

Transcript Prepared by Clerk of the Legislature Transcribers Office
Government, Military and Veterans Affairs Committee February 13, 2020

BREWER: Good afternoon, ladies and gentlemen and welcome to the Government, Military and Veterans Affairs Committee. My name is Tom Brewer, I'm the Chairman of this committee. I represent the 43rd Legislative District, which is 13 counties of western Nebraska. We have our committee members here with us today with the exception of one, Senator Hansen is gonna be in Appropriations. And we'll start with introductions on my right with Senator Blood.

BLOOD: Good afternoon, my name is Senator Carol Blood and I represent western Bellevue and southeastern Papillion, Nebraska.

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

HILGERS: Mike Hilgers, District 21, northwest Lincoln, Lancaster County.

La GRONE: Andrew La Grone, District 49, Gretna and northwest Sarpy County.

KOLOWSKI: Rick Kolowski, District 31, southwest Omaha.

HUNT: I'm Megan Hunt and I represent midtown Omaha.

BREWER: All right, Senator La Grone is the vice chair; to my right, committee clerk-- to my right committee-- legal counsel, Dick Clark; to my left, committee clerk, Julie Condon. And today our page is Michaela, tucked in right back there; she'll be who you go to if you have anything that you need to have copied. With that said, let's run through our bills for today, we have LB1187, followed by LB1218, LB918, and LB1068. Real quick, let's run through and make sure that all of your electronic devices are on silent. Please be aware the committee will be using either computers or cell phones to track any bills they've got other places or look up information. If you wish to record your attendance today, there are white sheets in the back. If you plan to testify, you'll need to use one of the green testifier sheets. I will ask that today we have, if the numbers represent people's passion to testify, I will, I will let you know that if it is the same testimony over and over, just try and keep it as short as you can so it doesn't go on forever. We will be using the, the three-minute rule today. If you have any materials to pass out, be sure and provide 12 copies or get with the page to have copies made prior to getting up, be sure that if you're gonna have letters that they state your name, address, bill number, and your position. We're

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not accepting mass mailings and we actually did have some mass mailings on this one. We're gonna ask that you come to the front of the room when the bill that you're gonna speak on comes forward, and that when you come to testify that you state your name, spell your name, speak clearly into the microphone so we have a correct record of everything. The opening senator will give their opening statement, proponents, opponents, and those in the neutral capacity. So green light, two minutes; amber, one; and then you're red. There will be an audible computer noise that comes off in case you're not paying attention to the green light. With that said, Senator La Grone, welcome to the Government, Military and Veterans Affairs Committee, and you are clear to open on LB1187.

La GRONE: Thank you, Mr. Chairman and members of the committee. My name is Andrew La Grone, A-n-d-r-e-w L-a G-r-o-n-e. I represent District 49, which is Gretna and northwest Sarpy County. So the main goal of LB1187 is to put the conversation on occupational licensing from when-- as it relates to people who have licenses from other states, instead of who should we let in, it tries to flip that conversation to who should we keep out. When we have a work force issue like we have in the state in Nebraska, the thought process is, it's better to allow people to do their occupations and make it easier to fill those positions than otherwise not being able to. So the bill requires occupational licensing boards to issue a license to individuals based on a set of criteria regarding significant and relevant work experience in another state in lieu of personal qualification requirements in, in the application for that license. The board maintains the authority provided jurisprudential examinations on Nebraska's specific exam on relevant state law or regulations, and if it's normally required for that occupation or certification. It's important to note that because we are flipping this conversation, we've already had a few folks reach out and give valid and good reasons why they-- certain things should be kept out, and that's the amendment that was passed out is some of those folks. For example, on the driver's license issue, we included the driver's license compact in the original bill-- excuse me, yes, the driver's license compact in the original bill, but should have been the motor vehicle operational licensing compact, so the amendment takes care of that. There are a lot of long criminal justice type licenses that give very good and compelling reasons why they should be kept in so the amendment addresses that as well. And then there are a number of-- when it comes to the insurance industry, the amendment makes clear this does not change any of the solvency requirements for those

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licenses. And so what I hope to hear today is a conversation-- is the conversation I mentioned, but in, in the flip of if there are occupations, that we should indeed require more than what other states require. What are those occupations and why? I think it's important to have that conversation because if we are going to prevent someone from doing a job in the state, then we should have good reasons for doing so. So with that, I'd be happy to take any questions from the committee.

BREWER: All right, thank you for your opening. Questions for Senator La Grone? Senator Blood.

BLOOD: Thank you, Chairman Brewer. And thank you for bringing this forward. I agree that we need to have this conversation, that's why I always bring forward interstate compacts, because I like that layer of protection. And so when I looked at your bill, the first thing I looked at was, where is the protection, so I have some questions for you. So you referred to similar scope on page 2, line 15; page 3, line 12; page 4, line 9, and I just glanced at it real quick, that's the first thing I found, but I can't find a definition anywhere for similar scope. Can you walk me through that?

La GRONE: So similar scope, what we're generally referring to there, and if it needs more clarity we're happy to delve into that, but what the goal is there is to-- let's-- when we're talking about a scope of practice, for instance, let's say a dental assistant, I'm gonna give something that I know doesn't happen to use that as an example that we can see. Let's say a dental assistant in Iowa could do dental surgery, and Nebraska wouldn't allow them to do surgery, dental surgery. That wouldn't be a similar scope because they can do something drastically different in an other state than they could here.

BLOOD: So that wouldn't be-- that would not be a similar scope?

La GRONE: Correct.

BLOOD: OK, so what I'm trying to get at is, who determines it?

La GRONE: The board, the occupational board.

BLOOD: So OK, can you show me where it says that in the, in the bill because I couldn't find that?

La GRONE: Yeah, the-- when it-- so that's who it's operating on, so under sub (a) the occupational board shall issue an occupational

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license and then it lists the requirements when, and that's where the similar scope issue arises.

BLOOD: So for me, I'm still not seeing it defined, so I know that that's the assumption, but for me, I don't think the bill reads that way right now so that might be something that we want to address.

La GRONE: Well, I think-- and I'm happy to do anything that's clarity, I think from a structural standpoint, it's clear it's the, the board. In terms of similar scope, I'm happy to work on clarity on that. I think an issue that we will run into, and this isn't a reason not to do it, it's just something we need to be aware of when we're doing it, is similar scope could mean different things in different occupations.

BLOOD: So you feel that the way it's already written that it already defines that the occupation board is responsible for scope of practice?

La GRONE: I'm happy to clarify that if you think it needs clarification, but I do think that is how it's written now.

BLOOD: So the other thing-- because, again, I always refer back to interstate compacts because I like that layer of protection, so you talk about obtaining information about complaints or investigations from other states-- again, I don't see any process laid out for that. Can you explain to me how they'll be able to get that, because unlike interstate compacts where we have the shared database, this is not something that not all states are able to give up, how do we know that we're not getting a ne'er-do-well into Nebraska?

La GRONE: So, so your point is you're, so you're concern-- to repeat it back to you to make sure I understand it is that--

BLOOD: So my concern is how do they obtain that information? How can they obtain that information?

La GRONE: Right.

BLOOD: What is the process?

La GRONE: So your concern is that if they called and asked that some other state might not have that information available, and so we might not know if there was anything and so that might count as--

BLOOD: Right.

La GRONE: That's a valid concern that I, I think we should, we should rightfully come up with something to address. I would say that I do-- I, I don't want to put too much of a specific process in there, because the whole point is to leave the operational aspects of this to the occupational boards because they're the ones who should be making these determinations. And so I don't want to tie their hands with how they might operate on that process, but I do get your point about if a state might not share that information, how would we address that situation.

BLOOD: So that leads me another question which-- sorry, you gave this one to me. So, so isn't there practicality to having a similar procedure for all of the boards as opposed to each board gets to pick how they want to do the procedure and because then aren't we kind of going back to confusion?

La GRONE: No, because I think that a specific board regulates a specific profession. So the only way you would end up, I think, with confusion is if you have, let's say, an applicant applying for two or more occupational licenses. That would be very-- that would be an unique situation I don't think would arise very often, and I think that those boards would have specific knowledge about those specific occupations and be able to help the person through that process.

BLOOD: So the concern that I have is, is for military spouses and I, I showed a few of them in my district the bill, and there seems to be some confusion on their part reading the bill. And of course, they're not policymakers, is that they, they feel that there's a lot of unknown when it comes to procedure. So that's something we can talk about. So those are the concerns that I'm bringing from my district in regards to this bill.

La GRONE: I also have a large military population in mine, and that was one of the goals of bringing the bill, was to make it easier for military spouses to come in and apply their trades in Nebraska without having to go jump through a bunch of hoops that they otherwise would have to jump through.

BLOOD: And I, and I don't disagree with that. But again, there seems to be some confusion on that. So I'm sure that's something we can

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discuss, and I'll listen to the debate to see if I hear some of the answers. Thank you, Senator.

BREWER: OK. Senator Hilgers.

HILGERS: Thank you, Mr. Chairman. Thank you, Senator La Grone for bringing it. Just as you speaking with Senator Blood, I noticed on line 16 of page 2, it does talk about similar scope as determined by the occupational board. Is that what you're referring to?

La GRONE: Correct.

HILGERS: OK. And then as part of the bill, is this partly intended to be a recruitment effort to allow professionals or other, other holders of these particular licenses to be able to move to Nebraska and help grow those industries?

La GRONE: Absolutely. We have a work force issue, and I think this would be a great way to be able to attract those skilled workers to Nebraska to say, if you have shown that you have this ability and that you are competent under our standards through the-- as determined by the board, we're not gonna make you jump through all these other technical hoops of a certain amount of hours or anything like that.

HILGERS: OK. Thank you.

BREWER: All right, additional questions? Seeing none, assuming you're gonna stick around for closure?

La GRONE: Absolutely.

