

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee February 06, 2020

BOLZ: [RECORDER MALFUNCTION] testifying in another committee, so we'll get-- we'll get started. It's the day before recess day. I'm Senator Kate Bolz. Welcome to the Appropriations Committee hearing. We'll start with senator self-introductions starting with you, Senator.

ERDMAN: Thank you, Senator Bolz. Steve Erdman, District 47, 10 counties in the Panhandle.

CLEMENTS: Rob Clements, District 2: Cass County and parts of Sarpy and Otoe. Senator McDonnell told me he's testifying on a bill elsewhere.

HILKEMANN: Robert Hilkemann, District 4, west Omaha.

WISHART: Anna Wishart, District 27, west Lincoln.

DORN: Myron Dorn, District 30, Gage County and southeastern Lancaster.

BOLZ: Assisting the committee today is Brittany Bohlmeier, our committee clerk. And to my left, our fiscal analyst, Sam. And our page today is Hallett Moomey. On the cabinet to your right you'll find green testifier sheets. If you are planning on testifying today, please fill out a sign-in sheet and hand it to the page when you come up to testify. If you'll not be testifying at the microphone, but want to go on the record as having a position on a bill being heard today, there are white sign-in sheets on the cabinet where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record at the end of today's hearing. To better facilitate today's proceeding, I ask that you abide by the following procedures. Please silence or turn off your cell phones. The order of testimony will be introducer, proponents, opponents, neutral, and closing. When we hear testimony regarding agencies-- we will not hear any testimony regarding agencies today. So that's irrelevant. Please spell your first and last name for the record before you testify. It is our request that you limit your testimony to five minutes. Written materials may be distributed to committee members as exhibits while testimony is being offered. Hand them to the page for distribution to the committee and staff when you come up to testify. We will need 12 copies. If you have written testimony, but do not have 12 1 copies, please raise your hand now so a page can make copies for you. With that, we will begin our hearing today with LB979 and Senator Morfeld. Welcome.

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MORFELD: Thank you, Senator Bolz, members of the Appropriations Committee. My name is Adam Morfeld, for the record spelled A-d-a-m M-o-r-f as in Frank-e-l-d, representing the "Fighting 46th Legislative District, here today to introduce LB979, a bill to appropriate funds in Department of Transportation for a high-speed commuter rail service study and report. I introduced this bill because since 2003 Nebraskans and their transportation habits and driving preferences have changed. Younger Nebraskans increasingly desire more transportation options. And since introducing this legislation, I've actually found that a lot of older Nebraskans do as well. And with the advent of technology such as Uber and Lyft, the intercity transportation option modes are more numerous. Nebraska has not conducted a study on a potential commuter rail line since 2003. And I'll be honest with you, I didn't work with anybody on this legislation. And after I introduced it, the positive response from not just Omaha and Lincoln, but even greater Nebraska has been overwhelming. Literally hundreds of people have reached out to me via email and direct message to express their support and they come from all different age groups. The study worked under-- the study from 2003 worked under the presumption that existing BNSF rail lines could be utilized. The study estimated that nearly 80-- an \$80 million price tag to update the existing lines to accommodate a commuter rail system. Since 2003, these BNSF lines have actually been updated, saving us a lot of potential costs if we want to do this. Those updates were necessary updates and they no longer pro-- create the same prohibitive cost to implementation. As we know in-- as we knew in 2003 and now know, thousands of Nebraskans commute regularly between Lincoln and Omaha, some nearly every single day. The study estimated from 2003 a commuter rail would see between 129,000 to 185,000 passengers annually. I'd have a copy of that, but it's about 80 pages or so but we can get it to you. The advisory council leading the way with the study at the time noted that ridership in commuter rail would also drive additional economic development around the line. Around the country, there are 32 commuter rail systems. Communities with commuter rail systems that are comparable to small-- or smaller to the Omaha-Lincoln area are Kansas City, Missouri; St. Louis, Missouri; Denver, Colorado; Nashville, Tennessee; Portland, Oregon; Albuquerque and Santa Fe, New Mexico; Detroit, Michigan; Ann Arbor, Michigan; Cleveland, Ohio; and Cincinnati, Ohio; and Anchorage, Alaska. Those communities are seeing success with offering diverse modes of transportation and economic development around those lines. Amtrak commuter rail system supported over 15 million riders in 2017. Some of these statistics are right in front of you here. With Amtrak supported rails over the last few decades, they have seen ridership grow nearly

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35 percent, again, showing the ridership trends and the transportation options that people want are evolving. Amtrak has been proactive in updating existing infrastructure and facilities by spending almost a billion dollars over the last decade. Lastly, in addition to state resources that Amtrak has utilized, they have sought out federal resources as well. Colleagues, in order to be competitive in the 21st century and retain and recruit a skilled work force, we must make the investments in our infrastructure. As attitudes and preferences for certain modes of transportation changes, so must we. I urge your favorable consideration of LB979 and I'm willing to listen to any suggestions or questions that you may have.

BOLZ: Thank you, Senator. Senator Wishart.

WISHART: Well, thank you so much, Senator Morfeld. We don't see you often in this committee. It's good to have you here.

MORFELD: It's great to be here.

WISHART: I have a few questions. So yesterday due to winter weather conditions, we had one senator who got in a very serious accident. We lost a life too young yesterday as well. I-- are you at all considering within this study a look, I mean, I understand the transportation benefit. But I also think that we should look into the public safety benefits of people who spend their days commuting back and forth from Lincoln to Omaha. And when you have winter weather, this would be a safety option for them. Can-- would that be something you'd be interested in doing?

MORFELD: Absolutely. And if you look at the legislation, it's pretty simple, conduct a study. And I kept it that way because I was interested in what all of my colleagues thought and the public thought was important. So I definitely think that we can put something in there about public safety. Actually, I've heard from a lot of people from across the state saying they would like to look at the feasibility for me going from Omaha to Scottsbluff, just what that would look like. Maybe that's not the first thing that we do. Maybe that's a 10-, 20-, 30-year plan. But I think that-- we actually have an amendment to do that if the committee is interested to expand the scope of the study. But I also think we need to narrow in on certain concerns such as public safety and driver's ed.

WISHART: And then one other question I have is would you be willing to include a look into how you would accommodate the four-legged

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constituents of this community, such as dogs being able to be on this train?

MORFELD: I thought you were talking about turtles or something for a minute. Yeah, no, absolutely.

WISHART: OK.

MORFELD: And in fact, if you look at the Amtrak, I think it's page 2, they're becoming, you know, fairly innovative. I mean, they allow bikes on them now. I can't imagine why we wouldn't have dogs and maybe not in the food car. You know, there could be some kind of regulations with that. I don't know. But yeah, I mean, I think that that's something that we should do and make it as appealing to people. The other thing that people have reached out to me are retirees. So folks that can no longer drive because of eyesight conditions or other types of physical conditions and they want to be able to see their family between Lincoln, Omaha, and other places.

BOLZ: Committee question? Go ahead, Senator Hilkemann.

HILKEMANN: Your-- your-- it doesn't have a dollar figure. What kind of money are we talking about?

MORFELD: Yeah. So we've actually met. So the study in 2003 cost \$400,000. I have sat down with Amtrak by sitting down on a phone call with the vice president of Amtrak. I've also talked to BNSF. They would be willing-- that was a completely independent study. Amtrak and BNSF, they have been a part of studies that have been done internally with Department of Transportation departments across the country, and that would significantly reduce the costs. So I sat down with the Department of Transportation. They're willing to come up with an array of different options. I'm going to get back in touch with them after this committee hearing, sit down and after I've talked to all of you and heard from the public and lay out some options. And I'm hoping they come back to us with some-- with some options. So everything from the \$400,000 external 80- to 90-page study to you could do a-- a study that would cost significantly less with Amtrak, BNSF and the Department of Transportation.

HILKEMANN: You mentioned-- you mentioned Colorado having success with this. Tell me which-- where in Colorado they're having success with this.

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MORFELD: I don't know. That's just one of the many cities that they listed as having success from Amtrak. So I can look into that more.

HILKEMANN: Well, OK. Is there any of these cities where we've connected in this, or is there any of these that actually can self-fund themselves?

MORFELD: So it almost always takes some subsidy. The only ones that are really self-funded are-- I think Amtrak told me it was like Washington, D.C., is almost completely self-funded by ridership so their earned revenue. And then I think-- I think they said New York City. But I'll have to-- I'll have to double-check on that. So almost always it requires some subsidy. But what you'll see from the economic impact studies is that it brings in a ton of development. It also makes your work force more competitive and agile, because that's something people look to is public transportation, particularly if you're recruiting from the coast, which we often have tried to do. So, yeah. So it does take some public investment.

HILKEMANN: Some or substantial?

MORFELD: I think it depends on the-- I think it depends on the line. It depends on the population density.

BOLZ: Did you have a question, Senator Dorn?

DORN: Senator Hilkemann took my question. There was nothing on the fiscal note.

MORFELD: Yeah, and to be clear the-- this is just to do a study.

DORN: Yeah.

MORFELD: This is obviously is not to make a decision one way or the other. because I think it's important that first we study the feasibility before we invest additional taxpayer dollars or the local municipalities consider investing additional taxpayer dollars. And quite frankly, there's a lot of ways that you could set this up. You could create a, you know, a transportation political subdivision between Lincoln and Omaha and the additional areas you could have separate and have the state Department of Transportation handle that and work with them. There's a lot of different ways that you could work it out, but I think that's step two in another legislative session.

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DORN: And I'll correct myself. I said there was nothing on there. There was just x's. I didn't know how Senator Clements was going to add his x's or whatever so.

MORFELD: Are you-- are you the guy that fills the x's in?

DORN: He does, he--

MORFELD: Oh.

DORN: --he's always--

MORFELD: I should have talked to you before the committee hearing.

CLEMENTS: Algebra is x's, y's and sometimes z's. [LAUGHTER]

BOLZ: I do-- I do have one question. It's maybe a little in the weeds, but there's-- there's a little bit of a line in Appropriations that we don't-- we want to be careful not to be subsidizing something that should be a municipality's responsibility or someone else's work. And one of the ways that we justify studies like this is to say that there is a large economic impact, that this is really an economic development initiative in addition to being a transportation initiative. You referenced some economic impact information. Could you just elaborate that-- on that a little bit so we can understand your economic [INAUDIBLE]

MORFELD: Yeah. So the economic impact studies, which I didn't bring because they're not-- they're not relevant to Nebraska, the economic impact studies that I've seen are in other states and municipalities. And I am hesitant to just go off the top of my head with some of that. But I'll get that. I'll follow that up with the committee in terms what that be. But that's-- that's the point of the study. And the 2003 study dug into that a little bit, but it was more of a feasibility study if they would actually turn out and we had the ridership. So I can get back to you on what other cities--

BOLZ: Your bill language does say study shall include estimates, timeliness and economic impact. So that's a major part of your bill.

