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Transcriber's Office

Government, Military and Veterans Affairs Committee
February 21, 2018

[LB694 LB746 LB807 LB814 CONFIRMATION]

The Committee on Government, Military and Veterans Affairs met at 1:30 p.m. on Wednesday, February 21, 2018, in Room 1507 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on the gubernatorial appointments to the Nebraska Tourism Commission; LB814, LB746, LB694 and LB807. Senators present: John Murante, Chairperson; Tom Brewer, Vice Chairperson; Carol Blood; Tom Briese; John Lowe; Theresa Thibodeau; and Justin Wayne. Senators absent: Mike Hilgers.

SENATOR MURANTE: (Recorder malfunction) ...Veterans Affairs Committee. My name is John Murante, I'm the state senator for District 49 which includes Gretna and western Sarpy County, and I'm the Chairman of this committee. We are here today for the purposes of conducting public hearings. We'll be taking those matters up in the order in which they appear on the agenda outside of this room. If you're here and you wish to testify on any of the matters before us, we ask that you fill out one of these green sheets of paper. The green sheets are located on either side of the room. If you're here and wish to express support or opposition for any of the matters before us, but you do not wish to testify, we ask that you sign in on one of these sign-in sheets that are again located on either side of the room. If you do testify, we ask that you begin by stating and spelling your name for the record which is very important for our Transcribers Office. The order of proceedings is that the introducers of the legislation will be given an opportunity to open; then we will listen to proponent testimony, followed by opponent testimony, then neutral testimony, and the introducer will be given an opportunity to close. We ask that you listen very carefully and try not to be repetitive. We do use the light system in the Government Committee. Each testifier is allotted four minutes to testify. When the yellow light comes on, you have one minute remaining and we ask that you begin concluding your remarks. When the red light comes on, your time is expired and we will open the committee up to any questions that they may have of you. At this time I'd like to encourage everyone to turn off or silence any cell phones or electronic devices, anything that makes noise. If you testify and have a prepared statement, an exhibit or anything you'd like distributed to the committee, we ask that you provide 12 copies to our page who will distribute them to us. If you don't have 12 copies, just give what you have to our page and she will make copies for you. And our page for the day is Kylie Kotouc, a student at the University of Nebraska-Lincoln. With that we will proceed to the introduction of members. Senator Lowe.

SENATOR LOWE: Senator John Lowe, District 37, southeast half of Buffalo County.

SENATOR BRIESE: Tom Briese, District 41, that's a nine-county area stretching from central into northeast Nebraska.

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BREWER: Tom Brewer, District 43, 13 counties of western Nebraska.

SENATOR THIBODEAU: Theresa Thibodeau, District 6, Omaha.

SENATOR BLOOD: Carol Blood, District 3, western Bellevue and southeastern Papillion.

SENATOR MURANTE: And to my immediate right is Andrew La Grone, he is the committee's legal counsel. To my far left is Sherry Shaffer, she is the committee's clerk. Senator Brewer is the Vice Chairman of the committee. With that we have dispensed with our formalities and I believe on the phone we have Sarah Sortum, is that correct?

CHUCK HUBKA: She hasn't called in yet.

SHERRY SHAFFER: She'll be calling in.

SENATOR MURANTE: All right. Well, momentarily she'll be calling in and then we will have the public hearing on her gubernatorial confirmation. I'll tell you what, if she calls in, can we put her on hold and do another gubernatorial appointee?

CHUCK HUBKA: Your next one is a call-in also. That way you can go to the third one if they're sitting here in person.

SENATOR MURANTE: All right, yeah, let's do that. Ashley Olson...nevermind, let's not do that. Sarah, are you on the phone? [Confirmation]

SARAH SORTUM: Yes, this Sarah Sortum. [Confirmation]

SENATOR MURANTE: All right. Welcome to the Government Committee. We can hear you, so why don't you begin by telling us a little bit about yourself and why you want to be on the Tourism Commission. [Confirmation]

SARAH SORTUM: (Exhibit 1) Sure. Well, first of all, thank you for allowing me to call in; it made my life much easier, so I do appreciate that. Yeah, like you said, my name is Sarah Sortum, and I was born and raised here in Loup County, which is on the eastern side of the Sandhills. My family has been on the ranch here since 1904, so we have some deep roots in Nebraska. I was your typical ranch kid that after college was looking to get back to Nebraska, but at that point I didn't really see great opportunity. So my husband and I actually went to Colorado and we

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

Government, Military and Veterans Affairs Committee
February 21, 2018

managed a high-end resort ranch there. So that was kind of my introduction into the tourism world. I learned a lot, but when the opportunity came up to come back to Nebraska, we knew this was where we wanted to raise our family. So we came back to the family ranch. So we still ranch. My family also has a tourism operation on a ranch called Calamus Outfitters. And then I started my own tourism operation in 2011 called Sandhills Safari Jeep Tours. And so basically, you know, tourism has been a lot for my family. It has allowed me to come back to Nebraska to raise my kids here. And being on the commission is really just a way for me to give back. I think that the opportunity to improve the lives of some of Nebraska's families is humbling; it's an honor, but it's something that I take very seriously. [Confirmation]

SENATOR MURANTE: All right. Thank you very much for your remarks. Are there any questions the committee has? Senator Brewer. [Confirmation]

SENATOR BREWER: Good afternoon. All right, this is a hard question, are you ready? [Confirmation]

SARAH SORTUM: I'm ready. [Confirmation]

SENATOR BREWER: Who is your senator? [Confirmation]

SARAH SORTUM: Hi, Senator Brewer. [Confirmation]

SENATOR BREWER: All right. So far, so good; how is your senator doing? [Confirmation]

SARAH SORTUM: Great. [Confirmation]

SENATOR BREWER: All right. (Inaudible.) [Confirmation]

SARAH SORTUM: I've been working with him on a couple of things and he's...yes, he's been great. [Confirmation]

SENATOR MURANTE: I'd ask you who you voted for, but we'll skip that question. (Laughter) All right, any additional questions? I see none. Thank you very much for calling in. We will now proceed to proponent testimony. Does anyone wish to testify in favor of the appointment? Is there any opposition testimony? Is there any neutral testimony? Seeing none, that closes the hearing on Sarah Sortum's confirmation to the Tourism Commission. And we're now waiting on Starr, is that correct? [Confirmation]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

CHUCK HUBKA: Yeah, I'm going to call her right now. [Confirmation]

SENATOR MURANTE: Starr, this is Senator John Murante, can you hear me? [Confirmation]

STARR LEHL: Yes, Senator. [Confirmation]

SENATOR MURANTE: All right. Welcome to the Government, Military and Veterans Affairs Committee. Why don't you start off by telling us a little bit about yourself and your interest in the Nebraska Tourism Commission. [Confirmation]

STARR LEHL: (Exhibit 1) Okay, thank you. My name is Starr Lehl, L-e-h-l. And I have been in the Scottsbluff/Gering area for most of my life. My dad and mom met their...met each other down in the...at the university. My dad was from Superior, my mom was from here in Scottsbluff, and he came to visit and met her parents and fell in love with the area. So after he retired from the Marine Corps, I was actually born in Twentynine Palms, after he retired from the Marine Corps, we moved here to Scottsbluff when I was five. And so I went to school here, grade school clear through high school and was very involved in the community at a young age and also through the Jaycees. And then I ran for public office. I was on the Gering City Council for six years and then I was honored to be the Mayor of Gering for eight years, for two terms. So I have always been very, very involved in both the communities of Scottsbluff and Gering. I work for the state Department of Economic Development for 14 years, and now am the economic development director for the city of Scottsbluff. So I've always just had a love for the beauty of this area. I have horses and I horseback ride. We have over 30,000 acres of public land out here in western Nebraska that's been made available through a local non-profit organization and I just love to show it off whenever I can. And my husband will tell you a story about how he used to chase down campers. We put a new campground in at Gering and people would always drive by it and I'd hop in the car in the summer and chase after people in their RVs and drive them to the campground, I didn't want them to go anywhere else. And so I just...I love to show off not only the areas of western Nebraska, but also learn about the rest of our great state. [Confirmation]

SENATOR MURANTE: Sounds very good. We'll open the committee up to any questions that they have. Are there any questions? I see none. [Confirmation]

STARR LEHL: Wow. [Confirmation]

SENATOR MURANTE: So we what we will do now is see if anyone would like to testify on the appointment. Are there any proponents to the appointment? Is there any opposition testimony?

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

Government, Military and Veterans Affairs Committee
February 21, 2018

Are there any neutral testifiers? With that, thank you very much for calling in; much appreciate it. We will have the committee's report very promptly. [Confirmation]

STARR LEHL: Okay, thank you so much for your time, I appreciate it. [Confirmation]

SENATOR MURANTE: Thank you for calling in. [Confirmation]

STARR LEHL: Bye. [Confirmation]

SENATOR MURANTE: Now, we'll proceed to Ashley Olson's appointment to the Nebraska Tourism Commission. Welcome. [Confirmation]

ASHLEY OLSON: (Exhibits 1 and 2) Good afternoon. Well, good afternoon. My name is Ashley Olson, and I was born and raised here in Nebraska. I spent the last ten years of my professional career as director of finance and executive director with the Willa Cather Foundation in Red Cloud. We're a non-profit organization that provides visitation and tours of several historic sites in Red Cloud. So much of my work over the last several years has had a tourism and marketing-related component to it. I've been involved in local economic development endeavors both at the chamber and the economic development committee level; served two years as chair of the Heritage Highway Scenic Byway organization in Nebraska and really just want to give back and take what I've learned to the state level. Much of the work we do in Red Cloud is based on a model called Asset Based Community Development, which is all about identifying the assets that we have both locally and statewide and trying to leverage those assets to further economic developments. So very excited to be appointed...nominated for an appointment and happy to take any questions you might have. [Confirmation]

SENATOR MURANTE: All right, thank you very much for your opening. Senator Blood. [Confirmation]

SENATOR BLOOD: Thank you, Chairman Murante. And thank you for coming today. [Confirmation]

ASHLEY OLSON: You bet. [Confirmation]

SENATOR BLOOD: Can you tell me if you're going to be sticking around for LB807 to share your expertise today? [Confirmation]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

ASHLEY OLSON: I am, yes. [Confirmation]

SENATOR BLOOD: All right. And I have one more question for you, and I know the answer so I'm leading this. Can you tell me who the book My Antonia is based on? [Confirmation]

ASHLEY OLSON: The book is based on a woman named Anna Pavelka. She was a lifelong friend of Cather's. [Confirmation]

SENATOR BLOOD: So good. Thank you. [Confirmation]

ASHLEY OLSON: Yep. [Confirmation]

SENATOR MURANTE: All right. I see no additional questions. Thank you very much for your testimony today, much appreciate it. Are there any proponents to the confirmation? Is there any opposition testimony? Is there any neutral testimony? Seeing none, that closes the public hearing on Ashley Olson's confirmation appointment to the Nebraska Tourism Commission. Our next item is a rather unorthodox, Roger Dixon was scheduled to have his public hearing today. He informed us at a very late time that he is not able to attend. Accordingly, we have to have a rehearing which is scheduled for February 27 for him to come down, but we did not have time to cancel the public hearing, so we have to go through the motions and seeing if anyone is here to testify in favor of Roger Dixon's appointment. Is there any opposition? Is there any neutral testimony? And that closes this hearing, but again, we will have a rehearing with Mr. Dixon coming into the committee on the 27th. So with that we proceed to LB814 when Senator Schumacher arrives. So you can all talk amongst yourselves. [Confirmation]

(BREAK)

SENATOR MURANTE: Senator Schumacher, welcome back to your Committee on Government, Military and Veterans Affairs. Welcome. [LB814]

SENATOR SCHUMACHER: (Exhibits 1 and 2) Thank you, Senator Murante, members of the committee. It's a pleasure to be back, maybe, for the last time for this committee. I sure would like to get one bill out of this committee in my time down here. No pressure. [LB814]

