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Executive Board Committee  
February 08, 2016

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[LR403 LR413 LR418]

The Executive Board of the Legislative Council met at 12:00 p.m. on Monday, February 8, 2016, in Room 2102 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR403, LR413, and LR418. Senators present: Bob Krist, Chairperson; Dan Watermeier, Vice Chairperson; Colby Coash; Galen Hadley; Dan Hughes; Tyson Larson; and Heath Mello. Senators absent: Kathy Campbell; Ernie Chambers; and John Murante.

SENATOR KRIST: Okay. We have a quorum so we're going to start off today. Welcome to the Executive Board Committee hearing February 8. We're going to hear from Senator Hansen, LR403, provide the Executive Board of the Legislative Council appoint the Election Technology Committee; LR413, Senator Watermeier, create the Task Force on Behavioral and Mental Health; LR418, Senator Howard, provide the Executive Board of the Legislature appoint a special committee to be known as the ACCESSNebraska Oversight Committee of the Legislature. Please turn off anything that makes noises and be respectful of those around you. If you're going to testify and you hand out copies, we need 15. If you don't have them, you can have our page run them off for you. Start off by introducing the senators who are here, starting over on the left-hand side.

SENATOR HUGHES: Dan Hughes, District 44, ten counties, southwest Nebraska.

SENATOR COASH: Colby Coash, Lincoln.

BETH DINNEEN: Beth Dinneen, committee clerk.

SENATOR KRIST: And Senator Murante is ill today. Senator Campbell might be joining us later. I'm Bob Krist, District 10 from Omaha.

JANICE SATRA: Janice Satra, committee counsel.

SENATOR WATERMEIER: Dan Watermeier, District 1 from Syracuse.

SENATOR HADLEY: Galen Hadley, District 37, Kearney, Buffalo County.

SENATOR MELLO: Heath Mello, District 5, south Omaha.

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SENATOR KRIST: And Brandon is our page for the day. We are going to use the light signals--light gun, yeah, to see if you're speeding--the light signals today. You have a five-minute light so when it comes on green you're testifying; it comes on amber you have one minute left; and red, please stop and be respectful of those around. If you're going to testify, please fill out a green sheet that's outside the door and then give it to the page when you come up would be great. When you come up to testify, please state your name and spell it. That's for the transcribers so we get everything correct. With that little bit of housekeeping being done, we'll start with Senator Hansen, LR403. Welcome, Senator.

SENATOR HANSEN: Thank you. Good afternoon, Chairman Krist and members of the Executive Board. My name is Senator Matt Hansen, M-a-t-t H-a-n-s-e-n, representing District 26 in northeast Lincoln. And today I'm here to introduce LR403. LR403 seeks to create a select committee, the Election Technology Committee, within the Legislature to address Nebraska's outdated election equipment and technology. To give a brief history of Nebraska's election technology, in 2002 Congress passed the Help America Vote Act or HAVA to reform the nation's voting process, specifically aimed at making improvements to voter systems and voter access. Many of the election procedures we have today such as provisional voting and statewide voter registration databases were implemented via the HAVA act. Perhaps the best known part of the act was the federal funds used to provide states to upgrade and upgrade their voting equipment. Nebraska received somewhere in the \$14 million to \$16 million range, a large portion of which was used by the Secretary of State to purchase optical scan vote tabulators and AutoMARK machines. The AutoMARK machines fulfilled a HAVA requirement that a voter be able to cast a ballot privately and independently and they have a touch screen, audio, and Braille and are used by those with a physical disability or visual or hearing impairment. Nebraska state statute requires at least one AutoMARK machine to be available and operational at every polling site. The HAVA funds that were used to purchase these machines went to the Secretary of State's Office and currently the Secretary of State's Office owns the machines and reimburses counties for expenses paid for maintenance. Prior to HAVA, these machines were not required. But now that they are and that they will need to be replaced soon, the Legislature will need to answer the question of who buys the replacements, the state or the counties? Currently, counties bear the cost of running elections. Ballot printing, polling place rental fees, and poll worker pay are all funded by the counties. Adding the purchase of election machines could double or triple some county budgets. For example, Hall County just purchased a new vote tabulator for a cost of \$100,000. A replacement for AutoMARK machine is estimated to run between \$4,000 and \$6,000 apiece. Lancaster County has 175 of these so it would be approaching \$900,000 to replace them all. Smaller counties, while having significantly less machines, will also see disproportionate increases in their budgets. There are many paths we may take regarding this issue. Does the state pay? Do the counties pay? Do they split these costs? All these questions need to be answered, and LR403 creates the mechanism to do so. These are policy decisions that need to be made by policymakers. That is why I am proposing the creation of a select committee

