequate nighttime residence and who are living in a publicly or privately subsidized hotel, motel, shelter. That really is the vehicle by which NEMA and FEMA provide for housing--or are supposed to provide for housing--in this situation, yet we've taken that part out and now again, where does that...where does this program or where would you envision this program fitting into the chronology? [LB1110]

SENATOR BRASCH: The...okay, that has been removed because we are putting this particular natural disaster...that pertains to the natural disaster subfund within and not the original homeless act that...it's...and I guess the chronology, when you were going to that point, the reason this came forward is our chronology was around Memorial Day weekend, you know, and before that, we were called in. I believe you were in that group that were told that we see floods coming; significant, unprecedented flooding is happening. Memorial Day weekend, we were seeing the beginning of flooding as the dams were, the reservoirs were releasing more and more water. We started acting right away, knowing that there was going to be, you know, thousands of acres of land. We already knew, you know, Blair knew that homes were going to be lost, apartment buildings were going to be lost. And when we went, okay, in June here to get housing and housing assistance and funding, the Affordable Housing/Homeless Shelter Act, it wasn't accessible. The money was already spent, delegated, no funds that we could help people who could not find housing. I mean, that's the chronology here. So luckily...and Blair, you know, happened to have a vacant Dana College this particular incident. We were able to move people in, but it wasn't until August when the actual FEMA, you know, the houses...the discovery is still ongoing on what will and what will not be recoverable, where they will build. We had...we found that there were...was a significant group of people without wherewithal. Some of them, you know, two jobs, mom and dad, little ones, all ages, you know, we had senior citizens, we had disabled individuals, we had working families, some without jobs that had no resources, nowhere to turn. As you may know, you know, I went to the dorm room just to...you know, I stayed there a few nights and it's a great place for those who had no place to go, but it was not a place to raise children. That was the greatest hardship. There's just one shared little small community kitchen. There wasn't a cafeteria in place. Luckily, churches brought in meals every single night. The resource, you know...so the money wasn't there. What we're trying to say is we have an Affordable Housing Trust Fund, we have a Homeless Shelter Trust Fund, let's just take a subset, a small portion. And the good news is maybe we won't have an unprecedented flood for another 500 years and this is helping our great, great, great grandchildren or I don't know the...but the real experience was we were looking, you know, under rocks to look for who do we call. We had the statewide 211 number, said, you know, well, the Red Cross can only do so much. You know, we went to every single entity, a public entity, you know, looking for funding. Most people were reverting people to the Washington County Cares self-formed group. You know, there should be a manual written after this flood by the

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responsiveness, but there were so many unknown factors and so many agencies called in. And a corps was called, the FEMA, the NEMA, the FSA, you know, we have a list, you know, of pages of, you know, individuals that we tried to work with. But the housing just in Nebraska, you know, the good life, should not be this complicated or this hard when we already have a fund for affordable housing and homeless people. [LB1110]

SENATOR KRIST: I guess what I'm...my question is...I don't see where this fits into...you say there should be an after-action report and a report written, a white paper or after-action report written on the things that have happened. [LB1110]

SENATOR BRASCH: Um-hum, um-hum. [LB1110]

SENATOR KRIST: I don't disagree with you. But we already have in place an emergency action plan within the county, the NEMA, the FEMA, the insurance companies coming back in. Where do you see this being injected? It's only \$500,000 and it's really designed to be permanent housing structure at the end of the road. So I'm just...in my own mind, I'm trying to figure out. [LB1110]