SENATOR MURANTE: Hope springs eternal, Senator Schumacher. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR SCHUMACHER: My name is Paul Schumacher, S-c-h-u-m-a-c-h-e-r, and I represent District 22 in the Legislature. I am here today to introduce LB814. LB814 has its history in...I'll be reading an article in the Nebraska law journal. If you pay the bar association a couple hundred dollars a year, they send you a magazine. And the magazine has articles written by lawyers who are experts in their field, or at least have some expertise in the subject matter in which they write. And this article is written by members of an Omaha law firm and said, you know, we have a problem in Nebraska with our bidding procedure and we think it is adversely affecting the bids that the state gets and as a result costing the state money, and also costing the state to have selected bidders who ultimately turn out to be unqualified in the ability to provide the services they contract for. And it was basically about services and that's what this bill is about rather than sand for a highway or something like that. The problem comes in, the state lets a bid for a particular service. And the agency then reviews the bid, picks a winner. And there's no appeal by the person who comes in second or third other than they can request an interview with the agency head. And since the agency head or the agency's head agency made the decision, it's pretty well a foregone conclusion they're not going to have much luck with the meeting. That seems to have the consequence of having large national bidders who normally would bid for state contracts, shying away from placing a bid in a small state like Nebraska. Apparently to put one of these bids together for something like computer services or something that's highly technical and needs to be integrated with an existing state system, for example, is real expensive and you're talking hundreds of thousands of dollars, maybe more in order to put together a bid. And then to see a competitor get it maybe because the agency wasn't sophisticated enough to know what you were doing and not have any route of appeal just makes you say it's not worth it, don't put a bid in there. What this does is it creates an expedited procedure in which the agency can be appealed under the rules of...familiar to all agencies called the Administrative Procedures Act. And it provides for some review of the agency's action. And I responded to that article by contacting this Omaha law firm and was promptly reminded that nobody was paying them to do this. Good lawyers. But they were very interested in the cost. And so they've assisted and are represented here today with some testimony to answer your particular questions. I do have a couple of handouts here. One handout is testimony from Kerry Winterer. You may remember Kerry headed DHHS and he tells a story of when he got appointed to head DHHS, the mess he had to clean up because there was, I think, an \$8 million contract that had been let to somebody who was not capable performing; state is out the money and out of a bunch of time. And there was an effort made to try by a losing bidder to try to call that to the system's attention and the system was not responsive. Regrettably, we (inaudible) time in this particular case for...on this bill, for anything other than consent calendar so it would be hard to see how this is going to come up this particular year. But I guess it would be possible if everybody thinks it's a great idea. Also have an amendment proposed that deals with some of the original language and some objections that the bar association in a hyper-technical way found with the original language; and also, you'll notice in the bill it had an XXX for the amount of contract that would be subject to this kind of review. And the suggestion is that the XXX be filled in with a million dollars so that

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

Government, Military and Veterans Affairs Committee
February 21, 2018

the agencies are not dealing with this procedure on small-fry stuff. But this is a kind of thing where major bidders that take a lot of time and a lot of revenue would have some protection and some sense of due process and fairness in the Nebraska system. I think from what I've seen in this matter, what we're doing now probably is costing us money and it's probably costing us some serious bidding which would be very beneficial to the state. So that would be my opening and I'll try to stick around for closing even though I do have a bill coming up in Revenue Committee this afternoon so I might have to leave if I'm called over there. [LB814]

SENATOR MURANTE: Sounds good. Thank you for your opening. Senator Blood. [LB814]

SENATOR BLOOD: Thank you, Chairman Murante. Thank you, Senator Schumacher. I have two quick questions for you. Are you familiar with Senator Linehan's bill that was in reference to hiring Nebraskans first? [LB814]

SENATOR SCHUMACHER: I'm not familiar with that particular bill. [LB814]

SENATOR BLOOD: I would be curious if you have an opportunity to look at it what your opinion would be on how the two would mesh, because I see there might be some concerns with what you would like to do and what she would like to do. So if you have an opportunity could you...maybe we can talk on the floor tomorrow about it. [LB814]

SENATOR SCHUMACHER: That would be possible. I would guess that probably we're talking about a bid of over a million dollars. This probably has more application, whereas under a million you might have some preferences for buying the pizza locally. [LB814]

SENATOR BLOOD: And then the second question I have, and I read through what Mr. Winterer did, it's a mister, right? [LB814]

SENATOR SCHUMACHER: Yes. [LB814]

SENATOR BLOOD: Okay. And kind of listening what you had said about maybe people weren't being qualified, could this not just be resolved by better training staff to understand how the bidding process should work? [LB814]

SENATOR SCHUMACHER: Well, it is not only a better trained staff, the staff may be...have adequate training, but it may be the level of sophistication in the bid, and you have all different kinds of bids and I don't know if we have enough money to keep all those people, you know, expertise on stand, but I think maybe the folks who will follow me today will be able to try to

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

Government, Military and Veterans Affairs Committee
February 21, 2018

explain what actually happened in the case of Mr. Winterer talks about. And apparently it's serious enough that we're losing out on some big bids...big bidders. [LB814]

SENATOR BLOOD: But is that not their job to know how to do this? [LB814]

SENATOR SCHUMACHER: It might be. I mean, it is, but it isn't happening. I suppose we could hire bigger staffs, and bigger staffs come with bigger price tags and we don't have the money for that. [LB814]

SENATOR BLOOD: That's fair. Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Blood. Are there any additional questions? I...oh, excuse me, Senator Lowe. [LB814]

SENATOR LOWE: Will this slow down the process of the bids and letting out the bid and everything else by very much? I mean, if it has to go back to review and... [LB814]

SENATOR SCHUMACHER: I'm told it will not. It will not slow down the process of letting out a bid. It may have...slow it down to the extent there are more bidders and they have a little bit more to study. It would be where you would have a bidder who feels they had a better mousetrap and something was missed in the analysis by the agency of their mousetrap. And so it would bring in a rather prompt review afterwards. And these...all...when you get bids of this size, they all take time to roll out anyway. And I think in the case of one that Kerry Winterer referenced, it was like 18 months later before the state figured out they weren't going to be able to perform. [LB814]

SENATOR LOWE: Okay. Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Lowe. Senator Thibodeau. [LB814]

SENATOR THIBODEAU: So this bill referenced that bidders would have a chance to protest if they were not selected. [LB814]

SENATOR SCHUMACHER: Right. And the... [LB814]

SENATOR THIBODEAU: Who would they protest to and who would make the final decision? [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR SCHUMACHER: The initial decision...the initial protest, as I understand it, goes to the agency and then they have an avenue to a judicial review based upon not a new trial or a new hearing or depositions or anything like that, but based upon the bid and the record presented to the agency. [LB814]

SENATOR THIBODEAU: Okay. And then as a follow-up, if I am trying to get somebody's business, isn't it my job as, I guess, the salesperson or the person getting the business to make sure I explain it enough to the agency who is making the decision that they understand what is being explained to them? [LB814]

SENATOR SCHUMACHER: I think it is. But at times, sometimes for reasons that are not so easily understood, the agency may come to a decision which is not the best one. And if...well, on a large bid, we should be trying to be...make sure we have the best probability of getting the best bid. And this is kind of a safety net on a large one in case the agency heads down the wrong decision or wrong pathway. [LB814]

SENATOR THIBODEAU: Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Thibodeau. Senator Lowe. [LB814]

SENATOR LOWE: Thank you, Chairman. I forgot to say it last time; and thank you, Senator Schumacher. Could this be a way that bidders who didn't get the bid stall the contract also? And if there's...say there's 15 bidders and each one comes in at a different time. [LB814]

SENATOR SCHUMACHER: Well, I don't think we can (inaudible). The bids are awarded to them in a limited time in which they can file their objection. And this is pretty expedited and it's on the record, it's not like the judges...or the agency has a new set of hearings or new set of submissions, it's on the record that was made below. [LB814]

SENATOR LOWE: Okay. [LB814]

SENATOR MURANTE: Thank you, Senator Lowe. [LB814]

SENATOR SCHUMACHER: Other states, I'm told, got similar procedures to what's done here and it works. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR LOWE: Okay, so do you know about how many other states do something like this? [LB814]

SENATOR SCHUMACHER: I think it's well over a dozen. It's somewhere in here. [LB814]

SENATOR LOWE: Okay. [LB814]

SENATOR SCHUMACHER: I think the people following me can... [LB814]

SENATOR LOWE: Okay, let me know. [LB814]

SENATOR MURANTE: Any final questions for Senator Schumacher? I see none. Thank you for your opening. [LB814]

SENATOR SCHUMACHER: Thank you. [LB814]

SENATOR MURANTE: And we will proceed to proponent testimony on LB814. Proponents? Welcome. [LB814]

ED FOX: (Exhibit 3) Good afternoon. My name is Ed Fox which is pretty easy to spell, E-d F-o-x. I am one of the authors of the article that Senator Schumacher was referencing, a copy of which is now being passed out. I had hoped to provide copies to the senator to give to you, but we weren't able to catch each other before the hearing. So they are now on their way to you. I'm an attorney at Kutak Rock, LLP, a law firm here in Nebraska. I'm a member of our litigation, a partner in our litigation department. And my primary areas of practice are government disputes, regulatory disputes, which include bid protests, government contracting, procurement-related matters. We regularly represent clients at all stages of the procurement process from advising them during the process of developing their bids, how to respond to RFPs, how to defend a bid if our clients are successful, and also through the protest process that arises at the end of the bids. The article that was presented arose after some experiences we'd had recently in a number of states. In the last two years, we have participated in big protest and procurement processes in Nebraska, Iowa, Arkansas, Michigan; we've assisted clients in Missouri and Oklahoma with responding to protests...responding to RFPs and preparing for potential protests. And so we've had an opportunity to examine how different states handle these processes and how different states handled big protests. The most glaring example we had was within about a six-month period when we had a particular client who lodged bids in both the states of Iowa and Nebraska for multi-billion dollar contracts and we went through the protest procedures in both states and they were dramatically different. In Nebraska, the system is described in the article, and as

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

Government, Military and Veterans Affairs Committee
February 21, 2018

Senator Schumacher described it, is fairly...fairly not terribly deep. You have the opportunity to file a protest with DAS, you get an opportunity to receive a ruling back from the Director of the Materiel Division of the Department of Administrative Services. If you're unhappy with that decision, you have the opportunity to request a meeting with the Director of DAS. And if that's unsuccessful, that's the end of the process. As far as the DAS and the State Attorney General is concerned, at the end of that process there is no further review available to you. There's no method for you to have a judge review what the agency did or the agency's decision. There's no claim that you can assert that will allow you to access independent review outside of the agency which is the same agency that's deciding the bid in the first place. In Iowa, on the other hand, we had a process where we were able to get a contested case hearing before the agency, we were allowed to develop a bit of a record as to what the difficulties and problems were with the bid process. We were able to get a ruling from an independent hearing officer from the agency, and then under the Iowa Administrative Procedures Act we had the opportunity to receive judicial review if we wanted to appeal it further. The differences in those processes and the termination of the Nebraska process at the agency level with the agency decision maker with no additional opportunity for review at the court level is what our clients found particularly difficult. And in a number of cases, our clients indicated that they felt as though they were not receiving sufficient due process in Nebraska to justify bidding again at some point in the future, especially when you have contracts of the size we're talking about which oftentimes require six and seven figure investments on behalf of these companies to prepare bids and submit them. This process would about along with our review about 50 percent of states provide that additional level of independent review to ensure that the agency is complying with the law and that the procedures that were followed with the agency are sufficient. [LB814]

SENATOR MURANTE: All right. Perfect timing. Thank you very much for your question...testimony. So I have a couple of questions for you. Especially if we use this million-dollar threshold, what sort of contracts are we talking about? What types of contracts are we talking about this would apply to? [LB814]

ED FOX: Well, most relevant to the testimony and what you'll see in the article would have been Heritage Health, the large, you know, healthcare contracts, for example, that relate to the Medicaid Program. You would have large computer system programs, the MMIS System which is another issue that arose during a prior procurement that's addressed in the article. So you'd be talking about large services-based contracts that are...we're not looking at materials contracts, we're not looking at the Department of Roads, those are not included in this. It's only those contracts that would fall under Nebraska Revised Statutes 73-502 which are services contracts. [LB814]

SENATOR MURANTE: Okay. And if it gets into the court system, what's the standard of review that the court would be using? [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

ED FOX: It would be the same standard that's used in all APA appeals now, which certainly our agencies are familiar with. And that standard is...would be a de novo review of the agency's decision, but it would be on the record of the agency. So once you get into the courts, we're not going to be opening it up to discovery, it's not going to be a brand new litigation process that can delay the processing significantly further, it will only be the record that was used in the agency that will then be considered by the courts to determine if the agency acted in an appropriate manner. [LB814]

SENATOR MURANTE: Okay. And finally, what's the rationale for using the APA for something like this rather than going through some other form of judicial review? [LB814]

ED FOX: It's largely to be able to piggyback off of processes, procedures that are already in place that are used almost daily at agencies across the state and to be able to use that process that the law is already established in, the procedures are already established in, and only apply them to this new area. Were we to use some other system or to provide direct court review, then you would get into issues where you now open it up to discovery, you now open it up to the entire motion process that you can get into when you get into big litigation over billion-dollar contracts. Providing a APA review provides a more limited and expedited process to hopefully balance the needs of companies that need their due process, that need the opportunity to ensure that they're getting the review they're entitled to with the needs of the state to be able to continue moving towards the contract implementation. [LB814]

