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Appropriations Committee
March 13, 2013

[LB492]

The Committee on Appropriations met at 1:30 p.m. on Wednesday, March 13, 2013, in Room 1003 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB492. Senators present: Heath Mello, Chairperson; John Harms, Vice Chairperson; Kate Bolz; Danielle Conrad; Bill Kintner; Tyson Larson; John Nelson; Jeremy Nordquist; and John Wightman. Senators absent: None.

SENATOR MELLO: Good afternoon and welcome to the Appropriations Committee. My name is Heath Mello. I'm from south Omaha, representing the 5th Legislative District and Chair of the Appropriations Committee. I'd like to start today off by having members do self-introductions, starting with Senator Kintner.

SENATOR KINTNER: I'm Bill Kintner from Legislative District 2, which is south Sarpy, Cass County, and just a little bit of Nebraska City.

SENATOR NORDQUIST: Jeremy Nordquist from District 7, downtown and south Omaha.

SENATOR MELLO: Sitting next to Senator Nordquist is Senator John Nelson, representing the 6th Legislative District in central Omaha.

SENATOR HARMS: I'm John Harms, represent the 48th District, Scotts Bluff County.

SENATOR WIGHTMAN: John Wightman, District 36, Dawson, Custer, and part of Buffalo County.

SENATOR MELLO: Sitting next to Senator Wightman is Senator Danielle Conrad, representing the 46th Legislative District in north Lincoln.

SENATOR BOLZ: Senator Kate Bolz. I'm proud to represent south-central Lincoln and District 29.

SENATOR MELLO: Sitting next to Senator Bolz is Senator Tyson Larson, representing the 40th Legislative District in northeast and north-central Nebraska. Assisting the committee today is Anthony Circo, our committee clerk, and Jacob Fricke, who is a junior at Nebraska Wesleyan and is our committee page. Sitting to my left and your right is Mike Lovelace, one of our multiple fiscal analysts for the afternoon. And in the corner of the room you'll see some yellow forms. If you're planning on testifying today, please fill out the form in its entirety. It helps us keep an accurate record of the hearing. When you come up to testify, please give Anthony the yellow sheet or Jacob will get it to Anthony. When you sit down, please tell us who you are and spell your first and last name for the public record. If you have any paper handouts, please give them to Jacob

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before you begin. We ask that you have 11 copies. But if you do not have 11 copies, Jacob will make additional copies for you. If you're here today and you're not planning to testify but want to be in the record as having been here, there's a white sheet on the table. We ask that you sign in on that sheet, tell us your name and address, the bill number, and if you're here in support or opposition to the bill. We will hear bill testimony in the following order: first, the introducer of the bill, followed by supporters, those in opposition, those in a neutral capacity, and ending with the closing statement by the introducer. We will be using a five-minute light system today. There are lights at the front of the table. When you start, the light will be green; and when the yellow light comes on, that is your one-minute warning. And when the red light comes on, we ask that you wrap up with your final thoughts. At this time I would ask all of us, including the senators, to please check our cell phones and make sure they are on the silent or vibrate mode. And with that, we will begin today's hearing with LB492 from Senator Tanya Cook.

SENATOR COOK: (Exhibits 1 and 2) Thank you very much, Mr. Chair and members of the committee. Indeed, my name is Tanya Cook and 24 hours ago I'm not certain that I would have been able to tell you what my name is, let alone spell it. I thank the committee for hosting this hearing today and inspiring a quicker recovery from flu, so I appreciate your patience. Members of the committee, my name is Tanya Cook, that's spelled T-a-n-y-a C-o-o-k. I appear before you as the introducer of LB492, a reauthorization of the Nebraska Youth Conservation Program. In 2011, the Legislature unanimously passed LB549. That legislation created the Nebraska Youth Conservation Program. This program was funded by a one-time transfer of the Cash Settlement Fund monies. The program provided that Nebraska Game and Parks hire at-risk youth for a six-week summer job where valuable work experience and life skills are earned while completing tangible and lasting capital improvement projects within Nebraska's state park system. The intent of LB492 is to provide General Funds for the continued operation of the Youth Conservation Program. Passage of LB492 will ensure that a successful program that instills job skills and the value of a hard day's work in Nebraska's at-risk youth continues uninterrupted. Under the requirements of the Youth Conservation Program, the at-risk youth eligible to participate in the program are those that meet one or more of the following documented requirements: low income, potential for dropping out of school, having negative contact with the law, direct or indirect contact with physical or substance abuse. Fellow senators, this program is not about providing second chances but about providing a chance, period--a chance to gain the essential life skills of working with others, punctuality, following direction, and how to thrive in the workplace. Additionally, the Youth Conservation Program instills in kids, who might not otherwise have the opportunity, an appreciation of nature and, in some cases, overcoming a fear of the outdoors. I would like to take this time to give special recognition and thanks to the outstanding efforts and collaboration between Nebraska Game and Parks and the Nebraska Department of Labor. Game and Parks met the unique challenges of successfully implementing the program that is outside of their

