

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

Government, Military and Veterans Affairs Committee  
February 25, 2016

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[LB792 LB1024 LB1057 LB1078]

The Committee on Government, Military and Veterans Affairs met at 1:30 p.m. on Thursday, February 25, 2016, in Room 1507 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB792, LB1024, LB1078, and LB1057. Senators present: John Murante, Chairperson; Tommy Garrett, Vice Chairperson; Dave Bloomfield; Mike Groene; Matt Hansen; and Tyson Larson. Senators absent: Joni Craighead; and Beau McCoy.

SENATOR MURANTE: (Recorder malfunction)...Affairs Committee. My name is John Murante, I am the state senator for District 49, which includes Gretna and northwest Sarpy County and the Chairman of this committee. We are here for the purposes of conducting four public hearings. We'll be taking up those bills in the order in which they appear on the agenda listed outside of this room. If you're here to testify on any of the matters before us, we ask that you fill out this green sheet which is located on either side of the room and turn it into the clerk. If you're here and wish to register an opinion on any of the matters before us but do not wish to testify, we ask that you sign in and state your support or opposition for the matter before us. If you're going to testify, we ask that you begin by stating and spelling your name for the record, which is important for our Transcribers Office. The order of business is that the introducer of the bill will be permitted to make an opening statement. That will be followed by proponents, then opponents, then neutral testimony, then the introducer will be permitted a closing. We ask that you listen very carefully and to try not to be repetitive. We do use the light system in the Government Committee. Each testifier is permitted four minutes. When the yellow light comes on you have one minute to testify and we ask that you begin concluding your remarks at that time. When the red light comes on we ask that you end your testimony and we'll open up the committee to any questions they may have of you. I ask at this time that you turn off or silence any cell phones or other electronic devices. If you have a prepared statement or an exhibit, anything you want distributed to the committee, please provide it to the pages and they will distribute it to the committee for you. And we will go through a very brief introduction of the members who are here. To my far left, Sherry Shaffer is the committee clerk. Senator Joni Craighead from Omaha will not be with us today. Senator McCoy from Omaha will not be with us today, he's traveling. Senator Hansen is introducing a bill...Senator Matt Hansen from Lincoln is introducing a bill in Revenue so I anticipate him to come at some point during the day today. Andrew La Grone is the committee's research analyst. State Senator Tommy Garrett of Bellevue, Nebraska; Senator Garrett is the Vice Chair of this committee. State Senator Dave Bloomfield from Hoskins, Nebraska. State Senator Tyson Larson from O'Neill, Nebraska. And at some point in the near future we expect Senator Mike Groene of North Platte to be with us today. And with that, we're all here, Senator Kuehn, to hear your LB792. Welcome to the Government, Military and Veterans Affairs Committee. [LB792]

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SENATOR KUEHN: (Exhibit 1) Thank you, Senator Murante, Mr. Chairman, and members of the committee. I am Senator John Kuehn, J-o-h-n K-u-e-h-n, I represent District 38, which consists of seven counties in south-central Nebraska. I am here today to introduce LB792, which is a statute which would place restrictions upon certain elected officeholders and staff from engaging in the business of lobbying for a period of time following the end of their service and employment. At the beginning of my opening, I want to be clear and very up front about a few things. First, this proposal is not about or directed to any one individual or institution, past, present, or future. Also, in bringing this concept forward, this is not an accusation or implication of any existing inappropriate behavior. This is simply about a perception among voters and maintaining the full trust of the people of the state of Nebraska in their elected officials and those who work for them. Interestingly enough, my own experience is what brought this idea to the forefront. And it wasn't until I began researching that I recognized this as an issue which has been before the state of Nebraska and this body several times. Most recently in 2008, a similar type of piece of legislation was brought forward by Senator Bill Avery on behalf of then-Governor Dave Heineman. It's very interesting, when I decided to run for the Nebraska Legislature, as you're out campaigning you get that standard question to which you are prepared which is, why do you want to be a state senator? And while I am certainly by no means young, I certainly am in that middle age of my career and my earning potential. And I was amazed the number of people who directly have asked me through the course of campaigning for office as well as even in town halls about what my other motivations might be, having a question or almost a veiled accusation that serving as a state senator and the service that we do might, at some point in time, result in a greater payoff or payday or investment. So it was from those questions where I recognized that there was a degree of distrust among some voters as to what the motivations of state senators may be that I began looking into the concept of the revolving door, as it's known and referred to often and in federal parlance. LB792, as has been proposed, would prohibit state officeholders from becoming lobbyists and engaging in the activity of lobbying until two years after they leave their term of office and would prohibit certain employees from becoming lobbyists until one year after leaving their positions of policy influence. There is an amended language which has been circulated to the committee--it's highlighted in yellow--is the change from the original green copy. In consultation with the Accountability and Disclosure Office, they had suggested some language which was much more precise in that policymaking role from that which is in the original green copy. And I support the committee to look at and adopt that should they choose to move LB792 forward. This period of time is commonly referred to as a cooling-off period. In the federal system it's often referred to as stopping the revolving door because of the tendency, particularly of staff members, to leave a position, go into a lobbying event, and then come back into service in government, creating a revolving door of influence. This cooling-off period is not intended to restrict or limit an individual's ability to make a living or engage in the practice of making a living, but instead is to ensure that relationships and influence which may be developed during the term of their service or during their term in a policymaking position, is not used to unduly influence the policy and

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the political process. The public offices that are listed within LB792 that would be affected include: the office of the Governor, the Lieutenant Governor, the Attorney General, the State Treasurer, the Secretary of State, the Auditor of Public Accounts, members of the Legislature, members of the Public Service Commission, members of the State Board of Education, and members of the Board of Regents of the University of Nebraska. Those individuals who, as stated in the amendment, engage in the drafting of legislation, testifying at public hearings regarding legislation, or attempting to influence matters before the Legislature as part of his or her official duties when employed by those offices would be restricted for a one-year period. LB792 and the time restrictions are a direct mirror of the federal revolving door rules. So in the federal system, federal elected officials, members of the Senate, are restricted from a two-year period and staff are restricted from one. In a very interesting fact, these kinds of revolving door statutes have been on the books federally since 1872. And 33 other states have some sort of statutory cooling-off period for elected officials, with 8 of them using the two-year period that is proposed in LB792. Nebraska does not currently have any restrictions on revolving door. It has considered them at the committee level multiple times in recent history. And I do think that, as a body that prides itself on our transparency and prides itself on our ability of unfettered access and equal access of the citizenry--our second house--to members of the Legislature, I think it's important that we maintain that public trust and public expectation when it comes to this regard. So with that, I'm happy to answer any questions that members of the committee may have. [LB792]

