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Transportation and Telecommunications Committee
February 07, 2012

[LB893 LB894 LB1095]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Tuesday, February 7, 2012, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB1095, LB893, and LB894. Senators present: Deb Fischer, Chairperson; Galen Hadley, Vice Chairperson; Kathy Campbell; Annette Dubas; Charlie Janssen; Scott Lautenbaugh; and Scott Price. Senators absent: LeRoy Loudon.

SENATOR FISCHER: Good afternoon and welcome to the Transportation and Telecommunications Committee. My name is Deb Fischer. I am Chair of the committee, and I am the senator representing the 43rd District here in the Nebraska Unicameral. It's my pleasure to introduce our committee members to you at this time. On my far right is Senator Scott Price who is from Bellevue. Next we have Senator Kathy Campbell from Lincoln. Next is the Vice Chair of the committee, Senator Galen Hadley from Kearney. On my immediate right is Dusty Vaughan who is our committee counsel; on my immediate left is Jonna Perlinger who is our committee clerk. And on my far left is Senator Annette Dubas who is from Fullerton, Nebraska. We will be missing Senator Loudon today. He became ill this morning and won't be able to join us, but Senator Janssen and Senator Lautenbaugh will be in later. Please don't take offense if senators are getting up and coming and going, because they are introducing bills in other committees. Our pages today are Gera Carstenson who is from Lincoln and Alyssa Stokes who is from Omaha. And if you need any assistance with anything, please let them know. We will be hearing the bills in the order that they are listed on the agenda. Those wishing to testify on a bill should come to the front of the room and be ready to testify as soon as someone finishes testifying in order to keep the hearing moving. I ask that you complete the yellow sign-in sheet that is at the on-deck table and have that ready to hand in to our committee clerk when you come forward please. It's very important that you follow the directions on that sign-in sheet because we're using a computerized transcription program. For the record, at the beginning of your testimony, please spell your last name and your first name if it can be spelled in several different ways. And I'd ask that you keep your testimony concise and try not to repeat what someone else has covered. We will be using the light system. We use the light system here in the committee. You have three minutes to testify. When the yellow light comes on that means you have one minute left, and when the red light comes on, please try and wrap up your testimony. If you don't want to testify, but you want to voice your support or your opposition to a bill, you can indicate so at that on-deck table on the sheet that's provided there. That will become a part of the official record of the hearing. However, if you want to be listed on the committee statement, then you need to come forward, state your name and your position on the bill, and then you will be listed on that committee statement. We will accept any comments that you would like to present us in writing, and those will be part of the official record also. At this time I would ask that you please turn off your cell phones. In this committee we do not allow cell phone use; that

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means no texting. And with that I will open the hearing on LB1095, and Senator Larson is here to testify...to introduce his bill, excuse me. Good afternoon, Senator Larson. How are you?

SENATOR LARSON: Thank you, Senator Fischer and members of the Transportation Committee. I'm Senator Tyson Larson, T-y-s-o-n L-a-r-s-o-n, representing District 40, northeast and north-central Nebraska. And today I'm introducing LB1095. LB1095 creates a new license plate designed to be similar to the Beef State license plate formerly used by the state of Nebraska. From 1956 until 1965, Nebraska's license plate included the words "The Beef State" on a simple background. While the traditional Beef State license plate was offered in various colors from year to year, the new version would be black with white lettering. The license plate would be available for any motor vehicle, trailer, semitrailer, or cabin trailer, except vehicles licensed under Statute 60-3,198, which applies to a fleet of vehicles in interjurisdiction commerce. The license plate would cost an individual \$70, like other speciality license plates, like the Husker plate. These fees would be distributed in the same proportions as specialty plates for nonprofit organizations, with 15 percent going to the Department of Motor Vehicles Cash Fund and 85 percent of the fee to the Highway Trust Fund. The Beef State license plate would be available with consecutive numbering or personalized message plates like the Cornhusker Spirit plates. The license plate is one way to acknowledge one of the state's largest industries. Nebraska has over 6 million head of cattle, with a value of over \$7 billion. The beef industry accounts for over 40 percent of Nebraska's agriculture receipts and ranks third in the nation. This license plate is a great way for people with an appreciation for the cattle industry and the agricultural heritage of the state to demonstrate that appreciation. This plate offers an alternative to the other specialty plates available and will likely interest many Nebraskans. I would also like to comment about the fiscal note attached to the bill. These license plates will not be particularly complicated to administer, so while the fiscal note says the DMV needs an additional employee to meet the customer demands, I do not think that would be necessary. For instance in LB216A, which this body recently advanced, the DMV will be appropriated \$26,250 of cash funds for one year to modify the vehicle titling and registration and plate management computer systems to accommodate the new special interest plate. This bill's cost would be similar, and in the long run these license plates will make money for the state of Nebraska. Thank you, and I'd answer any questions if the committee has any. [LB1095]

SENATOR FISCHER: Thank you, Senator Larson. Are there questions? I see none. Thank you very much. [LB1095]

SENATOR LARSON: Thank you. [LB1095]

SENATOR FISCHER: Are there proponents for the bill please? Good afternoon. [LB1095]