SENATOR MURANTE: All right, thank you very much. Senator Briese. [LB814]

SENATOR BRIESE: Thank you, Chairman Murante. Thank you for being here. Under the current regime, do unsuccessful bidders typically hire outside legal counsel to navigate the process? [LB814]

ED FOX: Some certainly do. That's how I've certainly gotten involved in these matters. Largely, that's going to be dependent on the scope of the contract. Certainly smaller contracts, maybe tens of thousands of dollars, don't justify the expense of hiring outside counsel. When you have contracts that are in the multi-million dollar range, tens of millions, and even billions of dollars, then that incentive is created to hire outside counsel. And one of the issues we have now is that even though we don't have this process, it isn't stopping people from hiring lawyers; it isn't stopping people from suing the state as evidenced by the article. And so now we still are having litigation, we just don't have a controlled mechanism for it. And while the state is more often than not these days successful in the litigation, it's still often taking six, eight months, a year before you get that resolution and you still have all of that uncertainty in the mean time and the expenditure of state resources. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BRIESE: Would APA review...or under this proposal here, necessitate the use of more outside legal help from these folks contesting or objecting to a lost award? [LB814]

ED FOX: I cannot foresee why the APA would increase that. People who want to appeal and protest and use legal remedies to try to seek a contract that they were unsuccessful during the bidding process are either likely going to hire counsel or not to protest it. I'm sorry. [LB814]

SENATOR BRIESE: I was going to say isn't the APA procedure a little more difficult to navigate than the current procedure? [LB814]

ED FOX: Well, the current procedure isn't the procedure, it's just writing a letter to the DAS Materiel. But then the question is--what happens next? And if you want to continue to challenge the decision, then you have to hire outside counsel, you have to file a lawsuit in either Lancaster County District Court or in federal court, which exponentially increases the expense. Might there be companies that will protest now because the APA provides them a mechanism to do so that wouldn't have? Potentially that could be true, but the process involved will be a more expedited, narrow process than it would be when people, like our past clients, have ended up filing litigation in the courts challenging everything at the initial legal level. [LB814]

SENATOR BRIESE: Okay, thank you. [LB814]

ED FOX: Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Briese. Senator Blood. [LB814]

SENATOR BLOOD: Thank you, Chairperson Murante. And thank you, Mr. Fox. I also want to thank Senator Briese for doing all the heavy lifting because now I just have one question left. Speaking about outside counsel and since you're experienced in this area, can you tell me, based on your experience, the range of pay that an outside counsel person would receive for doing a project like this if they were to have a procurement challenge? [LB814]

ED FOX: What lawyers would charge? [LB814]

SENATOR BLOOD: Say it was a million-dollar contract and they were challenging it, what would be the range that outside counsel person would probably make in pay? [LB814]

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Transcriber's Office

Government, Military and Veterans Affairs Committee
February 21, 2018

ED FOX: It's a little diff...usually it would be done on an hourly rate. So it depends on how successful or unsuccessful you are if the court... [LB814]

SENATOR BLOOD: Fifty dollars? [LB814]

ED FOX: Well no, an hourly rate...my guess, I would say the range could be dramatic depending on what law firms you hire and the experience level. I would say between \$200 and \$400 an hour would be a typical range probably for outside counsel in that sort of engagement. [LB814]

SENATOR BLOOD: And so based on that range, what are the typical about an hour spent on something like this? [LB814]

ED FOX: I'm not sure I can give you a typical, it depends how quickly you win or lose. [LB814]

SENATOR BLOOD: In your experience? You wrote an article on it, so you've got some experience in this area. [LB814]

ED FOX: Sure. [LB814]

SENATOR BLOOD: So your biggest case, how many hours did you put in? [LB814]

ED FOX: Oh goodness, I would say potentially a thousand. [LB814]

SENATOR BLOOD: Okay, thank you very much. [LB814]

ED FOX: You're welcome. [LB814]

SENATOR MURANTE: All right. Are there any final questions? I see none. Thank you very much for your testimony, much appreciate it. Additional proponent testimony to LB814? Senator Karnes, it looks like you caused a mass exodus. [LB814]

DAVID KARNES: Well, they've probably been to Washington so they know what it's like. [LB814]

SENATOR MURANTE: Welcome. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

DAVID KARNES: (Exhibit 4) Thank you, Mr. Chairman. My name is David Karnes, K-a-r-n-e-s and my address is 1650 Farnam Street, Omaha, Nebraska. I provided a copy of my testimony for your review at a later date. Mr. Chairman and members of the committee, I appreciate the opportunity to share with you today on behalf of the IT Alliance for Public Sector their strong support for LB814. The purpose of LB814 is to establish in Nebraska the same state large contract procurement best practice procedures that a majority of the states of the United States currently have, including Iowa, and the other states surrounding Nebraska. LB814 assures all vendors of an open, transparent, fair, and competitive state contract procurement process through the simple and brief language found in the bill. ITAPS is a public sector division of the United States Information Technology Industry Council headquartered in Washington, D.C. It is an alliance of some-90 of America's leading technology companies that regularly bid on and serve local, state, and federal government in contract procurement. You may take a look at the last page of my testimony; it has a list of the national U.S. companies that I represent...that ITAPS represents. With the focus of ITAPS on federal, state, and local levels of government, it advocates for improved procurement policies and practices in the private sector on behalf of its more than 90-member companies that are involved in delivering hardware, software, and services of highly technical nature in the information and communication technologies industry. As an advocate for leading technology companies, most of which compete regularly for state and federal technology contracts that are quite complicated, ITAPS is committed to promoting a fair procurement policy and mechanisms for all states to employ in order to select more qualified vendors as quickly and efficiently and effectively as possible. This has been our experience in the majority of states in the United States that have similar proposals to what we're proposing here in LB814. It is our belief that the need for a streamlined and transparent review process for major state procurement decisions is long overdue in Nebraska. Requiring the Department of Administrative Services to treat significant procurement decisions as contested cases under the APA would provide an important mechanism to ensure both good business practices for the state and due process for all the vendors competing for those contracts, further providing possible independent agency and judicial review in these procurement decisions will help protect all stakeholders and more importantly the taxpayers' interest in Nebraska to get the most fair and open competitive process. Under current state law, Nebraska provides no express right of judicial review of bid protests for disappointed vendors leaving final decisions of protest disputes to the discretion of the Director of the Department of Administrative Services. Unlike in most states and at the federal level, bidders in Nebraska have no right to an agency hearing and no expressed right to even limited judicial review. The lack of due process for these vendors creates a great deal of uncertainty and risk to potential vendors in determining whether to bid on a project in Nebraska or not and it creates a concern among all vendors that they will be subject to excessive discretion or bias by unelected bureaucrats. As you know, bidders for large and complex technology contracts spend many thousands of dollars preparing these proposals. The flaws in Nebraska's current procurement system discourage national technology companies from investing their precious resources in competing for contracts in Nebraska. Further complicating a

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

Government, Military and Veterans Affairs Committee
February 21, 2018

prospective vendor's decision on whether to respond to a state solicitation in Nebraska is the fact that the lack of an independent agency or judicial review in the procurement process is fundamentally out of step with a majority of the other United States including many of Nebraska's neighboring states and also the procedures that we applied in Washington in the federal government. Because of this, we see companies, some of which are listed on the third page of my sheet, deciding not to compete for Nebraska contracts and they have so advised us. This lack of participation in the marketplace due to these issues not only limits the number of competitive bids and leads to higher costs for the state and its taxpayers, but could leave the state with less qualified solutions that do not fully address the state's needs. If you will take a look at former Director of DHHS Winterer's statements, he gives you several examples of how this has been extremely costly and time consuming for the state with no review process properly available. The state of Nebraska prides itself on being a business-friendly state and the Legislature must act to ensure that it continues to promote the inclusion of the most qualified national vendors through a truly competitive, open, and transparent process, as well as a review of the final awards. We note that LB814 has left open the amount of the threshold for application of these reforms, and so we would support Senator Schumacher's recommendations of at least a million dollars. LB814 is a step in the right direction and I believe for Nebraska to ensure that all stakeholders' interests are protected and the best interest of the taxpayers are likewise protected. This ultimately would lead to greater competition and cost savings for Nebraska consistent with the vast majority of other states in the United States, including the federal government and our surrounding states. Mr. Chairman, thank you for the opportunity to testify and I'd be happy to answer any questions. And again, I ask you take a look at the group that I represent, the ITAPS group which reflects the type of competitive companies that we'd like to be seeking Nebraska contracts. Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Karnes. Are there any questions? Senator Brewer. [LB814]

SENATOR BREWER: Thank you, Mr. Chairman. And thank you for your testimony, Senator. Pretty impressive list of companies on the back page here. As you listen to the testimony, you can't help but wonder why we've been able to go as long as we have with the current system, because it seems like it's borderline dysfunctional in that there really isn't the opportunities. If the bill as written was to pass, would it pretty evenly parallel what they're doing in Iowa? I haven't seen Iowa's legislation. [LB814]

DAVID KARNES: Yes. [LB814]

SENATOR BREWER: And you would feel comfortable with how that would then change the structure? [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

DAVID KARNES: Yes. [LB814]

SENATOR BREWER: All right, thank you. [LB814]

SENATOR MURANTE: All right, thank you. Any additional questions? I see none. Thank you very much for coming down, much appreciate it. [LB814]

DAVID KARNES: Thank you. [LB814]

SENATOR MURANTE: All right, additional proponent testimony to LB814? Is there opposition testimony to LB814? Welcome back. [LB814]

DOUG WILKEN: (Exhibit 5) Thank you. Good afternoon, Chairman Murante, members of the committee. My name is Doug Wilken, D-o-u-g W-i-l-k-e-n. I'm the general counsel and the interim Materiel Administrator for the Department of Administrative Services and I'm here today to testify in opposition to LB814. The current bid protest process requires bidders to submit a written protest to the Materiel Administrator within ten days of the posting of the intent to award. The Materiel Administrator provides a written response generally within ten business days. If the protesting bidder is not satisfied, the protesting bidder has ten days to make a written request with the Materiel Administrator and the Director of DAS to set up a meeting in person. At the meeting, the bidder has the opportunity to present its case. The director, with the advise of counsel, provides a final written decision generally within ten business days. I would point out all contract proposals are available to bidders at the State Purchasing's Bureau's Web site upon the issuance of the intent to award and any remaining records can be reviewed in our office or obtained through the statutory public records request to assist bidders in deciding whether there are grounds for a protest. The current bid protest process takes approximately three to six weeks to complete. LB814 would add a significant amount of time and cost due to the procedures provided under the Administrative Procedures Act and court appeals. An unquantifiable cost to the state of protests under LB814 would be the extended delay in executing contracts due to the Administrative Procedure Act procedures. Those procedures are listed in my testimony. They start off with a hearing before a hearing officer; presentation of testimony in evidence; cross examination of witnesses; request for discovery; request for subpoenas; request for protective orders; filing motions; pretrial conferences; transcription of proceedings; and application of the rules of evidence; and these are under the state's APA rules. The estimated process and timing of a protest under LB814 would be something like this: filing the protest within ten days, those are the current rules; the parties would have to mutually agree upon a hearing officer, 1 to 14 days; notice of hearing has to be issued 30 days, assuming everyone is available and prepared to proceed; the hearing could be delayed due to the procedures listed previously, estimated at 1 to 3 additional months; hearing, 2 hours to a week, we just did one of these for a termination, it took

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

Government, Military and Veterans Affairs Committee
February 21, 2018

four days; preparation and issuance of the hearing officer's ruling, up to 30 days; period to file an appeal of the hearing officer's ruling, 30 days; the District Court of Lancaster County is currently scheduling matters 3 to 6 months out; the time for the district court judge to consider the record and issue a ruling, up to 30 days; period to file an appeal in the district court, again they have 30 days; the court of appeals is currently scheduling matters 3 to 4 months out; time for an appellate court review of the record and issue a ruling, 30 days. Both of these courts have the option of remanding this to any lower level for additional proceedings which will then start this process over again. A bid protest under LB814 could result in a delay of an estimated minimum of 60 days and an estimated maximum of one and one-half years. Delaying and executing the contract could result in an additional unquantifiable cost to maintain continuity of services through the statutory exceptions for the normal contracting processes. It's been our agency's experience that there could be multiple bid protests filed regarding the same intent to award and upon sustaining one bid protest, another protest is filed in response to that decision which is what happened in the article that you have. The cost of a formal hearing are paid by the party against whom the final decision is rendered. If the state appeals the final decision, the court cost and transcription fees would be the obligation of the state. There would also be additional costs based on the number of hours state employees would have to allocate to respond to the bid protest under the APA that would not be occurred under the current process. There's concerns that the state contracting decisions would be placed in the hands of a hearing officer that likely has no experience in contracting and especially government contracting. [LB814]