SENATOR MURANTE: Okay. Senator Larson, I saw, then Senator Garrett. [LB792]

SENATOR LARSON: Thanks, Senator Kuehn. Looking at your amendment, why are you just exempting members of...individuals employed in these specific areas and not specifically a member of the Legislature, but legislative staff. Why just the Exec Board...not Exec Board, but the executive branch employees get exempted but not legislative employees? [LB792]

SENATOR KUEHN: Let me double-check on the language. Legislative Council, so all of our staff would be employees, but not employees of the Legislature, per se. They would be employees of the Legislative Council. [LB792]

SENATOR LARSON: Okay, so you are exempting legislative employees? [LB792]

SENATOR KUEHN: Well, yeah. So, for example, our legislative assistants are employees of the Legislative Council and so they would be included in that. I think the clarity is, certainly someone in a nonpolicymaking or a position where the utilization of relationships either with other existing members of the lobby or interest groups, as well as senators, are not part of their job, would not be included in this. Whereas, someone who, let's say, was a research analyst for

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Government, Military and Veterans Affairs Committee would have significant relationships through the course of their work that they would have developed with stakeholders within the purview of that committee as well as existing senators. So it's, again, a reflection of the federal language. In full disclosure, most states do not have a staff provision. The staff provision was included in mirroring the federal guidelines and then bringing Nebraska into accordance with the federal system. [LB792]

SENATOR MURANTE: Okay. Senator Garrett. [LB792]

SENATOR GARRETT: Thank you, Senator Murante. Thank you, Senator Kuehn. I guess I have a real problem with this. And it's kind of disturbing to hear so many states that have this because legislative counsel, committee counsel on some of the committees that I've been on, those counsels have been doing that job for 40 years. And I just fundamentally, in my heart and soul, feel like the constitutionality of prohibiting someone from pursuing employment, that just doesn't in my...I'm not a lawyer. I play one in the Legislature. But I just...I don't see the constitutionality of trying to say that we're not going to allow you to do a job. And if an attorney for a committee...he or she is one election away from if the committee chair decides that they don't want that attorney and that person has been doing the job for 40-plus years, what else are they going to do? You know, they get two-weeks' severance from the state, so we're going to put them on the unemployment line? I just...when I got this job, I was told to see the lobbyists...it's not a four-letter word, they're our subject matter experts. And I've had lobbyists on both sides of an issue lobbying me. And we go to them for information. And whether it's the Lieutenant Governor or the Attorney General or Secretary of State or whoever, there's a lot of great experience there. And I certainly don't feel like anyone's going to have any undo influence on me, but I'd sure like to be able to tap that information. [LB792]

SENATOR KUEHN: I don't disagree, Senator Garrett, and I appreciate the sentiment. I don't disagree and in no way am I making an accusation that there would be an undo influence. I think in this case it's about public perception. And whether we like it or not, consistent studies, including one recently done by the Pew Institute, showed that the trustworthiness of individuals in elected office is not particularly high. And while certainly we don't want to impede upon an individual's ability to make a living, an individual who serves in the public service--so he either has been elected as a member of the public service, or in the case of staff, who are trusted by the people of Nebraska to carry out a public duty--we do need to be cognizant of the appearance of being above reproach, not just you and "I's" word that we're above reproach. I think political transparency and maintaining the trust and confidence of the people should be first and foremost. You and I both know that going to a lunch sponsored by any of the myriad of groups that sponsors luncheons throughout the course of a session doesn't have an influence on our vote. But certainly there can, at times, be a public perception that that is an effort to gain access or gain influence. And I think to maintain the integrity of our system and to maintain the trust that the

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people of Nebraska have in us, it's important to go above and beyond to maintain that level of integrity. So I do not disagree that it creates an undo influence, I believe it's about the perception of the undo influence by voters. [LB792]

SENATOR GARRETT: Thank you. [LB792]

SENATOR KUEHN: You bet. [LB792]

SENATOR MURANTE: Senator Bloomfield. [LB792]

SENATOR BLOOMFIELD: Thank you. Seeing as how I'm the only one sitting around this table that won't be back next year... [LB792]

SENATOR KUEHN: Is there an announcement you would like to make, Senator? [LB792]

SENATOR BLOOMFIELD: No. No, there isn't. But I doubt the ACLU will be trying to hire me as a lobbyist. But were they to make that foolish mistake, I don't know why I should be denied the privilege or the right to make a living. I really have an issue with this. If I were to do it, I'd actually do it the other way, say the lobbyists couldn't run for Legislature. Talk about undo influence, you've lobbied for somebody for five years and you get in the Legislature, you think your mind might be made up already? So I've got some issues with this. [LB792]

SENATOR KUEHN: I understand and I respect that position (inaudible). [LB792]

SENATOR BLOOMFIELD: Thank you. [LB792]

SENATOR MURANTE: Okay. Senator Groene. [LB792]

SENATOR GROENE: You say most states just have Section (5)(a), right? [LB792]

SENATOR KUEHN: Correct. [LB792]

SENATOR GROENE: Would you be adverse to... [LB792]

SENATOR KUEHN: No, I'm not adverse at all. And certainly the staff piece is not, as with any piece of legislation, certainly isn't a hill on which I would die or say that it has to be an all or

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none. The staff piece was simply included again to put all of the options before the committee to take a look at, given that it's reflected in the federal statutes. [LB792]

SENATOR GROENE: Because the elected officials have campaign dollars. I see them...fund-raisers now for people term limited don't have any plan but might go into lobbying and they got that pool of money. And do you know if not they can take that pool of money and as a lobbyist then give it to other campaigns? Isn't that existing law? [LB792]

SENATOR KUEHN: The...and Mr. Daley may be able to speak to greater detail about the actual legalities and logistics. But it is my understanding that the same rules for utilizing campaign funds while you are campaigning or in office apply up until you close that campaign committee at some point (inaudible). [LB792]

SENATOR GROENE: So I could be a lobbyist the year after I'm done here and have \$200,000 in my campaign account and give money to people running for the Legislature as my new job as a lobbyist. I'm going to have to ask Frank Daley, but that doesn't sound right to me. [LB792]

SENATOR KUEHN: I think that's a question best addressed to him as he can give you the exact specifics and I don't want to misstate my understanding, so. [LB792]

SENATOR GROENE: Thank you. [LB792]

SENATOR KUEHN: You bet. [LB792]

SENATOR MURANTE: Thank you. Seeing no additional questions, thank you very much for bringing the bill before us, Senator Kuehn. [LB792]

SENATOR KUEHN: Thank you. [LB792]