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traditional administration, but nicely dovetails with the investments we make in our parks and the commitment to share an appreciation of hard work and the natural resources of our state to the next generation. I would also applaud Game and Parks for seeking and obtaining grant funds to supplement the program. Nebraska Department of Labor stepped up and helped with educational programming and personnel challenges presented by the implementation of the Youth Conservation Program. The Department of Labor supported Game and Parks by offering training to the participants in the program on seeking and obtaining continuing job opportunities. These efforts add great value to the experiences of at-risk youth. I am distributing, with Jacob's help, first is a summary report from the Nebraska Game and Parks outlining the successes, challenges, and outstanding commitment that Game and Parks showed in carrying out the intent of the law. And second is an article from the December 2012 issue of NEBRASKAland magazine heralding the Youth Conservation Program as a win-win. The NEBRASKAland article provides a narrative about the benefits to both the participating at-risk youth and the real value of the completed projects within the parks system. The summary report shows that 75 percent of the participating youth completed the program, details the locations and specifics of the completed projects within the parks system. The report also details some of the educational programming offered under the conservation programming. Finally, the distributed report shows useful recommendations for future programming, which show the invested energy, commitment, and thoughtfulness of Game and Parks. I hope you take the time to review these documents as you consider advancement of LB492. And I appreciate your thoughtful consideration of this proposal and ask for your support for the advancement of the bill. Thank you. [LB492]

SENATOR MELLO: Thank you, Senator Cook. Are there any questions from the committee? Senator Kintner. [LB492]

SENATOR KINTNER: Senator Cook, thanks for coming. [LB492]

SENATOR COOK: You're welcome. [LB492]

SENATOR KINTNER: Somewhere there's a ghost of Franklin Roosevelt and the CCC floating around here somewhere. I'm looking at the pictures of the work... [LB492]

SENATOR COOK: Yes. [LB492]

SENATOR KINTNER: ...being done. Is it valuable work? Is it make work, valuable work, or a mixture of the two? [LB492]

SENATOR COOK: No, and you'll see in the report and hear testimony from the agency that these were projects that, due to their staffing and budgeting, that they would have to put off year after year, so it was valuable beyond the work skills and life skills that I

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made reference to in my testimony. These were things that needed to be done that were continually being put off as agencies have to prioritize things due to budgets. [LB492]

SENATOR KINTNER: So they didn't have the money to do these things. [LB492]

SENATOR COOK: They were not coming up in this...and they can speak more directly to this, but the work...it's kind of like if you had work around your house and you're like, boy, I would sure love to get brand new sod put down, but it's just not in our budget this year. That, on the aggregate, among the parks, prioritizing among the parks around the state, but also the kinds of work that they were able to get in within the work season and the budget, it just wasn't there with the staffing, from what I understand. [LB492]

SENATOR KINTNER: Well, I would just get my wife a shovel and tell her go out there and... [LB492]

SENATOR COOK: And she is a trouper and I know that she would to it. (Laughter) [LB492]

SENATOR KINTNER: No, I'm kidding. Okay, so this program, if we don't fund the program, the work just doesn't get done. Is that pretty much what you're telling us? [LB492]

SENATOR COOK: That's not what my intent was. I think that the work might eventually get done, not to the same degree and not in a fashion that is timely in a way that we want to see our parks maintained. The Governor and others of us in the Legislature and Legislatures before have pointed to our park system as a draw, in terms of tourism and, therefore, economic development. People come in from other states to enjoy our parks and I think it something...it's a system that we can be proud of and we, certainly, as we invite guests in, want our place to look as nice as possible. [LB492]

SENATOR KINTNER: This is primarily a training program for, we'll say, at-risk youths... [LB492]

SENATOR COOK: That is... [LB492]

SENATOR KINTNER: ...and the benefit...side benefits would be, hey, we're getting some stuff done that's being put off. [LB492]

SENATOR COOK: I would...you would describe it as a side benefit; I would describe it as an additional benefit. [LB492]

SENATOR KINTNER: Additional benefit, okay. Well, thank you very much. Appreciate

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it. [LB492]