BREWER: All right, good enough. All right, we will start with proponents to LB1187. Laura, welcome back to the Government Committee.

LAURA EBKE: Thank you, Chairman Brewer and members of the Government Committee. My name is Laura Ebke, L-a-u-r-a E-b-k-e. I am the senior fellow for job licensing at the Platte Institute and I'm happy to be here today to testify in favor of LB1187 and I thank, Senator La Grone, for introducing it. In 2018, Nebraska was the first state to pass a comprehensive occupational licensing bill, LB299, now known as the Occupational Board Reform Act. That bill was recognized nationwide as the one to beat, requiring committees of the Legislature to regularly review all occupational licensing to determine whether the regulations were still needed, whether they were achieving their goals, and whether changes were needed. Many of your committees

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completed their first round of reviews in December of this past year. The Occupational Board Reform Act, built on the principle found in the earlier Uniform Credentialing Act, which applied to healthcare related occupations and stated that the policy of the state of Nebraska is to use the least restrictive regulation of occupations possible. Since passage of LB299, a number of states have introduced and passed legislation similar to ours, including Ohio, whose legislation would automatically sunset any license that was not reviewed as part of their six-year rotation. More recently, states have been looking at ways to ease licensure for those who are already working in occupations elsewhere to qualify for licensure in their states without inordinate difficulty. The idea being, for instance, that someone who can give a good hair in Nebraska can probably give a good haircut in Arizona and vice versa. And to that end, bills have been introduced around the country to provide licensure both broadly and specifically to those in the military and their spouses. Last year, Arizona became the first state to pass a so-called universal recognition, such as that which LB1187 would add to the Occupational Board Reform Act. Arizona's Governor Ducey declared Arizona open for business as a result. I would note that we support the amendments that Senator La Grone, I think, has filed with the committee, and then those flow from conversations with those who've contacted his office. The exclusion of law enforcement licensing via the Crime Commission is consistent with the exclusion of that profession in other states and the requirement for bonding or insurance which require which-- when required for Nebraska licensure is certainly more than reasonable. Universal recognition is designed to keep people from having to start all over with new education or training when they have a record of qualifications in another state. It does not prohibit the state from having noncredential related requirements. Some will argue that universal recognition will result in a watering down of our standards. That implies, of course, that those working in occupations in Nebraska are uniquely qualified to be psychologists, geologists, barbers, cosmetologists, electricians, or plumbers, and that those in the other states are, and those in other states are somehow in danger because they aren't adequately trained. I think it clear that this is not the case. This fear, in most occupations, more likely points to the random nature of occupational licenses from state to state and a desire to keep those who might compete, out. I will just note that at least 15 states have a bill similar to the Arizona bill introduced this year, including our neighbors in Iowa, Kansas, and Missouri. And I encourage you to advance LB1187.

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BREWER: All right. Thank you for making your five-minute speech into a three minute and a few seconds.

LAURA EBKE: Yeah.

BREWER: Well done.

LAURA EBKE: Thanks.

BREWER: All right, thank you for your testimony. Questions for Senator Ebke? All right.

LAURA EBKE: OK, thank you.

BREWER: Thank you. Thanks for the handout. All right, next proponent? Welcome to the Government Committee.

LEE McGRATH: Mr. Chairman, members of the Government Committee, good afternoon. My name is Lee McGrath. I'm the legislative counsel for the Institute for Justice. Thank you for the opportunity to testify in support of LB1187. My colleagues and I support this bill for two reasons: one, Nebraska is a national leader. Like Ohio, Nebraska is leading the nation in terms of reducing the burdens that occupational licensing puts on aspiring workers. LB299 was a landmark piece of legislation creating a terrific sunrise-- sunset review process recognizing the fundamental right to pursue a calling and adopting the least restrictive regulation. This bill, LB1187, is perfectly consistent with the idea at the core, at the heart of LB299. Secondly, this is-- Mr. Chairman, this is an opportunity bill. It is an opportunity bill for military families, for civilian families, for employers, and particularly, it's a-- it's not a typical type of testimony one makes when advocating for a pro-jobs bill. You have a problem here in Nebraska, and that problem is you have too few workers. The unemployment rate in Omaha is 2.8 percent; statewide, it is 3.1 percent. This bill provides an efficient way in which boards can recognize the credentials of people who want to come and work here in, in Nebraska without taxing the, taxing the processes that the boards need to go through. And it does this in one very clever way, it's, it's that one year of work experience is a proxy for all the differences that exists between Nebraska's personal qualifications and in all other states. So 1,000 hours, 2,000 hours, work experience is the best type of, type of training. And this bill codifies that idea of work, work experience and adjusts for any differences that may exist between Missouri's regulations, Nebraska's regulations,

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Minnesota's regulations, Nebraska's regulations. For those two reasons, my colleagues and I urge you to pass this bill out of committee and put it along with your prioritized bills. Mr. Chairman, I'd be happy to answer any questions about the work of my law firm or our research that you have or specifically to this bill.

BREWER: All right. Well, thank you for your testimony. I've got to admit this is a pretty handy handout you have to be able to have a direct comparison between states at a glance here so thank you for that. Questions? Senator Hilgers.

HILGERS: Thank you, Mr. Chairman. Thank you, Mr. McGrath, for being here. It's good to see you.

LEE McGRATH: Good to see you.

HILGERS: I have one or two questions on this paper you gave us.

LEE McGRATH: Yes.

HILGERS: On page 37 for Nebraska, and it estimates the state level economic cost of licensing results in among other things 15,651 estimated jobs lost. Can you just speak a little bit on the record as to the methodology for how that number is calculated or--

LEE McGRATH: Yes. So that number is calculated in terms of a survey that was done by Professor Morris Kleiner, in which he looks, looks at those who, who do not have the, the, the, the skills necessary, the credentials necessary, but have, but have the, the aptitude and the interest in, in working. So in other words, this is a measure of how high the hurdle is, how high the barrier is, this is how much the-- how much turf protection is going, is going on in, in Nebraska because of the existence of, of licenses.

HILGERS: OK, that's very helpful and I'll note the estimated deadweight loss of 66 million in here for Nebraska and one and a half billion for estimated, estimated misallocation of resources. Can you just describe what that means?

LEE McGRATH: I can, Mr. Chairman-- Senator Hilgers, deadweight loss is the basic idea that you're gonna pay more. There are fewer suppliers when you call up someone to come to your home to provide service-- services to you, you have fewer, fewer choices. And the premium that you pay, almost 18 percent is a product of those, those barriers. So that's the small number, that's the deadweight loss. The big number is

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there are a whole bunch of Nebraskans who, who want to do X, but do something suboptimally Y, and that's the one and a half billion dollar number.

HILGERS: OK, thank you for that. And then the last question was-- I, I appreciated your point on the one year being a proxy for the differences between various state licensing regimes. So the question I have is for the, for the occupations covered by LB1187, is there one that you've seen in your survey of states where you say, jeez, you know, one year might be not enough, five years, ten years, three years really ought to be the level for those or, or you've looked at these and said, hey, one year is pretty good for all of the ones covered by the occupational act?

LEE McGRATH: Mr. Chairman-- Senator Hilgers, one year's a great number. And it's a great number because this is a bill that talks about how to enter the field. This is earning the credential of the state of Nebraska. This doesn't force any Nebraskan to hire that person from Missouri or from Minnesota or from Iowa, this just turns the knob on the door to get into Nebraska, they're still the very important private sector function of evaluating the candidate.

HILGERS: Thank you for that. Thank you very much.

BREWER: All right, any other questions for Mr. McGrath? Seeing none, thank you for your testimony,

LEE McGRATH: Senators, thank you.

BREWER: All right, any additional proponents for LB1187? Seeing none, opponents? Come on up. Welcome to the Government Committee.

KEN ALLEN: Thank you, Chairman Brewer, members of the committee. My name is Ken Allen, that's K-e-n A-l-l-e-n. I'm the director of the Board of Barber Examiners. On behalf of the board, we oppose LB1187. For one of the reasons, just because the previous speaker we tried to get a license reciprocity from Nebraska to Arizona and we were told we had to wait one year because of this exact same thing, which prior to this bill we could reflow, they were part of our reciprocity agreement. So this adds a burden to our people trying to get to Arizona. But the main part of this, this thing is currently our license allows our barbers to do chemical services. There is a number of states, Alabama, Utah, Wyoming, Indi-- or Idaho are just name a few that have just a barber only license. Now we built this license to be

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chemicals because Nebraska is such a diverse state, western Nebraska versus eastern Nebraska. You have to travel a lot of times an hour or more for some of these people to get to see their barber or to do their services or get their supplies. So if you can do a one-stop, make it all done in one-stop, that's why we built these chemical services into our license. If we add some of these licenses from other states who don't allow chemicals as a part of their licensure, now we have a problem with people being licensed to do a skill they're not trained in. That is a safety and a health risk to the parties, the clients that are being serviced. So basically, to sum it up in closing, the one-size-fits-all language proposed in LB1187 will not work well with reciprocity and licensure issuance from the Board of Barber Examiners in consideration of general safety to the public. I'd be happy to answer any questions.

BREWER: All right, thank you for your testimony, Senator Blood.

BLOOD: Thank you, Chairman Brewer. And thank you for your testimony. Did you hear the conversation earlier about similar scope?

KEN ALLEN: I did and I questioned that one, yes.

BLOOD: And so the question I have for you, hearing what you just said, so if indeed that is dumped-- I mean, not dumped, excuse me, if that is-- if that task is put on the board, do you anticipate there'll be a lot more work? Do you anticipate issues with that?

KEN ALLEN: Nothing--

BLOOD: Because it sounds like it's gonna be up to you to decide whether people can come into our state or not if indeed they can't do chemicals. And since we have such a diverse state, especially in this part of the state in, in people of color, those are things that I find concerning. So can you kind of walk me through what you envision?