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of seven state senators to be appointed by the Executive Board. Two of the members represent the Chair of Government and Appropriations Committees. Both of these individuals are necessary to ensure that both monetary and policy considerations are explored, discussed, and evaluated. Any proposal from the select committee that recommends State Patrol or purchasing will need an appropriations bill. Furthermore, the Appropriations Chair is uniquely suited to provide insight over state funds if any could come from while the Government Committee Chairman provides necessary insight to the current election procedures and policies. In contemplating how to approach this problem, I looked at other options and decided that the select committee was the best approach. An interim study would not necessarily include both the Appropriations and Government Committee members and not provide the necessary breadth of research and deliberation required. And other task forces consisting of both legislators and other members, either from the public or from the executive branch, create separation of power issues in my mind. To ensure that voices were heard in comments incorporated into the proposal, the LR403 also includes a list of stakeholders the committee must solicit testimony from. In closing, passing LR403 and taking 2016 to evaluate our election equipment puts Nebraska in the best position to deliberate and come to a sensible solution long before these machines start breaking down for good. Thank you for your consideration. I'd urge the committee to advance LR403. [LR403]

SENATOR KRIST: Any questions? Senator Coash. [LR403]

SENATOR COASH: Thank you, Senator Krist. Senator Hansen, in our packet here we don't have a fiscal note. Is there going to be a cost to put this group together or to generate this report? [LR403]

SENATOR HANSEN: I have not seen a fiscal note and I would say it would be comparable to other committees. We specifically provided that it was the staff that are already staff of the Legislature would be the staff working with the committee to address expenses. [LR403]

SENATOR COASH: Okay. So my...I'm looking at the committee members that you've proposed here, and it seems like you've got all your bases covered. My question is what would stop you from just grabbing the people, representatives from this group, calling them into your office and saying, hey, we need to talk about this and at the end of it, I got to put out a report? I mean, I'm trying to figure out what the difference between this, you know, proposal is as an LR and just an interim study that we typically see done by committees and individual senators after the end of the year. [LR403]

SENATOR HANSEN: Um-hum. My thought with that, a couple of different avenues. We certainly could do this on an ad hoc basis, although that does bring into concerns kind of how,

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where the public is of that process and whether or not there's anybody who has relevant concerns or would want to be involved. They wouldn't necessarily have the same public notice. And in terms of an interim study, that's certainly something we could do. But I feel just in my short experience with interim studies sometimes you're not necessarily having the go-between between committees. You know, as a member of the Government Committee I can tell you a lot about how elections operate in Nebraska. But having never served on the Appropriations Committee, I would be hard-pressed to start talking about where we find \$20 million. [LR403]

SENATOR COASH: Right. I guess that's what I'll just be looking at when the committee decides on this is, is this the appropriate avenue or is an interim study a more appropriate avenue? I mean, I've had...I've been a part of a lot of joint interim studies between two committees and two committee Chairs who want to bring the expertise of the two committees and also bring them together. But other than that, this needs to be done so I'm not saying that what you're purporting to do here isn't valuable. It's the mechanism I had more questions of. Thank you. [LR403]

SENATOR KRIST: Any other questions? There is a bill in Government that I think the Secretary of State has talked about. Are you aware of that bill? [LR403]