MORFELD: Yeah. We have a letter of support from the Lincoln and Omaha Chambers of Commerce. And personally, I think there would be some exciting possibilities for this to go along with the I-80 corridor a little bit. So I don't think it's just a Lincoln-- it should be just a Lincoln and Omaha thing. But you know, close to 70 percent of the

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state's population the next 10 to 20 years will be in this part of the state. And I think there's a big economic impact to the entire state if we're able to recruit more young Nebraskans, not just the Omaha and Lincoln metro areas, but across the state as well. And not just young Nebraskans, quite frankly, older Nebraskans, too, because there's a lot of older Nebraskans that I know that have moved to bigger cities because they have public transportation options and they have limited mobility.

BOLZ: Further questions? Thank you, Senator Morfeld.

MORFELD: Yeah. Thank you.

BOLZ: Do I have proponents?

LISA HENNING: All right. Madam Chairman, members of the committee, thank you for having me. I am Lisa Henning. I'm the executive director of the Nebraska Safety Council.

BOLZ: Could you spell--

LISA HENNING: Spell my name L-i-s-a-H-e-n-n-i-n-g. And to address some of the comments that were made today, driving is the most dangerous act that Americans do every day, regardless of age. So in Nebraska, what does that mean? I pulled down a lot of national statistics, but we have approximately, based on other studies, about 24,000 people driving between Lincoln and Omaha every day. And based on the handout that I gave you, this is from the Centers for Disease Control, about 75 percent of crash victims are between the ages of 20 and 64, which is our working population age. It's no surprise. These are the people that are majority on the road. The total cost to Nebraska in a study done in 2014, now consider the cost of inflation on top of that, but as you know, the federal government is always behind in arrears with publishing studies. So back in 2014, the total cost to Nebraska was \$311 million. I want you to keep that cost in mind when Senator Morfeld was speaking to an \$80 million potential cost to the-- to the state, and it's probably less since the rails have been put in. Because if we're talking about just \$311 million in one year, what could that exponentially be over the course of several years that people could use the commuter rail? The past year experienced significant increases in fatalities and injuries due to increased speed and potentially due to distracted driving. So one of the things that is a benefit to the commuter rail is it takes a distracted driving risk off the road. The people can do their computer, they can

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do their business, and they can do other things while they're on commuter rail to and from Lincoln and Omaha or to their places of business. The other part that we are seeing, too, is that we're seeing an increase in motorcycle deaths across the state. Unfortunately, that is-- that is exacerbated and could be even worse. Thankfully, we have a helmet law to protect motorcycle deaths in our state. However, if somebody could just not be on the road with a motorcycle, it takes that risk off the road entirely. So I am here as a proponent to ask for-- that we fund the study, support the study, because even though there is a significant cost potentially to the state in our study, as well as the costs of putting in the rail, the cost in societal loss is far too much. And I think you'll agree with me it's one life, a young life yesterday is something that we can't afford to lose. In each individual life is in the several millions of dollars, and the younger the person is, the more the societal loss for us as a state. That's all I have. Thank you so much for your time. I don't know if there's any questions.

BOLZ: Any questions for the testifier? Seeing none, oh, go ahead, Senator.

DORN: You mentioned something about \$80 million. I guess I didn't remember that, Senator Morfeld talking about that. What-- what was that?

LISA HENNING: I think that was the cost, correct me if I'm wrong, but I believe it was the cost of if we were to put rail lines in for Amtrak between Lincoln and Omaha. Is that correct? And has already been done. No?

MORFELD: I'll clarify in closing.

LISA HENNING: OK. Thank you. Sorry.

DORN: No, thank you. Yeah.

LISA HENNING: Yeah. Regardless, a \$300 million price tag per year is too much for us as a state. And it's something that's-- the other thing I will add, one more thing is, you know, at the Nebraska Safety Council-- Council, we teach teen driver's ed. We're getting an increased request from college age students to offer the class. And the reason that we're getting that request is because students are coming to the University of Nebraska, thankfully, from out of state in areas where public transportation is very normal. They don't even have

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a driver's license. And it's not something that we're very used to here. But when you live in New York City or Chicago, you don't need a driver's license to get around. You use public transportation. So they come here and they realize there is a real hardship for them to get around the city or get between, you know, Lincoln and Omaha. And so they're asking, do we teach teen driver's ed? And it's really some-- or adult driver's ed and we're really contemplating it because it's a serious need. And so speaking to the economic growth and development opportunity of keeping our brain thrust here in Nebraska, when those young people come in here from New York and Chicago and wherever they're coming from and they're intelligent young people, we want them to stay. We want them to stay and be a part of our state and contribute to our economy and the growth of our-- our state. And so I think this only helps. This is something that will keep our young people in-house, and that's what we want.

DORN: Thank you.

LISA HENNING: Thank you so much.

BOLZ: Thank you. Do I have further proponents?

RICHARD SCHMELING: Good afternoon, members of the Appropriation Committee. My name is Richard Schmeling, R-i-c-h-a-r-d S-c-h-m-e-l-i-n-g. And in order to help us kind of think trains, I brought my hat. In a previous life, I did a lot of jury trials. And when I was a young attorney, I was afraid to do a final argument without writing it out. So I wrote the whole thing out. And then when I got up in front of the jury, I read the sucker. And boy, after about the first two minutes of me reading something, I saw the head start to drop. And so I don't have anything written for you. I have some exhibits that the page will hand out. But I just want to kind of talk to you just a little bit. There are, first of all, to answer the senator's question about subsidy, there are no transportation systems in the world that don't receive some sort of subsidy. Stop and think about it. The airlines, do they pay for the flight controllers? No. That's paid for by the federal government. Do the airlines pay to-- to run our airport or pay the runways? No. We do that with the Lincoln Airport Authority. And our highways, do the truckers pay their fair share? Nah, nah, not even close. You know, the damage an 18-wheeler does to a highway is-- is huge compared to my Honda CRV that I used to drive. So I guess the answer is the only transportation system I know of in the world that didn't have a subsidy was in Las Vegas and that was a van that was run by a casino and they got the money for the van

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from the slot machines. There are a couple of aspects of this, one of which has been touched upon and the other of which has been sort of brushed. Kansas City, Missouri, has put in a four-mile streetcar trolley line. They announced years before the path of that trolley line was going to take before the system got in operation. There was \$12 billion, as billion with a B, in new construction and renovation of old buildings along that four-mile line. The ridership has mushroomed. They don't have enough cars. People were having to stand. They're getting more cars. It's been very popular. Denver is a prime example of good transportation. You got the Amtrak station, you've got light rail coming in from all directions, and then you've got some streetcar and lines all going in there. You can get anyplace you want to go in Denver very easily on public transportation. It was mentioned that young people are coming from other states and they don't have driver's licenses. Those people are called millennials. And a nationwide study found that 20 years ago, by the time millen-- the millennials turned 16, 93 percent of them bought a vehicle and were driving a car. Today, that's down to 72 percent. The survey showed that millennials want to locate in the city and an area that has good public transit. So I echo the testimony you already heard. If we want to keep people here and avoid the brain drain, we need to beef up our public transportation. Something that disturbs me as a taxpayer is that Nebraskans pay-- we're-- we're 17th from the top in terms of per capita federal taxes paid. In terms of money coming back from D.C., we're 47th. Currently, we have no-- we have no rail system in planning. And as a result, we're not getting any of that rail transportation money back. We're just booting it. We've been doing that for years because we haven't addressed the problem. So I'm going to ask you to seriously consider passage of this bill so that we can catch up for years and years and years of not doing the right thing. Finally, let's talk about safety. I've given you some statistics. Last year 20-- in 2018, we killed 230 people. In 2019, we're up to 249. And a way to get people off the highway and make our highways safer is to provide an alternative and that alternative is rail. You have a handout that shows that riding public transit you're 10 times less likely to be killed or injured than driving a car. So if we have the train and we get the people back and forth between Lincoln and Omaha, then we're going to take a lot of cars off the highway and things are going to be a lot safer. I see my time is up. I thank you for listening. I thank the senator for introducing the bill. And some of you I visited with about the bill. Some of you haven't had yet an

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opportunity to do so. But certainly I hope you favorably consider this and kind of get us caught up with the rest of the world.

BOLZ: Thank-- thank you for your testimony. Do I have questions from the committee? Senator Hilkemann.

HILKEMANN: Question. You said we-- we're getting no federal subsidy. Amtrak goes across the state of Nebraska.

RICHARD SCHMELING: Well, that's true. But that-- that's-- that's a federal system. But the state of Nebraska, the state DOT is eligible for federal money for this sort of project that we're talking about, commuter rail between Lincoln and Omaha. We haven't gotten a penny of that for years. But you are correct. You're correct in your statement that Amtrak does get subsidy.

BOLZ: Thank you. Welcome back, Senator Stinner.

STINNER: Any additional questions? Senator Hilkemann.

HILKEMANN: Doesn't Amtrak go between Lincoln and Omaha right now?

RICHARD SCHMELING: It certainly does. And that's the track that we're talking about using for commuter rail. It's 79 mile an hour. It's got the latest in safety. There's something called positive train control and we have that on that track between Lincoln and Omaha. Now Amtrak comes through from Omaha to Lincoln and gets here at 12 20. That's 12:20 after midnight. And if you want to get on the train and go to Omaha, you have to be down at the station at 3:30. The times just aren't convenient. And so we need a better system. You have to be awfully dedicated. You [INAUDIBLE] ride Amtrak, it seems to me.

STINNER: Additional questions? Seeing none, thank you.

RICHARD SCHMELING: Thank you.

STINNER: Good afternoon.