SENATOR BRASCH: This is to address the gaps because there is a gap. I mean there is...the process is very slow and unknown at this point. We're learning, we've learned from it, but every agency was pointing, go this way, go that way; no, you go that way, go back two doors. I mean people were just...you know, and at the same time we have young children. I mean that was the urgency, is to get these kids out of the dorms and into a home so they knew where they were living, they could do their homework, not be running up and down three flights of stairs at the dorms when we had a fund, but the fund was not preemptive, responsive, or addressing natural disasters. We're just...we're saying that this...and then the other is even...there's gaps there that...insurance, you know, every, you know, everyone was basically underinsured according to FEMA. People had some insurance--a big group did because of the flooding in '93--but this was a long-term natural disaster where they basically could sit and watch their house and their belongings float away, you know, down the Missouri River for an elongated period. So if this isn't addressing those needs, then we can build them into it. But our thoughts were if we have an Affordable Housing Fund and Department of Economic Development, you know, it is written, and Health and Human Services, they can prioritize. You know, they can take a look and assess everything and prioritize, they can delegate, they would have a form, the form would say, you know, when were you homeless, how long do you, you know, need help or what is the extent of your help. There are checks and balances. And now we're hearing the good news is everybody's electronic, that data is shared mutually between state and federal to validate and document. If this isn't the entity for quick, responsive emergency housing, you know, then what is? You know, what can we do? But this money was there, but not for people who were actually physically without shelter. And it just didn't seem to be, you know, logical, you know, that there is a fund. And the weather forecasting outlook, you know,

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even for this spring, you know, there may not be floods; but there could be some pretty severe weather, just the weather patterns anymore that we should...this is not limited to floods, you know. This could be for tornadoes, this could be for any situation, and we would have a fund and a place and a system where it's not overnight, it's gradually, you know, gone into the fund. And \$2 million may not be enough, but it's something. It's more than they started with. [LB1110]

SENATOR KRIST: Okay, thank you. [LB1110]

SENATOR CAMPBELL: Senator, Senator Bloomfield's got a question, but I just want to ask one question in there. Was this need not eligible for the Governor's program? I mean we are going to put an additional \$8.9 million, I believe, according to the Appropriations Preliminary Report. Could that fund not have been accessed? [LB1110]

SENATOR BRASCH: We...not for individual assistance, I believe, if you're talking about NEMA, for individual? [LB1110]

SENATOR CAMPBELL: No. [LB1110]

SENATOR BRASCH: No. Housing? [LB1110]

SENATOR CAMPBELL: I'm talking about the Governor's fund. The Governor has an Emergency Fund and in...and I, in all honesty, I just...I spent this weekend trying to take a look at the Appropriations budget, and I noted that we are putting in additional money. [LB1110]

SENATOR BRASCH: Well... [LB1110]

SENATOR CAMPBELL: I'm assuming we've depleted some of that money. And so as I'm sitting and listening to you, I don't quite understand. Was that money not accessed or was there not...do you know whether they applied to the Governor's... [LB1110]

SENATOR BRASCH: Well, the Governor was very helpful in facilitating, and, in fact, it could have been July--I don't remember which month--when we were just truly getting to the point of concern on how long can these people stay in the dorm rooms. But he helped facilitate. We had a one-stop agency set up at Dana College early on a Saturday morning because a lot of these people had two jobs. They could not take time off work. These were blue-collar workers where he called in HHS, DED, Three Rivers. I mean we had every possible entity. And that meeting started to bring results forward, but it was...you know it's...no, there are no people out there assisting you immediately. There is no one centralized fund. I'm not aware, you know...the Governor did help to call the heads of agencies together to try to get things expedited, but it was a slow process, an extremely slow and uncertain process. [LB1110]

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SENATOR CAMPBELL: And I think it's just a question of whether you can access it. We can find that out. [LB1110]

SENATOR BRASCH: Yeah, okay. [LB1110]

SENATOR CAMPBELL: Senator Bloomfield? [LB1110]

SENATOR BLOOMFIELD: Thanks to our humble...welcome to our humble abode here and thanks for bringing this up. But when...what in your mind triggers the release of this \$2 million once we get it fully funded? At what point do we say yes, we can go out with that money and do something? [LB1110]