SENATOR HANSEN: Yes. I believe it's LB1107. [LR403]

SENATOR KRIST: Right. And that takes a little bit different approach and brings together stakeholders rather than, you know, senators to do the thing. Why not do that instead of kind of doing the Secretary of State's job for him? [LR403]

SENATOR HANSEN: Why...so kind of the time line on this I will say my proposal was introduced first, and I wasn't aware the Secretary of State was introducing that proposal. So they weren't necessarily designed, at least on my part, to be competing. Fundamentally, this issue of how we're going to do elections and specifically how we're going to pay for elections is a legislative decision. It's a policy decision we as that branch should make, which is why I wanted to focus it on the legislative branch. [LR403]

SENATOR KRIST: Okay. All right, sir. Any other questions? Will you be here for closing? [LR403]

SENATOR HANSEN: Yes. [LR403]

SENATOR KRIST: (Exhibit 1) We received a letter. I don't know if you received one from the Secretary of State's Office. Did you see the neutral? Have you seen this letter? [LR403]

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SENATOR HANSEN: I have not. [LR403]

SENATOR KRIST: Would you give a copy of that to the senator. [LR403]

SENATOR HANSEN: Thank you, Chair. [LR403]

SENATOR KRIST: All right, thanks. First proponent. Go ahead. Welcome. [LR403]

BRI McLARTY: Thank you. Good afternoon, Chairman Krist and members of the Executive Board. My name is Bri McLarty, that's spelled B-r-i M-c-L-a-r-t-y, and I am here in my capacity as the director of voting rights with Nebraskans for Civic Reform, a nonprofit, nonpartisan advocacy organization. In the last few years, we have heard from various election officials about the issues they have had procuring replacement parts and memory storage for the current election equipment as well as last session the Secretary of State was unable to secure full funding to reimburse counties for maintenance. And just this past fall when working on an interim study for the Government Committee, we came across a warning in the 2014 Presidential Commission on Election Administration about the age and current condition of election equipment. From the 2002 Help America Vote Act, Nebraska received funds to purchase election equipment, vote tabulators, and voting systems commonly referred to as AutoMARK machines. These machines are owned by the state and maintenance is reimbursed to the counties. Originally, these reimbursements were done with leftover HAVA dollars but since have been directly from the Secretary of State's budget. Some counties in reviewing their own funds and needs have decided to update the vote tabulators--those are the optical scan ballots--and these run about \$100,000. However, none of the counties have looked at replacing the AutoMARK machines, and this is where our concern necessarily lies. Under the Help America Vote Act, voting systems must permit the voter to vote in a private and independent manner. Currently, Nebraska elections are done with a paper ballot system. So with the erection of a voting booth, privacy voting booths, the majority of Nebraskans are able to cast a vote privately and independently. However, there is a separate requirement, an explicit requirement in HAVA that voting systems be accessible for individuals with disabilities and provide the same opportunity for access and participation, including privacy and independence. The current AutoMARK machines meet this requirement, but their age and outdated technology seriously jeopardizes their availability for future elections. The HAVA requirement was new in 2002, and the only purchase of compliant machines was with federal dollars in between the years 2004 and 2006. So we really are in kind of uncharted territories when it comes to how the state is going to move forward in conducting its elections, whether this will be purchased by the state or by the county. Traditionally in statute the counties are required within their budget to allocate funds for elections, including the purchasing of ballots and what Senator Hansen had mentioned. So what we need to do is look at statute, and this is where the policymakers should be included in this discussion, is how we're going to fund