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PETE McClymont: Good afternoon, Senator Fischer, members of the Transportation Committee. For the record my name is Pete McClymont, P-e-t-e M-c-C-l-y-m-o-n-t, and I'm vice president of legislative affairs and I'm here to testify in support for my membership's position on LB1095. If I recall correctly, it was five years ago when we had this same effort to try to get this through and so we appreciate Senator Larson bringing this. Not to be redundant, I really appreciate the fact that the monies that will be spent for an individual or a business to get these plates goes to the Highway Trust Fund. I know that's near and dear to this committee, and especially you, Senator Fischer. So with our membership we feel strongly, obviously, as Senator Larson said, being the largest industry in the state. We have nearly 3,000 members and we have, probably, a lot more vehicles than that. So the hope would be that we would promote this to get some traction if this committee advance it out and it was passed. And so as any bill has any questions or things that need to be worked on, I would offer up my membership's ability to work with the committee to try to help pass this and work with you to see it move forward. And so with that, I would end my testimony and be happy to try to answer any questions. [LB1095]

SENATOR FISCHER: Thank you, Mr. McClymont. Are there questions? Senator Hadley. [LB1095]

SENATOR HADLEY: Thank you, Senator Fischer. Mr. McClymont, is this possible right now, especially if you have 750 plates? Because isn't...we passed the bill that said if you have 500 you can get a special plate right now. So wouldn't this be redundant given what we've already passed in the body? [LB1095]

PETE McClymont: My understanding is, I concur with what your comment is, so. And to that, not only we are a nonprofit, being Nebraska Cattlemen, but we also have a foundation. So whether we work this possibility that you've alluded to through our foundation or our regular association, we would be happy to do that with the committee, and Director Neth as well, so. [LB1095]

SENATOR HADLEY: Okay, thank you. [LB1095]

SENATOR FISCHER: Thank you, Senator Hadley. Other questions? I see none. You know, when you have cattle and the Highway Trust Fund, how can you go wrong, right? [LB1095]

PETE McClymont: I would agree. [LB1095]

SENATOR FISCHER: Thank you, Mr. McClymont. Are there other proponents for the bill, please? Other proponents? Are there any opponents to the bill? I see none. Anyone wishing to testify in the neutral capacity? I see none. Senator Larson, would you like to

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close? Senator Larson waives closing. With that I will close the hearing on LB1095 and open the hearing on LB893. And welcome, Senator McGill. [LB1095]

SENATOR MCGILL: Hi. I think I blinked and missed that first bill. Good afternoon, members of the Transportation Committee. I don't get to be here very often, and I didn't even know who all was on the committee for sure, so it's exciting to be here. I bring to you LB893, a bill that creates the Nebraska Armed Forces Pride Plates. Every day those who serve or have served our country and protected our great nation walk among us yet we don't always know who they are, and this bill provides us a greater opportunity to recognize our heros. A Nebraska resident and retired Marine brought a concern to me during the interim about using military specialty license plates in Nebraska and the inability to go through the process that is already in place in order to create some of these plates. This individual, who is here and will testify, after gauging interest from other Marines in the area, requested the Department of Motor Vehicles issue a license plate bearing the Marine Corps symbol. The U.S. Marine Corps, however, would not allow the Nebraska DMV to use these symbols without a statute that requires proof of honorable service. LB893 seeks to correct this issue by requiring that the plates shall be issued upon payment of the license fee and upon furnishing proof to the Department of Motor Vehicles that the applicant is honorably serving or has honorably served in a specific branch of the military. So the Marines won't allow for their logo to be used because right now I could go in and apply for one of these license plates if that existed. And while my grandfather is a retired Marine, I don't think I deserve to have that sort of license plate. And also in LB893, it provides that the Nebraska Armed Forces Pride Plates can be issued to Army, Navy, Marine Corps, Coast Guard, Air Force, or Nebraska National members or veterans. LB893 will make specialty license plates available to a larger number of members of the military and will make these plates available to those that are currently serving. All current military license plates available in Nebraska are for veterans or families of veterans. The bill also creates the Nebraska Armed Forces Pride Plates Fund, and the fund shall consist of fees collected through issuance of plates and this fund will support operations, maintenance, and quality of life improvements in Nebraska veteran homes. Other military license plate fees are credited to the Nebraska Veteran Cemetery System Operation Fund, and I think the veteran homes are another appropriate place for funds to be credited. Veteran license plates identify individuals who have provided service to this country and are a symbol of gratitude of the general public. LB893 allows our state to express this type of gratitude to more veterans and to members of the military who are currently serving. And with that I would take questions. But again, my primary purpose with this bill is to overcome that hurdle of having some sort of verification that someone was honorably discharged or has been in the service. And I know Senator Price and I have talked about some other ways to get around that. But that is why I'm here today and bring this bill. [LB893]

SENATOR FISCHER: Thank you, Senator McGill. Are there questions? Senator

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Janssen. [LB893]

SENATOR JANSSEN: Thank you, Chairman Fischer. Thank you, Senator McGill. Welcome. [LB893]

SENATOR MCGILL: Um-hum. Hello. [LB893]

SENATOR JANSSEN: You had mentioned that the Marine Corps didn't allow their logo to be used, and I'm sorry, I should have talked to you about this beforehand. [LB893]