SENATOR BRASCH: The county...there is an application process that people will go...that DED and HHS will work on an application form. But there is a fund specifically for natural disaster housing and the county, people will go to their courthouse, will go, they'll fill out the form that, hey, I'm without a home, I need some help. Is that...? Okay, and they will submit it, and then the departments will then prioritize, you know, whatever criteria they have on who needs the funds the most, how much. They will have an evaluation process. Does that answer your question? [LB1110]

SENATOR BLOOMFIELD: It does to a degree, but I still see a long, drawn-out system where you're going to have people sitting there for a month in Dana College again. [LB1110]

SENATOR BRASCH: They were sitting...yeah, I...and Dana College may not be available the next time, but I'm hoping...you know, there's no time lines. The department can, you know, work on some time lines. But truly, you know, in all earnest, everybody wanted to help, but everyone was pointing every different direction and the phone calls were ongoing. We had, you know, different counties working on their behalf. We had extension divisions involved. The entities that pulled together were fantastic. However, it wasn't putting a roof over anyone's head for three months. You know, it was finally just before school started that we were able to pull some funds together to get people into...and there were apartments available. And this is what was a little frustrating for a lot of people is I know they have, you know, apartments sitting there empty, but we can't get in because the one...how many people preplanned to do two months' deposit on rent? You have to pay utility deposits. It takes a chunk of change to move. They were not planning on moving, they didn't have that, and so what we had to also do is work with the, oh, the low-income housing group to... [LB1110]

SENATOR BLOOMFIELD: That was my concern, is that... [LB1110]

SENATOR BRASCH: They had to move apartments around, so we had to swap off

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apartments from Chadron for low affordable housing, put them in Blair. They only have X number of affordable houses; and these people were basically, you know, the working poor, living paycheck to paycheck, or they were already under economical hardships. If they didn't have to live in the dorms, please, you know, they didn't want to. [LB1110]

SENATOR BLOOMFIELD: But that's why I asked about the triggering mechanism. I think we're still two or three months out on this. [LB1110]

SENATOR BRASCH: Um-hum. It's something, yeah. [LB1110]

SENATOR BLOOMFIELD: By the time they get all the paperwork filled out and returned to them and everything else, I don't know that we've...what we've improved. [LB1110]

SENATOR BRASCH: But we'd have paperwork to send them to. I mean, there was just no one place to go at this point in time. I mean, and this, you know, isn't, you know...maybe we need to build more into it, maybe it's not the answer. But having no funding available for a natural disaster when we're looking at potentially, you know, more severe weather ahead of us, you know, hopefully the flooding doesn't happen for another 500 years and technology will change all that. [LB1110]

SENATOR BLOOMFIELD: Five-hundred years. Okay, thank you. [LB1110]

SENATOR BRASCH: Any other questions? [LB1110]

SENATOR CAMPBELL: Thank you. Thank you, Senator Brasch. [LB1110]

SENATOR BRASCH: All right. [LB1110]

SENATOR COOK: Will you pass this down to the Chair. [LB1110]

SENATOR BLOOMFIELD: To the Chair? [LB1110]

SENATOR COOK: Kathy. [LB1110]

SENATOR CAMPBELL: We will go...oh, I'm sorry. Okay, we will go to proponent testimony if that's okay. All right, proponents for the bill? [LB1110]

SENATOR KRIST: You don't have to get mean about it. (Laugh) [LB1110]

SENATOR CAMPBELL: I... [LB1110]

SENATOR GLOOR: Yeah, don't growl at me. [LB1110]

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SENATOR CAMPBELL: Thanks a lot. All right, those who would oppose the bill? Good afternoon, good afternoon. [LB1110]