SENATOR COOK: Thank you. [LB492]

SENATOR MELLO: Senator Bolz. [LB492]

SENATOR BOLZ: Thanks for coming, Senator Cook. Would you just describe for me a little bit about the history, I think you mentioned the original... [LB492]

SENATOR COOK: Yes. [LB492]

SENATOR BOLZ: ...original funding was a cash settlement. Could you just describe that for me, please. [LB492]

SENATOR COOK: Well, it was initially brought by Senator Council, Legislative District 11, LB549, and I think it was a creative approach, if you will, to funding it, her having worked extensively with then-Speaker Flood and others in the Legislature and within the agencies to identify a way to fund the program. You'll see the cover, it's a statewide program, of course. The first picture, not because I chose it, but the first picture is the students in Omaha gathering in front of an Omaha Public School District building. But it was something that was done across the state. And I think that is what really caught the interest of not only the Speaker, but the Chair of the Natural Resources Committee and others who worked to ensure that we could identify some funds to get it started. As I was making my rounds earlier this year, I had the opportunity to sit down with the chief of police in Omaha, Nebraska. And you know, in this job we sometimes go through stages where you're thinking, here I am in all my glory for \$5.77 an hour and it's an honor and a blessing and a privilege, and am I putting my energy in these term limited times toward the things that are really going to address these issues long term. We talk about long-term planning in the Planning Committee. And when I spoke with the Chair...when I spoke with the police chief, he said, you know what, summer jobs. He can absolutely watch the criminal activity increase just about the time that funding for summer jobs drops off or the time for the transition back to the school year when businesses don't have that money set aside for 16-year-olds, let alone 14- and 15-year-olds. And we're seeing, in my district and around Omaha, gang activity. But we've got some success stories that are going to come out from across the state. But I hope that answers your question and I'd be very happy to get more detailed information about that. [LB492]

SENATOR BOLZ: I was specifically curious, I think you referenced a cash settlement. I was just curious... [LB492]

SENATOR COOK: About why that money? [LB492]

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SENATOR BOLZ: ...where that...I was just curious where that came from and... [LB492]

SENATOR COOK: Where the... [LB492]

SENATOR BOLZ: Did I mishear you? [LB492]

SENATOR COOK: Oh no,... [LB492]

SENATOR BOLZ: Oh, okay. [LB492]

SENATOR COOK: ...it says Cash Settlement Fund. [LB492]

SENATOR BOLZ: Oh, I thought maybe that was the outcome of a lawsuit or...no. [LB492]

SENATOR COOK: No. [LB492]

SENATOR BOLZ: Okay. [LB492]

SENATOR COOK: We have a Cash Settlement Fund from..there was a big ol' lawsuit with the tobacco companies. And Nebraska was wise enough to retain their cash and we were able to expand our public health infrastructure and all kinds of wonderful things for which I think that is a great story. Many states just kind of dumped it into the pot and now it's gone. [LB492]

SENATOR BOLZ: Okay. [LB492]

SENATOR COOK: But now we've got it for innovative things that can broadly address... [LB492]

SENATOR BOLZ: I see. [LB492]

SENATOR COOK: This is considered...in terms of how it might apply in my district, it would be considered a public health issue because of the murder rate. [LB492]

SENATOR BOLZ: Very helpful, thank you. [LB492]

SENATOR MELLO: Senator Wightman. [LB492]

SENATOR WIGHTMAN: Thank you, Senator Mello. Senator Cook, thank you for being here. I know you would have been here anyway. [LB492]

SENATOR COOK: Um-hum. It's my first visit to the committee, so thank you for warmly

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welcoming me. [LB492]

SENATOR WIGHTMAN: Okay. I see the amount \$820,000. Is there a reason...I mean, can you tell us how the \$820,000 was arrived at? [LB492]

SENATOR COOK: Well, it's quite scientific, of course. [LB492]

SENATOR WIGHTMAN: I'm sure. [LB492]

SENATOR COOK: The first time we came around, I think the original ask was \$1 million. And we were taking into effect all the hard work that, in terms of setting up the administration of the program, that's already been done. There's an amendment coming behind me that will change the number again. So we kind of just took off 20 percent that was already invested for administration and that's where we are, that's how we got the number. [LB492]

SENATOR WIGHTMAN: So there will be an amendment proposed for this. [LB492]

SENATOR COOK: Yes, sir, the agency will explain that. [LB492]

SENATOR WIGHTMAN: Okay. I had one more question. Oh, go ahead, maybe I'll think of it later. [LB492]

SENATOR MELLO: Senator Harms. [LB492]