KEN ALLEN: Sure. That's a great question, I appreciate it. Currently, our board reviews every application that comes across our desk anyway. So in the last two years, we've had none that would qualify under this exact criteria. Most of the people that come in, in the last two years, and actually I went back five years, most all of them either had lack of credentials being born, had no credentials when they came here from really Iraq, Mexico, or Puerto Rico. We had one instance, unfortunately, it was through the military, his wife was transferred here and he did not have citizenship so we have no choice because--

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but we're working on that. But other than that, I don't see a-- we go through every application one by one, the board rules on them as seemed necessary. Most of them have slipped right through. Now the ones that we're not sure on, we usually do what Section 2 says go ahead and examine, see if their credentials are enough. And if they have no credentials, then we-- we're kind of behind the eight ball on that one.

BLOOD: And then LB112 we passed last year, Senator Howard's bill, have you benefited from that one at all?

KEN ALLEN: Refresh my memory, please.

BLOOD: I believe that it removed licensure hurdles for young adults, I want to say 18 to 25, I'm not sure, I'm going by memory, 18 to 25, also military spouses, and something else, I can't-- I think maybe impoverished people.

KEN ALLEN: Right. Correct. Now we were not a part of that bill, the board didn't feel like that was gonna benefit. And after talking with the people at cosmetology division, the shortcomings from the revenue generated was a little bit of a burden. But as far as the military, we don't really have a big problem with letting that in.

BLOOD: OK. Thank you. I appreciate you answering the question.

KEN ALLEN: Yes.

BREWER: All right, additional questions? Senator Hilgers.

HILGERS: Thank you, Mr. Chairman. Thank you for being here. I just-- the primary concern that I heard you state is that, that there might be people who do not have the chemical training from other states who might want to use it. So the way that I read page 2, section-- line-- I'm sorry, page 2, line 16, because it says you have to have similar scope as determined by the licensing board, which is the Board of Barber Examiners, right?

KEN ALLEN: Correct.

HILGERS: So if the board, within your discre-- we're not-- the Legislature wouldn't be telling you, if that's out of scope or in scope, you would get to decide. If you determine it's out of scope,

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why wouldn't that-- why would that not address that concern you articulated?

KEN ALLEN: Well, to be honest with you, reading the bill, the first time I read it, I was totally baffled, the language in it, the scope of practice thing, it doesn't change a lot of what we do already. So the bill-- maybe it will for some agencies but for our agency, it doesn't change a lot of what we do. There might be a select-- over the last ten years I looked, and maybe two people it would have involved.

HILGERS: So then if it doesn't change a lot, I just I guess what's the basis of the opposition if it wouldn't change a lot and to the extent you've articulated objection,--

KEN ALLEN: Sure.

HILGERS: --it seems to be covered by the language. I'm just trying to--

KEN ALLEN: OK. Well, because the current statutes already tell us-- so is this bill going to repeal our current statutes or it's just gonna have two sets of guidelines? It's confusion on which guideline we have to use.

HILGERS: OK, I guess. OK, I--

KEN ALLEN: Did I not answer--

HILGERS: Well, I just, I guess I'm-- and there's a lot of people here who want to testify on a lot of things,--

KEN ALLEN: Sure.

HILGERS: --so I don't want to, I don't want to belabor the point, but it just struck me as the primary objection you made was we're gonna have to let in all these people come in out of state who don't have the training we have. And then when I say that it's resolved, it's-- well, now that it's-- well, we already do this anyway so it's not really a big deal. So I guess I'm just,--

KEN ALLEN: Right. Well,--

HILGERS: --I'm confused, maybe I'm--

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KEN ALLEN: Right, no, no, that's fine. After, after we have in our statutes, 71-242 I believe it is, we already have in statutes after three years, people without the chemical services are granted a license without much question, unless they have some of the other criteria listed below in this particular bill. That reason being, most people that are just cutting hair are going to just cut hair anyway. OK. So that is part of that reasoning behind that.

HILGERS: OK. Thank you.

KEN ALLEN: Yes.

BREWER: All right, additional questions? Yes, Senator Blood.

BLOOD: Thank you, Chairman Brewer. Just real quickly, I heard something different so I need clarification.

KEN ALLEN: Sure.

BLOOD: So I heard-- basically you're saying that you wouldn't be allowed to let them in any way. You don't really understand the concept of how it applies to your department because you're basically already doing your own thing and there's really no hurdles to be removed because you'd still have to follow that same policy.

KEN ALLEN: The biggest hurdle for us would be the chemical services.

BLOOD: Right.

KEN ALLEN: And after one year if we have to grant somebody a license on chemical services and they decide move out in Senator Brewer's district and do some of these chemical services that they're not trained in, that's our biggest concern. So--

BLOOD: So again, what I hear you saying is that it's really not gonna change anything, that you're still gonna have to turn those people away.

KEN ALLEN: Either that or we set him up for an exam, which chances are--

BLOOD: Which would kind of defeat the purpose of having this type of bill.

KEN ALLEN: Correct.

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BLOOD: All right, thank you.

KEN ALLEN: Yes.

BREWER: OK, quick question. On the issue of the chemical services, help me to understand what does all that encompass?

KEN ALLEN: Oh, sure: permanent waves, coloring, hair coloring of all phases, and hair relaxing.

BREWER: Well, you can see why I wouldn't understand that. [LAUGHTER]
Any additional questions? All right, thank you.

KEN ALLEN: Thank you.

BREWER: Welcome to the Government Committee.

KRIS ROHDE: Thank you, Chairman Brewer and members of the Government, Military and Veterans Affairs Committee. My name is Kris Rohde, K-r-i-s R-o-h-d-e. I am here representing the Nebraska Association of Nurse Anesthetists and the Nebraska Nurse Practitioners in opposition to LB1187. We appreciate the idea behind what Senator La Grone is seeking with this bill. We support compacts allowing Advanced Practice Registered Nurses and other practitioners to get back to work quickly in the event of a job change, a life event that causes them to work in a different state or across the state lines, or when a practitioner moves to our great state. In fact, in 2018 and 2019, we supported efforts to adopt an APRN compact language in the Unicameral. Unfortunately, we found that there are currently too many differences in the scopes of practice of some Advanced Practice Registered Nurses in the state of Nebraska versus other states. Without uniform practice laws, there will likely be different training requirements within each state, thus putting patient safety at risk. Our associations have spent three decades making sure training in Nebraska is in line with the scope of practice with two ideas in mind: first, ensuring access to care across Nebraska; and second, maintaining the highest possible patient safety levels. We respectfully ask that this committee not advance LB1187 to General File. Thank you, and I'm happy to answer any questions.

BREWER: Thank you. All right, questions? Senator Blood.

BLOOD: Thank you, Chairman Brewer. Thank you. It's nice to see you again.

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KRIS ROHDE: Nice to see you.

BLOOD: We see each other, don't we?

KRIS ROHDE: Yes.

BLOOD: So I just have a really quick question. So during Senator La Grone's introduction, he talked about not making people jump through technical hoops. So the first thing I thought when I heard that phrase was nurses.

KRIS ROHDE: Yes.

BLOOD: What are the benefits of having to jump through technical hoops to a certain degree? We are both big supporters of interstate compacts,--

KRIS ROHDE: Yeah.

BLOOD: --they work, they protect-- they provide protection, but there's still got to be technical hoops for people who have technical jobs.

KRIS ROHDE: Yes.

BLOOD: So can you walk me through why that's important?

KRIS ROHDE: Yes.

BLOOD: Not to lead you into it but--

KRIS ROHDE: So the training is usually very similar. However, the technical hoops would separate the people who need additional training from the people who already live here and practice under our state laws or the scope of practice. For example, in Nebraska we have an opt out for nurse anesthetists so we do not require any supervision from an anesthesiologist or another physician when we practice, other states may require supervision. So you have people who are used to practicing with someone telling them what to do, and you kind of get used to that. You always have a backup. So then you move to a small town in Nebraska and now you have an opt out and you don't know what you're doing on your own. So that right there puts a patient at risk. So just because you can come here and get that licensure, if there was a hoop to jump through, there would be additional training, maybe a test you have to take. But also it kind of lets the Board of Nursing

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know that someone is here who's never practiced this way and they have to talk to that person specifically or someone maybe who had lost their license for some other reason and then they may not be honest about it. So it would allow the board to find out that part of it and then take action against that person, make sure that everything is OK. So I think it's checking up on their credentialing, making sure they're-- they've done their continuing education hours, they've actually been working in the actual job, things like that.

BLOOD: That makes sense.

KRIS ROHDE: OK.

BLOOD: Thank you very much.

KRIS ROHDE: Um-hum.

BREWER: All right, additional questions? OK, so just so I'm-- make sure I understand what you're saying, because the way I understood is if this-- if the scope of practice is different, this bill does not affect the license application. Is that how you see this?

KRIS ROHDE: That's how I saw it, too. Correct.

BREWER: All right. No other questions, thank you for your testimony.

KRIS ROHDE: Yep.

BREWER: Next opponent? Welcome to the Government Committee.

KEVIN BOOKER: Thank you, Mr. Chairman, committee members. My name is Kevin Booker, K-e-v-i-n B-o-o-k-e-r. I'm the executive director for the Nebraska State Electrical Division. Our board opposes the bill based on many reasons. The first reason is, for example, we have 12 compact states that we have reciprocal agreements with that we can exchange back and forth that have requirements equal to or greater than our requirements. So very easy, they apply within two days they've got their license. The issue that our board has with this is we have Kansas as a bordering state. Anyone in this room can get a license, you contact ICC, you take an exam, you pass the exam, they give you a license. No experience requirements need to be verified. That's where when I read the bill, the similar scope, I'm not really sure if that means it has to be equal to all our requirements to be able to do that. Just letting somebody get a license without experience does not sound like a good deal for people that are gonna

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be coming into homes and businesses to perform services for our citizens. We currently require 4 years, 8,000 hours for our journeyman exam. Somebody coming in with a like license without verification is a main concern. Like I say, we have agreements with multiple states. We're always willing to create a new agreement. We also, not including the 12 states, we also have municipal agreements equal to or greater than us. We're, we're always open to do that. I, I had a phone call just yesterday from a young man in Wyoming. He's got a specialty license in the state of Wyoming. I don't have a license to issue him. I don't make up my licenses. I have licenses that are approved by the Legislature. What do I do with somebody that has a license that I can't reciprocate because I don't have one to give him? I'm not really sure how that bill would affect that. But like I say, our, our current process, we, we do very quickly. Somebody coming from somewhere else, we would have to take the time to investigate how he got his license, the requirements and so on, so forth. With that said, I'm open to--

BREWER: All right, thank you for your testimony. Questions? All right. Seeing none, thank you.