MATTHEW ROQUE: Hello. My name is Matthew Roque. That's M-a-t-t-h-e-w R-o-q-u-e. First, I want to thank Senator Morfeld for introducing LB979. My appreciation is also extended to Senator Stinner and the rest of this committee for their work on behalf of the citizens of Nebraska. I'm here today representing ProRail Nebraska, a nonprofit advocacy group focused on increased passenger rail service, as well as other public transportation needs within the state. Our members hail

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from across Nebraska with still more from 15 states other than Nebraska. These are usually people who have lived in Nebraska at one time or another and are still supportive of passenger rail within the state. As an advocate for passenger rail, I'm often asked when Nebraska will be starting an Omaha to Lincoln commuter service. The need for this service is quite evident based on analysis conducted of commuter traffic patterns. With increased passenger-- with increased population growth in both the Lincoln and Omaha metropolitan areas, this service will continue these trends while providing safe and reliable transportation between Nebraska's two largest cities. In 2003, the Nebraska Transit and Rail Advisory Council, N-TRAC, created a study which, among other things, reported on the feasibility of passenger rail service between Omaha and Lincoln. Although flawed in some respects, the study showed-- did show the need for increased travel options on this corridor. Updating this study is long past due. As some of you are aware, Amtrak daily serves the state with a pair of passenger trains, the California Zephyr operating between Chicago and Emeryville, California. These trains stop at five stations: Omaha, Lincoln, Hastings, Holdrege, and McCook and in 2018 had 53,527 passenger arrivals and departures. Grand ideas require research and contemplation. They require thoughtful discussion by those most able to minimize the cost and maximize their benefit. The time for evaluating passenger rail service from Lincoln to Omaha is overdue. Please vote to incorporate this bill in supporting funding into the budget bill. Thank you and I will answer any questions you have at this time.

STINNER: Questions? You say that in 2003 you did a study. How much was that? How much did that cost for that study?

MATTHEW ROQUE: Senator Morfeld said that it cost approximately \$400,000. I'm unsure of the numbers. So I will have to take him at that number.

STINNER: Was this the time they looked at moving the football stadium between and the airport and all the rest of that, or was that? I think that was back in Senator--

MATTHEW ROQUE: No.

STINNER: --DeCamp's time. Sorry.

MATTHEW ROQUE: No, sir.

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STINNER: Sorry. I have gray hair and I remember really stupid things like that.

MATTHEW ROQUE: It's OK.

STINNER: Actually not a bad idea at the time. Any additional questions? Seeing none, thank you.

MATTHEW ROQUE: All right. Thank you.

STINNER: Good afternoon.

JACK CHELOHA: Good afternoon, Senator Stinner and members of the Appropriations Committee. My name is Jack Cheloha, spelled, excuse me, J-a-c-k, last name is spelled C-h-e-l-o-h-a. I'm the registered lobbyist for the city of Omaha and I want to testify in support of LB979 this afternoon. We appreciate, Senator Morfeld bringing this bill. As-- as he pointed out, transportation is a hot topic amongst any community right now. In fact, in Omaha, it's part of our master plan. We have a transportation element always to the city's master plan. We've done various things, in fact, 2019 Omaha had its first pilot program relating to electronic scooters within the metro area in certain parts. So our citizens are demanding that transportation be looked at, transportation, be expanded, transportation be researched and studied so we can offer the most efficient, safe, reliable sources of transportation. If I could digress just a little bit, in terms of a commuter rail between Omaha and Lincoln, I'd be a perfect example of somebody who would utilize that service, because every day that the state legislature meets, I commute from Omaha down here to Lincoln to-- to be aware of what the State Legislature is up to and represent Omaha. And so that would be something that I would be very interested in. I have utilized such services when I did internship way back in Washington, D.C., many years ago. So I think it would be something of interest. I mean, the metro area with Council Bluffs and all the cities in Sarpy County were roughly up to 750,000, 800,000 people. The Lincoln metro area-- area-- area is right around 300,000 right now. So there's a lot of people that travel between the two cities that have work in the two cities where maybe one-- one parent works in one city and one in the other. And so I think there's some real interest in this. Let's see, I made a couple of other points. We talked about the numbers. There has been success elsewhere, as you've heard from other witnesses. We think that this would be money well invested. It would be good, you know, for a study. And I think it would really offer

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something to our citizens that they're very interested in. And for those reasons, we wanted to support it. Thank you.

STINNER: Thank you. Questions? Seeing none, thank you.

JACK CHELOHA: Thank you.

STINNER: Any additional proponents? We do have two letters of support from the Lincoln Chamber and the Greater Omaha Chamber and the American Institute of Architects. We will now hear from opponents.

DUSTIN ANTONELLO: Good afternoon, Chairman Stinner and members of the Appropriations Committee. My name is Dustin Antonello. That's spelled D-u-s-t-i-n A-n-t-o-n-e-l-l-o. I am here today speaking on behalf of the Lincoln Independent Business Association in opposition to LB979. LIBA is mainly concerned about the costs associated with building a high-speed rail line between Lincoln and Omaha. We recognize that this bill is just calling for a study of a high-speed rail project, but both recent and past history indicates that a project of this scope will be beyond what Nebraskans are willing to commit taxpayer dollars. The only high-speed commuter rail in existence in the United States opened in Connecticut in June 2018. The 62-mile line cost over \$700 million to build and was delayed by three years because the state struggled to find additional funding. And even with top speeds of 110 miles per hour, it still takes commuters 81 minutes to get from New Haven, Connecticut, to Springfield, Massachusetts, which is longer than the typical drive between Omaha and Lincoln despite covering a comparable distance. The Connecticut line also relied heavily-- heavily on three federal grants, including one for \$121 million. In 2003, the Nebraska Transit and Retail Advisory Council studied the possibility of a light rail line between Lincoln and Omaha and determined that the project was not viable because the low number of projected passengers and high rail fares-- fares would disqualify the project from federal funding. The 2003 N-TRAC study also found that express bus service between Lincoln and Omaha was more economically feasible than a light rail line. As a result, an intercity commuter bus service has been proposed that would run buses every 30 minutes during morning and afternoon commute hours and every hour in between. Project officials have estimated that the cost to implement bus service between Lincoln and Omaha would only be \$2.65 million annually. We're concerned that re-- reviving plans for rail service between Lincoln and Omaha will only undermine any efforts to add an express bus line. The use of mass transit is also on a downward trajectory nationwide. In fact, data from the U.S. Department of

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Transportation's National Transit Database showed that 2017 was the lowest year of overall transit ridership since 2005. The population of citizens taking public transit is declining across the country due to a number of factors, including lower fuel costs, increased teleworking, higher car ownership, and the rise of more conventional alternatives such as ride sharing. Cities across the U.S. have also experienced mixed results with new commuter rail lines. According to the American Community Survey data-- data cities such as Dallas, Fort Worth, Houston, San Diego and Portland have recently added new commuter rail lines, but have either failed to increase the share of commuters taking public transportation or experienced a decline in ridership. There are also factors unique to Lincoln and Omaha that make it difficult for rail service to succeed. The convenience of getting into your car and quickly getting from point A to point B cannot be overestimated. In other parts of the country, the convenience of automobile traffic can be negated by heavy traffic. But commuters are fortunate enough to have a relatively congestion-free drive along I-80 even during rush hour. Furthermore, in order for rail service to be successful between Lincoln and Omaha, both cities will have to add public transportation options to get from the main rail terminal to the areas where people live and work. This will be a costly undertaking since the work force populations are spread out throughout both cities. We appreciate Senator Morfeld for bringing forward legislation to study the feasibility of high-speed rail between Lincoln and Omaha, but we do not believe it is an economically viable option at this time. The high costs associated with high-speed rail and the convenience of automo-- automobile traffic between Omaha and Lincoln will make it difficult for a project of this type to succeed. Thank you. I'd be happy to answer any questions.

STINNER: Thank you. Questions? Seeing none, thank you.

DUSTIN ANTONELLO: Thank you.

STINNER: Any additional opposition? Anyone in the neutral capacity? Seeing none, Senator, would you like to close?

MORFELD: Yeah. I'll just say a few things. Thanks for everybody listening today. Just a few different things real quick. So the \$80 million that the study in 2003 came up was with-- was updating the existing BNSF rail lines for the safety standards for commuter-- commuter rail. So it's not to build a new line. The railroad is already there. You could use the line between Lincoln and Omaha with BNSF. The safety upgrades have already been done. Where the money

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probably would come in, and the study would look into this, is there is right of way for commuter rail on all the railroads because they were subsidized originally back in the 1800s by the federal government. But you also have to pay for that right of way, because that's right of way that would otherwise be used by freight. So that's where some of the cost comes in that you have to subsidize a little bit. And then if you want to create stops with between Lincoln and Omaha, you know, you might have to build, you know, like the Amtrak station that you see over by the Haymarket. That being said, usually it's a little bit more high speed and it's a little bit more efficient if you have as few stops as possible in between. So I think that there would be minimal stops in the distance. The other thing that I would say is Senator Stinner, you weren't here yet, but the \$400,000 study, that was the amount in 2003. The reason why the department left it XXX was because they're still looking at some alternatives, because you could do an outside study that would probably be around \$400,000. Or you could team up with the Department of Transportation where they team up with Amtrak and BNSF and do it for significant cost savings. It depends on what you're looking for, though. In terms of ride sharing, I'll just address some of the things that the opponent that came up and discussed, you know, ride sharing is great intracity. Most people aren't taking Ubers to Omaha or Lincoln unless something really bad happens. And so that's still not necessarily an option. In addition, if they're concerned about the feasibility, that's the point of this is let's put it to bed for once and for all and see if it's feasible or not and see if the trends have really changed, because I've seen data and studies that have shown that actually the demand for public transportation is up, but generally states are not investing in that. That's why people are buying more cars. It's because there's less options. And so I think that's important to note. The other thing that I'll say is it depends on your version of high speed. So for me, 80, 90 miles an hour is pretty high speed. The industry would say above 100 miles an hour is high speed. So our current rail lines would do about an 80- to 90-mile-an-hour train so that we wouldn't have to build any additional infrastructure. So I think the project that they noted, I think it was Connecticut or something like that, that was a true high-speed rail. And, yeah, that-- that's going to cost a few hundred million dollars because you have to build new line and all that. That's not what we're looking at here. We're looking at using existing rail, probably creating an agreement with BNSF for the right of way and then obviously, you know, having some end points. But let's do the study. Let's do the study and make sure that's a sound investment and make sure that we're-- we're

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studying the trends between Lincoln and Omaha and go from there. With that, I'd be happy to answer any questions.

STINNER: Senator Wishart.

WISHART: I wanted to just, adding to what Senator Hilkemann was saying, in your research on this, Senator Morfeld, has there-- have you had any discussion with Amtrak about just adding an additional time frame that would support a commuter opportunity?

MORFELD: So that's what this would look at is the feasibility of that.

WISHART: OK.