SENATOR HARMS: Thank you, Senator Mello. Senator Cook, thank you for coming. I just wanted to let you know that I think that...I believe this is a really good program. And it's more than just work. It teaches these kids leadership; it teaches them skills; it teaches them discipline; it teaches them hard work; it teaches them how to take orders in a manner; and it teaches them, to a certain degree, how to plan out on how they're going to accomplish these tasks. And I...to me just a side benefit for this, it does a lot for these kids in developing them and that's the one thing I don't want us to get lost here. It does a great deal for that teenager that probably has a dysfunctional family or that's lost or doesn't have any of these things. It opens up a whole new world for them, and what better place to do this than the Game and Parks Commission? [LB492]

SENATOR COOK: Um-hum. [LB492]

SENATOR HARMS: You're outdoors, you're in a good environment. It's a clean environment; you're working hard. You see all those things around you. I mean, what's wrong with this? Colleagues, there's nothing wrong with this program. I'm just telling you, I just think it's a great program. But I don't want us to just to move in on the fact that it's work, because it's way more than that. That's a good side benefit. [LB492]

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SENATOR COOK: Thank you very much, Senator. [LB492]

SENATOR MELLO: Senator Nelson. [LB492]

SENATOR NELSON: Thank you, Mr. Chairman. Thank you, Senator Cook, for coming. I just had to scan this material quickly. It's a six-week summer job. [LB492]

SENATOR COOK: Yes, sir. [LB492]

SENATOR NELSON: And are all of these various crews there at the same time? It's not...they don't split it up so it covers the entire summer? [LB492]

SENATOR COOK: There's a six-week period of time, I think, that's the most efficient way to manage it budgetwise and staffingwise, because there still needs to be some people offering some overall...overarching direction like that...that shed over there. That's a weed. [LB492]

SENATOR NELSON: Okay, okay, has this been operating for two years now? [LB492]

SENATOR COOK: Yes, sir. [LB492]

SENATOR NELSON: Okay, and was it...was it General Funds last year or was it Cash Settlement Funds? [LB492]

SENATOR COOK: This is, from my understanding, a continuation of the original appropriation through the Cash Settlement Fund. [LB492]

SENATOR NELSON: So is the Cash Settlement Fund not available anymore for this purpose? [LB492]

SENATOR COOK: Well,... [LB492]

SENATOR NELSON: I mean, would we decide that, is that your understanding if we come... [LB492]

SENATOR COOK: ...I came and asked for General Funds. [LB492]

SENATOR NELSON: Yes. [LB492]

SENATOR COOK: I think there was a challenge in touching the funds and it's not available anymore. They're, from what I'm understanding, were wanting to keep the Cash Settlement Funds for the broadly original-intended purpose. So I'm asking for

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General Funds for this program. [LB492]

SENATOR NELSON: So you did apply there first to see if you could get it out of the cash? [LB492]

SENATOR COOK: No. [LB492]

SENATOR NELSON: You did not? [LB492]

SENATOR COOK: This proposal did not apply for that. I went straight for General Funds. [LB492]

SENATOR NELSON: Oh, okay. All right, I guess that would be the extent of my questions. Thank you very much. [LB492]

SENATOR COOK: Thank you. [LB492]

SENATOR MELLO: Senator Wightman. [LB492]

SENATOR WIGHTMAN: Thank you. Do you see this as being a continuing appropriation that we do year to year? And if so, why was it only brought for one year at this time? [LB492]

SENATOR COOK: I thought it...for two reasons. The first answer to your first question is, yes, I think it would be an excellent investment for all of the reasons we described. And the...I did not bring it in that manner because I thought this would be a good way to have an opportunity to tell our success stories and to begin to think creatively about continuing funding. We've already seen how without...I was very encouraged because I also happen to serve on the Health and Human Services Committee and we can sometimes be very frustrated with silos that we see among programs, among somebody sitting on the other side of a cubicle. So to see Game and Parks working so closely with the Department of Labor and thinking creatively and broadly, I thought it might offer an opportunity for the body, for the committee, for the body to think about how to enfold it in their own way over the long term. [LB492]

SENATOR WIGHTMAN: So you're thinking, probably, that it's going to be so successful that we would even want to give more to it the following year. [LB492]

SENATOR COOK: Yes, yes, that's, you know, many of us are dreamers here in the body. [LB492]

SENATOR WIGHTMAN: And that's fine. Good thinking on your part. [LB492]

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SENATOR COOK: Yes. I like the idea. [LB492]

SENATOR WIGHTMAN: Thank you. [LB492]