SENATOR MCGILL: That's okay. [LB893]

SENATOR JANSSEN: Any of the other branches, did they have issues with that, or is it just the Marine Corps specifically? [LB893]

SENATOR MCGILL: I haven't checked with them. And it's the gentleman behind me who actually was the one who reached out, since he's a Marine. But that's something I can look into about further problems. I would assume that they want to make sure that the plate is only being used by someone specific. [LB893]

SENATOR JANSSEN: Well, I can certainly understand that. Do you think...and it's probably in the bill, and I apologize, I'll just ask you. [LB893]

SENATOR MCGILL: It's okay. [LB893]

SENATOR JANSSEN: The burden of proof, is it a DD 214 or is it a... [LB893]

SENATOR MCGILL: And that is what we would intend, yeah. And I'd have to go back and shuffle through there, but that's what...I've never been in the military, so I don't know what the best form is. And so I'm hoping we can all work together to figure out what that best form of... [LB893]

SENATOR JANSSEN: And would it be based on honorable discharge, not...is that what it's based on? [LB893]

SENATOR MCGILL: Yes, yeah. [LB893]

SENATOR JANSSEN: Okay. Thank you. [LB893]

SENATOR MCGILL: All right. [LB893]

SENATOR FISCHER: Thank you, Senator Janssen. Senator Campbell. [LB893]

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SENATOR CAMPBELL: Senator McGill, I'm going to show my ignorance here, but if somebody brings in the piece of paper, and maybe Senator Price or the gentlemen that are following, but then is there some national database that we verify that paper against? [LB893]

SENATOR MCGILL: I honestly don't know the answer to what... [LB893]

SENATOR CAMPBELL: Okay, I'll ask. [LB893]

SENATOR MCGILL: ...that best process is. And I know the DMV is here also to testify neutrally about the bill and they can probably elaborate more on what they currently do, because I know they understand the problem; it's just trying to work through the logistics of how to best do that. [LB893]

SENATOR CAMPBELL: Because I'm assuming that most of the veterans would keep any of those papers. [LB893]

SENATOR MCGILL: Oh yeah. [LB893]

SENATOR CAMPBELL: I know my husband has those papers. But I'm just thinking, you know, if somebody didn't have them if there was some national database. [LB893]

SENATOR MCGILL: Or in terms of someone who may be falsifying documents. I don't know why someone would do that, but people do all kinds of crazy things I don't understand. [LB893]

SENATOR CAMPBELL: I don't know why they would. I'll ask the follow-up, so thanks. [LB893]

SENATOR MCGILL: All right, thank you. [LB893]

SENATOR FISCHER: Thank you, Senator Campbell. Other questions? I see none. Thank you so much. [LB893]

SENATOR MCGILL: Thank you. [LB893]

SENATOR FISCHER: First proponent for the bill, please. Good afternoon. [LB893]

JONATHAN SCHWARZ: Good afternoon. Senator Fischer, honorable senators of the Transportation and Telecommunications Committee, my name is Jonathan Schwarz, J-o-n-a-t-h-a-n, last name S-c-h-w-a-r-z, and I'm a Marine Corps veteran with 23 years of service to our country. I come before you in support of LB893 which provides for the Nebraska Armed Forces Pride Plates. Senator McGill, thank you very much, has

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already told you pretty much about the bill, so I'm just going to skip a little bit through my prepared remarks. I believe this legislation completes what your predecessors started with the passage of bills that allow for license plates to provide special recognition for our Pearl Harbor survivors, Purple Heart recipients, Prisoner of War veterans, as well as our Gold Star Mothers. During this past football season I heard a story about a Navy Seal who came and talked with the Husker football team about leadership, honor, courage, and commitment. He talked about his experiences in Afghanistan, and the team came to realize that there is more to life than just football. When he ended his presentation, he handed them the flag he had carried in his combat tour. That flag, Senators, led our Huskers onto the field at every game this past season. I personally believe that all Nebraskans who support our Armed Forces would support this legislation, and I believe all who call themselves Cornhuskers or Cornhusker fans would too. Thank you for your time, and I will try to answer any questions you may have. [LB893]

SENATOR FISCHER: Thank you, Mr. Schwarz; and thank you for your service, sir. [LB893]

JONATHAN SCHWARZ: Thank you. [LB893]

SENATOR FISCHER: We truly appreciate it. [LB893]

JONATHAN SCHWARZ: Thank you. [LB893]

SENATOR FISCHER: Are there questions? Senator Price. [LB893]

SENATOR PRICE: Mr. Schwarz, thank you. And again echoing, thank you for your service. Your DD form 214, that's what you were given on discharge, correct? [LB893]

JONATHAN SCHWARZ : That is correct. [LB893]

SENATOR PRICE: Do you have a copy of that? [LB893]

JONATHAN SCHWARZ: I have the original and then a copy is registered with the county clerk here in Lancaster County. [LB893]

SENATOR PRICE: So you did take advantage of having your DD form 214 put at the county courthouse. [LB893]

JONATHAN SCHWARZ: Yes, I did. [LB893]

SENATOR PRICE: Thank you. [LB893]

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SENATOR FISCHER: Other questions? Senator Campbell. [LB893]