SENATOR MURANTE: And we will proceed to proponent testimony to LB792. Proponents. Mr. Geis, welcome back to the Government Committee. [LB792]

GAVIN GEIS: Chairman Murante, members of the Government Committee, my name is Gavin Geis, G-a-v-i-n G-e-i-s, and I'm representing Common Cause Nebraska. We support LB792. As was mentioned by Senator Kuehn, 33 states have a revolving door bill in some form and a rough estimate of 33 states, that's about 200 million people in America that just see this as how government works. Now, sometimes as a Nebraska or a Unicameral sometimes it's good being

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weird, sometimes it means we're just behind the times. And I think this is a case where we're just missing the boat, especially when it comes to the provision regarding legislators, elected officials. I want to give you one example from our past year in Nebraska where this happened and just made many voters feel like they were used. Two thousand seven, Senator Don Pederson, term limited, before he was term limited, was the Chair of the Appropriations Committee. And during his time as the Chair worked to buy the Assurity Building that was across from the Capitol, worked to find the money to create the agreement to buy that building. He was term limited, before that actually happened, was then immediately hired by Assurity to lobby to make that bill...to court that bill through the committee process, through the floor and eventually to passage. Now I'm not commenting on whether that's a good purchase or not; it probably is for the state of Nebraska. But I don't think it's a stretch to say that a lot of the people, or at least some of the people that he once represented, people who voted for him, walked away from that feeling used. Felt like Pederson just used that as a stepping stool to something else. Now I don't know if that's true. I don't know if he did or not, but at the end of the day voters probably felt used. And we, in a representative democracy, should be trying to stay away from that as much as possible. Voters aren't tools for the benefit of officials. Okay. A couple of other points. Representatives are elected by the public and any influence they receive during their service belongs to the people they represent, not themselves. Now this bill wouldn't stop them from...wouldn't stop representatives from using the contacts they made during their time. They can get a lot of jobs. But all it does is prevent them from using that influence they received that was given to them by the voters, to use that influence to turn around and lobby. I don't think the members of the Government Committee would actually disagree with me here, that there's more value to your seats than future employment. There's more value and there's more importance to the role you're serving than your job in the future. LB792 simply puts that sentiment into law by drawing a bright line between when the individuals are elected representatives of the people, representing their constituents, and when they're an individual representing themselves and lobbying. One last thing I would like to suggest in addition to the bill. Let's see, line 18, second page, in Common Cause we discussed this. And the line there says, the Board of Regents of the University of Nebraska shall be a lobbyist until at least two years. I would have the word compensated before lobbyist. In Nebraska, we have compensated and uncompensated lobbyists. We have lobbyists who make money, lobbyists who are doing it, not for the making money, just because they want to come an represent an issue. And I think we need passionate people in Nebraska representing issues they care about coming and speaking to their legislators. And if they just so happen to be a former legislator, I don't think we should stop them from coming and speaking before the lobby. The real problem lies when voters see them turning around and making a buck based on the position they were given by those voters. So if we change it to say, just compensated, then that means if you care about something deeply and want to come back and talk about that issue, nothing to stop you. Thank you. [LB792]

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SENATOR MURANTE: Thank you, Mr. Geis. Senator Larson, then Groene, then Bloomfield. [LB792]

SENATOR LARSON: How do you feel about term limits, or Common Cause? [LB792]

GAVIN GEIS: We...completely neutral on term limits. They're 50-50. We could talk more about it, but 50-50. It's tough. [LB792]

SENATOR LARSON: Okay. So I just wanted to (inaudible) my first question in terms of what you guys felt on term limits. [LB792]

GAVIN GEIS: It may actually make us a little more important even, because people don't stay around forever (inaudible) forced out. [LB792]

SENATOR LARSON: I guess my point is, is I kind of feel the same way about term limits as I do this. And I know you guys are probably very strong proponents of our federal Constitution and the right to free speech is kind of where I draw the line on a lot of things. And I disagree with term limits on that simple basis. And I would disagree with this concept on the same. I should be able to...not only should I be able to represent myself at any time, for the state to say that I should not be able to do that is wrong, I believe, and as well as earn a living in any way that I see fit. It violates my speech. So I guess...do you feel that this violates speech by not being able to, in the purest form of the word, not being able to practice that speech in any way that you want and essentially be compensated for that if that is the choice of speech that you prefer? [LB792]

GAVIN GEIS: Let me just say one thing. There are a lot of ways we put limitations on speech. We do not have an absolute, 100 percent, open, abroad discussion of speech. [LB792]

SENATOR LARSON: No, no. I understand. You can't yell, fire, in a crowded building. I get that because that's more of a public safety issue. So if you want to try to use that argument, you can try to walk down to how this violates public safety. There's a difference between violating public safety and public...we could hear...as public trust. So I understand that the Supreme Court has ruled on that. So...but...you don't feel like this violates one's ability to...of speech or to earn a living or anything of that... [LB792]

GAVIN GEIS: We'd have to look at court cases, but I would imagine there's a difference between earning a living and voicing your opinion. That's why I would like to add the compensated lobbyist, so that if you have an opinion and you want to share that, that didn't stop you. But

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earning a living is a different thing. They are different legal standards, I'm sure, and we should look at it. It's something to talk about. [LB792]

SENATOR LARSON: All right. [LB792]

SENATOR MURANTE: Senator Groene. [LB792]

SENATOR GROENE: On the compensated or not compensated, really, would it make a difference, because if an ex-senator comes down here and wants to do something for a meatpacking plant or something--I'm not picking on anybody, but it's just something still on my mind--and didn't get paid and said, you come to this huge dinner with me and I'll be there and I'll be the guest speaker and I want you to support this bill and I'm not getting paid, and he still has that campaign cash. I mean, what's the difference? [LB792]

GAVIN GEIS: In many ways, there isn't a difference. But at the same time, the suggestion was more as a respect to the legislators who care about issues. But either way, I think this is an important piece of legislation. [LB792]

SENATOR GROENE: What's the definition in your term of...in statute about a lobbyist? So I'm term limited out and I don't like cigarettes. And I want to come down someday and say, you know, you guys ought to pass that bill on cigarettes. Am I officially a lobbyist because I'm going office to office or is it the lobbyist standing outside the glass? Legally, what's the definition? Do you know? I'm sure he does. [LB792]

GAVIN GEIS: Yeah. Wait for Frank Daley for the best definition. I can give you a roundabout, but Frank's got the best. [LB792]

SENATOR GROENE: All right. Thank you. [LB792]

SENATOR MURANTE: Senator Bloomfield. [LB792]