SENATOR COOK: Thank you. [LB492]

SENATOR MELLO: Senator Conrad. [LB492]

SENATOR CONRAD: Senator Cook, it's about time you made it over to Appropriations. [LB492]

SENATOR COOK: I know. [LB492]

SENATOR CONRAD: Welcome. [LB492]

SENATOR COOK: Perhaps I've been too polite in not asking for money. [LB492]

SENATOR CONRAD: Absolutely. [LB492]

SENATOR COOK: Here I am. [LB492]

SENATOR CONRAD: Good to see you. Couple of quick questions: I do remember when the original legislation was passed and it did enjoy broad support and I'm glad that you had a chance to follow up with some specifics about program success as well. Really, two questions is, one I see in the report here that the original supporting funds were able to leverage a considerable amount of grant dollars and in-kind contributions, so would you anticipate moving forward that the same would happen into the future? [LB492]

SENATOR COOK: I would anticipate that would go into the future, especially as you have more and more years of success to point to. [LB492]

SENATOR CONRAD: Absolutely. [LB492]

SENATOR COOK: Ideally it would be...it could be managed in a way that it would not become regionalized. That would be the only concern that I might have. [LB492]

SENATOR CONRAD: Right. [LB492]

SENATOR COOK: That, (inaudible) say, the United Way of the Midlands is like, great, we like this part for this part of Nebraska. I would not want to see that. But, certainly, I can see this being a success story for a national foundations. [LB492]

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SENATOR CONRAD: Great. And then the other question I had, I hadn't seen the NEBRASKAland story before, so I'm looking forward to reading that in greater depth and detail. But if memory serves, was there also some additional positive press about this program... [LB492]

SENATOR COOK: Yes. [LB492]

SENATOR CONRAD: ...maybe in the World-Herald, maybe even an editorial in relation...I was just trying to remember where the other reports, in terms of this program, had emanated from. [LB492]

SENATOR COOK: I am recalling a story in the World-Herald, which I do not have with me. I'll be happy to follow up and get it for you through Legislative Research. But I also am recalling a story that KETV, which is the ABC affiliate out of Omaha, did for the students. And some of you...many of you who are Nebraskans and whose families have lived and grown up here might think that it is weird for a child to have a fear of the outdoors. But I can bear witness to this being a real live phenomenon, if you've grown up in a, primarily, urban environment. Perhaps, you know, you live on the grid, there's a street light on every corner. The idea of being out where you kind of can't see a road or a light, I mean, that's a real thing, in addition to the other many, many benefits. But I thought I would throw that in. Was very proud that it appeared in NEBRASKAland for that very reason, because of that editorial focus of that. [LB492]

SENATOR CONRAD: Right. Well, please do circulate that article, because if I remember,... [LB492]

SENATOR COOK: Absolutely. [LB492]

SENATOR CONRAD: ...I think it was well written and would probably be of interest to the committee in our further deliberations. But I think that this program is...I mean, it speaks for itself and it's such a good story to tell that I look forward to continued dialogue. So thank you, Senator. [LB492]

SENATOR COOK: Thank you, Senator. [LB492]

SENATOR MELLO: Senator Kintner. [LB492]

SENATOR KINTNER: Along the lines of what Senator Conrad was talking about, have we tried getting any of that free Obama money? I use the term "free" very loosely. You know, they never did find all those shovel-ready projects. It's to my understanding of the stimulus bill there's still money outstanding. Have we tried to get any money for this program, any federal money for this program? [LB492]

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SENATOR COOK: Well, when you say free Obama money, I didn't know that there was (laugh)...I don't...I can't speak to that because I don't know that, whether it's from President Obama or any previous President, that it was ever free. [LB492]

SENATOR KINTNER: I'm referring to the stimulus... [LB492]

SENATOR COOK: The ARRA... [LB492]

SENATOR KINTNER: The \$800 billion and they didn't... [LB492]

SENATOR COOK: I don't know whether or not the agency... [LB492]

SENATOR KINTNER: ...they didn't spend it all, I don't think. [LB492]

SENATOR COOK: I don't know whether or not the agency reached out to any federal agency or program which would have retained or drawn money from that. I would have to do some research and get back. But if I have to give you an answer now, my answer would be no, because it would have been...there was a time limit, as I recall, and it would have been ineligible for the kinds of...you described shovel-ready programming. It would have been ineligible for that and ineligible for a couple of other purposes that we used here in Nebraska. [LB492]

SENATOR KINTNER: All right. I'd rather use that money than our taxpayer money, although it is our taxpayer money. I don't even know why I'm asking this. It's all of our money, but.. [LB492]