MORFELD: So Amtrak, the reason why the times are so strange, you know, like 12:00 a.m. and then 3:30 in the afternoon is because it's a part of a transcontinental route or sort of transcontinental, halfway transcontinental between Chicago and the West Coast. And so they're not really thinking about people's commute times between Lincoln and Omaha when that's convenient. They're thinking about getting people across the country. Right? And so what it would take for Amtrak to do that, which they are interested in doing that if the Department of Transportation and the Legislature sees fit, what it would take is another train, first off, to go back and forth. So you'd have to pay for the infrastructure to maintain that train. And then you'd also have to pay for the right of way for the additional routes back and forth. And it would probably be more than just one in the morning and one in the afternoon/evening. It would, you know. Yeah.

STINNER: Additional questions. Seeing none, thank you.

MORFELD: OK. Thank you very much.

STINNER: That concludes our hearing on LB979. We will now open with LB826, Senator Hilkemann.

HILKEMANN: Thank you, Senator Stinner. My name is Robert Hilkemann, R-o-b-e-r-t H-i-l-k-e-m-a-n-n. I'm the senator representing District 4, and I'm here to introduce LB826. LB826 is a bill that deals with funding the Nebraska Problem Gamblers Assistance Program. Since the year 2000, Section 9-1,101 has required annual transfers of specified dollar amounts from the Charitable Gaming Operations Fund to the Compulsive Gamblers Assistance Fund, providing revenue for Problem Gamblers Assistance Program. Attempts to adjust the dollar amount of these transfers to address changes in gambling revenue have required

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substantial staff time to develop, introduce and pass the required legislation. LB826 would remove the specified dollar amount in statute and replace it with language that authorizes each Legislature to determine the needed appropriation that should be transferred between these two cash funds. Giving this authority to determine the appropriation amount as part of the normal appropriations process for state agencies will result in each Legislature being able to assess the needs of the Gamblers Assistance Program without the necessity of statutory amendments. Changes in the Gamblers Assistance Program work force, policy initiatives of the Commission on Problem Gambling, and changes in gambling activities among Nebraskans all affect the revenue needed of this program. The response to such changes will be timelier and more efficient. I'd like to leave the history of this program, the current status of the Problem Gambling Program, and help available to those in need to David Geier, the director of the Gamblers Assistance Program, who is here to testify today. If you have any questions of me, I'd be happy to address those at this time.

STINNER: Questions? Seeing none, thank you.

HILKEMANN: All right.

STINNER: Good afternoon.

DAVID GEIER: Good afternoon, Chairman Stinner, members of the Appropriations Committee. My name is David, D-a-v-i-d, Geier, G-e-i-e-r. I'm director of the Nebraska Gambler Assistance Program. First, I want to thank Senator Hilkemann for introducing LB826 and the committee for taking your time to listen to me today. The Commission on Problem Gambling was created by the Legislature in 2013 to manage the Gambler Assistance Program. Our program provides counseling services to Nebraskans and their families dealing with addiction to gambling. We also provide information to the Legislature and the public about gambling and addiction to gambling in Nebraska. The Legislature's objective in 2013 was to rejuvenate a 20-year-old program that had been in decline for several years, during a time when gambling itself was steadily increasing around the nation. When the commission took over the program that year, there were about a dozen active counselors located mainly in Omaha and Lincoln, serving a small number of clients. This was not good enough. Survey data at the time indicated that many thousand Nebraskans would benefit from this program services. The commission established a training program offered by Bellevue University and hired a long-term counselor to recruit new counselors. Today we have 27 active counselors at 18

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locations in eight cities. We want to recruit a new and younger work force statewide, particularly in greater Nebraska. We offer telehealth counseling through a secure, confidential Internet service. We hope to partner with addiction counseling programs at UNK, UNMC, and community colleges to add curriculum about addiction to gambling into their offerings. And I'll tell you that when I have spoken to them about this, they know next to nothing about addiction to gambling, let alone teaching the subject. We have an updated Website and a digital media campaign that draws over 3,000 unique new visitors each month over the past two years. A companion digital campaign that will attract more Nebraskans to counseling is now in development. This program is on the move and so is gambling. The American Gaming Association, an industry trade group, reports that 43 states now have legal casino gambling. Forty-nine percent of American adults view the casino gambling industry favorably. Here in Nebraska, we're waiting for the results of the initiative petition being circulated now that aims to allow casinos at horse race tracks. This issue may be on the ballot in November. There are three bills in the Legislature right now. A fourth one is on General File that would expand gambling in different ways. The local press has been reporting on a growing interest in sports betting. American Gaming predicted that 26 million Americans would gamble on the Super Bowl. A lot of them gambled in Council Bluffs. Over the years since 1993, revenue supporting this program has been changed several times. When the commission took over in 2013, we started with a carryover cash surplus of \$1.7 million. I've given you a couple of interesting charts that show you the finances of the program, what's happened with the cash, appropriations and spending in the program over the years since 2013. Our efforts to expand the program have used up two thirds of the cash surplus that we inherited back in 2013. We will need more revenue by the next biennium or have to make serious cuts in this program. Our revenue comes from several sources. Chart number two outlines the sources of revenue that we have. The State Lottery provides about two thirds of our money. But the formulas for this allocation are inflexible. Health Care Cash Fund is another source, but of course an increase in that amount is unlikely. This brings me to the reason for being here today. Revenue from the charitable gaming tax has been allocated to Gamblers Assistance in one form or another since 1996. The amount's been changed three or four times. Senator Hilkemann told you about the need to amend a statute in order to change the amount. Most recently, the commission has come to the Legislature twice asking to amend the amount. We know the charitable gaming tax annually collects a surplus. It's running about \$2 million right now. We see this as a possible

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source of more revenue for our program. Today's bill takes a different approach. Let the normal appropriations process address our revenues issues at budget time. And I'll tell you one big reason for that. That is the changes in gambling. If the casinos are opened in Nebraska, charitable gaming will likely take a big hit. Back when the Iowa riverboats opened in the early '90s, charitable gaming in Nebraska dropped by 34 percent. Gamblers are migratory. You offer more gambling in Nebraska, they'll come to Nebraska. They'll leave Iowa. But they'll also quit playing Keno. So charitable gaming will take a loss and we won't be able to get more money from them. This committee and the appropriations process is the best way to confront these changes that are going to be happening in gambling in Nebraska in the next few years. Thanks for your attention. I'll answer any questions.

STINNER: Questions? Seeing none, thank you. Any proponents? Any opponents? Anybody in the neutral capacity? Senator, would you like to close? Senator close-- waives closing. That concludes our hearing on LB826. We will now open with LB1079. Senator Wishart.

WISHART: Good afternoon, Chairman Stinner, fellow Appropriations Committee members. I'm Senator Anna Wishart, A-n-n-a W-i-s-h-a-r-t, and I represent the great 27th District. I am here today introducing LB1079. LB1079 would appropriate additional resources to the state crime lab to-- to support timely processing of sexual assault evidence in our state. When tested, DNA evidence from a rape can be an incredibly powerful tool to solve and prevent crimes. It can identify unknown assailants. It can confirm known suspects, identify serial offenders by linking crimes together, and exonerate the wrongfully convicted. It is the intent of this bill to ensure that sexual assault evidence is tested in a timely manner to enhance public safety by protecting survivors, exonerating the wrongfully convicted, and holding offenders accountable. National best practice around the testing of sexual assault evidence has now changed in two ways. The first way is to recommend the testing of all previously untested evidence, and the second is to recommend the testing of all sexual assault evidence prospectively. Previously, evidence was only tested if the DNA was needed in prosecution or if the offender was unknown to the victim, producing a great number of untested evidence kits held at law enforcement agencies across the state. Now we recognize that testing evidence in these cases and comparing the DNA across cases is critical for identifying serial offenders. Law enforcement agencies in Nebraska are increasingly implementing these best practices, submitting previously untested and all new evidence kits for testing.

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However, this is significantly increasing the workload for the state crime lab, the only agency in the state that has the ability to upload data to the national DNA database linking cases and identifying serial offenders. And I want to take a moment to thank the state crime lab and State Patrol for their efforts in addressing the additional workload that they have. But it's a struggle. There is currently a 12-month delay or backlog before sexual assault evidence kits are analyzed, a 12-month delay. That's one year backlog that our state has. The results uploaded to-- the results of this backlog when-- when they do get processed, get uploaded to our DNA databases. This means it may be at least 12 months before we are able to identify and stop serial rapists in communities across our state. I think it is critical that we implement best practices for handling sexual assault forensic evidence. And I think you will hear from-- and I-- and I know you'll hear from testifiers who follow that we have not met the standard that we should be meeting in our state. I am and remain committed to working with the State Patrol and advocates to provide the resources necessary to process this evidence in a timely manner and to provide law enforcement with the critical information that they need to protect our community from serial rapists. I'd ask that we as a committee remain vigilant and committed to addressing this problem of the state crime labs resources in both the short and long term. I did meet with the state crime lab and the State Patrol before session started to discuss this issue that was brought to me. And the concern that I have and the reason that I've introduced a bill for \$250,000, which is approximately two forensic scientists, is that there is a federal grant that the state crime lab currently has for two analysts that is going to be ending this year in December. And it takes approximately a year or longer to train analysts for them to be able to do the work. My hope is that those that are currently working under this federal grant will continue on. But my concern is as a committee, we need to be thinking and making sure that we don't lose two additional analysts and the funding for that which would put us even further behind in terms of processing sexual assault evidence. I met again with the State Patrol to discuss this and they assured me that they have enough funds within their budget currently to be able to cover for short term the loss of the federal grant and maintain their level of staff. But in the long term, we're going to need to look at this issue and not only look at this issue from the analysts, but my understanding is that they are starting to run out of room in their new state crime lab that was built. I have a little bit of perspective on that. I served on the Airport Authority when we helped to build the state crime lab at the Airport Authority. It was one of, I would say

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it was probably my-- I feel like one of our biggest achievements on the Airport Authority in doing that. But already they are starting to run out of room. And so we're going to need as a committee to be looking at capital investments as well. And so with that, I'm happy to answer any questions from the committee.

STINNER: I have a little bit of a technical question. You say hereby appropriate \$250,000 from General Funds in fiscal year 2020-21. Just one fiscal year or are you asking for continuing funds or is?

WISHART: So in my-- in my conversations with the state crime lab, the goal is to-- the goal was immediately to plug that loss of federal dollars that would happen this year. But I would say my long-term intent is that if we can't find other funds other than state funds, that we would continue to fund those two analysts out of state funds. So as a committee, we'll have to make the decision. And I think what we're going to hear from the state crime lab is they can manage it this year. So then we're gonna have to be making a decision about when in time, if they're not able to come up with additional funds for those two positions long term, are we going to invest \$250,000 in this?

STINNER: Thank you. Questions? Senator Hilkemann.

HILKEMANN: Senator Wishart, when are they-- when are-- who are going to be the test-- who are the DNA people? Who are we going to be testing for the DNA?