SENATOR MURANTE: Go ahead and finish up. [LB814]

DOUG WILKEN: There are also concerns that the hearing officer had no experience in the laws, regulations, or contract implementation for complex programs such as Medicare. Protests often attack the evaluator scoring of proposals. LB814 would substitute the judgment of an inexperienced hearing officer for that of the objective evaluation of the subject matter expert selected by the contracting agency to evaluate the proposal. Another concern is that the decision of the hearing officer of the courts would lead to disparate ruling and precedents. There are 92 agencies in the state that all have authority to do their own contracting and bid protests. This could lead to conflicting rulings that perhaps bad legal precedents if the agencies do not have the experience and expertise to respond to protests. My agency takes protests seriously to protect the integrity of the state's bidding process. A legitimate mistake is identified or if we are shown that our process was not fair, we sustain the protests and make corrections. The following are the number of protests received and sustained in each of the last three years. There was one in 2015 that was overruled. There were ten in '16; three were sustained. Those were multiple protests on some of the same contracts in that year. And in 2017, we had ten protests, two were sustained. It's important to understand that bid protests are a function of statute in government contracting. These do not exist in the private sector. I thank you for your time and I'll answer any questions you might have. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: All right. Thank you for your testimony. Are there questions? Senator Lowe. [LB814]

SENATOR LOWE: Thank you, Chairman; thank you, for testifying today. Can your process be improved in any way? I mean, obviously, Senator Schumacher would like to have the process improved and...can you think of any way that you can improve your process? [LB814]

DOUG WILKEN: The process as it's set up goes through the Materiel Administrator which is currently me at the time and then to the Director of DAS. Director of DAS is not usually involved in the contracting process, so he's independent of this. Honestly, the only other way to go with this would be through a more formal process like the APA. But that's just going to add a considerable amount of time for us. And with contracts, we time them so that they're ending and the new contract is coming into place, so the bid protest we prefer to happen quite quickly so that we can get that replacement contract in place, otherwise we'd have to resort to emergency contracts or extensions which are limited by statute. [LB814]

SENATOR LOWE: Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Lowe. Senator Brewer. [LB814]

SENATOR BREWER: Thank you, Mr. Chairman, and thanks for your testimony, Doug. Help me out here. The list of things that you went through, would it make...would make it appear as though this would be a lawyer's dream to change it, but it also doesn't seem like maybe the process is thorough enough so that if you do have an issue that you're able to have due process to get answers or resolve it. The first question is, is it going to be, because Senator Blood's question earlier all of a sudden takes on a new life when we're talking about cost per hour and number of hours. It does seem like that does add a degree of complication to the whole bidding process and cost. [LB814]

DOUG WILKEN: In putting together testimony, what I did was I took the statutes and went through them and used minimum times and there's some estimates in there. I tried to be as fair as possible with those. So it will, in my opinion, add a substantial amount of time to the process. The issue of whether or not the process that we currently use is fair is that in 2014 and 2016 we've been taken to court, both the District Court of Lancaster County and Federal District Court, in both instances we won. The courts came back and sided with the state. I've only been doing this job for about three years, I'm not aware of any court cases that...where we've lost. So our processes have been upheld by the courts when they have been challenged. So I would offer that. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BREWER: Thank you. [LB814]

SENATOR MURANTE: Thank you, Senator Brewer. Senator Blood. [LB814]

SENATOR BLOOD: Thank you, Chairman Murante. Just a quick question, so we won, but had we not won, we would have had to paid both sides' legal costs? [LB814]

DOUG WILKEN: Not in the current process. [LB814]

SENATOR BLOOD: Okay. [LB814]

DOUG WILKEN: They're responsible for their own expenses in the current process. [LB814]

SENATOR BLOOD: And do we hire outside legal counsel then? [LB814]

DOUG WILKEN: No. I'm sorry, didn't mean to interrupt you. No, the counsel within DAS supports and then the AG's Office represents the state, the Attorney General's Office represents the state in the court actions. [LB814]

SENATOR BLOOD: And so if LB814 were to pass, would that change any of those circumstances? [LB814]

DOUG WILKEN: To be honest with you, I'm not aware...I don't believe the Attorney General's Office will be involved in the APA process. But if it got to the district court or federal court, they would step in and represent the state's interest. And the fear there is if you have a small agency, counsel is not used to contracting, they do one of their own contracts, and they get into this scenario, at the APA level they don't present the case properly, the Attorney General is left with the record that's there is in the district court and the federal court...or I should say, in the district court they're going to do a de novo only in review of the record. There's no more testimony at that point in time. So the Attorney General's Office couldn't correct any mistakes then. [LB814]

SENATOR BLOOD: Okay. Thank you. [LB814]

SENATOR MURANTE: Any final questions? I see none. Thank you for your testimony. [LB814]

DOUG WILKEN: Thank you. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: Is there additional opposition testimony to LB814? Seeing none, is there neutral testimony? Seeing none, Senator Schumacher. [LB814]

SENATOR SCHUMACHER: Thank you, Chairman Murante and members of the committee. The response of DAS is not unexpected. Never has an administrative agency want to change. And chances are they'll be around longer than any of...certainly longer than I will and longer than any of you will. We are a problem. We're a problem with major bidders just saying Nebraska is not worth it. And then that happens, how can you be wrong if you're the administrative agency? You had a limited number of bidders and you picked the best one you had. Iowa has this proceeding and they do business just fine. Half of the states have this type of proceeding, they do business just fine. As Senator Blood pointed out, at \$400 an hour, you're not going to take an appeal and kill a lot of time unless you've got merit to what you are saying. And as a result, we are in a situation where we, if you read through Mr. Winterer's argument or his letter, we're in a situation where we're letting bad bids. We're having to clean up messes and we can solve it reasonably simply by leaving open an avenue to an appeal. With that I'll take any questions. [LB814]

SENATOR MURANTE: All right, Senator Blood. [LB814]

SENATOR BLOOD: Thank you, Chairman Murante. You've stimulated yet another question and I apologize. So Senator Schumacher, we're doing this because one of the reasons you said was to save taxpayer dollars. But then we're turning around and paying a minimum, say they were charging the \$400 an hour and it was a thousand dollars...I mean a thousand hours, that would be \$400,000, plus whatever it would cost for us to defend it; is that really saving taxpayer dollars? [LB814]

SENATOR SCHUMACHER: First of all, the cost of the appeal, when you have private counsel retained, is on the business that's doing the appealing. [LB814]

SENATOR BLOOD: I thought you said when they win that we pay. [LB814]

SENATOR SCHUMACHER: If they win. And don't you want them, if it's over a million dollar contract heading the wrong direction? And chances are it won't get that far. [LB814]

SENATOR BLOOD: Yes and no, I mean, since you're asking me a question, I know normally we're not supposed to answer a question, the concern that I have is that we're doing this for one of the reasons of saving taxpayer dollars to make sure that we're getting the very best bids, which I totally agree with, but then we put out that option of allowing them to challenge it, which, of

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

Government, Military and Veterans Affairs Committee
February 21, 2018

course, I feel they should have the right to do that, but at a very high expense that potentially taxpayers could be stuck with and I wonder what the difference is between how much money we're saving in the long run or if we're just pouring more money into a black hole? And I find that concerning, because I'm not hearing anything that really is compelling yet in the information. [LB814]

SENATOR SCHUMACHER: I think probably you need to look at what Director Winterer said; look at the testimony from this firm who represents a lot of the big bidders who have told you, and they've got no reason to pull your leg, that people aren't bidding. They're not bidding here. And the...if you take the extreme situation and say what if somebody spent all this money to go through all the steps, if they lost, they would be out the money. Why would they unless they had good merit. And this is something that other states do and the federal government does. We don't. And as a result we probably get hooked with substandard bids in a lot of cases. Remember, this is only at a million dollars. If the attorney fee provisions are a big item, the committee has the opportunity to edit out attorney fees if that's a big item. But when you have spent literally hundreds of thousands of dollars preparing a bid for a large state operation and then know as your management team that you do not...you did not get a fair shake and you did not have a situation where you have any avenue to appeal it when you're dealing with a small state like Nebraska you just say we'll pass on that one next time. [LB814]

SENATOR BLOOD: Thank you. [LB814]

SENATOR MURANTE: All right, Senator Briese. [LB814]

SENATOR BRIESE: Thank you, Chairman Murante; and thank you, Senator, for bringing this. But just to be clear here, the current procedure does not infringe on anyone's constitutionally protected right to due process does it? [LB814]

SENATOR SCHUMACHER: I don't think you have a constitutional right to a state bid unless perhaps it's based on some type of racial or religious discrimination. [LB814]

SENATOR BRIESE: Okay, thank you. [LB814]

SENATOR MURANTE: Seeing no additional questions, thank you very much for coming down, much appreciate it, Senator Schumacher. [LB814]

SENATOR SCHUMACHER: Thank you. [LB814]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: And we will proceed to our next item on the agenda, LB746. Welcome back, Senator Watermeier, to your Committee on Government, Military and Veterans Affairs. [LB746]

SENATOR WATERMEIER: Thank you so much, Chairman Murante. Members of the Government, Military and Veterans Affairs Committee, for the record my name is Dan Watermeier, W-a-t-e-r-m-e-i-e-r. The primary purpose of LB746 is to develop a process to use when there are requests to name rooms or structures in the State Capitol. When a request is received, the Office of the Capitol Commission would review the proposal and make a recommendation to the Capitol Commission for approval or rejection. This process would not apply to rooms that are already have been named by the Legislature, and I have a list of them, there's ten or so of them if you want me to name them off I can tell you what those are. But LB746 also provides a process for placing or removing monuments or memorials within the Capitol or on its grounds. Again, the Office of the Capitol Administrator would review each proposal for placement or removal of a monument or memorial and then make a recommendation to the Capitol Commission for the approval or not. Currently, removal of a monument or memorial from the Capitol grounds is prohibited unless the Legislature agrees. With LB746, consent by the Legislature would no longer be required. It is important to note that the recognition in the Hall of Fame is excluded from this process. Current law requires the Department of Administrative Services to consult with the Capitol Commission whenever it proposes to exercise the state's right of eminent domain anywhere in the state and to consult the Capitol Commission each time it proposes to name a site or structure anywhere in the state. LB746 restricts the Capitol Commission's involvement to when it comes to naming only sites or structures or exercising eminent domain powers within the Capitol environs district. This is consistent with the intent of the Capitol Commission. Finally, this bill makes a technical change by deleting the requirement that Nebraska Motor Vehicles Industry Licensing Board and the Department of Veterans Affairs have offices in the State Capitol. These agencies have not had offices in the Capitol for several years. I've had...I've heard some concerns expressed about taking away the Legislature's right to name its own rooms and the Legislature's ability to be involved in the process for removing monuments or memorials from the Capitol grounds. If this committee really wants to amend those sections of the bills so the Legislature continues to be involved in this process, I'm certainly open to that idea. I want to thank the committee for letting me introduce LB746. And you know, it's a difficult bill to get your arms around about what it exactly does, but really there's no process in place today for naming rooms and how these memorials work and monuments, and so it's just putting a process in place with the Capitol Commission and that agency. And it's not as easy as it looks on the surface, I'll just tell you that. And I hope I can explain it, but it's just complicated, I'll just tell you that. Thank you. [LB746]

SENATOR MURANTE: All right, thank you, Senator Watermeier. Are there any questions? I see none. [LB746]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR WATERMEIER: All right, very good. [LB746]

SENATOR MURANTE: All right. And we will proceed to proponent testimony to LB746.
Senator, welcome back. [LB746]