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these specific election expenditures. From our research, there are many options for funding election equipment, from whether the state pays to the county pays. Some states have created a low-interest loan program where the counties apply through the state to purchase equipment. Other states have done it where the state utilizes its purchase power to get a cheaper rate on the machines and they distribute those countywide so the county reimburses the states for those costs. Beyond who pays, decisions need to be made statutorily about whether to require uniformity in our machines. Right now there is no statute requirement that all machines be uniform across the state. They are kind of defunct that way because in 2004 through 2006 the Secretary of State was the individual that received the HAVA dollars and negotiated the contract with ES&S. So there does need to be a statute deliberation on whether or not we will require uniformity across the counties. A recent Brennan Center study estimates that most machines purchased with HAVA funds have a life expectancy about 10 to 20 years, though most are estimating based on the fact that a majority of the machines, while purchased in 2006, were really created and based on engineering from the 1990s, they're really saying it's closer to the 10-year mark. Passing...in 2020 our current election machines will be approaching about 15 years of age so passing LR403 now gives Nebraska ample time to research, deliberate, and plan for this expenditure. It has been estimated by the Secretary of State that replacing these machines will be in the ballpark of about \$20 million. Passing LR403 now gives us two budget cycles if the committee decides that a budget line item is what is needed for this expenditure. But it also gives us four legislative sessions if an appropriations bill, separate appropriations out of, say, the Reserve Fund is what's necessary to purchase these. Giving election officials two years so assuming we get this done by 2020, this will give election officials two years to research and purchase new equipment to be implemented preferably in the nonpresidential year of 2022. So while the machines may not break tomorrow, we need to start planning for the inevitable. So thank you for your consideration. I urge the committee to advance LR403 and I'm happy to answer any questions. [LR403]

SENATOR KRIST: Any questions? Thank you so much for your testimony. [LR403]

BRI McLARTY: Thank you. [LR403]

SENATOR KRIST: Next proponent. Welcome, Mr. Meurrens. [LR403]

BRAD MEURRENS: (Exhibit 2) Good afternoon, Senator Krist and members of the Executive Board. For the record, my name is Brad, B-r-a-d, Meurrens, M-e-u-r-r-e-n-s, and I'm the public policy specialist with Disability Rights Nebraska, a designated protection and advocacy organization for persons with disabilities in Nebraska. I am here to support LR403. Our support is simple and straightforward. For many people with disabilities in Nebraska, election technology, e.g., voting machines, for example, is the only way for them to be able to exercise

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their constitutionally guaranteed right to vote independently and privately. We agree that the technology used in Nebraska to vote should be reviewed. Much like a car needs to have a periodic assessment and review of its systems, a tuneup or oil change if you will, so should Nebraska's election technology. But where the car analogy breaks down is that one might have alternative modes of transportation, for example, bike, bus, walking, or catching a ride with a friend. But for many Nebraskans with disabilities in particular, there are no other alternatives for them to vote independently and privately other than using technology. And for that reason, we support LR403. I'd be happy to answer any questions you may have. [LR403]

SENATOR KRIST: Thank you. Any questions for Mr. Meurrens? Thank you, sir. [LR403]

BRAD MEURRENS: Thank you. [LR403]

SENATOR KRIST: Thanks for coming. Next proponent. Welcome. [LR403]

LARRY DIX: Good afternoon, Senator Krist, members of the Exec Board. My name is Larry Dix, L-a-r-r-y D-i-x. I'm with the Nebraska Association of County Officials appearing today in support of LR403. I want to thank Senator Hansen for bringing this to the forefront. As noted in the bill and as all of you very, very well know, the counties are at the forefront of being involved in elections around the state. And what the previous testifiers brought forward is the reality. The life of the election machine is pretty true. It's 10, 15 years. It's something that I think we've got to get ahead of the curve before we get ourselves into this situation of not being able to run reliable, good elections. I think our county clerks do a phenomenal job. Very rarely are we in the papers like we see some of the other states. They have historically done a good job. The committee that Senator Hansen lays out I think pretty much identifies the stakeholders. I think it's a good gathering of groups. Senator Krist, you asked about Secretary of State's bill. We also support the concept that the Secretary of State is bringing forth. We do like the layout of the committee that we see in Senator Hansen's bill. And it's one of those things that we just know the timing is now that we've got to get started in the process. So with that, I'd be happy to answer any questions anybody would have. [LR403]