SENATOR CAMPBELL: Mr. Schwarz, I too would add my thanks to your service. Do you think that that's...you know, if someone has lost the original, or whatever, if they gave it to the courthouse, obviously there would be a place to verify that. [LB893]

JONATHAN SCHWARZ: Yes, ma'am. [LB893]

SENATOR CAMPBELL: And is there any other place that it would be verified... [LB893]

JONATHAN SCHWARZ: Yes, ma'am. [LB893]

SENATOR CAMPBELL: ...or if someone lost it. [LB893]

JONATHAN SCHWARZ: Yes, ma'am. [LB893]

SENATOR CAMPBELL: Okay. [LB893]

JONATHAN SCHWARZ: For the Marine Corps, they can write to Kansas City and the records department there can get them a certified copy. I'm not sure as far as the other services, but I do know for the United States Marine Corps it's in Kansas City. [LB893]

SENATOR CAMPBELL: Okay. And they can return a certified copy to you? [LB893]

JONATHAN SCHWARZ: Yes, ma'am. [LB893]

SENATOR CAMPBELL: Thank you. [LB893]

SENATOR FISCHER: Thank you, Senator Campbell. Other questions? I see none. Thank you, sir. [LB893]

JONATHAN SCHWARZ: Thank you, ma'am. [LB893]

SENATOR FISCHER: Other proponents, please. Good afternoon and welcome. [LB893]

JOHN FAZ: Good afternoon, Senator. Ladies and gentlemen of the Transportation Committee, thank you very much for taking the time. I am John L. Faz, F-a-z, and here representing the Marine Corps League as a commandant. It's a local title; not the commandant. And I would initially like to begin to bypass anything else that I had prepared in that stating that currently the organizational plate did not work for the Marine Corps as testified to by Senator McGill. However, I'm here to say that in the event we get this plate to pass, with 150,000-plus veterans currently in Nebraska, not

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counting the active duty, the reserves, National Guard, would probably put us close to 200,000. We are looking for a \$5 fee on top of everything else. But if we...if this plate would authorize a personalized plate, we would have a \$40 fee, which I agree with. If 10 percent of the 200,000 were to purchase that plate, we would be talking figures over \$600,000, minimum; that's 10 percent of the group, which I think you'll find. So I think there's a great revenue possibility there for the state, so I ask you for that. Now as far as the military part of it, as a Army veteran '75-78, Marine Corps veteran '84-2001, and reactivated 2004-2005, it is difficult for me, I know I have a couple of veterans here, I don't have to explain anything to you, but it's difficult to explain to civilians in any field what it's like to be in the military, a veteran, to be proud. You see the stories and you hear the movies, and not to offend anybody, but that would be like asking my wife how painful childbirth is. She can't explain it to me. I would never understand. I don't want to understand. But if I had a female veteran and I said, hey, Staff Sergeant, how painful is childbirth? She'd say, well Gunny, remember back in boot camp that first week? I said, yeah, I remember that. She said, well, it's about twice as bad as that. Like oh my goodness. You know, now I understand. (Laughter) I got something I can relate it to. Okay. And for that reason I have, through information I have gathered in my past, I recalled there is a gentleman, he has passed us, his name is Michael Mansfield...Michael Joseph Mansfield. He was born in 1903, I believe, I have my notes here, and passed away in 2001. All of you senators, public servants, can relate to him. He was elected to the House of Representatives from Montana in 1942; he served the following 46 years in public service. He is the longest Senate Majority Leader in history under...I'm sorry, I don't know the Presidents, but he served four terms as senator. And he reported to President Kennedy on Vietnam, he disagreed with Vietnam; he was a Democrat, and he reported to President Nixon. He introduced the Civil Rights Bill, and he was the U.S. ambassador to Japan from 1977 to 1988. And he was a recipient of the Presidential Medal of Freedom. Outstanding gentleman. But what I didn't tell you yet was that he was also pretty feisty. At age 14 he joined the Navy. He did two tours and they found out how old he was so they kicked him out. At age 15 he joined the Army. Well, they kicked him out. At age 17 he legally joined the Marine Corps and he served two years with the Marines. After 46 years of service, with very little time in service, he is now buried at Arlington Cemetery and his headstone reads: Michael Joseph Mansfield, Private, United States Marine Corps. That's all I have. Are there any questions, ladies and gentlemen? [LB893]

SENATOR FISCHER: Thank you, sir. Thank you for your service. [LB893]

JOHN L. FAZ: Thank you, ma'am. [LB893]

SENATOR FISCHER: Are there questions? I see none. Thank you very much. [LB893]

JOHN L. FAZ: Could I address a question that she has about the... [LB893]

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SENATOR FISCHER: We don't have you address questions to us. [LB893]

JOHN L. FAZ: Okay, all right. [LB893]

SENATOR FISCHER: Did you have information to offer on a... [LB893]

JOHN L. FAZ: Yeah. Well, along the lines that she was asking. [LB893]

SENATOR FISCHER: Okay, please sit down. [LB893]

JOHN L. FAZ: This is a fishing license for life that I got from the state of Nebraska, and the only way you can get it is you go to the Veterans Administration and they give you a piece of paper and you take it to Game and Parks and they give you this. So it's very simple to verify it through the VA that you were a veteran. [LB893]