VICKIE McDONALD: Thank you, Senator Murante. My name is Vickie McDonald, V-i-c-k-i-e, last name, McDonald, M-c-D-o-n-a-l-d, and I'm here to support LB746. And many things in this bill are just cleanup. The first part of this, it deletes requirements that the Nebraska Motor Vehicles Industry Licensing Board and the Department of Veteran Affairs Office maintain offices in the Capitol. They haven't had offices in the Capitol for a long time; a little bit of cleanup. The other one is the current law requires the DAS to consult the Capitol Commission whenever it proposes to exercise the state's right of eminent domain anywhere in the state and to consult the Capitol Commission each time it proposes to name a site or structure anywhere in the state and the bill restricts that, it says, you know what, not anywhere in the state, how about just the environs area of the Capitol which is the two block corridor--another cleanup. They don't want eminent domain in the whole state, so another cleanup part of that. It also revamps a part of a 1952 state statute, and this provides a process for placing or removing monuments or memorials in the Capitol or on its grounds. The Office of the Capitol Administrator reviews each proposal for placement or removal of a monument or memorial and makes a recommendation to the Capitol Commission. The approval of the Capitol Commission is required for placement or removal. Now, I don't know if you're familiar with the Capitol Commission, all three branches of government are represented in the Capitol Commission, so you have the Speaker of the Legislature, you have the judiciary, you also have the executive branch. And then various districts across the state have a representative that are on the Capitol Commission. So because the Capitol is a building that is the whole state, it's very important that they have a representative from each part of the state. So if you're not familiar with the Capitol Commission, it does have a representative from each area. And the other part of this one is to...at this point in time, we do not have a law that provides a process for naming rooms and so in this bill it provides a process for naming spaces or rooms in the Capitol. The proposed spaces requires the Office of the Capitol Commission to review each proposal to name a room or space in the Capitol and to make a recommendation to the Capitol Commission. The Capitol Commission then makes a decision to approve or reject the proposal. This will not affect any of the Hall of Fame; none of those things are in this bill, they will stay as is. The Legislature has named a few rooms by resolution, but there really isn't a process. And so basically this just cleans up some of the statutes that are already there, and it also creates process. And sometimes with things that go on in the United States, as far as removing memorials, we need a process if that happens to come to our state, we need a process to figure out how we're going to handle that. So it's a little bit proactive. I'm open for any questions. [LB746]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: All right. Thank you very much for your testimony. Are there questions? Senator Lowe. [LB746]

SENATOR LOWE: Thank you, Chairman; thank you, Senator, for speaking upon this. And I've been looking over the bill and did I miss it? Is there some place for the Watermeier room in here? (Laughter) [LB746]

VICKIE McDONALD: You must have...I must have missed that. I'm looking for a McDonald room, but I don't know if there's going (inaudible); maybe just a McDonalds. [LB746]

SENATOR MURANTE: All right. Any final questions? I see none. Thank you very much for coming down. [LB746]

VICKIE McDONALD: Thank you. [LB746]

SENATOR MURANTE: Is there additional proponent testimony to LB746? Is there any opposition testimony to LB746? Is there any neutral testimony on LB746? Senator Watermeier waives closing and that ends the public hearing on LB746. We'll proceed to the next item on the agenda, Senator Blood. Welcome to your Committee on Government, Military and Veterans Affairs. [LB746]

SENATOR BLOOD: Thank you, Chairperson Murante and good afternoon to the committee and all of its members. My name is Senator Carol Blood, that is spelled C-a-r-o-l, B as in boy, l-o-o-d as in dog, and I represent District 3 which are portions of both Bellevue and Papillion. As you've read in many documents from the NCSL and other sources, it has been made clear that all governments should at the very least investigate this technology that is in LB694 and its application to the provision of our core services. In an era where trusting government is nearing all-time lows and transparency has become a buzz word, this technology may serve as a cornerstone for building trust and improving the relationship between the government and the people we represent. Just a year or two ago, very few policymakers had an inkling of the emerging technology known as distributed ledger technology and blockchain. Governments at all levels are now beginning to sort these out, and as you know, states are racing to get good legislation on the books. Several states like Vermont, Utah, and Arizona, have passed laws similar to LB694. The bottom line is that it won't be long before all of the states have to start making decisions and have missed the window of opportunity to define the technology and lay a good foundation for its use. Most of you have only heard of blockchain and likely associate it with the cryptocurrency known as bitcoin. Bitcoin is only one of well over 1,500 types of cryptocurrency. Blockchain is ledger technology that is often associated with virtual currency because it records when a transaction is carried out. It also records the parties involved in the

transaction and verifies if both parties in the transaction are who they say they truly are. Each transaction is a block in a virtual chain that is permanent and unalterable. While blockchain technology is most often paired with virtual currency, it can be used in a wide variety of different transactions. I actually have another bill that deals with smart contracts which are serviced and recorded using the same blockchain technology. It is definitely true that blockchain provides the underlying technology that helps cryptocurrency exchanges. But the reality is that the potential uses of blockchain are much broader than just digital currencies. Organizations like IBM have hundreds of blockchain projects under way in diverse industries including supply chain, food safety, government, healthcare, travel, and transportation, chemicals and petroleum, insurance, and much more. Blockchain has potential to reduce the cost and complexity of getting things accomplished across most industries and governments. It is helping to unleash new business models as these networks take hold. In fact, Forbes has listed blockchain technology as one of the top ten business trends in 2018. As I mentioned earlier, in the center of a blockchain network is what is known as a shared ledger. This ledger records all the transactions that take place within a network. It distributes exact copies of that record. The records are cryptographically protected so they cannot be changed to all members on that network which makes it virtually impossible to hack since red flags are immediately noticed by multiple parties; hence the phrase "shared ledger." This makes something powerful happen. A single shared copy of the truth is created embedding a new level of visible trust across networks. Now not all blockchains are alike. Bitcoin operates in a network of anonymous participants, while others enterprise class blockchains are openly governed and featuring permissioning to handle interactions between the participating parties. For most business and government use, enterprise blockchains are the preferred approach, particularly those built on open source technology because they meet four fundamental requirements for that. Those requirements are accountability, privacy, scalability, and security. American companies already leading the way by using blockchain for business with transformative results. For example, in the area of food safety, according to an article that I found in The Hill, a coalition of 12 companies including Walmart, Unilever, and Nestle are working with IBM to apply enterprise blockchain to the challenge of providence and transparency in the global food chain. Providence meaning what was its origin. Every year 400,000 people around the world die from foodborne illness. Blockchain is being used to quickly pinpoint the source of contamination, reduce the impact of food recalls and limit the number of people who get sick or die from foodborne illness. Maersk, the world's largest shipping company, is working with IBM to create an industry-wide trading platform for those public and private sector organizations responsible for ocean freight, which we don't see a lot of in this part of the country. This industry accounts for 90 percent of goods shipped in global trade. Currently, one shipment of goods between two ports can generate a sea of paper and information exchanges between 30 different public and private organizations. Blockchain is being used to help track in real time millions of shipping containers across the world by providing a trusted, tamper-proof, cross-border system for digitized trade documents. So when adopted at scale, the solution has potential to save billions of dollars of waste, increase global trade, and, again, improve economies. Federal

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

Government, Military and Veterans Affairs Committee
February 21, 2018

agencies and local governments are engaging in pilot projects including the FDA and CDC, both of which are exploring how it can be used to improve public health. Nebraska residents can most obviously benefit from this technology and we should continue to encourage further collaboration between government, academia, and the private sector to prepare our citizens for the high-skilled jobs of the future that will involve building and working with blockchain technologies. It is already being used in Nebraska and the Innovation Campus at UNL is on top of things by exploring its many benefits. Nebraska needs to stay ahead of this curve rather than only being reactive and trying to play catchup once the floodgates are truly open on this technology. The best way to make sure that our state is staying ahead of the curve is to be sure that the state is the final word on legislation when it comes to this technology. LB694 simply makes it so that political subdivisions, cities and villages, are not able to have their own separate patchwork of laws when it comes to taxing and regulating this technology. Because of the complexity of blockchain and the sensitive information it records and transmits, I truly don't believe it's in the best interest of the technology to be open to regulation or taxation from any city, village, or municipality. We don't allow this kind of small skill regulation or taxation on things like bank transactions. And there's really no reason to believe it would be a good idea to have different taxes and fees for each city or village where the transactions are involved. And frankly, many of the organizations across the nation that are surging towards this technology already have regulations in place to protect consumers and their communities because they're still doing business the same way only using more effective technology. They are going from a four-door family sedan to a luxury car. The path is the same, it's just the ride that's different. Considering this is all done over the Internet and is never done through physical records, it's not even really clear how a city or village would regulate. This bill is in effect just looking to avoid unneeded confusion and unwanted red tape and helps support the free market. If anyone is worried that there will be pushback from the cities or counties, I want to make it clear that I have spoken with both the League of Municipalities and NACO and both organizations understand the rationale for this bill and have no problems with it. With that I would ask you to advance this bill out of committee to the full Legislature. And I would be happy to answer any of your questions. And I want to say, I apologize for the over-explanation, but I wanted to make sure that Senator Brewer had a really clear path of information. [LB694]

SENATOR MURANTE: All right. And it looks like he has some questions. So, Senator Brewer. [LB694]

SENATOR BLOOD: I tried to get it all out. [LB694]

SENATOR BREWER: Thank you, Mr. Chairman. Yesterday in this room, there was a presentation on both bitcoin and the, I guess, the user understanding of this...of the process. And even with the knowledge I had before with what you provided me, and they did a good job in here yesterday explaining both; I didn't realize how much you could slice a bitcoin into, it was

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

Government, Military and Veterans Affairs Committee
February 21, 2018

awakening. I did not realize we had an ATM here in Lincoln where you could actually take money and turn it into bitcoin or... [LB694]

SENATOR BLOOD: And Omaha. [LB694]

SENATOR BREWER: ...and digital magic. But the problem is it is so complicated. I mean, understanding it and I think having used data burst systems in the military where we compress a message and we scramble it and we fire it and then it's received and all that happens again, you have an understanding of how difficult it is to do all this and make it work. But now we're talking about is using our financial resources, whether it be the state of Nebraska or your individual resource and you're going to put them in the system too. Well, you're wrong. I'm not saying, I guess what I'm saying is it's so hard to put it in a way so the average person can understand it and not fear it. And I think that's the part of this that's the most challenging is getting it down to a level of where people can embrace it and not be scared to death, because it is pretty "Star Wars" like in how you are going to trust that this digital atmosphere where this information is scattered all over can actually be there when you need it. Because the question I asked yesterday is what if you had an EMP event, because that strips everything of all data. They did a pretty good job of explaining how it's stored on a satellite and if the world blows up it's still on the satellite which was a little disturbing, but we got through it. [LB694]

SENATOR BLOOD: Right, so is this. [LB694]

SENATOR BREWER: The...I guess my concern is how can you convince us that this isn't technology that's so far out that we're maybe putting the cart in front of the horse with trying to get this as a form of legislation? [LB694]

SENATOR BLOOD: Good question and I have an answer for that. [LB694]

SENATOR BREWER: Thank you. [LB694]

SENATOR BLOOD: Actually several answers. First of all, you should be aware that right now...and I know that you didn't get to go to the press conference, but, you know, when we were younger, I won't say how long ago that was, there...I don't know if you remember the Cray-2 computer... [LB694]

SENATOR BREWER: Sure. [LB694]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BLOOD: ...and the Cray-2 computer cost millions of dollars. And it was supposed to be...solve all the problems of the world. Now I know you have a Smart Phone, do you have it with you? [LB694]

SENATOR BREWER: The phone is much smarter than I am, but yes I do have one. [LB694]

SENATOR BLOOD: All right, this is going to make Patrick mad because we're using something as an example, so that phone has more computing power than the Cray-2 had. That's how fast we're advancing; it's not decades, it's years. And so technology now has a two-year cycle. So we're actually in the middle of that cycle on this technology; we're not at the beginning of it, we're in the middle of it. And in a year we will be at the end of that cycle. It doesn't mean it's going away, it means its newness is gone. And so first of all, that two-year cycle is why this is important. We aren't leading the pack because we're ahead of it, we're leading the pack because we're aware of how important it is when it comes to business here in Nebraska. We're opening the floodgates, as we found out during our press conference, we have several businesses in other states; one in California looking to come to Nebraska, waiting to see this type of legislation so they know that when they come here they're not going to be overregulated; if they're going to bring people here to work or hire people here in Nebraska and start a business. So there's economic development aspect of it; there's the two-year cycle aspect of it. And then the third thing for me is how do we explain it to people? Well, I can tell you that the Omaha World-Herald article got a lot of really great comments from people. And what I explain to people are two things. First of all, when we're talking about these smart contracts, which is not part of this bill, but part of the accumulation of the two bills is so we can bring in smart contracts and identify them as a legal document and not be overregulated. Smart contracts are people who come to terms and decide what's going to be in that contract and all it is code and math. There's really nothing more to it. It's code and math; you're telling it what you want it to do and what the results are that you want and it's autonomous and it happens automatically once it's initiated and ends automatically and does the payment automatically. There's really nothing more to it than that. The technology because there is so much verbal explanation that goes along with this is what people tend...tends to make them confused. You just always have to remember, it's just code and math. And all distributed ledger technology is, for those of you who listen to NPR, there's a really good explanation of it about two, three weeks ago. Basically, picture a gymnasium with a stage and in that gymnasium there are hundreds of people sitting at desks with ledgers. And Senator Murante goes on the stage and he says I'm going to give two bitcoins to...and I'm just using bitcoins as an example, that's not what this bill is all about, but this is a really good example of how the technology works; Senator Murante says I'm going to give two bitcoins to Senator Thibodeau. And everybody on that gymnasium floor that has that ledger are writing down the exact same thing that Senator Murante just did and logging down that transaction. And so when we talk about distributed ledger technology, that's why they say that. It's not one portal or one person, it is distributed throughout that network. And the reason that makes it almost hack