SENATOR KRIST: Just one. Currently, the machines were purchased or were provided to the counties by the Secretary of State's Office. Is that true? [LR403]

LARRY DIX: Yeah. [LR403]

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SENATOR KRIST: And there's one contract throughout the state that maintains the integrity of the entire system, and that contract is also funded by the Secretary of State's Office or does the county pick up a portion of that? [LR403]

LARRY DIX: Right now the contract for the purchase of the machines is with the Secretary of State's Office. And one of the things many folks here may or may not know, in a previous life I actually worked for an election company and spent a number of years down there and sort of know a little bit about how the negotiations on these contracts operate. And I would tell you from looking at a number of states, which our company operated in all 50 states, you're going to get a better deal when you can negotiate that at a state level because you're going to get the continuity, the consistency, all the training materials. All these things are going to function very, very similar county to county. So it's very important, in my mind at least, to have that happen at the state level. [LR403]

SENATOR KRIST: Okay, thank you. Any other questions? Thanks for coming. Next proponent. Okay. Any opponents? Any neutral? I'd like to read into the record, as previously mentioned, Secretary of State's letter signed by the Secretary of State John Gale in a neutral capacity on the bill. Would you like to close? [LR403]

SENATOR HANSEN: Yes, I would. Thank you, Chairman Krist and members of the committee. I'll close just by simply by saying this is an issue I'm very dedicated to. Some of the ideas in reference were from an interim study I did last year talking about election practices. That's what started me down this path. We were hearing some testimony from election commissioners, county clerks who were having to buy zip disks I believe off eBay because that's what their machines have to use to record the data. And so some of these concerns go from there. In terms of appropriate vehicle, I'd be happy to work and discuss with the committee further but definitely feel this is an issue we should address. [LR403]

SENATOR KRIST: Okay. Any other questions for the senator? Thank you very much. [LR403]

SENATOR HANSEN: Thank you. [LR403]

SENATOR KRIST: So we'll move on now to LR413. Senator Watermeier, please. [LR413]

SENATOR WATERMEIER: Thank you, Chairman Krist and members of the Executive Board. For the record, I'm Senator Dan Watermeier, D-a-n, Watermeier, W-a-t-e-r-m-e-i-e-r, representing District 1. Today I'm here to introduce LR413 in behalf of the Performance Audit Committee. LR413 is the result of a 2015 performance audit of the behavioral health system

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which surveyed the six behavioral health regions to identify service gaps. The report identified several likely gaps in services across the state. And the main recommendation of the audit was that a legislative oversight committee be established to monitor the progress of the Department of Health and Human Services Division of Behavioral Health in conducting a statewide needs assessment and in developing a strategic plan. To that end, LR413 establishes the Task Force on Behavioral and Mental Health. In addition to monitoring the department's progress and conducting the needs assessment and developing a strategic plan, the task force is responsible for studying the following issues: (1) the adequacy and needs of behavioral health systems and services provided by the regions; (2) the adequacy and needs of the Lincoln Regional Center to provide services to individuals under a mental health commitment; and (3) the adequacy and needs of jails, youth rehabilitation and treatment centers, and the Department of Correctional Services in providing behavioral health services for individuals existing in the justice system. Thank you for your time. We talked about putting this inside Appropriations, Senator Mello and I did. And we just felt like it was better that we actually have a separate resolution put in the public record. And I know Senator Coash is not in favor of another task force, but I believe this is one that is justified and I think I see Senator Bolz in the room as well, who is really the leader on this whole issue and I appreciate her time on this. So with that, I would answer any questions; but I think Senator Bolz would be much better to answer. [LR413]

SENATOR KRIST: Any questions for Senator Watermeier? Okay, thank you. Senator Bolz, would you like to come next? [LR413]