KEVIN BOOKER: Thank you.

BREWER: Next opponent. Welcome to the Government Committee.

CHRIS CALLIHAN: Thank you, Senator. Good afternoon, Senators. My name is Chris Callihan, C-h-r-i-s C-a-l-l-i-h-a-n. I'm the business manager with International Brotherhood of Electrical Workers Local Union No. 265. I am also the president of the Nebraska State Council of Electrical Workers. I'm here to testify today on behalf of myself and my members of Local 265 in opposition of LB1187. It is our position that Nebraska's current licensing requirements are working and we do not need to water them down or circumvent them for the benefit of electricians or electric contractors from outside Nebraska. There are just over 1,800 hardworking electrical contractors based in Nebraska doing electrical work in Nebraska with another approximate 500 based from outside of Nebraska, but doing electrical work in Nebraska. All of them, all of them worked in the trade for a required amount of time, then tested to get that level licensing that they are working at. Do they, do they not deserve the respect of earning that level of license and the skills and knowledge that goes with it? Why are we even considering the idea of undermining those Nebraskans who are both journeyman electricians and electrical contractors in Nebraska. Currently, because of our license testing requirements that include minimum requirement of hours on the job working under a licensed

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electrical contractor to meet qualifications to take the Nebraska JA, journeyman's license test in Nebraska. By doing this, we actually gain license reciprocations with 12 other states, including neighboring states of Wyoming, Minnesota, South Dakota, Colorado, Iowa, and Montana. As a Nebraska licensed journeyman wireman in the state of Nebraska, I was able to go find work in Wyoming doing the slow work times immediately following the recession in 2008. I showed the electrical division in Wyoming my Nebraska license, they confirmed that I took the Nebraska exam and passed it. After they confirmed all of that, I paid my fee to the state of Wyoming and was out the door in 20 minutes. That reciprocation with the state of Wyoming helped me gain employment when employment in the construction industry was really hard to find at that time. Electricians and electrical contractors have invested a lot of energy as well as a minimum of four hours-- four years of training in their tradecraft. That is a good thing from an industry standpoint, there is a return in the investment by having a trained, safety conscious, and productive skilled work force. To me, having these minimum standards and license requirements in place is the difference between receiving a job opportunity or receiving a career opportunity. It gave me the goal of earning my journeyman's license and then the drive to achieve that goal. That achievement was given to me-- has given me a rewarding career in electrical construction industry. License requirements help create minimum standards of training and knowledge about the trade or occupation. To me, it is the different-- definitive difference between a job and a career. As an electrician, I was challenged to learn my tradecraft to not only be good at it, but also be safe and productive while doing it. I had to learn-- I had to learn the National Electrical Code and how it applies to the work that I was doing each day. Thank you for taking the time to listen to me today and for your help on this matter. I'd be open to any questions?

BREWER: All right, thank you for your testimony. Questions? Questions? Thank you, Mr. Callihan.

CHRIS CALLIHAN: Thank you.

BREWER: All right, additional-- how many more are speaking on this bill? One, two, three, four, five, six. All right. Welcome to the Government Committee.

JON WILBECK: Good afternoon, Senator Brewer, members of the committee. My name is Jon Wilbeck, J-o-n W-i-l-b-e-c-k. I'm the executive director of the Nebraska Board of Engineers and Architects and I'm

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representing the position of a subcommittee of the board, the legislative committee and not the position of the board as the full board has not had the opportunity yet to meet and discuss this bill. As the amount of legislation related to regulatory boards increases, we believe it is time that part of this ongoing conversation, which I'm glad we're having today, about reform legislation, also includes a dialog about understanding the differences between professions and occupations. There is an important distinction between highly complex technical professions and the trade and vocational occupations that are commonly cited to defend weakening licensing requirements. Professions such as engineers, surveyors, architects, landscape architects, and CPAs are granted a high level of public trust and directly impact public safety. These professions are vested with the responsibility to certify the quality and integrity of their work. Because of this, they must meet rigorous educational requirements, undergo an intensive examinations, and develop their competency through experience in order for them to perform their duties with quality and reliability. Architects and professional engineers are responsible for the physical integrity of buildings, they design and build public and private institutions. They are responsible for making sure large industrial structures, high-rise buildings, and complex multi-million dollar engineering public works projects are designed with the health, safety, and welfare of the public in mind. They are granted a high level of public trust and have an enormous impact on public safety. We understand there may be legitimate concerns about overregulation of some vocational occupations. However, addressing these concerns with a broad brush that affects all credentials is not the right approach. Maintaining rigorous standards in highly technical complex professions is important in ensuring individuals have the appropriate level of education, experience, and knowledge required for work that impacts the public. Engineering and architecture have rigorous standards and licensing for a reason. It is my understanding that if LB1187 is enacted, our board may have to license an architect or professional engineer who has already been licensed in another state for one year, even if they don't meet the standards for initial licensure in Nebraska. I would point out that the E&A Regulation Act already provides a similar avenue for licensure for these individuals, but instead of one-year licensed experienced, they would need 15 years. These provisions have been part of the board's rules since at least 2007 and were made part of state statutes in Section 81-3451 in 2015. The board's position is that this 15-year time frame should stay in place for architects and engineers because of the reasons I mentioned earlier, their great impact on the health, safety, and

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welfare in Nebraska. Finally, I would note that LB834, a bill to remove unnecessary barriers in the E&A Act for, for engineering and architectural licensure was introduced this year. The groundwork for that bill was started by the board in 2017. That bill this year and LB23 in 2015 are two recent examples of work our board has done and continues to do to ensure that entry into architecture and engineering professions are not overly burdensome. That concludes my testimony and happy to answer questions.

BREWER: All right, thank you for your testimony. Questions? Questions? All right. Seeing none, thank you.

JON WILBECK: Thank you.

BREWER: Next opponent? Welcome to the Government Committee.

JON NEBEL: Thank you. Thanks for having me. Good afternoon. My name is Jon Nebel. I am a membership development coordinator for the International Brotherhood of Electrical Workers Local--

BREWER: Gonna need you to spell that.

JON NEBEL: I'm sorry?

BREWER: I'll need you to spell your name for the record.

JON NEBEL: Sure. J-o-n N-e-b-e-l.

BREWER: Thank you.

JON NEBEL: Yep. As I was saying, I am a membership development coordinator for the International Brotherhood of Electrical Workers Local 22 in Omaha, Nebraska. We represent 1,930 members and 207 nonmembers in Nebraska and western Iowa. I am here on behalf of the IBEW Local 22 in opposition to LB1187. Once again, we are concerned about the potential of creating unsafe workplaces and conditions from faulty wiring practices that could lead to serious injury or death. We believe there are already avenues provided by the state of Nebraska to get new Nebraskans on the job. Nebraska currently requires 8,000 hours experience and a competency test grade of 75 percent or higher to hold an occupational journeyman license. There are 12 states with a reciprocal agreement that would allow the expedited ability to hold the license as they apply for positions. LB1187 would allow this license to be granted without having taken a competency test and have only 4 to 6,000 hours of experience. It is a disservice to the

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employers of Nebraska to grant licenses based on lower qualifications than those that are currently required. It is a safety concern at the workplace to have supervisors that have not been competency tested. Failure to meet qualifications for a journeyman license will not limit, limit a person's ability to work in the field they have experience in, they can register as an apprentice and would be permitted to work immediately. These qualifications are in place to prevent unqualified personnel from overseeing a project and apprentices who need on-the-job training by a competency tested person. This bill seems to be another attempt by Costco's chicken industry growth to permanently lower safety standards in our state for the interest of their profits. Like LB1174 and LB921 of the 105th Legislature, this bill seeks to fix problems that do not exist. We respectfully ask this committee to identify-- indefinitely postpone this bill.

BREWER: All right, thank you for your testimony. Questions? Questions? All right, thank you. Next opponent? Welcome to the Government Committee.

DAVID BECKER: Thank you, Mr. Chairman. Thank you, Senators on the committee. My name is David Becker, D-a-v-i-d B-e-c-k-e-r. I'm here today representing the Nebraska Geological Society, of which I'm a member. I'm also a licensed professional geologist here in the state of Nebraska. Just a little bit of background regarding our opposition to the bill. The work that geologists do here in Nebraska does affect public health and safety. We do that by assessing and mitigating geologic hazards, soil and groundwater contamination, and by providing supporting geologic interpretations affecting engineering projects. Geologists are very much involved in protecting and reasonably-- responsibly developing one of Nebraska's most precious resources, its groundwater, such as the Ogallala Aquifer. Based on this, there's been licensing of geologists in Nebraska since 1999 by the Nebraska Board of Geologists. For licensure the applicant has to meet minimums for formal college education and experience and demonstrate proficiency through professionally developed and nationally applied exams. Licensed geologists in Nebraska need a minimum set of college coursework in geology, resulting in a geology degree or a degree in a geologic specialty such as geophysics or geohydrology, passage of a proficiency exam, and five years of experience to lead a project affecting public health and safety. A license is not required for geologists working in Nebraska under the supervision of a Nebraska licensed professional geologist who is responsible for the adequacy of

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the work. Geologists whose work would not affect public health and safety, such as those that are working in mineral or oil and gas extraction are exempt from licensing requirements. The Nebraska Board of Geologists grants [INAUDIBLE] or reciprocity to applicants from other states who have comparable requirements for licensing. Not all states have geologic licensing, 30 states do. Those that do have comparable requirements. So the Nebraska Geological Society supports the efforts to make opportunities for qualified geologists to participate in the robust Nebraska economy. In fact, the majority of licensed, licensed geologists who practice in Nebraska are located in other states. However, we oppose the bill because it would allow geologists without demonstrably adequate geologic education and professional experience to undertake professional lead on projects affecting the safety and health of people of Nebraska and protecting its groundwater resources. This bill does not appear, as person from the Board of Engineers and Architects pointed out, does not appear to consider the difference between an occupation and profession, and thus does not appear to consider the unique education and training required for professions such as geology. While the bill does acknowledge special requirements for medical and legal professions, similar language should be added that would maintain the minimum education, examination, and experience requirements for professions such as geology and engineering consistent with current Nebraska law. That concludes my testimony. I'd be happy to answer any questions.