SENATOR COOK: It's a gigantic pot of money and we all put into it. [LB492]

SENATOR KINTNER: Okay, well, thank you very much, Senator. [LB492]

SENATOR MELLO: Are there any further questions from the committee? Seeing none, thank you, Senator Cook. [LB492]

SENATOR COOK: Thank you very much. [LB492]

SENATOR MELLO: We will next take proponents of LB492. Seeing no proponents, we will take opponents to LB492. Seeing no opponents, we'll take neutral testimony on LB492. [LB492]

TIMOTHY McCOY: Thank you, Chairman Mello. Members of the committee, my name is Timothy McCoy, T-i-m-o-t-h-y M-c-C-o-y. I'm the deputy director of the Nebraska Game and Parks Commission. We appreciate the opportunity to work with the senator on this bill. We have provided some information and...to her staff and worked with some

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other folks to potentially amend the language in the bill to address some challenges we saw. One of those was in terms of the time line for the appropriation. And that is because this is a program that takes some time to get up and running. We went through this. We ran this program last summer. We began working with Department of Labor about six months ahead of time, which I'm not sure if it was enough lead time. We ran into some challenges, working through them to help identify the at-risk youth because that is, obviously, a bit outside of our purview; several parts of this are. However, we were successfully able to use these crews to get work done. Most of those activities were things that...that...there were two kinds. There were kinds that were projects that we were looking at doing that had some ability for some labor that could be done by these crews where they could really learn something. We had other projects that we moved up because we were able to utilize this labor in our pool to do work in some of our parks. And we tried to do everything from, you know, improving electrical in camp grounds to painting picnic tables to doing work controlling cedar trees on a wildlife management area. Tried to give them a pretty diverse set of skills and to utilize these in a way that we tried to really broadly impact the kids. There are some modifications in the appropriation that we would request to really let us carry this out. We have carried over funding that was not spent during the last program, and that was really due to kids that had started in the program and didn't continue it. We did run into some of those challenges. We ran into some challenges with crews of maintaining, actually, both the participants and the crew leaders. Short-term crew leaders, if they're really skilled, are hard to keep, because if they've got those good employment characteristics and that ability to work with these sorts kids, they're a pretty vital commodity. The other thing that we would like to see or we need to see is the ability for our agency to establish some permanent and temporary salaries, some PSL, because we need that in order to put these additional employees on our rolls to run the program. And then the other thing that we would...that we would ask is to allow those existing funds that are already in the fund--there is a separate fund we established for this program that was identified, the Nebraska Youth Conservation Program Fund--to allow those to be spent on this program. So with that, I think a lot of the questions about, you know, the activities have been answered. And I'll try to answer any questions you may have. [LB492]

SENATOR MELLO: Thank you, Mr. McCoy. Are there any questions from the committee? Senator Harms. [LB492]

SENATOR HARMS: Thank you, Senator Mello. Tim, thank you so much for coming. How much is in the account that you have...that you'd like to carry over? [LB492]

TIMOTHY McCOY: I believe it's...I don't have the number in front of me, really quick, I believe it's about \$120,000 with the interest. But I've got the fiscal note here. I may be able to actually find what we have left in our fund. [LB492]

SENATOR HARMS: It's \$110,000, according to our fiscal analyst. [LB492]

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TIMOTHY McCOY: Yeah. [LB492]

SENATOR HARMS: \$110,000. [LB492]

TIMOTHY McCOY: Okay. [LB492]

SENATOR HARMS: How much would...when we look at this funding that Senator Cook is asking for, like the \$800,000, is that enough to cover everything, including...cover with the PSL and all the things that you want to add to this. Is that budget...I guess, what is your budget? If you would actually put down a budget, what would it look like? [LB492]

TIMOTHY McCOY: Well, because we're able to use these...to use this work force to do, in some cases, projects we already have budgeted for, we made sure that we used the money we had already budgeted for those projects. But we also had some funds that we were able to get through the Bureau of Reclamation that we were able to use to apply to this program. And when they were doing work on our wildlife management areas, I believe we were able to match that against our Pittman-Robertson funds. So there were...we did bring some ability to match those funds to...especially on those projects we were already planning on using those funds, so we just added this work force to those existing projects. So we can balance that out. [LB492]

SENATOR HARMS: So you would still be able to do the same thing for this? [LB492]

TIMOTHY McCOY: Yeah. [LB492]

SENATOR HARMS: And the \$800,000 would then be sufficient? [LB492]