WISHART: So my understanding is anybody who is convicted of a sexual assault crime, their DNA is tested.

HILKEMANN: Isn't it already tested if they're convicted?

WISHART: Well, the way that it works is the only crime lab in our state who's able to upload this information into the federal DNA database where we're able to look and match and-- and help law enforcement see if they can-- if there are serial situations is the state crime lab. So all of these other entities like our county crime labs will-- and this is my understanding. Those that are following will know more of the details about this-- who are testing have to send their-- their information to the state crime lab. And that's where we're getting a backlog.

HILKEMANN: So you're talking about the CODIS.

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WISHART: Correct.

HILKEMANN: Right. OK. And-- and are you familiar with a program called DNA Saves--

WISHART: I'm not.

HILKEMANN: -- which is upon felony arrest and not waiting until a conviction?

WISHART: Oh, I-- I am familiar in a brief conversation with the State Patrol. My understanding, though, in Nebraska is that we do not.

HILKEMANN: Right.

WISHART: We do not test or take DNA for arrestees. We only do it for those who are convicted.

HILKEMANN: Convicted.

WISHART: Correct. Now, if we were looking at changing that statute in Nebraska, that would add an additional challenge to our state of addressing additional evidence. And already as a state, we are not capable of keeping up currently with-- with convicted testing and uploading it into our database.

HILKEMANN: So--

WISHART: Yeah.

HILKEMANN: So who's-- who's going to be paying for the tests?

WISHART: So I don't know. All I know-- I don't know that. And-- and the Women's Fund may know that behind me. My understanding is that currently what we need is to make sure that we're maintaining. Frankly, we need to be growing the staff level of those at the state crime lab who are doing this work and uploading this information into that database. My concern, though, is that we're not only we're not growing it, we have the potential of losing two staff members who are currently doing that work, putting us further behind in terms of a backlog.

HILKEMANN: Are you aware that 38 states presently require on felony arrest the DNA checks?

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WISHART: So, Senator, I'm focused right now on the issue of a backlog with convicted. If there is a bill, I mean, that's a bill that would need to be introduced. I imagine go through Judiciary, but I'm not aware of-- I-- I take your word for it that there are 38 states that do that.

HILKEMANN: I brought that bill three years ago.

WISHART: OK. OK.

HILKEMANN: So it did. Senator, I'm all behind this sort of--

WISHART: Yeah.

HILKEMANN: This is-- this will definitely save-- the only problem I have with Nebraska is we wait until after the conviction. They're a year and a half. We-- we-- there are so many women who-- and solve crimes that could be solved. We need it. We need to address it. This is fine, but we need to even be more aggressive in this whole thing because this is a huge area that we have just totally [INAUDIBLE]

STINNER: Thank you, Senator Hilkemann. Additional questions? Seeing none, thank you.

CHRISTON MacTAGGART: Good afternoon, Chairperson Stinner, members of the Appropriations Committee. I'm here today on behalf of the Women's Fund of Omaha. My name is Christon MacTaggart, spelled C-h-r-i-s-t-o-n, last name M-a-c-T-a-g-g-a-r-t. I'm the domestic and sexual violence project manager there. And previously before coming to the Women's Fund, I was the domestic violence sexual assault program manager for the Nebraska State Patrol. So I've been working in this area for about 20 years. And again, on behalf of the Women's Fund, I'm here to testify in support of LB1079. So this bill will address two critical problems. And I also feel like I can answer some of the questions that you raised, Senator Hilkemann. I'd be happy to do that as well. So the two critical problems here are the first one being our state's large number of old untested sexual assault kits that were not previously submitted to the state crime lab for testing. And the second is the twelve-month delay on testing sexual assault kits from recent prospective sexual assaults at the crime lab. And so I want to share a little bit of information about these two separate problems and how they really contribute to this much larger issue of Nebraska in supporting best practices as it relates to sexual assault kits. So the first is there's about 2,000 untested and unsubmitted sexual

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assault kits at law enforcement agencies across our state. There's actually fewer than that now because those have begun to be tested. And new national best practice identify that all these kits should be tested so that sexual assault offender DNA is entered into CODIS, which was-- has been referenced. Adopting this practice helps connect different crimes and identify serial rapists, as well as exonerate individuals who did not commit the sexual assault. And the crime lab has worked with law enforcement agencies across the state to create a process for testing those kits. They obtained a one-time federal grant that Senator Wishart referenced and that ends at the end of 2020 and cannot be renewed. Based on our discussions with them, they estimate that under half of those 2,000 kits will be tested by the end of the grant period, and it will likely take approximately three additional years to fully complete testing. As the crime lab currently has a separate process for testing of those kits, they are not included in the 12-month backlog. So the 12-month delay is really related to the second part of this issue, which is the testing of recent prospective sexual assaults. Federally, anything over 30 days is considered a backlog and best practice indicates kits should be tested within 90 days. So the backlog kits in our state, you know, preserve DNA evidence from sexual assault, which have occurred in the last generally 18 months to 2 years and in many cases are under active investigation. In many cases, those investigations are at a standstill while law enforcement await those results. In all cases, the ability to link DNA from offenders to other crimes or identify serial rapists is at a standstill. The number of sexual assault kits being submitted to the crime lab has increased because, again, these-- these new best practices. And because of this, neither the number of kits being submitted nor the length of the backlog will decrease without additional resources allocated. To answer the question about when DNA is entered into CODIS, when-- when DNA is found in a sexual assault kit after analyzation, that DNA is at that point entered into CODIS regardless of where it's at in the investigation. And a lot of times that's how they find out who the offender is, if they have previously committed a crime and their DNA is already in CODIS. I-- some of you may remember the Amber Harris case from a number of years ago in Omaha with the young girl who was sexually assaulted and killed. They found out who killed her because her offender's DNA was in CODIS and they were able to find that DNA entered into CODIS and find out where-- who the offender was. So it is entered prior to conviction in a way to, again, connect serial rapists and look for who the potential offender is. So this is really a complex issue and we feel it requires a complex solution. LB1079 will likely not solve both components of this

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issue, but it will take some significant steps to reduce the number of kits awaiting testing. Maintaining current step-- current staffing levels and resource levels of the state crime lab is simply not an option. This isn't really an issue of crisis proportions. Our current process is not an appropriate response to current victims awaiting results of their kit testing and to future victims of sexual assault that we are in effect not considering. When these kits sit for a year awaiting testing, serial rapists are left unidentified and they continue to offend with nothing stopping them. There's story after story across the country of how DNA being entered into the federal DNA database has identified and stopped rapists from offending. And there's also story after story of how not entering that same DNA has led to additional sexual assaults and additional victims whose lives will be forever altered. LB1079 marks an imperative first step in the process of aligning us with best practice and show survivors that the state cares about them and their pursuit of justice. And I'm happy to answer any additional questions you have about this issue.

STINNER: Questions? Senator Hilkemann.

HILKEMANN: Several years ago, there was some discussion about this that--

CHRISTON MacTAGGART: Um-hum.

HILKEMANN: --we have-- we have a lot of prisoners at the present time--

CHRISTON MacTAGGART: Um-hum.

HILKEMANN: --who-- who never been tested for their DNA that are already convicted. Is that-- has that been addressed?

CHRISTON MacTAGGART: I believe there's been some moves in that area. But I would say my expertise is really more around the issue of DNA in CODIS as it relates to sexual assault kits. So I couldn't speak to that unequivocally. But I know the crime lab has had a lot of conversations with Department of Corrections about that.

HILKEMANN: This-- this is a huge issue that we're, frankly, we're-- we're way behind. And this will, from what I've-- this will-- what we're trying to do is just get caught up. Is that it or at least get-- you say we'd be a year behind at the present-- we're over a year behind now. Is that correct?

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CHRISTON MacTAGGART: Yes. I know that locally the Omaha Police Department's indicated to me that they have kits they submitted last February that they have not gotten results back from yet. And again, that issue is separate from the untested kits, the previously unsubmitted kits that are also being tested at the same time.

HILKEMANN: With this appropriation, will we be able to get somewhere getting-- we'll-- we'll get more. That-- that's basically all we're going to do. We don't know whether we get caught up or where we ought to be.

CHRISTON MacTAGGART: Right. I think-- I think it will help significantly. I don't know. And I-- I mean, I don't speak for the crime lab, obviously, so I can't speak to that. I would tell you in my conversations with them they have said that it would-- it will help-- would help them to have additional analysts, again, because we're dealing with both of these issues.

HILKEMANN: I would just from you-- you mentioned about when I brought this bill three years ago, the DNA Saves, the number of people that are affected by this is just-- it's mind boggling. And so I affirm your-- your-- your testimony on that.

STINNER: Any additional questions? Seeing none, thank you.

CHRISTON MacTAGGART: Thank you.

JACK CHELOHA: Good afternoon--

STINNER: Good afternoon.

JACK CHELOHA: Senator Stinner, members of the Appropriations Committee. My name is Jack Cheloha, J-a-c-k, last name is spelled C-h-e-l-o-h-a. I'm the registered lobbyist for the city of Omaha. And this afternoon I'd like to testify in support of LB1079 on behalf of Omaha's police chief, Todd Schmaderer. The pages are handing out a letter from Chief Schmaderer to you. I'd just like to maybe hit a few of the highlights within there. As you may or may not know, I mean, Omaha is roughly a city of 450,000 people. We have the largest law enforcement agency in the state of Nebraska. Roughly 840 police officers. Day by day, we investigate all aspects and all crimes within our city limits. Regarding sexual assault kits, we have a process of taking our kits that we take from cases within the metro area to the state lab for DNA testing. The inventory count for the sexual assault

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kits that fall under grants that we have in order to obtain them and then send them on to the state lab are now counted at 1,542. As of February 5 of this year, 2020, approximately 250 kits have been taken to the state lab for testing, with over half of those submitted are still pending testing results. We've been taking kits to the state lab now for approximately a year. The state lab now has a backlog of over 12 months. For example, we have kits that were submitted in February of 2019 which are still waiting to get results from this lab. Let's see. We think with-- without additional funding, the state lab will fall further behind in testing, which serves as a vast challenge for agencies across the state of Nebraska, which are currently at a standstill on our investigations. This would allow possible serial criminals to continue to offend as law enforcement agencies wait for potential CODIS hits. The Omaha Police Department supports LB1079, allowing the state to fund \$250,000 to the Nebraska State Patrol for Program 100, which will provide funding for timely processing of sexual assault foren-- forensic evidence testing, according to the national best standards of practice. With that, I'll try to answer any questions you might have.