SENATOR BLOOMFIELD: Thank you. You talked about steppingstones. I'm going to throw the names out here now. Brad Ashford went to the U.S. House. This was a steppingstone. Would he have been allowed to run for the House? Jeremy Nordquist moved from here to a well-paid job working for Congressman Ashford. Should he have been allowed to do that? This was a steppingstone to that. [LB792]

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GAVIN GEIS: My only point would be that this isn't a bar on all steppingstones. This isn't a bar on discouraging any contact with the people you worked with or talked with in office. This is simply about turning around, coming back, and lobbying those people you worked with and knew. So not all steppingstones are even close to banned by this bill. [LB792]

SENATOR BLOOMFIELD: If you are...in my mind, this bill is picking and choosing winners. I had become a little bit interested in motorcycle helmets, but I can't come back next year and talk about motorcycle helmets if I want to and try to influence the person that took my place if somebody would happen to want to buy me a dinner while I'm here, under this? [LB792]

GAVIN GEIS: If you were being compensated to come back and talk about those helmets, yes. Under my change, yes, if you just care about that issue. [LB792]

SENATOR BLOOMFIELD: I wouldn't be able to do that. But it's perfectly all right for Congressman Ashford to go further and talk about everything that he wants to do and be compensated. (Inaudible.) [LB792]

GAVIN GEIS: Get elected as Governor, Senator Bloomfield. I would encourage you to run for office for the office of Governor. Keep moving. [LB792]

SENATOR MURANTE: I don't think anyone's ever said that before. (Laughter) [LB792]

SENATOR BLOOMFIELD: I think that was his polite way of saying, get the heck out of here. [LB792]

SENATOR GARRETT: "Rots a ruck." [LB792]

SENATOR MURANTE: Senator Garrett. [LB792]

SENATOR GARRETT: Thank you, Senator Murante. I fundamentally have...I guess for me it all comes down to accountability. And if my constituents feel that I've sold out to any lobbyist or any special interest group, they're going to throw the rascal out; as well they should. So I just...I fundamentally have a problem with the government telling people what they can and cannot do as far as employment is concerned. And I've always said, the thing that upsets me, I guess most, is when there's a corrupt politician or a corrupt law enforcement person, because, fundamentally, our society, our government is based on that. And so I take that very seriously and, boy, it's all about accountability. And I just, boy, I just would hate to give up on that...not be able to tap that expertise of a former senator. You know, there's a certain senator that's working in one of the

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state offices here. He's a great fount of knowledge. That kind of experience is so hard to get and whether it be a Lieutenant Governor, an Attorney General, a Secretary of State, a former legislator, they know the issues. And to me, it's all about tapping that expertise. And, again, accountability is all important. Constituents hold us accountable, unlike Senator Larson, as far as even the term limits. We have term limits, it's called elections. But holding people...holding legislators accountable, holding everybody accountable, so anyway, just not so much a question as just kind of voicing an opinion. [LB792]

GAVIN GEIS: (Inaudible) understood. Thank you. [LB792]

SENATOR GARRETT: Okay. [LB792]

SENATOR MURANTE: Seeing no additional questions, thank you very much for coming down today. Appreciate it. [LB792]

GAVIN GEIS: Thank you. [LB792]

SENATOR MURANTE: Additional proponent testimony to LB792. Are there any additional proponents? Are there any opponents to LB792? Is there any neutral testimony? Mr. Daley, welcome back to the Government Committee. [LB792]

FRANK DALEY: Thank you very much, Chairman Murante and members of the Government, Military and Veterans Affairs Committee. My name is Frank Daley, D-a-l-e-y, I serve as the Executive Director of the Accountability and Disclosure Commission. I'm appearing today in a neutral capacity. The commission has not taken a position on the main object of this bill, that is post-office holding and post-public position employment restrictions. We did simply want to urge that if you decide to move forward with this bill, that you do so with the amendment that was proposed by Senator Kuehn. The amendment provides a much more clear definition of who in the public employment area is covered by the bill. But as long as I'm here, perhaps I could answer a couple of questions that popped up. Senator Groene asked, what can I do with my campaign funds when I'm out of office? And the answer is that you can keep your campaign funds as long as you'd like, but you're still restricted on how you use them. So, generally speaking, one candidate committee cannot give money to another candidate committee. And there are two exceptions to that. The first is that you can buy tickets to a fund-raising event of another candidate committee, though the rationale there is that you're going there for your own political purposes to meet the people you need to meet for your own campaign. Nevertheless, the statute says you can use it for that purpose. The other thing you can do is you can give money to another candidate committee at the time you are dissolving your own candidate committee. So you probably don't have a perpetual fund there to continually hold fund-raising events. The

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second thing I want to address, I think it was Senator Bloomfield's question about who is a lobbyist and who does this apply to? A lobbyist is someone who is trying to affect matters before the Legislature in a representative capacity. That is, they're acting on behalf of another person or an organization or something of that nature. So to the extent that you wanted to come back and wanted to talk about motorcycle helmets and you're acting on behalf of yourself, even under the bill you wouldn't be restricted from doing so. Lobbying by definition in our state is trying to affect matters before the Legislature in a representative capacity. So other than that, that's all I have to say. Thanks very much for the opportunity to testify. [LB792]

SENATOR MURANTE: Senator Groene has a question. [LB792]

SENATOR GROENE: So if you just took to compensated...put compensated in there, if somebody called me up after I'm term limited said, you know, you were passionate about this. Would you come down and talk to the fellow senators? Am I a lobbyist because I was asked to do it? [LB792]

FRANK DALEY: If you are acting in a representative capacity, the answer is yes. [LB792]

SENATOR GROENE: And then a lobbyist goes from office to office not outside the...and also outside the... [LB792]

FRANK DALEY: Correct. Now, having said that, some of the exemptions from registering as a lobbyist if you appear in a hearing such as this and identify who you are and who you're representing, that by itself does not trigger a registration requirement. Or if you simply supply written information to a member of the Legislature, that doesn't trigger a registration requirement. However, if you go beyond that, you're going from office to office talking to senators and you're doing it on behalf of someone else, either another person or another organization, then that triggers the obligation to register as a lobbyist, compensated or not. [LB792]

SENATOR GROENE: Have you ever seen where you thought somebody got some legislation passed in the last year or two they were there and then were hired later by that company as if almost like this was payola later on to what you did earlier? Ever noticed that? [LB792]

FRANK DALEY: There would be a lot of speculation in my answer. And I hate to speculate about situations like that in a public forum such as this. [LB792]

SENATOR GROENE: Okay. Well, thank you. [LB792]

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SENATOR MURANTE: Okay. Any final questions? Seeing none, thank you very much for your testimony. Appreciate it. [LB792]

FRANK DALEY: Thank you, Senator. [LB792]