BREWER: Thank you for your testimony. Just out of curiosity, how many geologists, geologists are there registered in Nebraska?

DAVID BECKER: I believe it's over 300 right now, Mr. Chairman.

BREWER: Any idea how many you have in training or that are being sponsored by another geologist?

DAVID BECKER: I'm not sure, we have somebody else here who might be able to answer that question.

BREWER: That's all right, you don't need to bring anybody extra on my part. [LAUGHTER] Questions? All right, thank you for your testimony.

DAVID BECKER: Thank you.

BREWER: OK, additional proponents-- opponents? That was a test. Welcome to the Government Committee.

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CASEY SHERLOCK: Thank you, sir. Good afternoon, Chairperson Brewer and members of the Government, Military and Veterans Affairs Committee. My name is Casey Sherlock, C-a-s-e-y S-h-e-r-l-o-c-k. I'm the Nebraska State Surveyor and I'm also statutorily named as ex officio Secretary of the Board of Examiners for Land Surveyors. I'm here representing the Board of Examiners for Land Surveyors and their opposition to this LB1187. I'm here to discuss the potential impacts that LB1187 may have on the profession of land surveying. Currently, the board regulates the licensure of professional land surveyors by and through the Land Surveyors Regulation Act. Licensure is established and governed by statutes within the Act. I was asked to complete a fiscal note and I completed it with, with-- without a direct indication from any legal counsel that this proposed bill definitely has an impact on the registration of land surveyors. Thus, I drew my own conclusions at the time that the registration of land surveyors is regulated directly by the Land Surveyors Regulation Act, and that this bill would not override the operative statutes of the Act. Accordingly, that fiscal note states zero fiscal impact. If hypothetically this bill does in fact have an impact on the regulation and registration of land surveyors, at the very least, several of the sections of the bill may be in direct conflict with the Land Surveyors Regulation Act. For instance, current statutes require that for an individual to be eligible for registration, they must have not less than six years of surveying experience with five of such six years in responsible charge as a subordinate to a registered land surveyor. LB1187 has the potential for a person to be eligible for registration with two or three years of experience if they're from another state that does not require the license of land surveyors, thus allowing a nonresident the privilege of registration with either a third or half the years of experience of a Nebraska resident, and putting Nebraska residents aspiring to become licensed land surveyors at a significant disadvantage. We do not require education, as some states do. I believe Iowa and Wyoming both require a four-year degree in land surveying. LB1187 requires an occupational board to approve or deny an occupational license or government certification in writing within 60 days after receiving a complete application. Currently, the board holds regularly scheduled meetings every three months. Therefore, if the board were to now be required to act upon approving or denying the application of an individual within 60 days, the board at the very least would then be required to hold monthly meetings, if not sooner, in order to handle the, the application process and testing process. The current administration of the board is funded by fees for registration. The board only has a 10 percent clerical person for the

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entire staff of the board. There is no other full-time staff. There is currently 325 individuals holding an active registration to practice land surveying. Biannual receipts over the past two years were just short of \$40,000 because we are biannually registered. The expenses are just about \$33,000 for the two-year period, annual expenses are trending upwards and receipts tend to trend downward. Approximately 57 percent of land surveyors currently registered are residents of Nebraska and 43 percent are nonresidents. Since July 1, the board has approved the registration and licensure of 23 nonresidents and 5 residents. Of those 23 nonresidents, 1 came to the state of Nebraska in order to open a business in land surveying.

BREWER: All right, thank you for your testimony. Questions? I just got one here for you real quick. So if you're a surveyor in Nebraska right now, you're not required a degree,--

CASEY SHERLOCK: Correct.

BREWER: --you go through on-the-job training and this is how you become proficient?

CASEY SHERLOCK: Correct.

BREWER: OK, that was my question. Seeing no other questions, thank you for your testimony.

CASEY SHERLOCK: Thank you. I had to rush through that.

BREWER: Well, hey, sorry, but we're on a kind of compressed schedule here.

CASEY SHERLOCK: Gotcha. Thank you, Senator.

BREWER: Have a seat. Sit down and relax for a little bit. Welcome to the Government Committee.

DAVID SVINGEN: Thank you. My name is David Svingen, and the last name is spelled S as in Sam, v as in Victor, i-n-g-e-n, and I am a Nebraska licensed professional geologist. I am one of seven board members of the Nebraska Board of Geologists and I am one of five executive committee members of the National Association of State Boards of Geology, commonly known by its acronym ASBOG. My comments are made as an individual and as a representative of ASBOG. I'm here today to request that LB1187 be modified so that licensed professionals, including licensed professional geologists, are exempt from the

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provisions. A geologist seeking licensure must satisfy three criteria: education, experience, and examination. Education, typically, an undergraduate degree in geology; experience is typically three to five years; and the exams measure knowledge and competency. LB1187 conflates professional licensure and certification. And by doing so, does a disservice to the public. The purpose of professional licensure is to set a benchmark for competency and to safeguard life, health, and property. The purpose of certification programs is to promote its members and/or offer educational opportunities to its members. Certification program requirements vary, however, they are typically based on education references and time in the work force. Certification programs are not an adequate substitute for licensure that evaluates these factors, plus measures competency through two legally defensible and professionally developed and statistically valid exams. ASBOG is a national organization with a singular focus to support the boards of geologists in 32 states. The support takes several forms, including communication, the development and sharing of consistent model law legislation, and the administration of these two exams. The fundamentals exam measures college-level geology, knowledge, and the practice of geology exam measures knowledge gained through experience as a practicing geologist. Because of consistency in the model law that ASBOG has developed, the licensing requirements are similar between states, which allows for licensed professional geologists to efficiently obtain licenses to do work in other states through a reciprocity process. LB1187 would make Nebraska the outlier because the competency standard for Nebraska would be significantly less. LB1187 could cause other states to scrutinize applications from Nebraska licensed geologists to make sure that Nebraska seeking their license met that other states more rigorous standards. This may very well reduce and slow mobility of Nebraska-based licensed geologists that are seeking project work in other states. The current rules and regulations of Nebraska Professional Geologists Licensure Program is working. Part of the reason it works well is due to the consistency with other state programs and because competency is measured by exam. I recommend that licensure of professional geologists be exempt from the provisions of this bill. Thank you.

BREWER: Thank you. Questions? So education, experience, and examination.

DAVID SVINGEN: Correct.

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BREWER: Proving to you I'm listening. All right, thank you for your testimony. All right, any additional opponents? Come on up.

WALT RADCLIFFE: Thank you, Colonel.

BREWER: Welcome to the Government Committee.

WALT RADCLIFFE: Thank you. My name is Walt Radcliffe, W-a-l-t R-a-d-c-l-i-f-f-e. I'm appearing before you today as a registered lobbyist on behalf of the Nebraska Society of CPA's and the Nebraska Realtors Association in opposition to LB1187. So I, I won't repeat what's been said. With regards to both the CPAs and the realtors, they have come before the Legislature many times and sought changes in their licensure requirements to facilitate professionals coming into the state. So there certainly isn't any thing that, that they're doing to keep people out. They-- one of the things that's really struck me as I sit here and listen today is that one of the things we've all heard for the last, oh, I don't know, six, eight, ten months, work force, work force, work force. We need work force in Lincoln and in Nebraska. There hasn't been a single entity that's, that's been flying the work force flag that's shown up here in support of this. I, I just-- I don't think it's gonna do that much for work force. There-- it's interesting to me that the idea of legislative oversight and scrutiny of licensure is a very positive thing. There's been history, there's a history when, when the Legislature sought to delegate or abdicate, whichever way you want to look at it, its authority to license. It hasn't worked. I'm gonna give you a couple of anecdotal examples of when licensure bills have been brought. And frankly, if it would have been a-- if it would have been something that wouldn't have stood legislative scrutiny, we'd probably have it. Years ago, Senator Hefner from Coleridge brought a bill to change the licensure requirements for house movers for their eyesight to let it comport with other states became known as the blind house movers' bill. I mean, you had to have a seeing eye dog out in front of truck pulling the, pulling the-- it didn't go anywhere, thank goodness. The other one was brought by the hospital association and became known as the brain surgeon garbage man bill, which would have allowed hospital boards to designate anybody to any specialty to practice in their hospital. I mean, it's goofy stuff. But the fact that it got exposed or the light-- the legislative light shown on it did expose what it was. This bill isn't needed. You don't have people up here-- you don't have anybody up here saying, I'd have moved to Nebraska, but, oh, no, I had to take another test. You haven't heard one soul say that, this

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is just-- this is a bill looking for a home, but there's not any reason for it. Thank you. Be happy to answer any questions.

BREWER: All right, thank you for your testimony, it's always interesting. Oh, hold-- we got, we got a question here. We're not gonna let out out or anything like that.