STINNER: Questions? Seeing none, thank you.

JACK CHELOHA: Thank you.

STINNER: Proponents. Are there any opponents? Is there anyone in the neutral capacity? Seeing none, I would say we do have support letters from Nebraska County Attorney Association; Nebraska Alliance of Child Advocacy Centers. Senator Wishart, would you like to close?

WISHART: I'll be really brief here. I just, again, thank-- want to thank the committee. I wanted to be really clear. What we're talking about with this specific appropriation are when there is a victim of sexual assault and sexual violence they will send in sexual assault evidence to their crime lab. And so this is when we're talking about sexual assault kits. We're talking about this is the kits that are sent in from the victims. Many of these victims don't know who their perpetrator is. And so one of the major concerns we should have as a state is that they are waiting and we're waiting to-- to try and see if there is a way that we can link criminal behave-- behavior and bring someone to justice. And I'll-- I'll add one more thing. You know, we are looking as a committee in terms of capital improvement investments in new office space. We're potentially looking at new space in terms of Department of Corrections. And I think in terms of prioritizing capital improvements, we should absolutely be looking and

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talking to the State Patrol and the state crime lab about whether they need additional space so that they can house the staff that can help us manage this backlog. With that, I'm happy to answer any follow-up questions.

STINNER: All right. Questions? Seeing none, thank you. That concludes our hearing on LB1079. We will now open LB894. Good afternoon, Senator Bolz and members of the Appropriations Committee. For the record, my name is John, J-o-h-n, Stinner, S-t-i-n-n-e-r, and I represent the 48th Legislative District, which is all of Scotts Bluff County. LB894 appropriates \$7 million from General Funds for 2020-21 as aid to community colleges, Agency 83, Program 51 to provide reimbursement to community colleges for dual enrollment. For those who are watching or may not be aware, a dual enrollment program is an education-- educational program that allows high school students to enroll in college courses for credit prior to the high school graduation. College credits earned through dual enrollment can be simultaneously applied toward high school and college graduation and can be transferred to other colleges or university. The benefits to the student and to the state are quite obvious. Dual enrollment programs provide an easier transition into college, decreases time spent in college and the amount on student loans, and helps students discover a major which suits their interests. This equates to a more prepared work force, which is one of my top priorities as a senator. Behind me are some of our community college representatives to testify to the benefits of dual enrollment-- enrollment and why this should be a priority for our state. I would welcome any questions you may have at this time. Again, this is my attempt to-- and they saw the Governor has the-- it's three requests. This also balances out. It's the fastest way we can get high school students into the-- into the work force. And I think all of us know that the two-year degree is-- is the one that they're saying right now is-- is most in demand. This is a mechanism to get-- to get that work force certainly through college and into community college.

BOLZ: Senator Clements.

CLEMENTS: Thank you, Vice Chair Bolz. Thank you, Chairman Stinner. Is there any state General Fund money going to this purpose right now?

STINNER: Yes.

CLEMENTS: And how much would that be?

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STINNER: I don't have that number, but I think our Fiscal Analyst may have that number.

PHIL HOVIS: '18-19 appropriation was \$98.5 million.

STINNER: I can tell you that it's over subscribed and I will tell you that Iowa does about double or triple the amount in dual enrollment. So--

CLEMENTS: And he said \$98.5 million?

BOLZ: Correct.

PHIL HOVIS: For '18-'19, I--

CLEMENTS: Just for dual enrollment?

PHIL HOVIS: Oh, not the dual, I thought you were asking about the [INAUDIBLE] community colleges in total.

CLEMENTS: No.

ERDMAN: As a total.

CLEMENTS: I wondered if there was something earmarked.

PHIL HOVIS: No, no there--

BOLZ: It's, it's-- I'm sorry to be a stickler for process, but we, we typically don't have a dialog with the analysts, so maybe those questions could be answered in closing.

STINNER: Yes.

CLEMENTS: Thank you.

BOLZ: Go ahead, Senator Dorn.

DORN: Thank you, Vice Chair Bolz. Thank you, Chairman Stinner. I guess my question is a little bit along Senator Clements' line, who-- do, do the students or do the high schools pick up any costs now or where-- this cost what you're outlining in some of the fiscal note here, about \$75 a credit hour, is, is that-- do you have any idea who's picking up for that cost now?

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STINNER: Right now, I believe that we are picking up the cost. I do not believe that high schools pick up any of the cost, but I could be corrected in that.

DORN: We'll find out maybe.

STINNER: Yes.

DORN: OK.

BOLZ: Further questions? Senator Erdman.

ERDMAN: Yep. Thank you, Senator Bolz. Senator Stinner, at the bottom of the fiscal note, it said that the appropriations will be distributed according to the Community College Act, Sections 85-2231 and 2237. I looked those up briefly, but do you have an understanding of how this will be distributed amongst those college--

STINNER: It'll be on, it'll be on a demand basis.

ERDMAN: As many students that come or will it be a, you know,--

STINNER: Yeah.

ERDMAN: --a provision for how much it is per student or how will it work?

STINNER: That'll be-- my guess or my thought is when I looked at this bill, it's a certain amount per student. And then once you're out of money, it's--

ERDMAN: OK.

STINNER: That's why it's over subscribed right now.

ERDMAN: All right. Thank you.

STINNER: That's my understanding.

ERDMAN: All right. Thanks.

BOLZ: Oh, Senator Hilkemann, go ahead.

HILKEMANN: I just wanted to-- so this is really not a scholarship program per se?

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STINNER: This is an existing dual enrollment program, we're adding more dollars to it.

HILKEMANN: OK.

BOLZ: Thank you, Senator. Further questions? Do I have any proponents for the bill?

RANDY SCHMAILZL: Good afternoon, Senator Bolz and the Appropriations Committee. Randy Schmailzl, R-a-n-d-y S-c-h-m-a-i-l-z-l. I'm president of Metropolitan Community College in Omaha. And the questions that you're bringing up are really the questions why we're here, because this is-- dual enrollment has become a really important activity within our high schools and community colleges to get students ready to go to college. I think all of us in this room would have benefited from an opportunity to take a college class before we enrolled in college and showed up the first day. We'd understood the rigors. We'd understood a little bit more about the study. And this adds so much value across the state. And this is for the whole state of Nebraska. This isn't for just Metro Community College. And right now, there's probably about nine to ten thousand students in high schools across the state that have-- that are enrolled in a dual enrollment class. And a dual enrollment class could be an on-line class that you take. And these are all through community colleges, the six community colleges. The dual enrollment class you take, it could be a career academy class that you go to the campus and take. Metro's got 26 career academies on the campus and high schools send students to those career academies in the trades, in criminal justice, or it could be a class offered in your high school. And if we offer a class in the high school, the instructor's credentials must meet Metro Community College's or the other community colleges' credentialing because this goes on your transcript forever and it's transferred anywhere in the United States. No one knows that you took that class in high school. They know that you took English Comp 1 at Metro, and we-- Metro transfer a large number of credits annually across the state. I talked to, to Dr. Gold this morning from UNMC, UNO, and he reminded me that over 4,500 current UNO students have Metropolitan Community College credits on their transcript, and that's out of 13,000. So this opportunity is paid for now by the community colleges discounting its tuition, by parents paying tuition, by us going out and fundraising through local donors for scholarships for this tuition. There's, there's no state money that comes into this right now to pay for this tuition in high school. And that's why we're here, because we've been

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at this about 10 to 15 years testing it, making sure this is done the right way, making sure it's acceptable to colleges all over America. And we have a number of reports and evaluations that's been done. And this is a pipeline to the work force. So currently in the Legislature, there is an H3 scholarship proposal. And I would propose that students that complete dual credit at the high school level and demonstrate their ability would be the students that should be in line for those H3 scholarships in the state. We want this to be a brain gain, not a brain drain. The brain gain is the most important thing we could do for our students in Nebraska. And this has also led to a math readiness effort across the state by the community colleges in new teaching techniques with the high school teachers for math. The number one thing we've run into at Metro is inability to do the higher in math in the trades. So the problem versus solution here is the problem is more rigorous, better education. And the solution is that community colleges and the school districts working together-- too often you hear of stories about education not working together, that usually happens when there is a funding problem. But I can tell you the partnership is strong in the state of Nebraska for dual enrollment and it needs your help for public policy. We, we need this help to solidify rules and regulation as to how it's gonna work, credentialing of faculty, and more high school teachers being able to teach these classes. At this point, I think I'd stop. You had a lot of good questions and maybe I could start with answering some of those if I haven't answered them yet.

BOLZ: Well, we'll see if the committee has questions for you. Questions from the committee? Go ahead.

CLEMENTS: Do you want to ask yours?

DORN: No, go ahead.

BOLZ: Go ahead, Senator Clements.

CLEMENTS: Thank you, Vice Chair. Thank you, sir. I want to ask that question again, do high schools contribute toward this program under their budget?

RANDY SCHMAILZL: No, not at-- they may in outstate Nebraska somehow contribute, but the local high schools in Nebraska, it's up to the parents and discounting. And the actual K-12 funding formula is not used towards this.

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CLEMENTS: But parents are asked to contribute?

RANDY SCHMAILZL: And that-- yes, their parents are asked to contribute. And that does create a choppiness in who has accessibility to these, to these classes.

CLEMENTS: And then there is some private donations that each community college would get their own [INAUDIBLE].

RANDY SCHMAILZL: Yes. I'll give you an example in Omaha, we have career academies in the trades and the tuition is discounted and we have donors that help pay for that tuition. And when you complete that career academy in plumbing, you're granted a full-ride scholarship to Metro Community College for a plumbing degree that's paid for by our donors.

CLEMENTS: I see. Thank you.

RANDY SCHMAILZL: Yep.

BOLZ: Senator Hilkemann.

HILKEMANN: I, I just want to kind of understand the, the logistics of this, you said this really is-- I mean, it's not the dual enrollment programs going on for about 15 years,--

RANDY SCHMAILZL: Um-hum.

HILKEMANN: --but as far as any state funding, this is new?

RANDY SCHMAILZL: This is new. This is the first time ever we've come to the state and asked money for them.

HILKEMANN: And so rather than, say, giving a scholarship to student X or Y, we're gonna take the \$7 million, and you've got the six, the six state college-- or the community colleges, it will be divided roughly by the number of students that you have. That's kind of what we're talking about?

RANDY SCHMAILZL: We came up with the \$7 million based on all of us saying how many credit hours we teach. It was a little over \$7 million. So we figured, let's start with that and set up the rules on how you access the money. But if everybody just stayed at their same

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level, you would all get some payment back from the state for offering this education.