DANIELLE HILL: (Exhibit 14) Hello, Chairman Campbell and members. My name is Danielle Hill, D-a-n-i-e-l-l-e H-i-l-l. I am the director of the Nebraska Housing Developers Association. Generally, when I testify at hearings like this, I'm in full support of housing. But on this issue, I see some policy problems with it, some funding problems with it, some process problems with it, so I needed to testify just to call a few things to your attention. I won't read my testimony. But just listening to the conversation that took place prior to, the Department of Economic Development does manage the Affordable Housing Trust Fund and spends on average every year \$250,000 in disaster funding. They are constantly balancing what appears to be in the trust fund balance, which is never enough to cover the contracts that are already out, but then they're also going through an allocation or application process. For instance, last year they had set aside so much money to award new projects, and they actually had to pull some of that money back to spend it on disaster, so they did prioritize spending the money to help people experiencing housing issues due to a disaster versus funding new projects. And they also...that funding that they use for disaster, they have several what they call disaster agencies established that are experienced and already working on these types of issues, housing issues, working with people experiencing these kinds of conditions. For instance, in Senator Brasch's neck of the woods, it would be the Northeast Nebraska Development District, and so...but the trust fund is tied to income restrictions. They can go up to 120 percent, but it is not available for rental subsidy, so it's not going to help somebody, you know, with a deposit or rent or utility turn-ons. What it does do is if people are underinsured, they didn't have enough insurance or it won't cover this damage, they help with insurance deductibles, you know, or they help with the rehab that needs to take place to fix that problem and it...so it's generally used for...to help with insurance deductibles and to help with rehabilitation, the Housing Trust Fund is. On the flip side, there are always people experiencing homeless. There are...those programs exist in every region in our...in several regions of our state, there are these collaborative groups called Continuum of Care, and they're different service providers with...coming from different avenues that look at what the needs are, people that are making request, and they get awarded money out of the Homeless Shelter Assistance Trust Fund. They submit budgets for what, you know, their shelters or their hotel vouchers that you mentioned, or rental assistance, utility cutoff assistance, that kind of thing. And so...and there's never enough funding for the need, so I can see why there wasn't money available. But it also seemed like people didn't know how to access. Those aren't things you access through your local government or your county government. Those are generally nonprofits that have years of experience in running those. One of the issues I have with creating any subaccount out of either the homeless shelter...am I...? [LB1110]

SENATOR CAMPBELL: You have one minute. [LB1110]

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DANIELLE HILL: Oh, I'm not going to be done. It prioritized the...it sets aside money that may or may not be needed when there is need going on every day. And to set a priority because somebody...because a disaster comes along over what current everyday needs are seems to be a policy issue to me. Those subaccounts are trust...the trust fund, for example, has a \$7.5 million balance right now, so people say, well, they don't need money, they're doing just fine. Well, there's like \$14 million in outstanding checks that could be drawn on that today, and we'd be in the negative; and then there's no money to award new projects. The trust fund has been hit three years in a row besides its history and there's already not enough money there. You create a subaccount and people see money sitting around, that's never a good thing to do. And it wouldn't...when you talked about...well, maybe I can just be quiet and answer a question. [LB1110]

SENATOR CAMPBELL: Answer questions. (Laugh) I have to say that as I remember this fund--and you tell me if I'm wrong--but that there is a number of homeless shelters that--across the state--that are funded out of this. [LB1110]

DANIELLE HILL: The Homeless Shelter Assistance Trust Fund. [LB1110]

SENATOR CAMPBELL: Yes. [LB1110]

DANIELLE HILL: Yes. [LB1110]

SENATOR CAMPBELL: And then did we fund out of this any domestic violence shelters? [LB1110]

DANIELLE HILL: Yes. [LB1110]

SENATOR CAMPBELL: And if I remember right, some of the original intent here was on the domestic violence and the homeless shelters for the use of the doc stamps. [LB1110]

DANIELLE HILL: Right. That was the first trust fund funded by an increase in the doc stamp period, was the Homeless Shelter Assistance Fund...it's only a quarter. It's a quarter on every \$1,000 in real estate transferred. [LB1110]

SENATOR CAMPBELL: Yeah, it's not very much. [LB1110]