SENATOR MURANTE: Additional neutral testimony to LB792. Any additional neutral testimony? Seeing none, Senator Kuehn. [LB792]

SENATOR KUEHN: Thank you, Chairman. And thank you, colleagues, for the discussion and the questions today. Just wanted to close quickly and then give you an opportunity to answer any additional questions you may have. I think one of the issues that in the term limited environment that we need to think about and address, which I think Senator Bloomfield brought up in a very important fashion, very poignantly, is the concept of what we do to maintain our institutional knowledge and our institutional memory, knowing that we do have a finite span of eight years. We have someone who has spent their career in this body working on an issue, we need to think about and be reflective of how we can utilize that information and capitalize upon it and build upon that work for successors, as well as for the body as a whole. And so I think part of that comes with a better clarity for our colleagues who may be leaving office as to what constitutes lobbying and what doesn't. I appreciate the clarity on the term that it is in a representative capacity. I think we certainly should be more mindful about how we engage our colleagues who have left office to come back and assist us on an individual basis with their expertise and even how we transition materials. I'm guessing, Senator Bloomfield, you have boxes or however you may file electronic copies, of information that's relevant to anyone who would want to address any type of restraint, whether that's a helmet or other legislation. And how we transition that within the body and maintain that institutional memory, knowing that we physically only have an eight-year maximum presence here, I think is something we need to discuss as well. So certainly, there's nothing in this that would certainly be in my intent to stop that passage of information as part of our responsibility as legislators. Questions? I'm happy to answer (inaudible). [LB792]

SENATOR MURANTE: We have a couple. I'll have just one. Your bill is narrowly tailored to just apply to state government. I'm wondering if you had a reason for excluding, say, city councilmembers from becoming either lobbyists for their city or a lobbyist for League of Municipalities, county board members, so on and so forth. [LB792]

SENATOR KUEHN: Yeah. For this first run of this kind of legislation, focusing primarily on the state level, but I think that there is additional challenges associated with city lobbying and local elected officials. Just wanted to stay as narrowly focused and keep the discussion on this particular legislation at this time as specific as possible. I think there's a lot of other issues, certainly. When you go into the federal system...when Congressman Ashford entered office, he

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knew going in that he would be restricted from lobbying. Former Senator Nordquist knows when he takes a job as chief of staff, that he will not be able to lobby for a year after. I think there's also questions about when you leave the federal system from a state delegation whether or not you can lobby back in that state again. And so, again, there's lots of challenges with those rules, so just trying to stay as specific as possible with this particular piece of legislation. [LB792]

SENATOR MURANTE: Okay. Senator Bloomfield. [LB792]

SENATOR BLOOMFIELD: Thank you. Did you just tell me I could sell my folder full of stuff to ABATE for \$20,000? [LB792]

SENATOR KUEHN: I don't want you to...I did not say you could sell it. I said, I think that passing that along would be very helpful. [LB792]

SENATOR BLOOMFIELD: I just thought I'd ask. [LB792]

SENATOR KUEHN: Although what happens to it should it appear on eBay is up to you. Or what's the new app, it's not eBay, there's another one where you can just do it quickly. [LB792]

SENATOR BLOOMFIELD: I have no idea. [LB792]

SENATOR KUEHN: If we see a large series of boxes on eBay with an anonymous e-mail address I think we'll know where to look. [LB792]

SENATOR MURANTE: All right. Seeing nothing else, thank you very much. [LB792]

SENATOR KUEHN: Thank you very much, colleagues. Have a good afternoon. [LB792]

SENATOR MURANTE: Thank you. And that closes the hearing on LB792. We will proceed to the next item on the agenda, LB1024. Senator Tyson Larson of O'Neill, Nebraska. Welcome back to your committee on Government, Military and Veterans Affairs. [LB1024]

SENATOR LARSON: I always love being here. Members of the Government Committee, my name is Tyson Larson, T-y-s-o-n L-a-r-s-o-n, and I'm the senator from O'Neill, Nebraska. I'm here today to introduce LB1024. In short, what this would do beginning in January 1, 2017, and each year thereafter, it would up the amount that a contract value could be for a public employee, individual, individual's immediate family, or business with which an individual is associated. A

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contract could be valued at \$10,000 or more, instead of \$2,000 or more, in any one year with a government body, unless the contract is awarded through an open and public process. The genesis of this bill, essentially, comes...this statute was written in 1976; the \$2,000 limit was set; and trying to bring it back up to right around 2016 standards. And it actually arose with constituents. The concern is that with a...and I'll use a specific example, I know that Nebraska Lottery is very generous, we'll use that as an example in terms of donations to Nebraska organizations or things that help advertise or what not. And if the Nebraska Lottery were to want to donate to any organization, we'll say if that's an organization that supports pediatric cancer research, and a public employee is a member of that board or one of their family members is an immediate member of that board, that tops out at \$1,999 right now, even though they might want to offer more than that. So essentially, this is just...and I think you're going to have a lot of nonprofits throughout the state of Nebraska that this could be a similar issue. You know, not trying to...and I know the Accountability and Disclosure Commission might come in, in a negative role after this, but this isn't trying to backdoor government contracts to public officials, this actually arose more in the nonprofit sector of these state organizations or state agencies that oftentimes support nonprofits throughout the state. But at the same time, we have individuals that are either public employees or their family members are public employees that sit on boards of those good nonprofit organizations. That...trying to bring back or update laws that were created in 1976 and just try to level them out instead of giving them carte blanche. Thank you. [LB1024]

SENATOR MURANTE: Okay, thank you for your opening. Are there any questions? Seeing none, thank you very much for your opening. [LB1024]

SENATOR LARSON: Thank you. [LB1024]

SENATOR MURANTE: Is there any proponent testimony to LB1024? Any proponents? Any opposition testimony? Welcome back. [LB1024]

FRANK DALEY: Thank you, Senator Murante and members of the Government, Military and Veterans Affairs Committee. My name is Frank Daley, D-a-l-e-y, I'm the executive director of the Nebraska Accountability Disclosure Commission, and I'm here to express the commission's opposition to LB1024. Here's the reason for our opposition: it increases the opportunity for government officials and government employees to contract with their own governmental entities, without there being an open and public process. And let me explain. Under current law, a public employee can enter into a contract with his own governing body if the contract is valued at less than \$2,000, no open and public process is required. If the contract is valued at \$2,000 or more, there needs to be an open and public process for the contract to be valid. And the open and public process could be something as simple as it's an agenda item on the county board meeting,