HILKEMANN: And what, what, what percentage of that of the cost would this be, the \$7 million for the-- when you say--

RANDY SCHMAILZL: It's about 70 percent of the tuition cost.

HILKEMANN: About 70 percent?

RANDY SCHMAILZL: Um-hum. Because the average is \$113 per semester credit. And Metro is the only one on a quarter credit hours, so we converted ours to semester. So the colleges would pay from \$75 to \$113 and then the state would pay \$75. And we based that on a little research with Iowa that pays about \$70 per, per credit hour.

HILKEMANN: Does the student then have any obligation?

RANDY SCHMAILZL: No, the, the textbooks and transportation still remain-- you know, the school district would have to work with us on textbooks and who buys the textbooks and whether it's a school district or the parents or the community college. So those are expenses that are not covered in this, but this goes a lot further to help everybody have access to this.

HILKEMANN: So any student that wants to do dual enrollment, if this were to-- would be-- it would be a free education for them at this point for tuition?

RANDY SCHMAILZL: That at this point it would be,--

HILKEMANN: OK.

RANDY SCHMAILZL: --just like a high school education.

HILKEMANN: Um-hum.

BOLZ: Senator Dorn.

DORN: Thank you, Vice Chair Bolz. Thank you for coming today. I guess following up on that line of thinking a little bit, but you mentioned something about this is kind of the current projections or numbers. If families or students didn't have to pay for this, don't you think there'd be a pretty good increase in using this program?

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RANDY SCHMAILZL: Yeah, I think there would be a big increase that's going to fall on the community colleges to look at discounting their tuition further and trying to make the \$7 million go further. I know what, I know what I'll do in Omaha is I'll leverage that money to our donors and try to say, you know, the states paying this much, you know, we need to raise some money privately to help foot the bill on students who want to come to Metro, which we do already. But it's-- I get questions on where the state's at in this, and I said, we're, we're gonna go talk to the state about this.

DORN: Thank you.

BOLZ: I just have one question and I am asking in part because I want to be consistent as we contemplate all of the higher education proposals in front of us.

RANDY SCHMAILZL: Um-hum.

BOLZ: Why, why don't I see a contemplation of means testing in this proposal? It seems to me that we could make our dollars go further if we did expect the families or parents who are able to pay to contribute?

RANDY SCHMAILZL: Most of the parents and students that go to public schools are not paying tuition, they're paying taxes, of course. What usually happens-- what we find usually happens is those that can afford this pay it and those that can't afford it are left out in the cold. And we want to make sure that there's access for everyone. So--

BOLZ: So isn't it consistent to contemplate means testing for state dollars? I mean, shouldn't we expect-- I mean, just like the FAFSA, that there's an expected family contribution. How, how is not integrating means testing into this proposal not consistent with what you're saying?

RANDY SCHMAILZL: You know, when we pulled this together, we were looking at the commonality of how public education is run now, which you're, you're not paying to go to school for your, your tuition and that. So--

BOLZ: But there's, there's an added value here, which is higher education, which someone going back to school would be expected to pay.

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RANDY SCHMAILZL: Well, if there's not, if there's not enough money in the pot to go around, that would have to be a consideration undoubtedly that you'd have to have parents pay something. But right now, they pay it all or the discounted rate. So there's no help from the state at this point. And I'm not saying that's bad, I'm just saying that the time has come after 10, 15 years of doing this, that there's enough proof that this is really a good thing for high school students to be involved in that. We want to make it so that everyone can participate and their finances are not a barrier.

BOLZ: Sure. OK. Further questions? Thank you.

RANDY SCHMAILZL: Thank you.

CHUCK CHEVALIER: Good afternoon, Senator Bolz and the Approp-- members of the Appropriations Committee. My name is Chuck Chevalier. It's spelled C-h-u-c-k, last name C-h-e-v-a-l-i-e-r. At Metropolitan Community College in Omaha, I have the honor of leading the department that provides college classes in-- to high school students who have the academic background and motivation to handle the rigor of higher education work. I represent Metropolitan Community College today and am testifying in support of LB894. Quite honestly, my job is to find those high school students who are college ready and present opportunities for them to earn college credit. In our work, we're finding more and more students who are prepared but turned down taking a college course because they cannot afford the added expense. Our data, data proves that in partnerships with area high schools, MCC has provided this gateway for many students already. In 2018-19, 4,369 high school students took 14,953 MCC courses, 78 percent passed those courses with grades above a D. Because parents want, and want expanded opportunities for their students, we are meeting with high school students in our area daily and additional dual credit enrollment will continue to be a trend. Students are able to jumpstart their college experience at MCC in a variety of ways. High school students can take on-line classes from the MCC instructors at half the tuition rate. About 10 percent of our '18-'19 enrollment was on-line. High school students can also attend on-campus courses at any of our locations, and roughly 25 percent choose that option, again at half tuition rate. MCC career academies are another option and 9 percent choose one of those 26 career academies we offer, again at half tuition rate. In some cases, high school teachers meet our faculty credential qualifications to be college adjunct instructors. In those instances, a high school can opt to teach the MCC curriculum for a course taught

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by a qualified high school teacher and earn college credit within the high school walls. About 56 percent of dual enrollments use concurrent enrollment. The great news is students participating in dual credit opportunities persist and complete a college degree. A 2017 study found that over a million students were taking dual credit courses through community colleges nationally. Eighty-eight percent of community college dual enrolled students continued in college and earned a degree or transferred after a high school graduation. A National Research Center for Career and Technical Education study reports that high school students who successfully completed 15 college semester credit hours or equivalent to five courses while in high school, doubled the likelihood that he or she will complete college on time. The sad news for our department is we know that there are more students ready to take college courses, but turned down the opportunity because of cost. The Nebraska ACE, Access College Early program helps students in poverty open the door to dual credit and as a great start. But many families do not qualify for ACE and still not-- cannot afford the tuition fees and textbooks to support their child starting college early. Just as an aside, I think in 2018, the appropriations for ACE was around \$8-- \$980,000. LB894 supports all Nebraska college ready students opening the gateway to college completion. The state funding will help many more students graduate high school with better skills, start their college career with less or no debt, and increase the rate of college completion. At Metropolitan Community College, we support unlocking doors to educational pathways early and often, doors that lead to high demand, high paying careers. Thank you and I'm glad to take any questions that you have at this time. Senator Bolz.

BOLZ: Do I see any questions? Senator Erdman.

ERDMAN: Thank you, Senator Bolz. Thank you for coming. So as you were, you were commenting, I was trying to figure out what the Comm-- Community College Aid Act is, and I was-- I'm not able to, in my limited amount of research here, to discover what that is. Can you provide me with that so I can see what that act really says?

CHUCK CHEVALIER: I-- yes, we can get that to you. I don't have that with me either.

ERDMAN: I didn't expect you to, but I think that would be helpful.

CHUCK CHEVALIER: Yep, we'll definitely do that.

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BOLZ: Seeing no further questions, thank you.

CHUCK CHEVALIER: If there's any questions on the ACE program, feel free to ask them.

MATT GOTSCHALL: Good afternoon, and my name is Matt Gotschall, and M-a-t-t G-o-t-s-c-h-a-l-l, and I am the college president at Central Community College in central Nebraska. So we have campuses in Grand Island, Hastings, Columbus; centers in Kearney, Lexington, Ord, and Holdrege. So a pretty large area in central Nebraska. I-- you have some written testimony there in front of you, and I also want to address a few of the, the questions, because while we are completely on board and supportive of this, this huge need, it's maybe not surprising that sometimes some things are done differently in a metro area than they are in central or western Nebraska when it comes to some of the costing and discounting and things like that, too. So I'll try to at least share with you some of the, some of the uniqueness that, that we maybe are facing that Metro has either solved or has found some other sources for there, too. But again, obviously speaking and, and testifying in support of the \$7 million allocation to the Community College Aid Act. And the Community College Aid Act is basically the state law that talks about how, how funds are distributed amongst the community colleges-- that's the \$98 million or so that you had heard that number earlier, and that's to fund the work that the community colleges do to run our campuses and, and provide instruction. By statute, we are to provide career and technical education and then also transfer courses that would lead into a bachelor's degree, community education, and continuing education type of offerings. And then there's also an applied research that we're allowed to by statute. But it's a pretty lower level compared to all the funds that, that are allocated up above there. So we really do take seriously our, our mission and, and our legal responsibility to provide career and technical education, as well as, as first couple of years of transfer. When you look at, at the amount of credits that have been taught through the community colleges, last year over 102,000 credit hours of instruction that was provided to thousands of high school students. According to the December 2019 report-- so just this last couple months, by the Nebraska Coordinating Commission for Postsecondary Education, all six community colleges, all three state colleges and the University of Nebraska campuses, with the exception of UNMC, offer courses to high school students. And-- but that's-- you can see the split there, that 79 percent of the courses come from community colleges. And over 72 percent of the 33,578 duplicate

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headcount of students enrolled are served by the community colleges. So, so we're the ones that, that are certainly on the front lines doing a lot of work with the high schools in order to prepare students for, for, for entering the work force to transferring on into another institution or to become entrepreneurs on their own. So what do-- what, what would you use these dollars for? The cost of delivery does, does impact this as we're trying to impact or try to offer more things at the high school level as opposed to away from our, our current campuses. We have an additional equipment supplies. We have distance support services to students, including advising, career planning, educational planning, and technology support by higher learning commission and accreditation standards. We have to guarantee, as, as Randy mentioned, that our courses are the same quality as if they were taking it on, on campus, the same quality of courses in English Comp as if you took it from the university or, or the University of Texas or somewhere else where that student might end up wanting to go to. We have to make sure we hit those higher, higher learning expectations. We also have to make sure that we, we hit the expectations that our business and industry individuals expect from us. So we do provide a lot of educational opportunities there. If we-- we are different from Metro in that we do not discount our tuition currently. So our students pay \$105 a credit hour. If they are low income, they are able to apply for the small amount of dollars available through ACE for low income high school students. But that's the only scholarship financial aid that the state provides. High school students are also not eligible to provide-- get money from federal funds, so Pell Grants or student loans. So unless they have parents that can afford to pay that tuition, unless they come to us from a school district that might be able to help supplement those costs or have a foundation that provides those dollars, they are being asked to pay that full amount themselves. And so this allocation would allow us to more consistently across our community colleges be able to offer a discounted rate, whether it be \$75 or \$70 or something else in order to discount that rate so that it's more equitable across the state whether you're taking the class in Scottsbluff or Grand Island or Omaha to make it, to make it more accessible so that even more students can get the benefit of that, that was mentioned earlier in terms of better graduation rates, better preparedness for transfer or to enter the work force. So that is exactly how we would use those, those dollars is to apply directly for the students, because right now it's amazing how often we have-- and if this was a classroom of students and three of you had parents who were able to afford the tuition so you, you get college credit to apply towards a future degree. We might have three

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that don't. And so that becomes an issue then if they can't afford those dollars or don't qualify for the ACE.