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

Government, Military and Veterans Affairs Committee
February 21, 2018

proof, nothing of course is hack proof, is that a red flag goes up not to just one person, as would happen with Equifax, but multiple people throughout that network. That's an amazing thing. And this is not the future, this is the now. And we have no business regulating this; we have no business taxing this unless we choose to do it at a state level in the future. But why would we stifle free market and new entrepreneurs coming to Nebraska? Did I answer all of your questions? [LB694]

SENATOR BREWER: You did great, thank you. [LB694]

SENATOR BLOOD: Thank you. [LB694]

SENATOR MURANTE: Thank you. Senator Thibodeau. [LB694]

SENATOR THIBODEAU: So if Senator Murante gives me those two bitcoins, do I have to report that to the NADC? [LB694]

SENATOR BLOOD: It depends on what the purpose of the bitcoins were. [LB694]

SENATOR THIBODEAU: You don't have to...you don't have to...I withdraw my question. Thank you for your explanation though. [LB694]

SENATOR MURANTE: Senator Lowe. [LB694]

SENATOR LOWE: Thank you, Chairman, and thank you, Carol, for bringing this...Senator Blood, excuse me. Thank you for dumbing down your explanation for Senator Brewer. You may have to dumb it down a little bit more for me though. [LB694]

SENATOR BLOOD: Code and math. [LB694]

SENATOR LOWE: What you just went there through there. As we're getting into the Internet tax situation that we're in now and the cities and the counties and the state is clamoring for that money, the Internet is code and math too. And Web transactions are just code and math. And here we're limiting...and I'm the one that will say no to taxes. But here we're limiting the cities from taxing...cities and counties from taxing that. Are we getting ourselves into another pickle like the Internet sales? [LB694]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BLOOD: Well, I would respectfully disagree that they're the same. So what you're talking about when you're talking about the Internet sales tax is you're talking about the Internet being used as a vehicle for people to do things that brick and mortar stores have traditionally done in the past, and those sales are closing down storefronts and people are losing their jobs, and I think that that's the motivation behind the Internet sales tax, whether you agree or disagree with the tax itself. That's the motivation. And the Internet has the dark Web of things that are certainly not taxed from people who do...I can't think what it's called, when you...when everybody bids on something, I think what the word is right now, I'm drawing a blank on it. Help me group. Everybody is just giving me that RCA dog look. [LB694]

SENATOR LOWE: I don't do it, so I don't know. [LB694]

SENATOR BLOOD: Nor do I, but you can actually, oh, you can actually bid on things like assassinations, you can buy weapons, you can buy children, pornography. So...and those things are not code and math, those are utilizing the Internet as a vehicle to do business. When we're talking about code and math, we're talking about smart contracts. And they can be used for anything from purchasing real estate to the autonomous vehicles. I know there was a bill, I'm not sure where it's going to go this year, but with autonomous vehicles, we have to have this in place because how do you think that's going to work as far as a truck transporting something from Bob's Apples two states away to Hy Vee, you're going to need the blockchain technology because those smart contracts are going to exist for that purpose, as are many. We're not talking about smart contracts to go and buy a pair of jeans. So there is a difference. You're talking about retail and you're talking about contracts and genomes and, you know, you're talking more about science than retail. [LB694]

SENATOR LOWE: Okay. You said there are a couple of...there are some companies looking about coming to Nebraska, they're following this legislation. [LB694]

SENATOR BLOOD: Um-hum, um-hum. [LB694]

SENATOR LOWE: What types of companies are those that are... [LB694]

SENATOR BLOOD: There is one that pertains specifically to art, which I don't really understand that concept. It's one that the artist can use the blockchain technology to promote themselves and sell their art. And then there are some educational ones that want to work with attorneys. And I...again, I don't understand the underlying aspect, so these are just the names that have been dropped to me. And then there's a couple of ag ones. Because blockchain is going to be huge in ag, which is why Nebraska Farmers Union has been very supportive of this bill. And the

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

Government, Military and Veterans Affairs Committee
February 21, 2018

Nebraska Farm Bureau is going to be rewriting their policy to include blockchain over the next few months. [LB694]

SENATOR LOWE: I think you're going to have to explain this a little bit on the dumber side for me later. [LB694]

SENATOR BLOOD: I actually handed out some called "Blockchain for Dummies" and I have it on my computer and I'd be happy to print you out a copy. I think, no offense to Senator Brewer, I gave one to Senator Brewer. [LB694]

SENATOR BREWER: I read it. [LB694]

SENATOR BLOOD: And I appreciate that, sir. [LB694]

SENATOR MURANTE: All right. Are there additional questions? I see none. Thank you for your opening. [LB694]

SENATOR BLOOD: Thank you. [LB694]

SENATOR MURANTE: We'll proceed to proponent testimony to LB694. Are there proponents? Is there any opposition testimony to LB694? Is there any neutral testimony to LB694? Senator Blood, you're welcome to close. [LB694]

SENATOR BLOOD: I would just ask that you would please Exec on this bill and kick it out so I could put it with its sister bill of LB695. [LB694]

SENATOR MURANTE: What committee is LB695 in? [LB694]

SENATOR BLOOD: It was in Judiciary and it's been kicked out. [LB694]

SENATOR MURANTE: It's on General File? [LB694]

SENATOR BLOOD: Um-hum. Thank you for your time. [LB694]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: (Exhibit 1) All right. Thank you. All right, I do have a letter of support of LB694 from Cory Ruzicka, the Director of Marketing of the Sycamore Education. And that closes the hearing on LB694. And we will wait now for Senator Harr to arrive. [LB694]

(BREAK)

SENATOR MURANTE: Senator Harr, welcome back to your Committee on Government, Military and Veterans Affairs. [LB807]

SENATOR HARR: (Exhibits 1 and 2) Thank you, Chairman Murante, members of the Government Committee. I apologize for being late. I was in the middle of cross examining Senator Schumacher on a wonderful irrigation bill. My name is Burke Harr, H-a-r-r, and I am here on LB807. Let me start with a point of personal privilege, thank you for having me; this is my last time in front of the committee and I think only my third, so thank you. LB807 proposes to replace the statue of Julius Sterling Morton in the National Statuary Hall in the Capitol with a statue of Ms. Willa Cather. This is...Ms. Cather was an internationally renowned artist, and 2018 marks the anniversary of the publication of her novel, My Antonia. In 1923, she also won a Pulitzer for One of Ours. And just this last summer the former First Lady, Ms. Laura Bush, came to Nebraska, came to Red Cloud to show her support for Willa Cather. And I think she is an important part of our state's history. And I can go into further detail about why I think Willa, Ms. Cather, should be honored. But I want to talk a little bit more about the form that goes into changing a representative in the National Statuary Hall. Congress allows each state to have two representatives in the National Statuary Hall. We have Julius Sterling Morton and William Jennings Bryan and they have been Nebraska's only representatives. This occurred after Nebraska adopted House Roll Number 538 in 1933, which I have a copy of right here, that I could hand out when convenient. Governor Cochran unveiled the statue of Morton and Bryan at the U.S. Capitol in 1937. Thank you. In 2000, Congress amended the federal statute to allow states to replace who represents them. The requirements, LB807 followed these federal laws and the regulations provided by the architect of the U.S. Capitol, which I also probably should hand out at the same time. See handout 2. Seven states have successfully swapped out their representative, most recently in 2016 Ohio replaced Governor William Allen with Thomas Edison. Following the federal law, LB807 requires the Nebraska Secretary of State to send in an official request to the architect of the U.S. Capitol. The request must also describe where the replaced statue, in this case of Mr. Morton, will be relocated. I have not made that determination, but I'll be willing to bet...work with Secretary Gale and other interested parties to figure out where the Morton statue goes. Obviously, a good place would be at the Arbor Lodge or on University East Campus. After the architect of the U.S. Capitol approves the request, LB807 calls on the Nebraska Hall of Fame to commission a sculpture for Ms. Cather. LB807 fiscal note estimates the cost of this project at \$300,000 over the course of two years. And let me just state, that was a mistake on my behalf. That was never my intent. I agree with what the fiscal note

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

Government, Military and Veterans Affairs Committee
February 21, 2018

says; however, it was always my intent that this should be paid for with private dollars. And I would work with individuals to make sure that...if private dollars are there before we go forward. And matter of fact, Senator Brewer has already filed AM1863 to LB807. This is a friendly amendment. I want to thank him and the Nebraska Commission on Indian Affairs for this amendment and for their hard work in working with my office to come up with the amendment and to work together to figure out how we can change not just Mr. Morton, but also Mr. Bryan. I want to thank Senator Brewer for everything he's done on this. And he will be coming up shortly; and part of what AM1863 says is that no state funds shall be expended on this. So this will be, truly, a case where we get private/public partnership, which I think we all are aiming to do in this country. With that I would entertain any questions you may have about Ms. Cather, why you think she is...why I think and I think you should think she's probably Nebraska's preeminent author if not...female, if not author altogether, but also why I think Standing Bear is good...great also and should be honored in Statuary Hall. Although I will also say I cannot do justice compared to what Colonel Brewer can say about Standing Bear. With that I would entertain any questions. [LB807]

SENATOR MURANTE: All right. Senator Blood. [LB807]

SENATOR BLOOD: Thank you, Chairman Murante. Thank you, Senator Harr. This is a wonderful bill, especially with Senator Brewer's amendment. How big a role would you say that Willa Cather played in sharing information on the Czech culture here in Nebraska knowing that we have more Czechs in Nebraska per capita than any other state in the United States? [LB807]

SENATOR HARR: What would she say? [LB807]

SENATOR BLOOD: What do you think...what role do you think she played in that? [LB807]

SENATOR HARR: Well, you know, it's funny, in preparation...I have another Willa Cather bill as well, and she does a great job talking about the Czech population, but she goes beyond just the Czechs. She talks about the German population how they came here; they talked about how the Irish came here and really gives a sense...and you can almost smell the prairie when you read her stories and she describes what life on the prairie is like and what life was like not just in Red Cloud but other fictitious towns across Nebraska. You get a sense of what it's like to be a Nebraskan. I'm sure she would be very proud to honor our Czech history, but she goes beyond just Czechs, she talks about all Nebraska. And I think she was a great representation of what life was like when you had different immigrant communities that came together and learned how to cooperate and work together and to create this great state that we now call Nebraska. [LB807]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BLOOD: Well, and she based one of her books on a Nebraskan Czech, do you know which book that was? [LB807]

SENATOR HARR: She wrote...yes, she wrote a number of stories on...I mean, she has...she's published, I can think of 13 stories, but, you know, Portrait of a Lady actually became the basis for F. Scott Fitzgerald's Great Gatsby. [LB807]

SENATOR BLOOD: Right. [LB807]

SENATOR HARR: And so you see her influence that she has on that lost generation of authors. In a lot of ways, she predates them shortly, but she spent a lot of time with them and really had a great influence on that whole lost generation. [LB807]

SENATOR BLOOD: I actually...my family has been friends for years with Anna Pavelka who is My Antonia is based on her and her granddaughters from the Hastings area. [LB807]

SENATOR HARR: And I got to meet her this summer. It was pretty cool. [LB807]

SENATOR BLOOD: You met Toni? [LB807]

SENATOR HARR: Yeah. What's that? [LB807]

SENATOR BLOOD: Her name was Toni...Toni. [LB807]

SENATOR HARR: Yeah, she was there. [LB807]

SENATOR BLOOD: Yeah, wonderful gal. [LB807]

SENATOR HARR: Yeah. [LB807]

SENATOR BLOOD: It's so nice to have the generational... [LB807]

SENATOR HARR: And I think we should be celebrating more...I mean, and it's not discounting what these other two white males did by any means, they've done great things for the state of Nebraska as well, but it's trying to say we are more than just two elected officials. [LB807]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BLOOD: We are diverse. [LB807]

SENATOR HARR: We are diverse and it's more than just being elected. There are other ways to serve this state and to represent the state. [LB807]

SENATOR BLOOD: Thank you, Senator. [LB807]

SENATOR HARR: Thank you. [LB807]

SENATOR MURANTE: Senator, I do have a question regarding the funding. And there have been a number of bills brought before the committee that deals with decision making from legislative bodies and units of government and how the influence of private dollars and the appropriateness of that and whether if we think as a Legislature we ought to take an analysis of the statues that are in Washington, D.C. and determine that the two people that are there are not the two best people and we should replace them with two other people, whether part of our decision making process ought to be whether a statue has an outside group that's willing to pay for it or not, or whether we're actually taking a comprehensive look at what we're...who the people are... [LB807]