TIMOTHY McCOY: Yeah, we think...we think the...and actually, I believe the request in the amendment...I don't know if there is a copy of that. [LB492]

SENATOR HARMS: I haven't seen the amendment, so I don't know. [LB492]

TIMOTHY McCOY: There is a proposed amendment that actually would change that to \$930,000 to fully fund that, I believe. Has that been distributed? [LB492]

SENATOR HARMS: (Exhibit 3) Well, I...I just got this from...I haven't seen it yet. [LB492]

TIMOTHY McCOY: And that also...the amendment also addresses that ability to allow this to be appropriated through the biennium, because the reality is to run a program during the summer that crosses fiscal years. We would be talking next summer where we would have to spend some of it in this biennium...in this first fiscal year and some of it in the second. [LB492]

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SENATOR HARMS: Thank you very much. Thank you, Mr. Chairman. [LB492]

SENATOR MELLO: Thank you, Senator Harms. Senator Wightman. [LB492]

SENATOR WIGHTMAN: Thank you. Thank you for being here. You indicated that you...the amount would increase to \$930,000. I still haven't seen the amendment. But...so that would be using the \$110,000, the funds you already have plus an additional \$820,000? [LB492]

TIMOTHY McCOY: That is correct. That is the total appropriation to allow us to spend what is in that fund. [LB492]

SENATOR WIGHTMAN: Now, again, this is only for one year. And I've asked these questions of Senator Cook. But you would see this as being an ongoing program that you, perhaps, would come back on next year for some additional funding or...this wouldn't last the two years I assume. [LB492]

TIMOTHY McCOY: This would...this would fund the program and this is one of the challenges with how the program has been funded. It's been funded as a one-time program. This would fund it as a one-time program again. Because it crosses...would cross the fiscal year in the summer, it's a difficult program to set up that way. And we are a little cautious about this program because, you know, it was designed with a lot of social benefits in mind. We get some benefits out of it, but we're also cognizant that especially when it comes to General Funds, later we'll be talking about our appropriations. So, you know, we get some benefits. It's probably not the way that we would do all that work if we had the funding available,... [LB492]

SENATOR WIGHTMAN: Thank you. [LB492]

TIMOTHY McCOY: ...to be honest. [LB492]

SENATOR MELLO: Are there any further questions of the committee? Senator Kintner. [LB492]

SENATOR KINTNER: Thanks for coming today. What's the downside to this? Is there a downside for you in this? [LB492]

TIMOTHY McCOY: You know, there's challenges with it. And actually we learned a lot in the first round of the program and so I think we can apply that. And, you know, one of the things that we are going...we are going to request, it wasn't in the first program, is that we can actually put someone on our staff, because we basically reassigned somebody on our staff to run this program. We had to in terms of the number of people,

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the number of different issues you're dealing with. And the other thing we probably learned is we need to start earlier to really get our counselors and our staff people that we hire to help supervise these crews. We tried to bring them on, I believe, in May and have a couple of weeks of training before the students came on. And it's such a short season, that's pretty tough. And we didn't really start looking for those people until January, and we probably need to start earlier to get those crew leaders, to get quality people during the summer. [LB492]

SENATOR KINTNER: Okay, thank you. [LB492]

SENATOR MELLO: Senator Nelson. [LB492]

SENATOR NELSON: Thank you, Senator Mello. I'm just looking at the table of expenditures here and wondering, are there some carry-over things that you aren't going to have to spend money for? For the six-week program material for projects, \$362,000. What kind of materials would cost that much, I'm wondering. [LB492]

TIMOTHY McCOY: In some cases those were materials to build or replace a picnic shelter,... [LB492]

SENATOR NELSON: Okay. [LB492]

TIMOTHY McCOY: ...or to...the materials and the cost for hiring an electrical contractor to come in to have these kids help learn how to do some things related to putting in electrical service in a campground. So there are...there are some costs to these activities when they weren't in our existing budget and we run them through this program. [LB492]

SENATOR NELSON: In other words, you didn't have to use money appropriated to you...or you could have used for Game and Parks. You were able to use these funds for those projects. [LB492]

TIMOTHY McCOY: Yeah. [LB492]

SENATOR NELSON: And so, would they continue to do the same thing, I mean, use this funding for materials and things like that rather than out of your own budget? [LB492]

TIMOTHY McCOY: Well, we actually did both. When you look at the budget of this program, we exceeded the budget; we spent... [LB492]

SENATOR NELSON: Yes, I saw that. You've spent quite a bit of money of your own. [LB492]