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or something of that nature. And maybe an example to illustrate would help a little bit. If you've got a county road superintendent, who is also the part-owner of a gravel pit, and he wants to order some gravel for the county. Under current law, if the contract is for \$2,000 or more, he can still enter into the contract, but it has to go through the county board and it has to be an agenda item at the county board meeting. However, under the bill, that amount increases to \$10,000, and so he could order gravel from his own operation for up to \$10,000 without there being an open and public process involved with the contract. I think the key here is that, even under the current law, whether it's \$2,000 or more, or less than \$2,000, you can still enter into the contract. It's just that if it's \$2,000 or more, there needs to be an open and public process. And so it just seems to us that the \$2,000 level is workable, it's one of those rare occasions that as the value of a dollar rose, it actually works to the benefit of the public because you get more scrutiny under more contracts. And it just seems to us that in our view it benefits the taxpayer if when government employees are contracting with their own governmental entities that there's a high level of scrutiny there. So that's the reason for our opposition, and I thank you for the opportunity to testify. [LB1024]

SENATOR MURANTE: Thank you. Two questions. Senator Garrett. [LB1024]

SENATOR GARRETT: Thank you, Senator Murante. Thank you, Mr. Daley, for being here. Under the example that you used, if a public official owns a gravel pit and they did a \$1,500 contract for the county, then officials were going one month and then maybe a month or two down the road did another \$1,500. Is that currently...is that feasible? Is there a time limit on what that \$2,000 limit is? [LB1024]

FRANK DALEY: It's \$2,000 within a calendar year. [LB1024]

SENATOR GARRETT: Within a calendar year, okay. [LB1024]

FRANK DALEY: And there's also a provision built in currently that you can't break up a contract for the purpose of evading the \$2,000. In other words, you can't take a big contract and break it up into little ones. That sort of thing. [LB1024]

SENATOR GARRETT: Okay, so that's currently in statute? [LB1024]

FRANK DALEY: Correct. [LB1024]

SENATOR GARRETT: Okay, thank you. [LB1024]

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SENATOR MURANTE: Okay, Senator Bloomfield. [LB1024]

SENATOR BLOOMFIELD: Thank you. Senator Larson had mentioned nonprofits. Would you be opposed to an exemption if you're working with a nonprofit? [LB1024]

FRANK DALEY: Yes, I would. And the reason is because there's nothing which would prevent the Lottery from making a contribution to a nonprofit, even if a public official was a member of that board. I mean, under current law it is still okay. And I know Senator Larson mentioned a specific situation, but I have to admit I think whoever was talking to you is wrong. [LB1024]

SENATOR LARSON: Good. [LB1024]

SENATOR MURANTE: All right, seeing no additional questions, thank you very much for coming down. [LB1024]

FRANK DALEY: Thank you very much. [LB1024]

SENATOR MURANTE: (Exhibits 1, 2, and 3) Additional opposition testimony to LB1024? Are there any additional opponents? Is there any neutral testimony? Seeing none, Senator Larson waives closing. I do have two letters of support on LB1024: one from John McClure of the Nebraska Public Power District; and one from Kristen Gottschalk, from the Nebraska Rural Electric Association, and the Nebraska Power Association. That closes the hearing on LB1024, we'll proceed to the next item on the agenda, LB1078. Senator Pansing Brooks, welcome back to your Committee on Government, Military and Veterans Affairs. [LB1024]

SENATOR PANSING BROOKS: (Exhibit 1) Thank you all, good to see you. Thank you, Chairman Murante and members of the Government, Military and Veterans Affairs Committee. For the record, my name is Patty Pansing Brooks, P-a-t-t-y P-a-n-s-i-n-g B-r-o-o-k-s, and I live and represent Legislative District 28, right here in the heart of Lincoln, and I'm here to introduce LB1078. This bill was brought to me by the Nebraska Association of School Boards, and they are here today and be providing testimony that will explain the bill in greater detail. LB1078 seeks to provide clarification in those situations when there is a potential conflict of interest involving persons serving as an elected official of a school district or an educational service unit and is also a representative of a business association. The potential conflict arises when members of a board are voting on matters which involve the other association. It is my understanding that when this situation currently occurs, different boards handle the matter differently across the state. This bill seeks to clarify that matter by allowing the members to declare the conflict in a written statement. The Nebraska Accountability and Disclosure Commission has expressed

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concerns and you have an amendment before you that was just passed out that addresses some of those concerns. So I thank you for your time and I'm happy to answer any questions, but I think that the people behind me will be able to better speak to the issue. [LB1078]

SENATOR MURANTE: All right, are there any questions? Seeing none, thank you very much for coming down today. Much appreciate it. [LB1078]

SENATOR PANSING BROOKS: Thank you very much, appreciate it. Have a good break everybody. Thanks. [LB1078]

SENATOR MURANTE: You too, thank you. We are now on proponent testimony to LB1078. Proponents? Welcome back to the Government Committee. It's been a little while, I think. [LB1078]

JENNIFER JORGENSEN: Thank you very much, I'm getting used to this committee. Chairman Murante, members of the committee, my name is Jennifer Jorgensen, J-e-n-n-i-f-e-r J-o-r-g-e-n-s-e-n, and I'm here on behalf of the Nebraska Association of School Boards, in support of LB1078 and the amendment that was handed out today. I would first like to thank Senator Pansing Brooks for introducing this for us. And as she stated, what we're trying to do here is clarify an existing part of the Accountability and Disclosure Act that deals with conflicts when it relates to business associations or those that sit on boards of business associations: directors and officers. And specifically what I'm referring to is if you look at the current statute as it reads, looking at Revenue 49-1499.03, there's a section that says any person holding an elective office of a school district is required to take any action or make a decision that may cause financial benefit or detriment to him or her, a member of his or her immediate family, or to the business with which he or she is associated. And that's the part we're looking at with this amendment, is when you look at the definition of business association, they talk about if you're a partner in a limited liability corporation, they talk about if you're a stockholder, you yourself who sit on the board, and/or an immediate family member. And those are all conflict of interests that we absolutely understand and that's why this bill exists, is because when you have a partnership of a limited liability, when you have a partnership of a stockholder of a business, we can see a financial benefit or detriment to that individual who owns those businesses. The definition of business association goes farther to actually say an officer or a director, if you're sitting as an officer or director of a board. And again, we can see where that's necessary, that terminology is necessary if you're an officer or director and you're voting on stock gains for yourself, if you're voting on compensation for yourself. Again, there's a financial benefit or detriment. Where we have an issue and where we're asking for this exception or this clarification is, again, when you sit on a board and you're an officer and a director of another board. And as Senator Pansing Brooks stated, in a situation where you're a school board member and you are elected or you're