SENATOR HARR: Good in and of themselves. [LB807]

SENATOR MURANTE: Yes. [LB807]

SENATOR HARR: Right, yeah, it's a good question. And we have the best of both worlds here because we do have two individuals who...and we can ultimately decide, we have this committee in the Legislature to say, are these the two people we think should be representing Nebraska in the Statuary Hall? Obviously, I think so because I think it represents and celebrates the diversity and the history of this state and how it has helped shape who we are today. We have the added incentive or bonus that we have a funding source already. And I don't think this is being driven by the fact that there is a funding source, but it's just the opposite. People think it's because they are so great, the funding just naturally flows from them. So, yeah, I understand what you're trying to say, but I don't think that the private dollars is say, hey, we're going to take these two because these are the only two that we have enough money for. It's the opposite, is because these two are so great that the money flows to them. [LB807]

SENATOR MURANTE: Okay, I see where you're coming from. Senator Lowe. [LB807]

SENATOR HARR: Thank you. [LB807]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR LOWE: Thank you, Chairman. Thank you, Senator Harr, for being here. You said other states have changed out their statues. [LB807]

SENATOR HARR: Yes. [LB807]

SENATOR LOWE: Approximately how many other states? I think you listed one or two. [LB807]

SENATOR HARR: I think it was 17. Seventeen have done it, sorry, seven...zero seven have done it. I know one of them was Kansas to the south of us and they replaced theirs. I don't know who they had before, but they replaced them with General Eisenhower and Amelia Earhart. [LB807]

SENATOR LOWE: Okay, was that the Kansas south of us, not the Kansas north of us? (Laughter) [LB807]

SENATOR HARR: That would be the Kansas south of us? [LB807]

SENATOR LOWE: Okay, I know which one it is now. Thank you. [LB807]

SENATOR HARR: I get Kansas confused with the Dakotas. [LB807]

SENATOR LOWE: They're about the same (inaudible). [LB807]

SENATOR HARR: Because South Dakota is north of us. It doesn't make any sense to me, how could South Dakota be north of us? So, thank you. [LB807]

SENATOR MURANTE: Thank you, Senator Harr. It's always entertaining. That's...and now we have Senator Brewer wishes to introduce an amendment to the bill. [LB807]

SENATOR BREWER: (Exhibits 3, 4, and 5) Good afternoon, Chairman and members of the Government, Military and Veterans Affairs Committee. I am Senator Tom Brewer from the 43rd District, that's T-o-m B-r-e-w-e-r. I want to start by saying that I am in full support of Senator Harr's LB807. AM1863 is the amendment. The amendment is simply trading the statue of William Jennings Bryan for that of Chief Standing Bear. Now what I would like to do is just have you pause for a second and understand that when we talked about this, the idea was never to change the importance of the two statues that are there. They have been there for 80 years. I think for the sake of those who come to our Nation's Capitol and to Statuary Hall to see a

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Transcriber's Office

Government, Military and Veterans Affairs Committee
February 21, 2018

diversity is critical to understand the history of our state. If you take a look at Standing Bear, and there will be those who follow me who will give you more detail and talk with that degree of understanding to the impact that he has made. But in his "I'm a Man" speech, he changed how Nebraska law viewed Native American people. Native American people were not recognized as humans. And what he did through that action in Standing Bear v. Crook was to make that a reality. What I handed out, because the question came up, are they really worthy of being that key in Nebraska history was an article that was in the Lincoln paper where it identified who the top...I think it went all the way to 100 people in Nebraska history were. And Willa Cather and Standing Bear were number one and number two. So I don't think it's unreasonable to think that we could change out the statues that we have and do anything ill or wrong. As Senator Harr indicated, that we're blessed to have donations that would cover the cost to not only make but to transfer the statues back. And that's critical, because it was never an attempt to be a cost with this. In this day and age of any bill dying if it did have a cost to it, it was a critical part of what we had to do. Right now we are in an opportunity where there is someone who is willing to donate the money and we believe that the case of Standing Bear is strong enough that it should be considered. And so with that I would be open to take any questions you have. [LB807]

SENATOR MURANTE: Thank you, Senator Brewer. Are there questions for Senator Brewer? Senator Wayne. [LB807]

SENATOR WAYNE: Can you redo your opening, I just got here. (Laughter) [LB807]

SENATOR BREWER: I'll catch you later. [LB807]

SENATOR MURANTE: Senator Lowe. [LB807]

SENATOR LOWE: Thank you, Chairman; thank you, Senator Brewer. Can you go back to the bill writer's room and get them to issue amendment 1879 instead of 1867 since that was when the court hearing was? It would be very nice to have that amendment. [LB807]

SENATOR BREWER: It would be very nice, but it might be more of a challenge than I'm willing to take on right now. It's good that you noticed that though. [LB807]

SENATOR MURANTE: I see no additional questions. Thank you, Senator Brewer. [LB807]

SENATOR BREWER: Thank you. [LB807]

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Transcriber's Office

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: And we'll proceed to proponent testimony on LB807. Proponents. Welcome. [LB807]

PEG O'DEA LIPPERT: (Exhibit 6) Thank you. I'm Peg O'Dea Lippert, P-e-g O-apostrophe-D-e-a L-i-p-p-e-r-t, from Papillion. Good afternoon, Chairman Murante and senators. I'm here today to speak on behalf of the Willa Cather portion of this significant bill and to request your vote for LB807. Like Cather, I'm not a native-born Nebraskan, although I've lived here nearly 50 years. Unlike you, I did not grow up with Cather and have come to know her over the last ten years. Having read all of her novels and many of her short stories is what brings me here today. My focus is on her Nebraska stories. This year we celebrate the 100th anniversary of My Antonia. My Antonia and Oh, Pioneers are our stories, the stories of pioneers, of immigrants who came to this country and to the plains to make a better life for themselves and for their families. These early immigrants came with their distinct cultures and languages, not unlike the immigrants who come today. The remarkable thing about Cather's story telling is that she recognized these distinct differences without judgment, a lesson to be relearned today. One of Ours is another Nebraska story, a war story of which there have been many since. None, however, have achieved the fame this work did. It was published in 1922 and Cather received the Pulitzer Prize for it in 1923. It was this book that put not only Cather but Nebraska on the literary map. Many of her works and recently her letters are housed and honored at the University of Nebraska from where she graduated and later taught. When political divisiveness is rampant in the country and our Unicameral struggles, at times, to retain its nonpartisan status, it is important to note that Willa Cather was apolitical. She never entered into the fray of her day, thus rendering this bill politically non-controversial. As if reasons of immigration, literary fame, and an apolitical stance were not sufficient, I think it is time for women to be so recognized by Nebraska and to be so honored in the U.S. Capitol. Not only is this the "Year of the Woman," over half of Nebraska's population is female. As an aside, my personal interest in Cather brought me to schedule my book club to spend the night at the Cather's second home which was originally a hospital and now a B&B. That September weekend was the premier performance of Oh, Pioneers at the restored Opera House. If you've not been to Red Cloud, I would urge you to go and visit the Cather sites, including the museum and the gift shop. Let's reclaim our literary heroine, honor the women of our state, and place Willa Cather in the U.S. Capitol proudly representing Nebraska. My focus on Cather in no way is meant to distract from the importance of recognizing Standing Bear, a true native, whose people were displaced by those immigrants Cather discussed. His significance in our history cannot be overlooked, particularly in the U.S. District Court finding of May 12, 1879, in Omaha wherein he was recognized as a person under the law, and henceforth all Native Americans. This decision was a hallmark in civil rights, although the struggle continues. Please vote for LB807 and thank you for your time today. [LB807]

SENATOR MURANTE: Thank you for your testimony. Are there questions? Senator Blood. [LB807]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR BLOOD: Thank you, Chairman Murante. And thank you, Ms. O'Dea Lippert, for the eloquent testimony. I want to ask you a personal question. As a woman, what does it mean to you personally to have Willa Cather? [LB807]

PEG O'DEA LIPPERT: I think historically and as a woman and she would represent half the population of Nebraska, I think we need her there. Someone mentioned earlier that diversity is not represented by two elected white males. We are more diverse...or we recognize our diversity perhaps at a different level than we did previously. So it would be really important. So it's like one of my missions in life is to see Willa Cather in the U.S. Capitol. [LB807]

SENATOR BLOOD: So we have to get it done soon then. (Laughter) [LB807]

PEG O'DEA LIPPERT: I plan to be around another long while. [LB807]

SENATOR BLOOD: And I believe that of you. Thank you. [LB807]

PEG O'DEA LIPPERT: My pioneer grandparents had longevity. You have at least another 20 years to get this done, but let's do it now. [LB807]

SENATOR MURANTE: Okay. So news of your demise is greatly exaggerated. (Laughter) Okay, thank you very much for your testimony, much appreciate it. Additional proponent testimony to LB807? Welcome back. [LB807]

ASHLEY OLSON: (Exhibits 7 and 8) Well, good afternoon again, Chairman Murante and members of the committee. My name is Ashley Olson, A-s-h-l-e-y O-l-s-o-n. I'm the executive director of the Willa Cather Foundation and I'd like to thank Senator Burke Harr and Senator Brewer for their work on this bill. I'm also here today to speak to the Willa Cather portion of the bill and say that the Willa Cather Foundation enthusiastically supports this bill as it aligns with our mission to promote the life and legacy of Willa Cather and to advance her status as one of our nation's greatest American writers. Cather's honors and achievements are summarized in the handout provided. In short, she's a Pulitzer Prize winner who belongs to both Nebraska and New York Halls of Fame. The U.S. Postal Service honored Cather with a stamp bearing her image in 1973. The U.S. Mint created the Willa Cather half ounce gold medallion in 1981. And the Library of Congress included her acclaimed novel, My Antonia, on it's list of a hundred novels that shaped America. Nobel Prize winner Sinclair Lewis in a speech to the Omaha Society of Fine Arts in 1921 said that Cather was one of the biggest things Nebraska has produced and concluded Willa Sibert Cather is greater than General Pershing; she is incomparably greater than William Jennings Bryan. She is Nebraska's foremost citizen because through her stories she has

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

Government, Military and Veterans Affairs Committee
February 21, 2018

made the outside world know Nebraska as no one else has done. Cather's reputation and popularity has continued to grow in the decades since her death and was honored last year with completion of the National Willa Cather Center in Red Cloud, a new archive and museum that seeks to preserve her legacy. As former First Lady Laura Bush remarked when she dedicated the center, "Thanks to the talent of Willa Cather we have a better understanding of one of the most remarkable and compelling periods in American history. Through her words, we come to appreciate who we are as a people and what we can achieve as individuals and as a community." She concluded, "Willa Cather gave a lasting voice to the western spirit that defines us as a nation." Cather is not only a Nebraska treasure, but also a national icon whose writings are studied and celebrated around the world. We hope you'll agree that Cather and her work are deserving of representing Nebraska with a statue in the U.S. Capitol. Thank you. [LB807]

SENATOR MURANTE: And thank you for your testimony. Are there any questions? I see none. Thank you. Additional proponents wishing to speak on LB807? Welcome. [LB807]

JUDI GAIASHKIBOS: (Exhibits 9, 10 and 11) Good afternoon, Senator Murante and members of the Government Committee. I'm Judi gaiashkibos, the executive director of the Nebraska Commission on Indian Affairs. And do I need to spell my name? [LB807]

SENATOR MURANTE: Please do. [LB807]

JUDI GAIASHKIBOS: Judi, J-u-d-i gaiashkibos, g-a-i-a-s-h-k-i-b-o-s, and I am here in support of LB807 and the amendment by Senator Brewer to Senator Burke Harr's bill. We, the Indian Commission, believe that it's time to represent more diversity in our United States Capitol that reflects Nebraska's diversity. So as a woman, I'm very pleased that Willa Cather and more than half of Nebraska's citizens will be represented for all the young girls. I have two daughters and I'm very happy that young ladies can have that kind of inspiration. Nebraska just recently has celebrated our sesquicentennial, so it seems appropriate that we would celebrate our first peoples and Ponca Chief Standing Bear clearly reflects that. I have brought for the committee a handout and it reflects the states that are currently...someone asked how many states are doing this, and I believe there are a total of 11 that have either done this or are in the process; so to hand that out. To frame the context of what the Indian Commission believes is a case that Senator Brewer so eloquently stated for us, I have handouts for the committee that are pretty significant that show the work over the last 20 years; I've been the director for 22 years, and we've been working to celebrate the story of Nebraska's first peoples through the story of Standing Bear. So once you receive this, you'll see the various components going back to the Standing Bear Bridge at Niobrara to the Standing Bear documentary, Standing Bear's Footsteps, to the book written by Joe Starita, Standing Bear, I am a Man. Most recently, the children's book that was the One Book, One State selected by First Lady Susanne Shore to go out to 27,000 fifth graders