DANIELLE HILL: And it's not very much, it's never been increased, and yet...and it...and for places that don't have a physical structure, homeless shelter, they use hotel vouchers. [LB1110]

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SENATOR CAMPBELL: And this money has not been used to go to individuals per se, but it's gone to organizations that serve those individuals, would that be accurate? [LB1110]

DANIELLE HILL: Right, so it ends up...right, it ends up with an individual. Even if somebody is facing eviction, sometimes they can help provide rental assist. [LB1110]

SENATOR CAMPBELL: Right. [LB1110]

DANIELLE HILL: That is set up to provide rental assistance and utility assistance, but the money is very tight. I mean the need is much greater. [LB1110]

SENATOR CAMPBELL: Absolutely. You wanted to, I think, answer Senator Krist's question. [LB1110]

DANIELLE HILL: I did. [LB1110]

SENATOR CAMPBELL: And I think he's nodding. [LB1110]

SENATOR KRIST: Go ahead. [LB1110]

DANIELLE HILL: Oh, okay. [LB1110]

SENATOR CAMPBELL: So if you would, go ahead for the record and answer his question. [LB1110]

DANIELLE HILL: In the process, first the disaster has to occur. You know, it doesn't matter how many months if you were warned about it, it actually has to occur. Then, you have to have the Governor declare it a state disaster first, which can take several weeks. Then, you go on to the federal disaster, and I have no idea how long that takes. But nothing can be done until that happens. I guess in short, this...chronologically, this isn't the first response because it would still be a government program. And DED is not going to take individual applications. Could you imagine the workload that would put on those guys? It would have to be done by the nonprofits that have the experience to do that, so you're still talking two or three months into an issue. It doesn't solve an immediate crisis issue, I guess is what I'm saying. That would be your local fund-raisers, your local community foundations, your church giving. You know, that--it's called unrestricted money--is the only thing that could help with an immediate urgent issue like that, especially if you weren't income eligible to receive assistance in the first place. [LB1110]

SENATOR CAMPBELL: And Senator Krist, did you have a follow-up? I don't want to interrupt. [LB1110]

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SENATOR KRIST: I don't want to be politically incorrect, but in this particular case, you are absolutely correct and it took a long time to get the Governor to declare an emergency even though we knew it was bad. So I'm not making any comments, I'm just saying that when NEMA got involved and we finally got this...the counties to report upstream, it took a while to get things moving and that's the point I was trying to make, is this is not set up to be an immediate action or a long-term...yeah. [LB1110]

DANIELLE HILL: It's not going to be any faster, yeah. [LB1110]

SENATOR KRIST: Thanks. [LB1110]

SENATOR CAMPBELL: Can I just qualify for the record, it's tied to income and, I believe, it's 120 percent, you said, of the poverty level. Of the poverty level? [LB1110]

DANIELLE HILL: No, of area median income. [LB1110]

SENATOR CAMPBELL: Area median income. [LB1110]

DANIELLE HILL: And it can go up to that. It doesn't typically, but the regs do allow for that. [LB1110]

SENATOR CAMPBELL: Okay, that answers that. Other questions? Senator Bloomfield. [LB1110]

SENATOR BLOOMFIELD: Thank you, Senator Campbell. You said you were sitting on roughly \$7 million now, but you have expenditures already out there of around \$14 million. [LB1110]

DANIELLE HILL: Yeah, and... [LB1110]

SENATOR BLOOMFIELD: What is your annual budget, roughly? What do you spend in... [LB1110]

DANIELLE HILL: It's not my budget, but... [LB1110]

SENATOR BLOOMFIELD: Well, whoever's budget. What do you usually spend in a year's time? [LB1110]

DANIELLE HILL: DED projects that the trust fund receipts are about \$600,000 a month. At that level, they only have \$4 million a year to award for new projects. So, for instance, right now, there's about a \$7.5 million balance. There is \$7.8 million out in signed contracts. I'll call them checks, you know, because there is a commitment there.