SENATOR BOLZ: Thank you. I am Senator Bolz, that's K-a-t-e B-o-l-z. And I don't have any prepared remarks but...and I don't want to sound like a political cliché, but let me tell you a little bit about me. I...my day job is in developmental disabilities. I serve on the Appropriations Committee and I've also served on the Children's Commission and the Special Investigative Committee on Corrections. And there are two themes that align with all of those areas and they're first that behavioral and mental health intersect with all of those policy areas. And the second is that all of those policy areas are moving towards a community-based approach for services. So we're moving away over time from institutions and towards community-based services and planning. In the 12 or so years where we've tried to implement that vision, a lot of great work has been done. But I think we've come to a point in time where we need to do some additional strategic planning. We're identifying gaps. And frankly, colleagues, this is a very expensive area of government. Let me give you just a couple of quick examples of what we mean to try to justify why a task force is helpful here. One quick example is that despite having psychiatric hospitals and the Lincoln Regional Center we still have very high-needs folks that don't fit into either system very well. They are too dangerous for hospitals but don't quite meet the criteria of the regional center. Another example is in juvenile justice. We see that too many kids are staying in detention because we don't have the appropriate behavioral health alternatives. So I could go on and on about examples, but I think the point of the story is that there is a role

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for policymakers in trying to understand the strategies that we need to take to continue to make this community-based vision for mental and behavioral health services a reality. So I'm happy to provide any additional insight, but that's my quick testimony in support. [LR413]

SENATOR KRIST: Any questions for Senator Bolz? Do you see this as a continuation of an oversight committee or a new oversight committee? [LR413]

SENATOR BOLZ: I guess my perspective is that because it is so cross-cutting it needs to be a new initiative so that we can bring together the different silos and stakeholders. [LR413]

SENATOR KRIST: I guess I asked the question because we have the Children's Commission, we have all the things that are going on right now and would you see this as...you say a cross-cutting. This one's jurisdiction is in all of behavioral and mental health, anywhere it touches. [LR413]

SENATOR BOLZ: As I read it, you know, I think we're at a unique point in time because we have the good work of the Performance Audit Committee. The needs assessment that the Performance Audit Committee has requested is, as I understand, due on June 30. So this task force could build on the outcomes of the statewide need assessment. And I actually have a bill that Senator Mello will hear in the Appropriations and Senator Watermeier will hear in Appropriations Committee this afternoon about asking the administration to do a system of care initiative, which is the same idea of bringing together multiple stakeholders. The point about this task force I think is that our branch needs to be a part of finding solutions because there is policy change, in my opinion, that needs to move forward and we hold the purse strings. [LR413]

SENATOR KRIST: Thank you, Senator Bolz. Any other questions? All right. Thank you very much. Any proponents? Welcome. Whenever you're ready. [LR413]

BETH BAXTER: (Exhibit 1) Good afternoon, Chairman Krist and members of the Executive Board of the Legislative Council. My name is Beth Baxter, that's B-e-t-h B-a-x-t-e-r, and I serve as the regional administrator for Region 3 Behavioral Health Services in Kearney. I appear before you today on behalf of the Nebraska Association of Regional Administrators, which is comprised of the six behavioral health administrators of the behavioral health authorities across the state. I appear before you in support of LR413 and thank you for the opportunity to express our support. LR413 proposes to establish the Task Force for Behavioral and Mental Health to examine multiple issues. We welcome this step as a follow-up to the Legislative Performance Audit findings that were released in November of 2015. As this committee is well aware, there were several findings of the audit which we believe are essential steps towards addressing gaps in a complicated system. Furthermore, we believe that the task force would be essential to

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address some of those critical needs that are coming forth in the system and these needs which will be addressed by the system of care initiative that Senator Bolz just outlined to you. The six behavioral health regions stand ready to provide the task force with whatever data or other information we can as they begin their assessment of the behavioral and mental health system in Nebraska. It is important to note that this was a role that we played while under the implementation of LB1083 in 2004 to the Behavioral Health Oversight Commission that, Senator Krist, you mentioned earlier as well. We stand ready to assist the task force in any way we can. I would also like to thank you for this opportunity to share these thoughts, and I'm willing to answer any questions that you might have. [LR413]