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

Government, Military and Veterans Affairs Committee
February 21, 2018

throughout our state so they too could learn about Nebraska's first peoples. I'm not going to go into anymore than that, because you have that with you. And so I'm going to leave my time for the next speaker who is so much more eloquent. But recently, one of the projects that the Indian Commission has worked on is the sale of the maquettes of Standing Bear. And on Centennial Mall we have the 11-foot Standing Bear done by Ben Victor. That would be the same Standing Bear that would be going to Statuary Hall in Washington, D.C. And recently there was a story written in the ELLE Magazine and I want to end my testimony, I've got that story here for you as well, in case you don't get the ELLE Magazine, but our First Lady Susanne Shore purchased one of the maquettes and in this article she was quoted, so I feel it's appropriate and okay that I can use her words here today. Nebraska's First Lady, Susanne Shore, was among the early maquette buyers. "After seeing the actual statue of Standing Bear on Centennial Mall, I knew that I wanted a maquette for our home...Not only is it beautiful, it represents to me his bravery, compassion and leadership. Standing Bear is a state treasure, and I hope that this project creates an even better appreciation of the impact he made on Nebraska and our nation. My respect for Standing Bear is genuine and deep...If I achieve one thing as First lady, I hope it is that I have helped Judi and others make sure that Standing Bear is one of the most recognized symbols for our state." And I'd be happy to answer questions. [LB807]

SENATOR MURANTE: Thank you very much for your testimony. Senator Blood. [LB807]

SENATOR BLOOD: Thank you, Chairman Murante. Thank you for your lovely testimony. I have one question, and you may not know the answer, but I'm curious, do you know if there are any other Native Americans that represent other states in the hall right now? [LB807]

JUDI GAIASHKIBOS: Yes, there are. [LB807]

SENATOR BLOOD: Who are they? [LB807]

JUDI GAIASHKIBOS: Nevada has Sarah Winnemucca, who is created by our sculptor, Ben Victor. I believe there are five that are in the total hall of a hundred total. [LB807]

SENATOR BLOOD: Do you know what tribes they represent? [LB807]

JUDI GAIASHKIBOS: It seems to me like there is a Shoshone, more from western, less populated states. I'm sorry, we've got that information and I can get that for you. [LB807]

SENATOR BLOOD: And that...I was just curious and hoping you knew the answer. I can look it up later. Thank you. [LB807]

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

Government, Military and Veterans Affairs Committee
February 21, 2018

JUDI GAIASHKIBOS: We'd like Nebraska to have one as well. [LB807]

SENATOR BLOOD: I agree. [LB807]

SENATOR MURANTE: Thank you very much. Are there any final questions? I see none. Thank you very much for your testimony. Additional proponent testimony to LB807? Welcome. [LB807]

JOE STARITA: Thank you very much. It's an honor and a pleasure to be here. And my name is Joe Starita and I'm here as a private citizen to speak on behalf of LB807 and to speak on behalf of Senator Brewer's amendment regarding Standing Bear. About 1:00 on the afternoon of January 2, 1879, a middle-aged chief of a small tribe in Nebraska dressed the body of his only son in his best clothes, wrapped his body in a buffalo robe and gently put him into the back of a rickety buckboard wagon. And shortly after that, he and 29 others; 11 men, 10 women, and 8 children, began walking from north central Oklahoma 550 miles north to near the Nebraska, South Dakota border. On the day that they left, January 2, 1879, it was 19 below zero. There was a horrific Canadian northern storm blowing in across the Oklahoma prairie. These 30 Ponca tribal members had virtually no clothing, no winter clothing, very little food, very little money. And they took off and the second day was 23 below zero. The third day, the wind chill reached 77 below zero. And I know these temperatures because they are housed in a building on the University of Nebraska campus. It's one thing to say it was cold, it's another thing to know that it was 23 below zero. They hallowed out haystacks in the open fields of Kansas and stuffed the very old and the very young inside the haystacks, the tunnels they had created to keep them from freezing to death. The warriors, the men rummaged for field corn during the day, boiled it over an open fire to feed these people; and they kept going one day at a time, one week at a time, one month at a time until they were within two days of their beloved homeland. And what had triggered this epic journey was shortly before Standing Bear's only son, a 16-year-old boy by the name of Bear Shield, lay dying on the floor of the cheap army canvas tent in Oklahoma. He had extracted from his father the chief a promise to repatriate his remains in their beloved homeland in Nebraska and not in the hated soil of Oklahoma where in one year after their forcible removal from their Nebraska homeland, one-third of the tribe had died, mostly from malaria. And on Christmas week of 1878, Bear Shield lay dying. But before he closed his eyes in death, he got a promise from his father, Chief Standing Bear, that upon his death he would take his body and return it to near the confluence of the Niobrara Missouri River, a beloved, beautiful homeland where some of you have probably been to where the Ponca people had lived for 200 years and where they had seven sacred burial grounds. And so they got within two days of these sacred burial grounds and they were caught. They were caught by soldiers coming out of Fort Omaha and they were turned around and they were marched back to Fort Omaha. And that set in motion a story that has so many moving parts and so many different unusual elements. You couldn't make this story up. The highest ranking military officer west of the Mississippi River saw them

coming in that day across the lower parade ground, late March of 1879. Brigadier General George Crook could not quite believe what he saw. He saw bags of flesh hanging off the wrist and elbows of the women like sacks of charred bacon, so severely frost bitten were their skin and he saw them and he saw the children, they were staggering forward, hungry, starving, near death. So he cabled, as military men do, their superiors. His superior was Lieutenant General Philip Sheridan in Chicago; he told him he had 30 prisoners. They had left the reservation in Oklahoma without permission. What should he do? Lieutenant General Philip Sheridan, who had famously said some years earlier that the only good Indian was a dead Indian, told him they should be turned around and marched back immediately to Oklahoma; which Brigadier General Crook knew was a death sentence. And so he had this ethical decision to make, this moral decision to make. As a military man, he had been given very strict orders; turn their faces south, march them back from whence they came. If they die, they die. But his civilian conscious was at war with his military conscious and he paced back and forth on the upper floor of the general's headquarters, which is still there in magnificent shape on the grounds of Fort Omaha. And shortly after midnight, that arrow tilted ever so slightly toward the civilian side of his conscious because he went down the to the stables, saddled up his horse and under the cover of darkness rode three miles south to the office of the assistant editor of the Omaha newspaper that would become the Omaha World-Herald, and he told the story of this middle-aged American Indian chief who was trying to honor the death-bed promise he had made to his son and now he and his starving people and freezing people were holed up in the stockade of Fort Omaha. And that just set in motion an extraordinary chain of events that I don't have time to go into, but you couldn't make this up. You couldn't make up the first lawyer to be admitted to the bar in history of Nebraska who read about this story from the crusading reporter for the Omaha World-Herald and decided that he would love to take a shot at giving Standing Bear his freedom. And so he filed a writ of habeas corpus in court. And on May 1, 1879, Standing Bear had officially sued the government of the United States. And the trial unfolded on the third floor of a monolithic brick courthouse on the corner of 15th and Dodge Streets where the Double Tree Inn is now, it was packed. People in Omaha had been reading about it for weeks. There were other lawyers there. There were all kinds of ordinary citizens, a lot of women were there. And they watched as this trial unfolded for the first time in the history of the United States an American Indian was suing the court to gain his freedom; something that had been tried 22 years earlier by a black man, a slave by the name of Dred Scott, and he was told no, he did not have his freedom. He was told by the Chief Justice of the United States Supreme Court that a negro has no rights a white man is bound to respect. And 22 years later on the corner of 15th and Dodge in Omaha, Nebraska, we are trying again for an American Indian to sue the government of the United States so he could be allowed to bury his son. And this bear-hunting, grizzled frontier judge listened to Standing Bear; he saw him walk up to the bench at the climatic moment of the trial. He saw him raise his right hand up and hold it still for a long time and say to him that hand is not the color of yours, but if I pierce it I shall feel pain. If you pierce your hand, you also will feel pain. The blood that will flow from mine will be of the same color as yours. I am a man. The same God made us both. The judge, Elmer

Dundy, said he would take the case under advisement. And ten days later, Judge Elmer Dundy ruled for the first time in the 103-year history of the United States that from that point forward, Native American people would have to be considered a person, a human being under the law, entitled to the same constitutional protections and privileges as the quote unquote, more fortunate white race. Standing Bear was free. It was the lead domino that set up the Native American journey that started on the third floor of an Omaha courthouse toward citizenship, full citizenship rights that occurred in 1924. But that first opening shot, that first domino, that first step occurred on May 12, 1879, in Omaha, Nebraska, with this middle-aged Ponca chief who had just wanted to bury his son unwittingly in the cross hairs of a landmark legal decision. So Standing Bear was allowed to continue, and he buried his son somewhere near the sacred white chalk bluffs near the confluence of this beautiful homeland, the Niobrara...where the Niobrara empties into the Missouri. And you look, step back from the narrative arc of this story and you think about, who does this? Who has this kind of courage? Who walks 550 miles with no winter clothing, no food, no money, into a Canadian blizzard at 19 below zero at a time when the government of the United States had entered into 376 treaties with its indigenous people and had broken all 376. But this middle-aged chief of this Nebraska tribe was not going to break the promise he had made to his son. And he did not. If you take every value that we hold as virtuous and you compile a checklist: honor, courage, perseverance, hard work, every one of those values you can find in Standing Bear. This is a story that talks about all of these universal themes that we all embrace, that we all hold dear. This is a love story at its root. This is a story about someone who loves his son so much; who loves his family so much; who loves his beloved homeland so much; who loves his country so much that he is willing to walk 550 miles into the teeth of a blizzard with no food, no money, and no clothing suitable for 19 below weather. And along the way of fulfilling his pledge, he creates new federal law that gives all the people in this country who look like him the protectorate of the United States Constitution. So to me in closing, and I apologize for going on longer than I...but I love this story so much. In February of 1880, Chief Standing Bear appeared in the United States Capitol. He was testifying before a select Senate committee chaired by Senator Henry Dawes of Massachusetts. Standing Bear was in the Nation's Capitol in February of 1880, to testify about the injustice of his homeland having been taken from him and his people. This fight not one senate treaty, but two senate treaties said they were the legal owners of this reservation land that had been taken from them. And so he appeared before the U.S. Senate committee in the U.S. Capitol in February of 1880. And I'm just saying that it would be altogether fitting and altogether appropriate if Standing Bear, some 104 years later, was allowed to return to the United States Capitol. Thank you very much. [LB807]

SENATOR MURANTE: Thank you very much for your testimony. Are there any questions? I see none. [LB807]

JOE STARITA: Thank you very much, appreciate it. [LB807]

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Transcriber's Office

Government, Military and Veterans Affairs Committee
February 21, 2018

SENATOR MURANTE: (Exhibit 12) Thank you. Much appreciate it. Is there additional proponent testimony to LB807? I see none. Is there opposition testimony to LB807? I see none. Is there neutral testimony to LB807? I see none. I do have one letter of opposition from Kathy Wilmot to LB807. Senator Harr. [LB807]

SENATOR HARR: Thank you. And thank you, Mr. Starita, for setting me up for my closing. First of all, what a pleasure it was to listen to him. I read his book and it was an honor to see him in person and to listen to that. These are two great Nebraskans and I think more than worthy of this honor of being in Statuary Hall; and it's not taking away from what the other two have done, or did do. I'll say it, the other two are Democrats though. (Laughter) This is the Government Committee. But no seriously, these are great people and they deserve to be honored and I want to thank Senator Brewer and for giving this a priority. He was very generous as he reminded me to remind the committee of his generosity. But it is true, this bill wouldn't be here and wouldn't be as far along as it is without his assistance and without his generosity and without the committee's priority. So with that I would entertain any questions and thank you for your time. [LB807]

SENATOR MURANTE: Thank you. Senator Thibodeau. [LB807]

SENATOR THIBODEAU: Thank you, Chairman. And it's more of a comment than a question just since it's your last time appearing before the Government Committee... [LB807]

SENATOR HARR: It is. [LB807]

SENATOR THIBODEAU: ...and my first time seeing you appear before the Government Committee, it would be nice to have one of your last bills go through our committee. So thank you for bringing the bill and I appreciate Senator Brewer who prioritized it. [LB807]

SENATOR HARR: Thank you. [LB807]

SENATOR MURANTE: All right. I see no final questions, so thank you for the bill. [LB807]

SENATOR HARR: Thank you. [LB807]

SENATOR MURANTE: And that closes the hearing on LB807. I know we said we weren't going to have an Exec Session, but I do want to kick out the gubernatorial appointments. [LB807]