WALT RADCLIFFE: Oh, I thought I might avoid this.

BREWER: No, no, you're not gonna get away that easy. [LAUGHTER]
Senator Blood.

BLOOD: Thank you, Chairman Brewer. Everybody else was so much more organized. I'm sorry, Walt, I didn't mean that, I was just kidding, you know that.

WALT RADCLIFFE: Oh, yeah, I'm terribly offended. [LAUGHTER]

BLOOD: No, but I, I wouldn't want anybody else to think that I was a mean person, so you know.

WALT RADCLIFFE: Oh, I-- they, they--

BLOOD: So Walt, I heard-- I wasn't really clear on who you were testifying on behalf of--

WALT RADCLIFFE: The CPAs and the realtors.

BLOOD: OK. I, I-- you never-- you referred to them, but I never was really sure that's who you were representing. So did-- didn't the realtors just have LB12 last year, that was a really great bill that removed a hurdle for military spouses. Right?

WALT RADCLIFFE: And they supported that, yeah.

BLOOD: Yeah.

WALT RADCLIFFE: Yeah. And this year, the CPAs have one, Senator Stinner introduced. The changes, don't ask me too many details about it, but it changed some of the hourly requirements that made it easier for people to take tests in Nebraska.

BLOOD: So I, I would say that that industry's been really great at--

WALT RADCLIFFE: Yes.

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BLOOD: --being aware of what's going on in the industry, what is needed because they know their own industry best.

WALT RADCLIFFE: Right.

BLOOD: Would you say that's correct?

WALT RADCLIFFE: I would say that's correct.

BLOOD: Thank you very much, Walt.

WALT RADCLIFFE: We just don't need any blind house movers.

BREWER: The great part about it is there are so few people that have the encyclopedia of knowledge to even know about blind house movers. So thanks for coming, Walt.

WALT RADCLIFFE: It was a fun debate, Senator.

BREWER: All right, thank you for your testimony. All right, any more opponents? Anybody in the neutral? Had to be one. Come on up. Yeah, you'll need the green one, there you go, can't start until the paperwork is done. Welcome to the Government Committee.

DAN SWEETWOOD: How are you doing, Senator Brewer? I'll be quick here, I promise. My name is Dan Sweetwood, S-w-e-e-t-w-o-o-d. I've had the privilege being the executive director of the State Board of Public Accountancy for the last 16 years. I basically appear before you today to speak in a neutral position on behalf of the board's legislative committee. I-- we, we don't think we're in a position-- maybe the aggregate goals of the bill might be good, but I think as we have this discussion, as Senator Blood said, I think it's been mentioned before this discussion about learned professions and occupations. That's got to be a continued discussion, I think, and I throw that out. We think there's parts of LB1187 that conflict with the current Nebraska Public Accountancy Act. Obviously, we talk about experience and reciprocity, things like that. We require two years of experience within a licensed CPA firm and three years outside a licensed CPA firm for initial licensure. When we talk about reciprocity, there's two pathways: one is through our current education requirements and what we call four/ten. If you have four years of experience within the last ten years in another jurisdiction, we welcome you and we welcome those folks. And our office works closely to get them registered and licensed and give them a clear direction. We all know CPAs love clear direction. So you know, I just want to emphasize that, you know, if

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LB1187 passed, it would appear that we would be-- there would be confusion, confusion would rain a little bit. What carries weight, is it LB1187, is it our current regulations and bill? So we throw that out. I think Senator La Grone mentioned, I guess, what we're looking for. We'd like to be removed from LB1187 if it goes forward. I just want to emphasize this board over the course as, as has been discussed, we look at our experience requirements. It's been over the last-- it's been changed over the last several years. We had a big work group in 2013 that really made some major changes in LB27. It eventually became before this body and was passed. And we think, you know, the goal there is what's good for Nebraskans and maybe what's good in Nebraska might not be good in California, vice versa, those kind of things. Obviously, licensing's at the, at the state level. We have a uniform exam, which is important. We also have mobility between states so CPAs can move between states doing certain types of work, they don't have to register and license. We think that's pretty progressive, too. So I just throw that out. Again, we try not to be overly burdensome. We know the current requirements in LB299, we'll go through those reviews, we'll gladly provide information and the reasons that maybe we have some additional experience requirements. That's all I have.

BREWER: All right, thank you for your testimony. Questions? Questions? All right, seeing none, thanks.

DAN SWEETWOOD: Thank you.

BREWER: Any additional in the neutral? Come on up. Green sheet.

GREG LEMON: Yes.

BREWER: Welcome to the Government Committee.

GREG LEMON: Thank you, Chairperson Brewer, members of the Government, Military and Veterans Affairs Committee. For the record, my name's Greg Lemon, G-r-e-g L-e-m-o-n. I am the director of the Nebraska Real Estate Commission. I want to thank, Senator La Grone, for bringing this bill. It's an important issue. I currently sit on a task force with other real estate regulators looking at this very issue, which we call license portability. We did a survey of the various states on what they do, what they require for somebody to come in from another state to get a license. Based on that survey, which we didn't have all states, but we had about two-thirds of the states. Nebraska's the second most lenient for real estate licenses. We do what's called

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license recognition, which is the same thing this bill does, which we recognize if somebody passes a test in another state, if they take the education in another state, they've met the essential basic requirements for a license. What we add to that is that they have to take a three-hour class in Nebraska license law, which they can take on-line or through correspondence. Because real estate is one of those things, it's based on laws and laws differ from state to state. So you do have to have some state specific knowledge on agency and disclosures and things like that to practice properly in Nebraska. As I look at this bill, it would require us-- it's inconsistent with that three-hour license law class requirement, so we would either do away with that requirement so we wouldn't make people show proficiency in Nebraska license law or we'd have to have them take a test, which it allows. But our licensees, I'm sure, would much rather take that three-hour class than take a test. Just by way of numbers, I will-- I mean, there's, there's a lot of other details, but, but that's the essence of it. By way of numbers, we have about 7,500 real estate licensees in the state of Nebraska. We have a little over 700 of them who have a license based on that license in the other state that got that license by coming to Nebraska taking that three-hour class. Most of those people are across the border-- you know, Kansas to Nebraska, Iowa, Colorado, etcetera. With that, I would be glad to answer any questions you might have. It's a good-- I mean, it's a-- portability is a good idea and it's good to be looking at it. But as you've heard from a lot of different people the professions are different and it may be bare, bare a little scrutiny to each profession and take an approach that's appropriate to that.

BREWER: All right, thank you for your testimony. Questions from the committee? All right, seeing none, thank you.

GREG LEMON: Thank you.

BREWER: Any additional in the neutral capacity? All right, seeing none, let's take a look at letter-- no, we're gonna have you close, Senator La Grone.

La GRONE: Well, you can talk about the letters. I know I have a letter in support so that's nice.

BREWER: You, you do. You have some in opposition, too.

La GRONE: That's fair.

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BREWER: All right, go ahead.

La GRONE: Thank you, Chairman Brewer, members of the committee. I actually think it's great that I got to close right after the Real Estate Commission because most-- pretty sure all the concerns that I heard I think are addressed by some part of the bill, so I wanted to walk through those parts of the bill. And I think the Real Estate Commission started out with a really great job of doing that. So we heard a lot about how this would affect interstate compacts, and I, I disagreed that it would. If you looked at the bill on page 5, lines 18-21, occupational licenses issued under this bill would only be valid in the state of Nebraska, and they could not be used for-- to give licensure through-- in another state through an interstate compact. And so that wouldn't put into-- would not jeopardize Nebraska's interstate compact agreements with any other states in that capacity. Now to the-- we heard a lot about, well, would they have to take some sort of examination? Again, page 5, lines 6-11 is the rules regarding Nebraska specific examination. As the Real Estate Commission pointed out, they currently require a class rather than a test. I would have no problem with allowing either, so long as that was the decision of the licensee rather than the, the licensing entity of [INAUDIBLE], rather give them the option of having a class and taking a test. Again, the point of the bill is to put-- give the licensing board the authority on the specifics, and I think that would be a valid way to do so, so a lot of the concerns we heard about Nebraska specific testing addressed on page 5, line 6-11. Now flipping back to page 2, I won't cover the scope requirements because I thought Senator Hilgers' discussion on that was rather good, but we did hear a lot from a number of professional occupations about how would we know that these individuals have the same education requirements necessary. And I'll make two points on that: number one, the specific language is on page 2, lines 19 and 20, one of the requirements for issuing such a license is "The board in the other state required the applicant to pass an examination or meet education, training, or experience standards." So there is a requirement that they had some standards there. And as we heard in a lot of these professional occupations, there is a move towards uniform exams. So it's likely that if there was an exam in another state, that that exam was, in the cases where there's national exams, was the same exam that you would take here in Nebraska. So while the education requirements could theoretically be slightly different, they're probably gonna be substantially similar. And that gets back to the scope language of if we're allowing people in other states to do stuff that's drastically different than they're

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doing here in Nebraska, then that is something that the board can address through the scope issues, which is clearly left through the occupational board. So with that, I'd be happy to answer any final questions.

BREWER: All right, thank you for your close. Quick question, I thought Walt brought up a good point. You would have thought maybe we could have got more of the consumers to come in and kind of share their thoughts. Do you think there's a reason why that we didn't have more that came in and testified?

La GRONE: Yeah, well, one point I would make and I would just point out initially, this is the first time Walt's ever testified against one of my bills, so I don't know how to feel about that,--

BREWER: Don't take it personal.

La GRONE: --he's testified in favor of all the other ones. No, on that point, I think that-- and it's a reality, consumers generally, and these are people who aren't involved with an occupational board, and so they are represented by the people that we see every day, they're most likely not the ones who have the time to take out of their day to come down to the Legislature. And on top of that, while we heard about the reduction in costs, I think that is a large benefit, but I forget the exact number that was pointed out, I think it was around 10 percent, I may be off on that, a 10 percent reduction in your everyday costs probably isn't enough to take a day off of work to come down to testify at the Legislature. But over the long period of time would mean a lot. So I think that's-- it's, it's really the immediacy of the benefit or harm.