BOLZ: Thank you. I, I do appreciate that. I think that's maybe some of where we're trying to connect the dots as the committee is because the-- and this is typical of Appropriations Committee bills, but the allocation is for the purpose of dual enrollment. But there's not specific language explaining to us how once distributed through the formula, it would really connect to the dual enrollment students, which students would be prioritized and how that allocation would work in terms of paying the tuition to make sure students have access versus what might be administrative. Can you help me unpack what, what the-- what you understand the intentions of the bill to be?

MATT GOTSCHALL: Um-hum. Again, the way I read it or had interpreted it is it'll go directly toward the students to help discount the tuition that they have to pay, which then will go toward the additional equipment and supplies, additional instructors that are in high schools to teach those, those classes, and to be able to increase the access to all the students in there. Again, the ACE scholarships are very important and we are very appreciative of them, but they run out every year. So not even our lowest income students are able to qualify, much less moderate income, or even students that maybe have parents with a higher income, but just choose also not to, not to pay for it. But the student is doing all the work in high school to, to earn it. But they're not, they're not able to get that credit because it's not paid for in order to help them with that. So, so again, we do hope that at least that's how, how we would be using it. And I, I again, I'm not sure of the senator's thought that would run through the entire formula or if it be divided up proportionally based on the number of credit hours that each of the community colleges have done in the previous year in, in dual credit. But we do keep track of those students, know what classes they're taking, and so it would be a pretty easy proportion to be able to, to allocate that out based on the amount of dual credit each of us are offering.

BOLZ: Did you have a question? Go ahead, Senator Dorn.

DORN: Thank you, Vice Chair Bolz. Thank you for coming today.

MATT GOTSCHALL: Yeah.

DORN: Two things I had; one, I guess just a comment as much as anything as I saw on your last paragraph there that you did reduce

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some of the tax collections and gave the people in some of the most affected areas some property tax relief. Thank you.

MATT GOTSCHALL: Um-hum.

DORN: My other question is, I know earlier they talked about \$75 or \$113 an hour, and you talk about a \$105 an hour. That's per hour, that's not per course. What's an average course?

MATT GOTSCHALL: Most of them, most of them are three credit hour courses.

DORN: Three credits, so--

MATT GOTSCHALL: Yeah. So on average [INAUDIBLE].

DORN: --an average student would be paying around \$300 in that?

MATT GOTSCHALL: Um-hum.

DORN: How-- the average student takes then how many courses-- or what are you looking at there-- is-- are they taking one, one in a time period in the spring or the fall or what are they-- are they, are they taking two or what are we looking at?

MATT GOTSCHALL: It, it depends on the high school. We have a lot that do take multiple classes. And we can-- the students can start taking classes when they're a junior in high school. So some will start as a junior taking one class, by the second semester of junior, maybe they'll take another one or two. Then by the time of their senior year, they maybe have some of their high school graduation requirements done. So we've had some, some high school students who are dual enrolled full-time with 12 credit hours or more. And if they're very focused and want-- and especially in some of our career areas, Grand Island Senior High as career pathways. So some of those automotive and welding classes will have students who are full-time students, but dual enrolled through the high school and the college at the same time. So those students are coming out with at least a certificate, if not a diploma, or in some cases that some of the schools that Randy has been working with here, a full associate's degree. So they are, they are immediately ready for the work force or to transfer on if they, if they have those, those skills.

DORN: Thank you.

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BOLZ: Further questions? Thank you.

MATT GOTSCHALL: OK. Thank you.

CLEMENTS: That was my question.

DORN: That was your question. I'm sorry.

HEATHER PHIPPS: Good afternoon, Vice Chair Bolz and members of the Appropriations Committee. My name is Heather Phipps, H-e-a-t-h-e-r P-h-i-p-p-s, and I am the associate superintendent for Millard Public Schools. I'm the high school side of this. I'm offering testimony in support of LB894 to appropriate funds to provide reimbursement to community colleges for tuition and expenses related to dual enrollment. Dual enrollment is a powerful tool for students. A Tennessee research analysis showed that community college students who participated in dual enrollment were 3.4 times less likely to take remediation-- a huge reason, by the way, they don't complete, 2.5 times more likely to graduate in 2 years-- excuse me, and 1.5 times more likely to graduate in 3 years. Every Nebraska student should have this opportunity. While postsecondary institutions are working hard to help support this, and we have Access College Early, or the ACE scholarships mentioned earlier, there are still many financial barriers for students participating. We know that dual enrollment is good for students. It was that knowledge that led us to partner with Metropolitan Community College to create an early college high school. Through dual enrollment opportunities with MCC and articulated to the Nebraska system, high school students are able to take dual enrollment courses and earn an Associate of Arts Degree along with their high school diploma. The first students who participated in all four years graduated last May. Ninety-four students graduated with their high school diploma and an Associate of Arts Degree. Those students who participated but did not actually earn the degree, still finished with anywhere between 40 and 80 hours of college credit, putting them well on their way to finishing. Early college high school research shows that early college students are significantly more likely to enroll in college than their comparison students. Early college students were significantly more likely to earn a college degree than comparison students. And perhaps most notable is that all student groups experienced impact on college enrollment from attending early college. The early college impact on college degree attainment actually did not differ based on first-generation college-going standard-- status, excuse me, or gender, and it was actually stronger for minority than nonminority students at lower income than higher income students.

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Every Nebraska student should have this opportunity. We need 100 percent accessibility to dual enrollment opportunities. Financial barriers should not get in the way. Early college is not the only opportunity-- excuse me, students have dual enrollment. Across the state, students dual enroll in courses as part of academies. In fact, it's a requirement for NDE Rule 47 Academies. K-12 students are partnering with postsecondary across the state to provide these opportunities, and in all of those places there are students who need financial support to access the programs. Our state deserves this opportunity. It's worth noting that only 21 percent of the students in our early college left the state for school. Most of them stayed here and we need them in our work force. We are grateful to Senator Stinner for addressing this issue. It is time that the state take a more active role in assuring this opportunity for all students.

BOLZ: Go ahead, Senator Dorn.

DORN: Thank you, Vice Chair Bolz. Thank you for coming today. Do you know does Millard public schools-- do they offer any scholarships or anything for this or any support or do any other schools that you're aware of?

HEATHER PHIPPS: So we do not provide any tuition for our students to participate in dual enrollment. It is either parent pay supported by the discount that the community college offers, which is fantastic for our students, or it's privately raised money that would be available. So--

DORN: Are you aware of any high schools in the state that do offer funding or have you heard of any?

HEATHER PHIPPS: I, I only know Millard,--

DORN: Right.

HEATHER PHIPPS: --and I know that we, we do not use our funding for dual enrollment.

DORN: Thank you.

BOLZ: Thank you. Further proponents? Do I have any opponents? Is anyone in the neutral capacity? Senator Stinner would you like to close?

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Appropriations Committee February 06, 2020

STINNER: We, we wrote this bill as a lump sum number that sets outside of the aid formula, because if you start to go through the aid formula, it distributes differently. The, the reason I was a little hesitant is various schools do different things. I know that Scottsbluff High School uses the ACES program to help with that other side, and they do had-- they talked about having a scholarship program so that they can promote that. I know WNCC-- I sat in their foundation, they talked about the, the possibilities that they would help with that. But it's a half forgiveness program and a half paid by other sources; could be parents, could be foundations, could be a whole lot of other thing. This just takes it and extends the program. An amendment needs to be added on how this would work, Senator Erdman, and my vision right now, and I'll work with the community college, is first come, first serve. How did they arrive at the \$7 million? We got together and we looked at what we potentially could do with the demand. Now I'm not 100 percent sure as I sit here how each community college does it, I know WNCC does half and half. And so if they had a \$75 dollar an hour course, they would give half, parents and/or other sources would pay. ACES program is a, a big supporter of this on the low income side when you talk about means testing. So we right now, through our aid, we've got over \$100 million dollars right now, aid to community college to shove through the, the formula, OK, and it goes to the various places. Now they also get their money from property taxes and miscellaneous sources and the like of that. So in essence, dual program-- this has been out there, there is an existing program. We've tested it. It's a good program. This is an effort to get the state involved in a, in a direct funding stream instead of through the formula. That's really the intention of presenting it. Again, there may have to be some work that has to be done on how the distribution works or is it first come, first serve. That can be worked out, but this is an idea we wanted to get in front of the committee. We certainly can work on it as we move forward. But it's another mechanism to get money so that we educate kids, get them into the work force quicker, and that's the intention of this. So I'm still a little bit vague on how we're gonna put this together.

BOLZ: Ques--

STINNER: In any event, that's--

BOLZ: Any final questions for Senator Stinner? Go ahead, Senator Erdman.

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ERDMAN: Thank you, Senator Bolz. Senator, thank you for that. I'm gonna ask you a question that I would assume that you know the answer to this is time passed and I visited with President Holcomb several times about funding of Nebraska Western or Western Nebraska Community College-- for the lack of a better term, he gave me the impression that there were times he felt like the redheaded stepchild. Have you ever had that impression out visiting with him?

STINNER: I would say they're the smallest and the formula doesn't particularly work for Western Nebraska.

ERDMAN: So--

STINNER: And I'm not so sure that as I looked at-- one of my missions in life is to, is to rework that formula so that it's more fair and equitable. I also don't think it's fair for Metro, which is the biggest. So somewhere in between we need to halves, but in order to rework the formula, I think that there has to be some additional funding in it. So I've been hesitant to move ahead on that simply because I think you have to force more dollars through. This, this is kind of a different technique to get funding out there on a needs basis, so it might be helpful. I would think it would be helpful.

ERDMAN: Well, I appreciate that. I, I think it's a conversation we need to have about how the allocation is put together. So I appreciate you bringing this bill.

STINNER: I will tell you, I think there's concurrence across the community colleges. It's a-- it was contentious when they set it up, and it'll be an interesting discussion.

ERDMAN: I agree.

BOLZ: Thank you, Senator Stinner. Any final questions? I do have four letters for the record from the Nebraska Chamber of Commerce, the Nebraska Association of School Boards, Nebraska State Education Association, and the Nebraska's Coordinating Commission for Postsecondary Education all in support. Thank you. I think that closes the hearing on LB894 and our hearings for today.