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TIMOTHY McCOY: We spent a lot of our own money. What we did is there were projects that weren't in our...if they're not projects that are identified in our existing budget, the only authority we have to do those projects, if we're going to have these kids do them, is through this program. [LB492]

SENATOR NELSON: Did the Department of Labor handle all of the wages and things of that sort, or how was that worked out? [LB492]

TIMOTHY McCOY: No, that was handled through our personnel...through our internal...our existing personnel department. [LB492]

SENATOR NELSON: So they were working for you, for your department. [LB492]

TIMOTHY McCOY: They were working for us. Department of Labor provided the information and the filtering to identify the at-risk youth because that is not something that is in our capacity. [LB492]

SENATOR NELSON: They did the recruitment and... [LB492]

TIMOTHY McCOY: Yes. [LB492]

SENATOR NELSON: Clothing and protective wear was \$9,000. Did you retain any of that for the next year or what...I'm just asking where...what I'm driving at, are there some things you spent money on that you're aren't going to have to spend on again? So, I mean, as far as...perhaps, getting a few more people into the program if...second time around then you cannot experience some of the challenges you did before. [LB492]

TIMOTHY McCOY: I would say we expect those costs would be the same. Most of that, a lot of that was protective equipment that had to fit right. There probably are some things like chain saw chaps for the kids that were old enough to run equipment that we now have. But just to understand where we were at with most of these kids, we were providing shirts, we were providing gloves, we were providing boots, which aren't...because many of these kids, you know, all they had was a pair of tennis shoes,... [LB492]

SENATOR NELSON: Sure. [LB492]

TIMOTHY McCOY: ...and if you're going to be out working in some of this stuff, you need boots. So we purchased, and it was part of this program to provide everything they needed to do the work. We did purchase some additional hand tools and things like that that are still available. [LB492]

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SENATOR NELSON: Thank you. Appreciate it. [LB492]

SENATOR MELLO: Are there any further questions from the committee? Real quick, Mr. McCoy, I have one. And it's just...it's more for planning purposes, I guess, for the committee, as we consider moving forward on any action on LB492 is, if the committee chose, for an example, to appropriate funding for this program over a number of years, would this program at all be something the Game and Parks Commission would consider applying for grants through the Environmental Trust to help supplement the program funding for a longer period of time instead of, simply, an annual appropriation? [LB492]

TIMOTHY McCOY: There are certain parts of this, in my opinion, that you might be able to apply for funds through the Environmental Trust for, but a lot of it relates to the labor force which is not normally very successful. And also, typically, projects that are funding work that's restoring facilities in our...in a park is not something that they...that would typically get funded there. So I think it would be tough. There may be other funding sources, but our challenge is, the funding source probably has to have that tie, really, to the at-risk youth. [LB492]

SENATOR MELLO: Okay. [LB492]

TIMOTHY McCOY: And that is, it's outside of our world of expertise. I don't know, maybe Health and Human Services or Department of Labor, there are probably other agencies that could help find that. But we were given the task of developing the program, so our...we took our role as running the program the best we could. [LB492]

SENATOR MELLO: Okay. Thank you for that, Tim. [LB492]

TIMOTHY McCOY: Um-hum. [LB492]

SENATOR MELLO: Are there any further testifiers in the neutral capacity? Seeing none, Senator Cook, would you like to close? [LB492]

SENATOR COOK: Yes, Mr. Chair. Just very briefly, I wanted to thank the agency for offering the additional information. I think it did address a couple of the questions that I was unable to expound upon during my testimony. So thanks to Mr. McCoy for that. I happen to really like it when the things that we fund, whether that be a business incentive program, a program related to early childhood education, or to public education, I really happen to like it when there is a social benefit. I imagine that it is part of my overall philosophy and that of many in the state of Nebraska and in the United States; that as we relate socially, these things are important and we should encourage that...those...that we are...they're engaged in, in a positive fashion. It's a roundabout

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way of saying that there was testimony offered related to what might be a side benefit to getting picnic tables painted and brush cleared and things like that. But I happen to believe that by the committee's support of this bill we would...to use a term, perhaps be able to kill two or three birds with one stone: to get work done that needs to be done, it's obviously been prioritized by the agency; but also to engage youth at an important time in their lives. So I thank you for your consideration of the proposal and look forward to following through with any...following up on any questions you might have. Thank you. [LB492]

SENATOR MELLO: Thank you, Senator Cook. Are there any further questions from the committee? Seeing none, thank you, Senator Cook. That will end today's hearing on LB492. And that will move us to our first agency hearing, Agency 29, the Nebraska Department of Natural Resources. Good afternoon, Director Dunnigan. [LB492]