BREWER: OK. Any additional questions? All right, seeing none, we will close out with reading of the letters we had on LB1187: 2 proponents, 12 opponents, and 2 in the neutral capacity. That will close our hearing on LB1187. We are-- because Senator Wayne is presenting in Revenue, he's asked us to jump over him to Senator Hunt's bill, so it'll be a little out of order. I apologize for that, but I'm gonna keep true to his request. Yeah, we're, we're getting those bills, don't, don't go anywhere, but we're just gonna shift the schedule around to help Senator Wayne out. Oh, oh, hold it, hold it, are you here to tell me that Wayne's ready to go? I don't see Wayne.

HILGERS: Senator Hunt's in the chair.

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BREWER: We're gonna trust he's coming.

BLOOD: Yeah, but he's got all these people here.

HILGERS: All waiting.

_____ : Yep, he is behind us--

BREWER: I, I don't see him anywhere.

WAYNE: Right here.

BREWER: Senator Hunt, will you forgive me if I do musical chairs here?

BLOOD: Don't, don't forget your Diet Coke on the floor.

BREWER: You were about 10 seconds from being out of luck there.

BLOOD: Senator Wayne, which one are you doing first, LB1218?

WAYNE: LB1218.

BREWER: Let's make sure I got that, LB1218. OK, good. OK, if we get everybody to settle down. All right, everybody in place. Senator Wayne, welcome back to the Government, Military and Veterans Affairs Committee. You may begin whenever you're ready.

WAYNE: Thank you. I guess I'm in a little better shape than I thought because I ran down here. I'm not too out of air, so that helps a lot. LB1218 is my effort to advance the broad or strategic goals relating to equity and accessibility as an economic growth for this state. It is a bold vision for our state, a place where we achieve equity in contracting in supports of areas that have not-- that have been ignored or worse-- or at worst left behind by local, state-- local and state policies. My goal-- and I'm actually trying to stay on script because this is like the most important bill I have probably introduced because we are actually trying to change systems and that's a big lift oftentimes as this committee knows being the Government Committee. My goal is that local and state government dollars used for contracting, consulting, and procurement benefit the communities we serve proportionately to the demographics of that community. So why is this important? The best way to fight poverty, to break the vicious cycle of dependency and despair which affect so many of Nebraskans is to foster conditions which encourage those who have been afflicted to play a more self-reliant and independent role in their lives. Public

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procurement is one of the most powerful tools the state and local governments can employ to foster equitable and local economies. With billions slated to be spent over the next ten years, we are at a pivotal moment in our state. For example, the project like the UNMC project, if it were to follow this plan would inject about \$300 million into local economies, which could help alleviate unemployment, public health issues, and social programs. Many of you know I ran on an issue that is pretty near and dear to my heart, and that issue is, while I appreciate social programs, 90 percent of our social issues go away if people have good paying jobs. Nebraska is one of nine states over the last five years that saw an increase in wealth gap. And yet, study after study shows that business ownership is a critical pathway to closing that wealth gap. Study after study also shows that small, emerging, and minority-owned businesses play an important role in this nation's economic health by driving job creation, raising wages, and elevating better standards of living in urban and rural communities throughout this entire United States. But this isn't new, other places have implemented similar programs. In Texas, they have a HUB Program that explicitly uses race, gender, and other factors. My bill does not go that far. There is a constitutional amendment that will not allow me to go that far. So what we did is created areas around poverty, how to help alleviate poverty. And this is not a new idea, if you were to go to Atlanta and see the diversity in professional and middle-class individuals, you can tie it back to a period between 1979 and 1983 when Maynard Jackson was the mayor. There was a \$500 million federal project to build the airport, and he stood before that entire committee and said, weeds will grow if we don't get 30 percent, 30 percent for local businesses, small, emerging, and minority-owned businesses. And that happened, they ended up around 25 percent. And why is that important? Because construction sector is comprised of different markets and different economies. It isn't just heavy highway and residential, it isn't just commercial. What it is, is it is defined by ripple effects. You know, here's how that works, if 30 percent of UNMC project was to occur in Omaha and go to local, small, and emerging businesses, those businesses now have to have accountants, they have to have payroll, they will have increased work. If they have trucks, they will have to have increased mechanics. If they buy products, there will be better needs and more needs for retail space and manufacturing, it is a ripple effect of how to grow the economy. So how does it work? LB1218 creates real attainable goals by implementing improvements through increased good faith efforts. It is not a requirement that you use a HUB participate, it is a requirement that you try that you make a good faith effort. It

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improves compliance tracking and is an increase for-- an increase as supplier pool. And one thing it does is it migrates state lists to make sure they're all on one place that somebody can find. And lastly, it allows for prompt pay. It creates a small business registry. It prioritizes how to do small business subcontracting. It even creates a mentoring protege program that will allow for small businesses to grow. Now I know there were some letters of opposition and I know there'll be individuals here testing in opposition-- testifying in opposition. What they'll say is that we already have a labor shortage. That is true. But I find this as a solution to a labor shortage, businesses will want to come here and compete in the market knowing that they can now fairly compete in the market. It requires good faith. And if you can't find somebody, that's fine. But it allows businesses that are small and emerging to do joint ventures with people from out of town to help grow their business. So the idea that people won't come or the idea that we don't have enough people, I think is a false narrative. The other thing they'll say is it costs too much money. I don't see how. If we can grow jobs, particularly here in Nebraska, then the money will pay for itself by increasing the tax base and improving the communities where we spend so much time with tax incentives, with extra social programs, and trying to solve what I call the social issues from a lack of good paying jobs. Last thing I'll say is why is this our duty? It is widely known that small businesses are the pillars of any strong urban and rural community, that it plays a crucial role in creating jobs. This is historic-- this is more so true in communities that have been historically underserved by our government. It is essential that we, and this committee, develop strategies and resources to leverage public spending in order to support growth and small businesses throughout of our region, especially in those areas that are economically depressed and have had chronic issues over the last 10 to 20 years. And that is exactly what LB1218 is trying to accomplish. We support, and Senator Chairman Brewer, we've had these conversations, we support tax incentives for big companies. This is our chance to support small businesses with growth and opportunity. We are not asking for dollars for a tax incentive. We are asking for an opportunity to compete to work with larger companies and grow. We are talking about rather spending money like 720 and other tax incentive programs to recruit companies, we are talking about the opportunity to grow our own to truly grow Nebraska. The time is now, I believe, Senator Chairman Brewer and Government Committee, that we support small businesses, particularly women-owned, minority-owned, and businesses that have been historically left out of the public contracting process. The goals of this bill are ambitious

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and there is no doubt going to be an amendment that I hope to get to you by listening to people today, by early next Tuesday or next Wednesday. If I get this bill out of committee, it will be my priority bill. It is our time and our opportunity, not just because of the UNMC project, but today, on the front page of the World-Herald, there is gonna be a new interstate project in Omaha, \$870 million. There's a new highway in Lincoln, a bridge, couple hundred million. This is opportunity instead of to just invest in social programs, create true wealth in our communities that need it the most. And what we did is we took economically disadvantaged areas, and that's with the maps you have before you. As you see, it's across the entire state. And what that is, is 150 percent the average unemployment rate, the state's average unemployment rate, and 20 percent poverty. So we are talking about the areas that are hit the hardest. The tier system that will be created here: Tier 1, you will have a business headquartered in one of those areas and 20 percent of your people will also live-- your work force will be in that area; Tier 2 is either-or; Tier 3 is anybody outside of that area who is a disadvantaged business. Again, we are not mandating anything but to try. Our governments can try, especially in areas that need it the most. And with that, I'll answer any questions.

BREWER: All right, thank you for your testimony. Senator Blood.

BLOOD: Thank you, Chairman Brewer. Thank you, Senator Wayne. So I want to put this in perspective for the record. Can you tell me how many small businesses there are in Nebraska?

WAYNE: You know the answer because you've asked me before and I didn't know it and you gave me the answer before.

BLOOD: One hundred seventy-two thousand, nine hundred and fifty-eight.

WAYNE: There you go. I knew that because you asked me it last year.

BLOOD: I try to help you.

WAYNE: I know, but I'm gonna write it down this time so I don't forget.

BLOOD: So in perspective, are there a considerable amount of more small businesses than big businesses in Nebraska?

WAYNE: Absolutely.

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BLOOD: And so what is the benefit of lifting these people up?

WAYNE: There is no benefit to leaving these people out.

BLOOD: Lifting these people up.

WAYNE: Oh, what's the benefit is that they can grow. And we talk about many of these depressed communities needing one or two more jobs, and it's gonna be a small business that does that.

BLOOD: And so would you say that this description is right that when we, when we buy local, when we buy from people like this, that that money stays local, but they're, they're putting their kids in sports in that area, they're spending their hard earned dollars in that area, they're hiring neighbors while so much of the big business, the money goes out of state, goes elsewhere, they, they winter in Florida, they--

WAYNE: Yes.

BLOOD: So, so it's--

WAYNE: Yes.

BLOOD: --would you say that it's a financial foundation in a way that a lot of people don't always conceive?

WAYNE: Yes. And actually, study after study show small businesses, they hire local, they participate more in a local economy. And to put this in perspective, I think it's important to have on the record and to share, Omaha had a sewer separation project of \$5 billion. So if you were to look at Omaha's economic redevelopment area, most of the area you see red on that map is where that pipe went through, \$5 billion over 7 years. And yet the economic conditions of that community have not changed. The poverty rates in OPS continue to go up. And you know who pays for that? We do down here. So when they talk about it might cost a little more, \$2 or \$3 million, we're spending more on that and free and reduced lunch now every year. And we can truly save money long-term by giving everybody, small businesses the opportunity to compete.