SENATOR KRIST: (Exhibits 2-6) Any questions? Thank you, Beth. Thanks for coming. Any other proponents? Any opponents? Any neutral testimony? Okay. I'd like to read into the record a letter of support from NSEA signed by Jay Sears, program director, Nebraska State Education Association; a letter of support from NABHO signed by Annette Dubas, executive director; a letter from NASW signed by Mary Sullivan, member; and a letter from the Nebraska Psychological Association from Will Spaulding, Ph.D., legislative committee chair; and another from the Nebraska Hospital Association in support, and that one is from Laura Redoutey and Andy Hale, vice president, and Elisabeth Hurst. So would you like to close? He waived. Okay, I was looking for you out there. That concludes the hearing on LR413. Let's move to Senator Howard, LR418, please. Welcome, Senator Howard. [LR413]

SENATOR HOWARD: Thank you, Senator Krist. All right. Good afternoon, Senator Krist and members of the Executive Committee. My name is Senator Sara Howard and I represent District 9 in midtown Omaha. For the record, that is S-a-r-a H-o-w-a-r-d. Today I bring before you LR418, a resolution that would create the ACCESSNebraska Oversight Committee. Last year I was appointed Chairperson of the LR33 ACCESSNebraska Special Investigative Committee. I was preceded by Senator Annette Dubas in this position in 2014. The other members of the committee included Vice Chair Senator John McCollister, Senator Joni Craighead, Senator Sue Crawford, Senator Matt Hansen, Senator Merv Riepe, and Senator John Stinner. And if I may just make a note, we had a really great mix on this committee of people who understood public health benefits and people who could look at the ACCESSNebraska system from a business perspective, which was very helpful, I think, in our findings. Through our work over the interim, we toured each of the customer service call centers and both of the document imaging centers, known as ANDI centers. We held a public hearing in July, and my staff attended regular meetings comprised of ACCESSNebraska leadership. The Ombudsman's Office also conducted a survey of employees. Each of these is touched on in the report, and we did bring some extra copies in case you would like some light reading for later. What we found is that ACCESSNebraska has faced significant challenges in operations over recent years, but this year in particular notable gains have been achieved. Improving functionality of the program has been a priority for DHHS and credit is given to the new administration in particular. Recognition is

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also given to the long-term employees who have continued to advocate for a program that they believe can have a positive impact on those needing benefits in our state. The LR33 Committee released their report to the full Legislature on January 5, 2016. In this report, the committee made a number of recommendations for the continued improvement of functionality, customer service, and delivery of benefits by ACCESSNebraska. The committee's recommendations are summarized as follows: We hope that they continue to focus on cross-sharing of documents and proper training of employees to reduce call wait times specifically and complete calls in a timely manner. We wanted them to create contingency plans for computer and calling system malfunctions in order to avoid a disruption in service. This was in particular...when I think about whether or not we need continued oversight, our last site visit was the first week of December. And on that site visit we were told that on the Tuesday before Thanksgiving the department had failed to load the SNAP cards for an unknown number of families, and they did not have SNAP benefits over the Thanksgiving holiday until the Monday afterwards because of a computer malfunction. And that to us seemed like a big issue if people were going without food over the holidays. We wanted them to continue exploring opportunities specifically for funding to update technology. On the Medicaid side, we have quite a lot of funding for technology, especially when it comes to our new MMIS system, which will be implemented in 2017. But on the economic assistance side, you don't see as much resources geared towards technology. We also asked they develop succession planning for key employees. This was something that really came from Senator Stinner and Senator McCollister. Looking at the whole system from a business perspective, what would a business do to ensure continued functionality? We wanted them to really focus on what we saw as a problem with the way that fraud was handled inside of the department, inside of ACCESSNebraska. One of the things that came out was that there was an e-mail inbox specific for fraud that had not been checked for quite a long time. There were thousands of e-mails in there of suspected fraud from employees. And so we wanted them to consider how do you address the backlog of fraud complaints and develop better monitoring for whether or not those complaints are being addressed. We also wanted them to continue serving ACCESSNebraska employees and create some method of stakeholder input for the services that were provided. And then the committee, a majority of the committee recommended one more year of legislative oversight, not through a special committee or a special investigative committee, but rather through an oversight committee so that we could continue a robust dialogue between the Legislature and DHHS about the functionality of ACCESSNebraska. The intent of the report was to show that progress has been made, which is actually the good news. But there are still some challenges that are presenting themselves to the department. With the above steps being taken, the committee felt comfortable changing the focus to an oversight committee instead of continuing as a special investigative committee. And the goal of such oversight would be to support that ongoing dialogue. I thank you for your consideration of this important matter and I ask that you advance the resolution to the full Legislature for consideration. I am happy to try to answer any questions you may have. [LR418]