SENATOR CAMPBELL: Thank you. [LB893]

JOHN L. FAZ: Yes, ma'am. [LB893]

SENATOR FISCHER: And thank you, sir. [LB893]

JOHN L. FAZ: Thank you, Senator. [LB893]

SENATOR FISCHER: Next proponent, please. Are there other proponents? [LB893]

EDWARD SCHNABEL: I wasn't going to speak, but I will. [LB893]

SENATOR FISCHER: Good afternoon and welcome. [LB893]

EDWARD SCHNABEL: Thank you. Ed Schnabel, S-c-h-n-a-b-e-l, here in Lincoln; past commander of Post 3, American Legion here in Lincoln, at one time it was the world's largest American Legion post; now number 3. I don't fall into any of the categories that gets special plates. I'm not a DAV member, Gold Star, or any of that, but I would like to have a plate that honors my service in the United States Army. Then so would all...there's tons of us veterans that do not qualify. And to answer Mrs. Campbell's, St. Louis, the depository will send you back a certified copy of your DD 214 with a seal on it saying it's been certified, so anybody that wants one would have no problem being able to document that they have honorable service. That's all I have to say. [LB893]

SENATOR FISCHER: Thank you, sir. And thank you for your service too. [LB893]

EDWARD SCHNABEL: Thank you. [LB893]

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SENATOR FISCHER: Are there questions? My father was a member of the American Legion here in Lincoln, and that's where I first joined as an Auxiliary member, so...in fact, my wedding reception was there 40 years ago (laughter), at the old one on O Street, the big one there. [LB893]

EDWARD SCHNABEL: We wish we still had it. [LB893]

SENATOR FISCHER: You bet. You bet. I grew up there, so. Nice to see you. [LB893]

EDWARD SCHNABEL: I'm a life member of the VFW and the American Legion, so. [LB893]

SENATOR FISCHER: And thank you. [LB893]

EDWARD SCHNABEL: Again, thank you for your service. [LB893]

SENATOR FISCHER: And thank you very much. Are there other proponents, please? Good afternoon. [LB893]

CRAIG STRONG: (Exhibit 1) Good afternoon. Good afternoon, Chairman Fischer and members of the Transportation and Telecommunications Committee. I am Lieutenant Colonel Craig Strong, C-r-a-i-g S-t-r-o-n-g. I'm a member of the National Guard Association of Nebraska and I'm representing our membership, which includes all commissioned officers and warrant officers of the Nebraska Army and Air National Guard and a large number of retired officers as well. At their request I'm also representing the Enlisted Association of the Nebraska National Guard, whose membership includes a large number of retired and enlisted members of the Nebraska National Guard. It's not well-known, but today's Nebraska National Guard is nearly 5,000 members strong. Let me simply tell you why we support the intent of the bills before the committee today, specifically LB893. To begin with, our membership has long sought the opportunity to proudly display license plates bearing testimony to their honorable service to our great state and nation. Actually, our research indicates that one of the prime motivators for continued service and retention within the Nebraska National Guard is honor, pride, and support of our citizenry. These are, indeed, intangible factors that you cannot necessarily put a price tag on. These license plates clearly align with building and maintaining the sense of pride and honor, along with symbolizing the state's support for those who have served or are serving in the Nebraska National Guard. Thus, we believe these license plates will have a direct positive relationship on retention of our soldiers and airmen. Next, these bills, or this bill, provides a revenue neutral solution for allowing honorably serving members and veterans to proudly display their service to the state and our nation without being hindered by a minimum threshold for the creation of the plate. Moreover, these bills do the right thing by limiting the eligibility for the plate to those citizens who can

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demonstrate honorable service. Finally, I'm continuously asked, for probably the last 10 years, by our membership as to why they see so many military pride license plates on vehicles from other states, yet Nebraska is unable to reasonably accommodate the issuance of these plates for its honorably serving service members and veterans. By the end of this legislative session, I look forward to letting our membership know that Nebraska has now joined the ranks of those states that provide for this well-deserved display of honorable service to our great state and our country. This bill is extremely worthy of your support and I urge you to vote in favor of LB893. [LB893]

SENATOR FISCHER: Thank you, sir. Are there questions? I see none. And thank you for your active service. [LB893]

CRAIG STRONG: All right. Thank you. [LB893]

SENATOR FISCHER: We appreciate it. Next proponent, please. Any other proponents to the bill? Good afternoon. [LB893]

MICHAEL McCONNELL: Good afternoon. Senators, it's a privilege to talk to you. My name is Mike McConnell, M-c-C-o-n-n-e-l-l. I was in the Marine Corps, 1968 and '69. I don't have too much to say, I'll make it short and sweet, but I support this bill. I think it's a very good idea. It certainly would be an honor to have that plate. And I've seen several states, like Kansas, they have the same honoring the military. So, thank you very much for your time. [LB893]

SENATOR FISCHER: Thank you, sir. Appreciate you coming forward, and appreciate your service to your country and all of us. [LB893]

MICHAEL McCONNELL: Thank you. [LB893]

SENATOR FISCHER: Any questions? I see none. Thank you very much. [LB893]

MICHAEL McCONNELL: Thank you. [LB893]