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seated on another business association board, for example the Nebraska Association, you might be voting on...as a school board member, you might be voting on dues to pay to that business association. We don't feel there's any financial detriment or benefit to you personally to be voting on those. There is a possible benefit to the organization, but you are strictly there as a district representative, you are not there for any personal benefit. And that's the clarification that we're looking to do today. If you actually look at another section of the bill, 49-1499.02, is actually similar language that deals with commodities board, and there is almost an exact exception that we're asking for today has actually already been written in to the Accountability and Disclosure Commission that states exactly what we're asking where if a commodity board member is making or participating in the making of a governmental decision, then they're actually excluded from having to follow the requirements. Meaning, they can make a business decision. And that's all we're asking, the same consideration that's given to the commodities board, we're asking for that for school districts and educational service units. And that's another amendment that we're adding here, the bill right now just states school districts...or the law. We're asking educational service units to actually be incorporated into this law, as well, to encompass those. And we're also understanding this is all very transparent in that when they are making those decisions, they are allowed to vote, as opposed to abstaining, which they have to do right now, but they do have to give a written declaration that they sit on both boards. So there's still transparency, we're not taking that away at all, we're just wanting those individuals to be able to make the business decisions and be able to vote, which they're not allowed now. Because we feel like there is an unintentional opportunity for boards to not understand the detail of this statute and get tripped up because they are looking at it as I'm just concerned about a financial benefit or detriment to myself or my business. And with that, if you have any questions I will absolutely answer those as I can. [LB1078]

SENATOR MURANTE: All right, thank you very much for your testimony. Senator Bloomfield. [LB1078]

SENATOR BLOOMFIELD: Any school board member that owns a little piece of ground and votes to build a new gymnasium or opposes a new gymnasium is affecting him or herself. [LB1078]

JENNIFER JORGENSEN: Absolutely. [LB1078]

SENATOR BLOOMFIELD: Are you saying that if that happens to be a corporate farm they should not be...what are you telling me here? [LB1078]

JENNIFER JORGENSEN: Not at all. That again goes back to the fact that they're getting a personal benefit to that, because their corporation pays them...or however the corporation is set

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up. But if they're an owner of the corporation, then again, they're getting a personal benefit financially to themselves. In the situation that we're asking for, the small exception that we're asking for is, again, a school district representative sits on, let's say Lincoln Public Schools school board, they also sit on the Nebraska Association of School Boards. Lincoln Public Schools pays dues or pays fees to be a part of the Nebraska Association of School Boards. So right now, if you read this very strictly, in my opinion, that Lincoln Public School Board member would actually have to abstain from paying a dues to the Nebraska Association of School Boards and they have no personal benefit or detriment in any matter that we can see. And so in your example, there is a personal benefit to them because they own the corporation, they might get stocks from that corporation, or some sort of paycheck from that corporation. [LB1078]

SENATOR BLOOMFIELD: They wouldn't get the check, but they'd have to pay a higher property tax if they build the gymnasium. Thank you. [LB1078]

JENNIFER JORGENSEN: Yes. [LB1078]

SENATOR MURANTE: All right. Seeing no additional questions, thank you very much for coming down today. [LB1078]

JENNIFER JORGENSEN: Thank you. [LB1078]

SENATOR MURANTE: Appreciate it. Additional proponent testimony to LB1078? Are there any additional proponents? Are there any opponents? So negative today, Frank. This is unlike you. [LB1078]

FRANK DALEY: I'm feeling that way, Senator Murante. It's so unlike me. [LB1078]

SENATOR MURANTE: Welcome. [LB1078]

FRANK DALEY: At any rate, my name is Frank Daley, D-a-l-e-y, I'm the executive director of the Accountability and Disclosure Commission. And while I recognize the good and honorable intentions behind LB1078, nevertheless, on behalf of the commission, we're here to oppose it. Let me, perhaps, start by explaining what the current law is, and maybe this can put things in perspective. Certain categories of public officials, including members of school boards and members of educational service unit boards have a conflict of interest if they are faced with taking an official action or making an official decision which could result in a financial benefit or a financial detriment to the individual, a member of his or her immediate family, or a business with which he or she is associated. And as Ms. Jorgensen mentioned, the term "business" is a

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defined term under the accountability act, and it's kind of broad. It would include a corporation, union, limited liability company, limited partnership, all manner of types of organizations. And it doesn't distinguish between for-profit entities and nonprofit entities. The term "business association" is also a defined term, and you have a business association with an entity, whether it is for-profit or nonprofit. If you are an officer, director, limited liability company member, partner, or in certain cases a stockholder. So if you are faced as a school board member with taking an action which would have a financial effect on a business with which you're associated, be it for-profit or nonprofit, you have a conflict of interest. And when you have a conflict of interest, the action you need to take is relatively clear, you file a written disclosure of the conflict and you abstain from participating or voting on that particular matter. Now here's the problem we have, even though there's no benefit to the individual that's sitting on a nonprofit board, as a member of a school district board you have a fiduciary obligation to both the school district and the taxpayers of that district. As a member of a board, whether it is for-profit or nonprofit...let's say it's a school foundation, you have a fiduciary obligation to that entity, as well as the donors to that foundation. And so it seems to me that good government means that when you are making a decision as a school board member that's going to have a financial effect on a business with which you're associated, that the best policy is that you disclose and abstain from participating in that. Now I recognize in the example that was given of voting to pay the annual dues to the Nebraska School Board Association is sort of benign, even under current law the solution is pretty easy. The school board can vote to pay that, and if you happen to sit on the board of the school association, you simply disclose and abstain from voting on that particular matter. The problem we have here is that the bill goes a lot further. There may be other types of business entities or nonprofit entities where you sit on the board where the connection can be a lot more difficult and a lot more important. And it just seems to me that the better approach is the current approach, you simply disclose and abstain. And that way, the public is happy, the governmental decisions are made in a more objective matter, and there are no accusations that you are acting on behalf of this entity to which you also have a fiduciary obligation. Let me throw out one more thing. This bill creates a narrow exception applicable to a narrow category of public officials. I suspect if we go down this path, a line will form next year of other political subdivisions wanting their own narrow exception, and that probably doesn't work to the benefit of the public or even public officials when all is said and done. So thank you for the opportunity to testify today. [LB1078]

SENATOR MURANTE: Thank you, Mr. Daley. Senator Garrett. [LB1078]

SENATOR GARRETT: Thank you, Senator Murante. Again, Mr. Daley, welcome. A couple questions, if there was a dollar value...when we're talking about these organizations, obviously, like paying dues to a state organization or whatever, if we were to put a dollar value on this kind of transaction, would that mitigate your concerns at all? I mean... [LB1078]