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And of course, there's always the caveat that in the event that funding isn't available, your contract is worthless. And then there is another \$3.5 to \$4 million...I'm over 50 but... [LB1110]

SENATOR BLOOMFIELD: Aren't we all? [LB1110]

DANIELLE HILL: ...so excuse me. But there is another \$3.5 million that they've been awarded funds because they applied last year, so the applications have been awarded. But then you have to go through your environmental review and this whole process. It's about a nine-month process before you actually get a contract, so there's another about \$4 million that are in that. It's committed, it's awarded, they just don't have a signed contract. So it's about \$4 million - \$5 million overspent right now, and the money that's coming in is what will be available to: (a) pay for what they've already committed themselves to; but (b) have another award process this year. [LB1110]

SENATOR BLOOMFIELD: That was a rather long way of saying we don't have the \$500,000 to transfer. [LB1110]

DANIELLE HILL: I'm sorry. We really...I mean it's there, but really it's not, you know. And we've...when the trust fund has been cut like I said, three years in a row, we've continued to try to tell this story, just don't look at that balance, don't let that play into your decision to put more money into the trust fund or take money out because it's fictitious, it's...you know, it's really not there. The other concern on the bill is that there is...it's in my last paragraph of my written testimony, it takes away...it adds this language that DED doesn't have to monitor what happens with these funds once they issue them. Okay, so a grant...a disaster agency gets the money and spends it any way they want to and DED doesn't even have to go check. I...that's what that says to me. So, although of course we empathize with anybody experiencing that, there are people that deal with homelessness every day and there are people living in substandard housing every day and there are people that are living with family and friends every day. [LB1110]

SENATOR CAMPBELL: Exactly. Thank you, Ms. Hill. I don't see any other questions. [LB1110]

DANIELLE HILL: Thank you. [LB1110]

SENATOR CAMPBELL: Others in the hearing room who would testify in opposition? Those who wish to testify in a neutral position? Good afternoon. [LB1110]

JUSTIN BRADY: Senator Campbell and members of the committee, my name is Justin Brady, J-u-s-t-i-n B-r-a-d-y. I appear before you today as the registered lobbyist for the Nebraska Realtors Association in a neutral capacity. Originally when the realtors met, they voted to oppose this bill and asked me to go in and talk to Senator Brasch and

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members and her office and get some questions and see if there were some things that could be addressed or answered; and to this point, those have been answered satisfactory, so I did not feel that I should be able to come in an opposition role but in a neutral role. Those questions that we raised were, one, some of the timing on how do we...that we didn't want anybody to be given the impression that this was a place they would go for immediate support. I mean this, in all honesty, it would be something that we see happening at the very end after they've gone through all of the other steps that they typically have gone through that if there are, as the senator spoke, some holes that need to be filled, then that's when they would come to this fund to try to fix...fill those holes. The other question we had, and as best you can get a satisfactory answer from FEMA, the question was: Would this jeopardize future federal money? I mean would they look at it and say, hey, since you have this pot of money there for the state, we don't need to step in. As you can imagine, the answer we got was well, it depends. Some states, it's my understanding, like North Carolina, have a similar concept where they have some money set aside and FEMA has still provided relief after hurricanes and stuff, so it does work. Other cases, they've looked at it--with much larger balances than this \$2 million--and have said maybe we aren't going to give you as much or we'll cut back and make you use your own. So that at least was a concern. Due to the fact that that discussion has been had with FEMA, at least with Senator Brasch's office, that we were comfortable saying okay, we can let that...at least bring it up that that's a concern, but it...without an answer saying no, we aren't going to cut off the funding, we were okay with moving forward with this. One, to your question, I think, with the Governor's money, because that was another question we'd talked about, it was at least my understanding that a lot of that didn't end up back, "to individuals for housing," and that's one of the difference that will be between the two funds if you will. And the last thing I'd bring up--and this is more of an ongoing thing--is as the individual who talked in opposition, we, too, are always concerned if there's a balance carried there because then, whenever the state is short of cash, they look at it and say oh look, there's money there, let's sweep that fund, and that would be something that we would hope wouldn't happen. But again, that's...I hate the old camel's nose under the tent argument, so what...I'd come back to you at some point if you guys were looking at stealing that money to say hey, remember that money was set aside for a specific purpose. And with that, I'd try to answer any questions. [LB1110]