SENATOR FISCHER: Are there other proponents to the bill? Any other proponents? Any opponents to the bill? I see none. Anyone wishing to testify in the neutral capacity? Good afternoon, Director. [LB893]

BEVERLY NETH: (Exhibit 2) Good afternoon, Chairwoman Fischer and members of the committee. I am Beverly Neth, B-e-v-e-r-l-y N-e-t-h, director of the Department of Motor Vehicles. I'm appearing before you today to offer technical comments on LB893 by providing you with information regarding some of the technical issues and impact of the Armed Forces Pride Plate on the plate issuance process. LB893 provides for the issuance of the Nebraska Armed Forces Pride license plates in this state. This bill

provides for the development of plate designs to reflect six branches of the military: Army, Navy, Marine Corps, Coast Guard, Air Force, and Nebraska National Guard, and the categories of active duty, veteran, reservist, or retired. This bill provides for a numeric plate option and a message plate option. As written, the bill will require the development of 48 new license plate designs. Those 48 plate designs translate into 120 plate types. The plate types that you're probably most familiar with: farm plate, commercial plate, trailer plate, passenger, motorcycle, etcetera. The DMV's existing Vehicle Titling and Registration system, known as VTR, will require extensive programming to accommodate the intent of the bill. The bill also requires DMV to consult with a number of organizations in the design of the plate. The license plate design involves understanding the parameters of statutory requirements, design limitations, copyright infringement, the technical process of plate production, and cost limitations. While LB893 does address the cost limitations, it does not give the DMV clear control over the plate design and may create needless conflict among the DMV and various organizations. LB893 requires the issuance of consecutively numbered plates. This statutory requirement is a growing concern for the department. The proliferation of toll roads across the country and the advent of the electronic tolling processes highlights the need to move away from multiple plate types with seemingly the same numerical sequence. Currently, at least 18 different plate types can appear to have the same plate number. Toll collection agencies across the country use the Nebraska vehicle data to aid in the collection process. We have worked closely with many of those toll companies over the past few years to train them as to the specific plate types and the need to carefully review the specific vehicle data, which is often a photo of the vehicle, before the toll citation is issued. We have been able to limit the number of incorrectly issued toll citations, but not eliminate it. The numbering sequence proposed in LB893 will exacerbate the problem. Under LB893, the Armed Forces Pride Plate is limited to members of the Nebraska National Guard. The requirement seems to be an unnecessary limitation and does not accommodate for people moving from state to state. A veteran guardsman of any other state's National Guard who lives in Nebraska would not qualify under this limitation. LB893 also requires a plate holder to surrender the plate to Nebraska upon receipt of permanent change of station order. The DMV has no way of knowing when military individuals receive orders, so it would be impossible for us to police. We also believe it would create a hardship for military members who would be required to surrender the plate before titling and registering their vehicle in another state. LB893 provides the Nebraska Armed Forces Pride Plate creates an eligibility standard. This will require the DMV to develop some system to screen applicants for eligibility. An eligibility requirement would remove these plates from the on-line ordering process and add a burden to both the customer and the DMV. LB893 does not include a historical vehicle registration statute, specifically 60-3,130.04(4) which prohibits the use of specialty plates as historical plates. Given the volume of programming and plate design associated with this bill, the DMV believes it would be difficult to implement provisions of LB893 with an effective date of January 1, 2013. I'd be happy to answer any questions you might have, Senator. [LB893]

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SENATOR FISCHER: Thank you, Director. Are there questions? Senator Price. [LB893]

SENATOR PRICE: Thank you, Senator Fischer. Thank you, Director. And thank you for bringing out the salient points that concern you. But in looking at what other states have done, you're not saying this is an insurmountable task, in how the prevalence of it in other states, correct? [LB893]

BEVERLY NETH: Oh, absolutely not. It's not an insurmountable project, no. [LB893]

SENATOR PRICE: Okay, great. And the other question I have, when we talk about the VTR here and the titling, do we have to deal with the VTR issues on any specialty plates? Because we did pass that bill where we just talked about if the beef folks want to come in and they want to order 5,000 plates, I mean you're going to have to do the VTR there. If the program cost is built into that request, is why we have that level of requirement, do you have to come up with a certain number of plates before you'll get it to help with that VTR cost? [LB893]

BEVERLY NETH: No. The issues with the VTR really stem from the fact that it's approaching its thirtieth anniversary. It is...when it was built, it was built in three separate silos really. The treasurers were involved, the clerks were involved, the assessors were involved. Over the years we've dropped both the clerks and the assessors out of the process. We now have the treasurers in the process. It has structural limitations associated with it. And primarily, our issue with the new plates coming out this year, and frankly what we're going to see very quickly in the organizational plate program that currently exists, is that we deal with plate types in programming through tables. We have a certain amount of tables that VTR can accommodate. We are fast approaching the total span of those tables that are available. So we'll be undertaking, with the passage of any of these, a large reprogramming project that would require us to expand the available tables to DMV, a very large expansion with this one, because it would be essentially at least another 120 plate-type tables that would have to be expanded to meet. So you see, in both this bill and the Beef State bill, we did include programming. It's the same programming, but because we don't know which bill passes, we have to include that programming cost in all bills that would be associated with this. So it's a one-time programming that will be used to expand the VTR. [LB893]