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FRANK DALEY: It really wouldn't. And the reason is that currently, the law, as far as conflicts of interest, it's a matter of...if there's any financial benefit or detriment. Right now there's also a provision that if the financial benefit is speculative, contingent, de minimis, or uncertain, it's not a conflict of interest. But again, when we're talking about a vote to pay dues, this happens on the local level all the time where people drop out of votes to make payments because we've got some interest in the recipient of that payment. And it's such a common practice on the local level that, oh, I've got a conflict of interest on that particular item, I'm going to abstain and not vote on that particular payment. It's so common it just shouldn't be much of an issue. So I think this is more of an education. If there's inconsistent application across the state, this may call for greater education, rather than legislation. [LB1078]

SENATOR GARRETT: Second question, the thought occurred to me when you were talking about the conflict of interest. Should our rural, agricultural senators abstain or recuse themselves from voting on agricultural bills that we have before the Legislature that would, you know, benefit the agricultural or farming or ranching community writ large, because in their private business that's what they do? [LB1078]

FRANK DALEY: Well, let me point two things out. First of all, you don't have a conflict of interest if the financial benefit or detriment is not distinguishable from that of the general public or a broad segment of it. So that would be Senator Bloomfield's gymnasium question. If you are on a county board and you are voting to levy taxes or if you are on a school board and you are voting to levy taxes, that's going to affect everyone and you're going to be affected the same way as everyone. Let me go to the other part of your question, that is should state senators abstain from participating on certain matters, such as the farmer that's voting on ag matters. The answer is the Legislature has created an exception for itself because of the nature of the body. If a senator has a potential conflict of interest, he or she is required to disclose that in writing to our office and to the Speaker, but then they are allowed to vote or not as they see fit. It kind of reminds me of the what the late Senator Coordsen said. He said I'm a farmer, I'm from a farm district, I was elected by farmers to come here and represent their interests and if I can't do that, I can't think of any reason why I should be here. And so that's, I believe, why the exception applies to the Legislature. [LB1078]

SENATOR GARRETT: Great, thank you. [LB1078]

SENATOR MURANTE: Seeing no additional questions, thank you very much for coming. [LB1078]

FRANK DALEY: Thank you. [LB1078]

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SENATOR MURANTE: Is there additional opposition testimony to LB1078? Any opposition? Any neutral testimony? Seeing none, Senator Pansing Brooks waives closing, and that ends the public hearing on LB1078. [LB1078]

SENATOR GARRETT: Welcome, Senator Murante, to your Government, Military and Veterans Affairs Committee. [LB1057]

SENATOR MURANTE: Thank you, Senator Garrett, members of the committee. For the record, my name is John Murante, J-o-h-n M-u-r-a-n-t-e, and I am the state senator for District 49, which includes Gretna and northwest Sarpy County. I'm here today for the purposes of introducing LB1057. We all know this issue, we have talked about this issue in some form or fashion probably more than any other single topic that we have debated over the last two years. And quite frankly, I am not pleased to be here introducing this bill. It was my hope and intention that we would work some compromise out on LB166, get something done on that bill. Unfortunately, as of today and between discussions of the membership of this committee and Senator Crawford, who introduced LB166, no such compromise has been able to be made. What LB1057 does is takes the provisions of LB166, which based on our conversations received unanimous support of this committee, and places it into a bill in and of itself. Basically, this is LB166 without the bank statement provisions in it. I have tried very, very hard over the last two years to figure out some workable solution to that bank statement issue, and I would like to say on the record that I thank and appreciate the patience of both Senator Crawford, who has worked very hard to try and find a workable solution; Frank Daley, who has had numerous conversations with me, undoubtedly with Senator Crawford as well, to try and find a path forward for that. Right now, if that solution exists, I don't know what it is. We will continue working. When I introduced LB1057, it was my intention that this be the fall back plan, this would be what we would utilize if all else fails, because it seems like we can all agree that candidates should not be taking loans from their own campaign accounts...including a restitution provision in the law and increasing the campaign fines were appropriate and necessary actions. And I think that's something that the members of this committee and the members of the Legislature could support. But that's how we are here today. It is still my hope that we can do something with LB166. Based on very recent conversations, I'm not sure that's possible. But that's where we are and if nothing else, this accomplishes three-quarters of that bill and it gets us down the road anyway. Thank you. [LB1057]

SENATOR GARRETT: Thank you, Senator Murante. Senator Bloomfield. [LB1057]

SENATOR BLOOMFIELD: Just for clarification, this does not prohibit an individual from loaning money to his own campaign and then reimbursing himself later. [LB1057]

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SENATOR MURANTE: Correct. [LB1057]

SENATOR BLOOMFIELD: Thank you. [LB1057]

SENATOR GARRETT: Other questions? Thank you, Senator Murante. We will now take proponent testimony. [LB1057]

SENATOR BLOOMFIELD: John, you get out of the chair, he's not negative anymore. [LB1057]

FRANK DALEY: Senator Garrett, members of the committee, you're quite right, I'm ending my streak of negativity. My name is Frank Daley, D-a-l-e-y. I'm the executive director of the Accountability and Disclosure Commission, and I'm here to express the commission's support of LB1057. I'm aware that the committee has labored long and hard on some of the concepts that are involved in this bill and I think I can say that the commission supports everything in LB1057. Certainly we have supported those things before, as with other members of the committee and Senator Crawford, we had hoped that something could move forward that involved the bank statement provision. But I will say that we do support LB1057, all of the subject matters it addresses are things that the commission supports. Thank you for the opportunity to testify. [LB1057]

SENATOR GARRETT: Thank you, Mr. Daley. Senator Bloomfield. [LB1057]

SENATOR BLOOMFIELD: Thank you. As conversation has gone about in committee, part of the questions that have come up on the prior bill is would it actually have created more work for you with the bank statement there and would we have needed to hire a part-time person to oversee all the bank statements. [LB1057]

FRANK DALEY: It would have required no additional staff. It would have required slightly more work at the front end, but would have reduced the work load at the tail end. In other words, it's easier to reconcile committee accounts on a year to year basis based upon a bank statement than it is to do it after 4 years, or 8 years, or 12 years when you're looking through years and years worth of records trying to find the discrepancy. [LB1057]

SENATOR BLOOMFIELD: Okay, thank you. [LB1057]

SENATOR GARRETT: Any other questions? Thank you, Mr. Daley. [LB1057]

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FRANK DALEY: Thank you very much. [LB1057]

SENATOR GARRETT: Any other proponent testimony? Any opponent testimony? Any neutral testimony? Senator Murante, would you like to close? He waives closing. This concludes the hearing on LB1057 and today's Government, Military and Veterans Affairs public hearings. [LB1057]