SENATOR CAMPBELL: Any questions? Thank you, Mr. Brady. [LB1110]

JUSTIN BRADY: Thank you. [LB1110]

SENATOR CAMPBELL: Anyone else in a neutral position? Seeing no one, Senator Brasch, did you want to close on your bill? [LB1110]

SENATOR BRASCH: Yes, very briefly. And thank you to those who came to testify on this today. I welcome and encourage dialogue. I did want to stress that the original

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intent of the Housing Trust Fund is to provide for assistance for housing. You have the bill in front of you. We do not...we believe we fall within that alignment. And again, we were trying to find homes for people who...you know, after the dorm rooms were no longer an option, and especially children who needed to have shelter, permanent shelter, or at least a school year's worth of shelter. You have the handout in front of you that I gave, is that FEMA does not always give money. I mean they turn down people more often than they approve. And as far as the money that's already currently being, you know, allocated at...I had a hand...must be under here. I must have...okay. Do you have the article on Holdrege in front of you? Oh, right here, I'm sorry. Okay, \$750,000 went specifically to Holdrege for new neighborhood projects, which is wonderful. I mean it's great, but out of this fund and some of those homes were townhomes at \$150,000. Surely we could afford, you know, \$1,000 to give someone an apartment, you know, instead of a town home, you know. I believe it falls under an area that we need some affordable housing, we need some shelters. It is not out of line. We are willing to work on amendments as far as the time lines within, you know, our state agencies. Maybe that's, you know, something that we can work on to look at. But it's correct, there is \$7 million, you know, \$400,000 of money that's not really there, apparently. But it is going to some nice townhomes and communities where all these people wanted was not a handout, but a hand up to get, you know, reestablished. Many of the people I met one-on-one that I stayed with, they were embarrassed to ask. They'd never asked before. To quote one person is he said you know, Senator, I've been always on the giving end. I've donated. Now I've been happy to help those without. And I'm really without and I'm really hurting and, you know, the eye contact wasn't there. And they do need help, we do have a need, and I'd thank you for your consideration or any input. [LB1110]

SENATOR CAMPBELL: Thank you, Senator, for your closing. [LB1110]

SENATOR BRASCH: Thank you. [LB1110]

SENATOR CAMPBELL: We will finish out the hearing on LB1110 and go directly to the hearing for Senator Cook, who kept watching the clock, and I kept watching the clock for her. So, Senator Cook, I'm glad we made it. We should be able to make it for you. [LB1110]

SENATOR COOK: I think so. Thank you very much, honorable members of the Health and Human Services Committee. I am Tanya Cook, that's spelled C-o-o-k, and I am the state senator representing Legislative District 13. I appear before you today as the introducer of LB1027. I introduced LB1027 on behalf of QLI. QLI is an important pillar in my district, our state and our region. They have a campus in my district that specializes in providing complete care and rehabilitation for traumatic brain injury. Their campus is equipped to provide total care and rehabilitation for these life-changing injuries, injuries that can affect people of any age and any background. QLI is uniquely qualified to