SENATOR PRICE: Right, and that's my point, a one-time program fee which can be met...that threshold can be met by any one of a number of things that are currently available. If you had a group come in and say we want 5,000 plates of some sort, you'd have to do the same thing, wouldn't you? [LB893]

BEVERLY NETH: Well, under the organizational plate we still have enough plates

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available in the table. This bill really tips us over. What we tried to do with the Beef State bill is saying if there is another movement towards expanding plate options for people, now is probably the time for us to do that rather large programming. There is essentially, I think it is safe to say, no bill that affects VTR, that affects vehicle and titling that doesn't require some programming. It's just the extent of the program. This particular program, it is in excess of 300 hours, which is a large project. [LB893]

SENATOR PRICE: So then, finally then, are you saying that there is no programmatic effort to undertake and refresh of our VTR system? We're going to go for 70 years under this certain one? Are we going to have a...do we have a program refresh rate out there for this? [LB893]

BEVERLY NETH: Well, Senator, if you've been around, I don't think there's been a bill that hasn't had huge impact that I haven't said we need a new VTR system. I've been saying it for probably eight years. It is a very large project. It is a very costly project, somewhere between \$10 million to \$20 million to replace our existing VTR. I think we have to decide when is the timing right for that kind of systems replacement. But we are fast approaching any kind of useful life span for the existing VTR system. It is old technology. It is written in COBOL language which there are hundreds of millions of lines of COBOL, but it's not taught anymore. I mean, there are just a lot of limitations associated. And because of the way it was originally programmed with the three silos and the lowering of those silos, my programmers tell me it's like spaghetti if you try to get in there and try to do something. So, technically it's a system that is, you know, it really...we need to look at it very seriously for replacement; it's an issue of how do we find the financing for that replacement at this point. [LB893]

SENATOR PRICE: All right, thank you so much. [LB893]

SENATOR FISCHER: Thank you, Senator Price. Senator Campbell. [LB893]

SENATOR CAMPBELL: Director Neth, thank you for your detail with regard to the bill which gives us some idea of what you would face. Have any of the other states that have a plate like this had it in a more simple form than what might be proposed here? [LB893]

BEVERLY NETH: Well, it depends on which states you look at. There are a lot of states that have gone to simply a veteran plate that would recognize service, whether that be adequate enough to accommodate someone who is in active military duty. You could look at a combination of an active plate and a veteran plate. But then if you look at a state like Virginia that has, I don't know, unlimited number of plates really, they accommodate nearly any kind of plate design you want. I did have a conversation with my counterpart in Virginia asking them how they do that. And it is, essentially, one person who works with the organization to do the plate design. But a plate design in

Virginia takes upwards of nine months. We're able to design...have been able to design the organizational plates within the span of less than a month, and that's start to finish. Really once you become a certified organization, we're able to put together a comprehensive design for those organizations. And we have several of those. We have the...it's escaping me...certainly the Shriners qualify. They were the first organization to qualify. We designed a plate for them, they have not met their threshold. Creighton University plate, and met their threshold; there are over 900 plates currently active in that program. The "Donate Life" plate has been designed and that organization is accepting applications at this time. Union Pacific has a plate that they will be celebrating their 150th anniversary. There will be, I'm assuming, won't be hard for them to reach their threshold. We're working with the Girl Scouts right now to design their plate. We have a number of organizations who have come through the process who are ready, willing, and able to put those plates out there. So, we're able to do it and, currently, we're able to do it in a pretty straightforward fashion, but we're to the point...right now, the administrator of the division is the one who is working that plate design, and I've said, I think I need your services in other areas. So, we're really looking at someone who would be responsible for that kind of plate designing. That's where the FTE in this comes from. [LB893]

SENATOR CAMPBELL: And I'm just going to follow up with that, but in those plates, part of I think the consternation that has come forward here is that in those plates you don't have to have anyone who is checking whether they are in Girl Scouts or Creighton or whatever, and I think that's part of what we've heard in this bill is that they want to make sure that whoever that person is. Well, that takes some checking and some staff time, I'm assuming... [LB893]

BEVERLY NETH: Yes. [LB893]

SENATOR CAMPBELL: ...to do that. And I think that's what they're asking here which may be different than the other plates. [LB893]

BEVERLY NETH: It certainly is. Once the organization has been certified under the existing statute, that plate is open to anyone, once they've met their 500 threshold. So anyone can get it. And I do understand that the reasoning for the eligibility requirement. I would just state that, even if...I just want to put some little...I don't know, I'm not trying to throw cold water on the party, because I definitely think this is a plate...I can't tell you how many times I've been before the committee talking about this kind of plate. I know there is a desire to have this plate. But even if there exists a national database of honorably discharged veterans and active military, we don't have access to that database. I can't do that kind of verification back to a database that doesn't allow links into it. Right now, I'm not aware of any DMV that has a link to any kind of military database. We have links in our driver licensing system, through our AAMVAnet, through our Pointer System, to Social Security, and SAVE, and soon we'll have a passport link