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February 08, 2016

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SENATOR KRIST: Any questions for Senator Howard? I have one concern. I think that hopefully you'll go forward with this. I believe in terms of cybersecurity and sustainability and recovery, I think that should be an effort. I hope it's an effort... [LR418]

SENATOR HOWARD: Absolutely. [LR418]

SENATOR KRIST: ...particularly in backing up and sustainability and recovery the department won't be caught short on that particular area. So for the record. [LR418]

SENATOR HOWARD: Absolutely. Thank you. [LR418]

SENATOR KRIST: Yeah. Thank you. Any other questions for Senator Howard? Okay. Any proponents for LR418? Welcome, Mr. Goddard. [LR418]

JAMES GODDARD: (Exhibit 1) Thank you. Good afternoon, Chairman, committee members. My name is James Goddard, that's J-a-m-e-s G-o-d-d-a-r-d, and I'm the director of the economic justice program at Nebraska Appleseed, here today to offer testimony in support of LR418. Many of you have been on committees, have heard about this issue for a number of years. I thought it would be helpful for me to just briefly recap a bit of what has happened with ACCESSNebraska. The change goes back to 2009 where the department determined they wanted to drastically alter how they administer public benefits. Caseworkers were eliminated, some offices were closed, the system moved to a more heavy reliance on technology and call centers. And at least initially and for some time, these changes did not go smoothly. There were application processing delays. There were errors in benefits, long call wait times, and other issues. And these issues created major problems for low-income clients, including facing hunger and financial instability. Now the Legislature has been involved in oversight or in legislation around the system going back to 2011. There were a few bills introduced that year, two of which were passed. There were also two investigative committees. The first one in 2014, LR400, issued a report detailing some of the problems that I just mentioned. And the recommendation was to continue investigation, which resulted in LR33 and the report that Senator Howard was just mentioning. And according to the report, the system has undergone improvements. We've certainly seen better call wait times. We've seen improvements with application processing related to SNAP and employee morale. And we're happy to see those changes, and the department leadership has put an emphasis on improving the system and making it more effective. At the same time, the report noted issues remain, some of which Senator Howard mentioned. And the main thing we think is important is that these changes are sustainable over time, that we're not seeing trends go down in a way that we want them to only to go back up. And so from our perspective, it's important to continue at a minimum the oversight that this

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legislative resolution would move ahead. And so for these reasons, we urge the committee to advance the resolution. Be happy to answer any questions. [LR418]

SENATOR KRIST: Thank you, Mr. Goddard. Any questions? Thanks for coming. [LR418]

JAMES GODDARD: Thank you. [LR418]

SENATOR KRIST: Any other proponents? Any opponents? Any neutral testimony? Okay. Senator Howard, would you like to close? She waives close. You're our favorite person. That will conclude the hearing on LR418 and the hearings for today. Please clear out as soon as you can. I need to talk to the committee for just a few seconds. [LR418]