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provide the individualized care for people with traumatic brain injury, care that can and does return patients to happy, healthy, and productive lives. LB1027 amends the statute related to qualifications for administering a facility that is operated primarily for caring for persons with head injuries and associated disorders. This statutory section currently only applies to QLI. LB1027 seeks to provide a greater level of adaptability to this important institution while preserving and strengthening qualifications for this administrator's position. Here's what the legislation will accomplish. It broadens the list of credentialed professionals that can qualify as administrators of a facility that is operated primarily for caring for persons with head injuries. Once again, QLI is the only facility currently licensed under this category in our state. Currently, psychologists, physicians, educators and social workers with the requisite experience and credentials are qualified as administrators of head injury facilities. Under this bill, the list of qualified professionals would be expanded to include physical therapists, occupational therapists, and speech pathologists. In addition, other professionals with at least eight years of experience working with persons with head and severe physical disabilities would be eligible under this legislation. These proposed changes will allow QLI the flexibility to choose the best person to lead the facility. QLI has a unique culture and they provide a unique type of care. Currently, the statutory section sought to be amended by the bill only applies to QLI. Because of this, it is my belief that QLI should be offered the flexibility to choose the most qualified and credentialed candidate to fill the position. My hope is that the committee agrees. The testifiers to follow will further outline the need for advancement of LB1027. QLI is with us today to testify about their focus and culture. Additionally, they will outline how the greater flexibility allowed under the bill proposal will assist them in their long-term goal of continuing to provide world-class care for traumatic brain injury. I appreciate your consideration of LB1027, and I thank you. [LB1027]

SENATOR CAMPBELL: Are there any questions for Senator Cook? Thank you, and I'm going to just...oh, did you have a question, Senator Krist? [LB1027]

SENATOR KRIST: This piece of...this statute only applies to QLI? [LB1027]

SENATOR COOK: Yes. That was the first question I asked, too, when it was the...was brought to me, and we asked and asked again and made certain that so far the institution that exists only applies to QLI; and we also examined and analyzed the proposal for potential impact if others were to locate within our jurisdiction. [LB1027]

SENATOR KRIST: Okay, thank you. [LB1027]

SENATOR CAMPBELL: Okay, thank you very much. I'm going to assume you're going to waive closing. [LB1027]

SENATOR COOK: I'm going to have to because I think I'm going to have to drive a little

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bit extra with due to being against the wind. [LB1027]

SENATOR CAMPBELL: Yes, yes. [LB1027]

SENATOR COOK: I've got two community meetings tonight, so thank you very much. [LB1027]

SENATOR CAMPBELL: Well, drive safely. [LB1027]

SENATOR COOK: Thank you very much. [LB1027]

SENATOR CAMPBELL: Okay. [LB1027]

SENATOR COOK: Just like Bob Seger. [LB1027]

SENATOR CAMPBELL: Driving against the weather. All right, first proponent for the bill? Good afternoon. [LB1027]

PATRICIA KEARNS: Good afternoon, committee members. My name is Patricia Kearns, K-e-a-r-n-s, and I am the current president and CEO of QLI. I'm here on behalf of QLI, in favor of LB1027, and Senator Cook certainly did a very...a terrific job of eloquently stating what QLI does, so I don't want to waste your time and repeat anything that she already said. QLI is licensed as a special-needs nursing facility that specializes in the very, very specific niche of providing rehabilitation and long-term care services for individuals with brain injury. You know, I'm sure as you all know, the administrator role is a key role in any nursing facility and for an organization such as QLI that has such a specific niche, it's important that we are able to put the right person in such an important role in order for us to carry out our jobs day-to-day and provide the very best customer service, and so LB1027 simply gives us the flexibility to do that, to put the right person in such a key role. And I guess with that, I thank you for your consideration of this bill and be happy to answer any questions that you have for me. [LB1027]

SENATOR CAMPBELL: Are there any questions? Thank you for coming today. [LB1027]

PATRICIA KEARNS: Okay, thank you. [LB1027]

SENATOR CAMPBELL: Our next proponent for the bill? Anyone else? Okay, those who wish to testify in opposition? All right, those who wish to testify in a neutral position? Seeing no one and Senator Cook has waived closing, we will close the public hearing on LB1027 and that completes our hearings for the day. (See also Exhibit 15) [LB1027]