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and we have those number of things. But on the vehicle side, there is not a network or a mechanism for us to link to an existing database. And that is technically a difficult process and one that the database would also have to allow that and engage in programming to allow that kind of a link to it. So, it would be a paper process right now and it would probably remain a paper process for years to come, would be my guess. And I don't think you want to underestimate the fact that people do do fraudulent documents. We've had more than one time where we've investigated someone who has provided fraudulent Purple Heart papers to us and people say that guy does not have a Purple Heart. We've done the investigation which takes months to get the Veterans Affairs to give you information, and ultimately have taken some Purple Heart plates away from people. But it does happen, so it's not a foolproof that documents won't be counterfeited or fraudulently provided to the department. It's unfortunate, but I would guess it probably would happen. [LB893]

SENATOR CAMPBELL: Thank you. [LB893]

SENATOR FISCHER: Thank you, Senator Campbell. Other questions? I see none. Thank you very much. [LB893]

BEVERLY NETH: Thank you. [LB893]

SENATOR FISCHER: Anyone else wishing to testify in the neutral capacity? I see none. Senator McGill is not here so we'll assume she has waived closing. So we will close the hearing on LB893 and open the hearing on LB894. And I believe Senator McGill's legislative aide is here to introduce the bill. Good afternoon. [LB893]

AMY WILLIAMS: Good afternoon. Members of the committee, Senator McGill did have to step away to another hearing in the Appropriations Committee, I apologize. My name is Amy Williams, A-m-y W-i-l-l-i-a-m-s, and I am the legislative aide to Senator Amanda McGill, here today to introduce LB894. And this bill provides that a spouse of a survivor of Pearl Harbor, prisoner of war, disabled veteran, or Purple Heart recipient may continue to use or apply for a military specialty plate after the death of a veteran. The sacrifices made by a military spouse are, to say the least, difficult to quantify. Some of these sacrifices include loss of personal income, disruption and change in family hierarchy, interruption of special family celebrations and holidays, emotional anguish, and loss of companionship. We owe these individuals a tremendous amount of gratitude, and LB894 is a step in the right direction. It is unfair to force someone to have to return a specialized plate that they've shared with their husband or wife after the recipient passes, and that's what occurs under the current statute or the current state of the law. Particularly while they're mourning the loss of their spouse, this adds insult to injury. Military plates have sentimental value to some surviving spouses and it is simply too much to ask that they give these things up. Senator McGill wishes to honor and thank all family members of those who serve the nation in all branches of the military,

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past, present, and future, and LB894 is a small way to recognize the tremendous sacrifices made by the Nebraska military spouses and the foundation of support these spouses provide to our military personnel. Thank you and I will be happy to answer any questions. [LB894]

SENATOR FISCHER: Thank you, Ms. Williams. Are there any questions? Senator Hadley. [LB894]

SENATOR HADLEY: Senator Fischer. Ms. Williams, if the surviving spouse remarries, they continue to keep the plate then? [LB894]

AMY WILLIAMS: That would be what the bill proposes, yes. [LB894]

SENATOR HADLEY: I guess the only concern I have, we just heard the last bill where people were so proud of being...that the plate identified them as a member of the armed services, I guess I just have a concern thinking that it's the spouse now who is...the surviving spouse is driving the car with the plate on, so is there a misconception that this person is the disabled veteran... [LB894]

AMY WILLIAMS: Sure. [LB894]

SENATOR HADLEY: ...who is driving the car and it turns out, not to diminish the surviving spouse, but we just heard a bill where it seemed like the emphasis was on the person being a member of the military, or having been a member of the military, and being honored by having that plate. So I just throw that out more as a comment than a question. [LB894]

AMY WILLIAMS: Sure. I'd be happy to share that concern with Senator McGill. [LB894]

SENATOR FISCHER: Thank you, Senator Hadley. Other questions? I see none. Thank you very much. First proponent, please. Any proponents for the bill? Good afternoon and welcome. [LB894]

CRAIG STRONG: (See Exhibit 1) Good afternoon. Again I'm Lieutenant Colonel Craig Strong, representing the National Guard Association of Nebraska, just speaking in general support of LB894. Just looking at extending this recognition to the spouse is only duly fitting for military member. I will just...from a personal experience, from my deployments it is definitely a...my wife was part of that deployment and I would expect and feel honored for her to carry on that legacy after my...if I was to depart before her. I think that's a generally held consensus of all military members that it is a...that spouse is part of the military family and military member. I understand the concern that would that be misrepresenting who that person definitely is. I can't prove that one way or another. My general sense is that it would be accepted by the spouse, but is that a false

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representation. I don't know if I can cleanly answer that. But in general, I think looking at even to verification of this, and maybe it goes back a little bit to LB893, is I would just suggest that that certification occur by the VA rep in the courthouse who could then...so the DMV would not have to require access to a database that could be certified by the veterans affairs representative at the court or at the county level, so. With that, I ask for your support of LB894. Thank you. [LB894]

SENATOR FISCHER: Thank you, sir. Are there any questions? I see none. Thank you very much. [LB894]

CRAIG STRONG: Thank you, Senator Fischer. [LB894]

SENATOR FISCHER: Other proponents for the bill. Any other proponents? Any opponents to the bill? Anyone wishing to testify in a neutral capacity? Seeing none, Senator McGill isn't here, so we will waive closing and that closes the hearing on LB894 and closes the hearings for the day. [LB894]