BLOOD: Thank you, Senator.

WAYNE: Thank you.

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BREWER: Senator La Grone.

La GRONE: Thank you, Chairman Brewer. And thank you, Senator Wayne, for being here. You said it once, but I, I missed it because I was looking at the maps, what does the red area on the maps represent again?

WAYNE: Economic redevelopment areas. We were gonna use extremely blighted, but I don't like that term, and, and actually it limited to mainly residential areas. What this did was expand it to industrial area so more business friendly. And it means 150 percent above the average state unemployment and 20 percent poverty. It's not an or, it's an and. And so we are talking about some of our most devastated areas. And what you'll see is that is throughout the state. I believe everybody in here has a little bit of that in their district. Well, I don't know about you, but we'll see. I'll expand it if I need to.

[LAUGHTER]

BREWER: Senator Hilgers.

HILGERS: Thank you, Mr. Chairman. Thank you, Senator Wayne. I was just wondering if there's a-- does this come from a model from some other state?

WAYNE: Yeah, so it actually came from Texas, so I try to find things that are a little conservative so it can pass through this, but where-- this body, but where, where it was different was and where it became tricky is of our 2008 constitutional amendment that says we can't use race. And so while Texas specifically does exactly what the next bill we're gonna talk about uses disparity studies, we don't have access to disparity studies here for whatever reason in the state and they base it off of them. And so what we're trying to do is base it off of poverty. We don't go as far because at the end of the day if we can eliminate poverty or reduce poverty, it overall saves the state money.

HILGERS: Has there been-- I don't know how long Texas program's been in place, but has there-- have there been any studies or data analyses on the success of that program?

WAYNE: Yes. So what you'll find out is actually we have a disadvantaged business program federally through our DOT, and they probably will be here testifying against it, they've been consistently able to hit numbers, those companies have grown. But what differs

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between Texas and here is we don't have any program statewide like Texas does. So if I'm a company and I want to come to Nebraska in joint venture with somebody in Nebraska and I'm a minority or disadvantaged business in some capacity, typically I only do business around Offutt because I know that they accept-- they-- well, they relish these programs, and the only other place to do it is through our NDOT program. So when I'm looking at the market, I'm not coming to Omaha if I can go to Texas where it applies to all other government agencies. So now I have the ability to compete fairly more. And so it isn't just about the big contracts-- I recall, I'm not sure if your bill passed, but you had a bill, I believe, two years ago, LB1062, my head keeps thinking that's the number, where you wanted to increase it from 25 to 50 for counties to-- and not to do public bids. And the reason why that's important is because if you're not, if you're not 50-below threshold, you don't know about those opportunities unless you have those relationships. And unless I'm competing fairly and building those relationships, I never know about it. So it isn't always the \$100 million project, it's also the 50, the 60, 25 multiple level projects that, quite honestly, these historically small businesses and underutilized businesses never got the opportunity to compete in the first place. And so we're trying to open that door. It doesn't change the threshold, but hopefully through the Mentor-Protege Program, they now have more access to those where we, we would deem too small to bid projects, but they have been successful in other states. That's why almost every state across the country except for us don't have either-- historically, they're called HUBZones, they're called small and emerging businesses, every state has something like that because they are successful.

HILGERS: Thank you.

BREWER: All right, additional questions. Yes, Senator Lowe.

LOWE: Thank you, Chairman Brewer. And Senator Wayne, thank you for bringing a small business bill. As we know, small businesses they sponsor our kids' softball teams and our kids' baseball teams and buy the cookies from the Girl Scouts and things like that. Doesn't the state and federal government contracts, are they not supposed to use small businesses--

WAYNE: If the federal--

LOWE: --and minority businesses?

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WAYNE: Yes, if the federal government requires it, yes. But the state does not have an in-depth program. Actually, the state doesn't have really at all a program. We have some business designated areas, business improvement districts. We have things like that. But those typically are around taxes and sales taxes and giving money back to the community to do something. We don't have a program throughout the state that says, let's make sure you use small businesses. And this idea that it costs too much is just foreign to me because we're talking about a day where people self-certify, they send out-- they sign a note saying [INAUDIBLE] the perjury, I meet the requirements and it goes on a database. All you got to do is just email the list, there goes the opportunity. And based on my good faith efforts, you kind of meet the requirement just by giving people the opportunity. So federally, yes, but statewide, no, unless you're part of that federal program.

BREWER: All right, any additional questions? I got one for you before you move on.

WAYNE: Yes, sir.

BREWER: So let's say-- well, we'll shift it out to, to my district and they're gonna, they're gonna build a new Highway 20, and you got Warrior, LLC and they're, they're a concrete company, why are they not in a position to get a fair shake if they're going up against, say, the Kiewit's of the world or somebody like that?

WAYNE: Well, oftentimes that's a bigger conversation around lack of access to capital, which is historic, particularly in these same areas. Bonding-- and again, if the DOT comes up and testifies, you can ask them what their bonding requirement is. That, again, goes back to usually around a million dollars, sometimes more, all that is a cash issue and access to capital issue. And typically, if you're a small business, your bond rating is also based off of your personal credit. Well, you can see where that goes. So typically, there's, there's obstacles already in the way. And so what we're hoping is through this program, there's conversations-- and I know this program works because I did it at OPS. When we did our last bond, we did a, a 14 percent goal, which they achieved a little bit over 18 percent. So I, I know we can structure in a way, but one of the issues was bonding. So you do a JV, a joint venture partnership or you have a mentor- protege partnership, and the other company or the two of you could carry that bond. It's like pulling resources together. So that's part of the issue. The other issue that this bill addresses is when you do federal

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government work and sometimes state work, you're 60 days out on a bill. That's a, that's a big cash flow issue that most small businesses don't. And so if you're certified underneath this, the prime or the government has to pay you within-- I think, it was 20 days is what I put in after your invoice and your invoice is approved. That way you keep that cash flow issue. So those are two of the biggest obstacles: lack of capital-- or three, bonding, and then that cash flow. You can't sent 60 days out on a million dollar project where you got probably-- on a million dollars, you'll have \$300,000 in labor and be able to hold that unless you have the cash to do it and if you do you're probably not a small business by that point.

BREWER: It's not a secret whose opponents are actually-- you only have four opponents that are sending a letter, we'll see how many come up. But for example, one of them is Nebraska Department of Labor. You're thinking that they're gonna come up and if, if they testify, they would testify against this, why?

WAYNE: Well, one of their issues is a, is a mistake in my fifth draft of drafting this is where I still left DAS in charge of promulgating rules instead of Department of Labor. So that's a simple amendment, we wouldn't let both of them do it. And the reason why DAS is because of any appeals process, they need to have rules about how they would do their appeals. So DOL, I think, would solve one of their objections, but the only other objection is that it costs too much. And my answer to that is that's why they provide a fiscal note, either I got to find the money to pay for it or it doesn't go anywhere.

BREWER: So you're willing to take that risk as your priority?

WAYNE: I am. If I can't find \$3 to \$4 million out of a \$100 million dollar property tax problem, I'm not doing my job.

BREWER: Probably got that stuck in a safe somewhere, don't we?

WAYNE: We can find ways.

BREWER: All right, any other questions? All right, thank you.

WAYNE: Thank you.

BREWER: You're gonna stick around for close?

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WAYNE: Yes, and I do want to pass out one more letter for the record. He couldn't make it down today, when we start shifting around he had to leave.

BREWER: All right, first proponent for LB1218. All right, come on up. Sir, welcome to the Government Committee.

WINSLEY DURAND: Hello. Thank you. Glad to be here.

BREWER: Whenever you're ready.

WINSLEY DURAND: All right. Chairman Brewer, members of the committee, I'm Winsley Durand III, W-i-n-s-l-e-y D-u-r-a-n-d. I'm executive director of the Greater Omaha Chamber's REACH Program. I'm here to express the chamber's support for the concepts of LB1218. I'd like to start by saying that I believe that the promotion of small businesses and historically underutilized businesses is a matter of state concern. It's an issue that's at the very heart of economic development and one that speaks to this state supporting the provision of fairly, fairly distributing procurement opportunity at all levels for small businesses, as well as enhanced employment opportunity for citizens of our state. I run a program at the Greater Omaha Chamber called REACH. It is a race and gender-neutral program. It is a capacity building program that works with a population of small contractors in the Omaha metro that's addressed in this bill. Its primary areas of proactive outreach is north Omaha and south Omaha are underserved areas, but it is available to the entire metro, any contractors in the region. REACH started July 1, 2015, as the Omaha market experienced significant surges in construction by institutional project owners. It's my intent to provide some background to this body on work that has been provided to date, as well as upcoming additions to my program that addresses some of the mentoring, notifications, and other aspects proposed in the bill. The REACH Program is a collective, collaborative endeavor that has had the city of Omaha, Metropolitan Community College, and the University of Nebraska's Medical Center, and Seventy Five North as some of its institutional partners. Over 8,800 hours of educational training have been provided to our small construction entrepreneurs. This includes one-on-one technical assistance, a ten-week construction certificate program and many other types of training. Specifically addressed in the bill is a mentoring program. Our REACH Beyond Mentoring Program is supported by some of the largest and most successful general contractors in the state. It provides its participants yearlong mentoring that has resulted in long-term partnerships between general contractors and subcontractors

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and substantial growth of many of those contractors participating. Scheduled for launch in the next 60 days is contractor fit. It's an on-line platform that provides small contractors with an electronic statement of qualifications that allows general contractors and project owners to search those fields and identify qualified subcontractors to perform the projects that they have. This helps perform their initial due diligence, contractor identification, notification, and there's performance ratings that are all a part of this program. REACH has worked hard over the past five years to create programs, tools, and methodologies that every-- resulted in significant growth. And I'd be happy to answer any questions that you have about our program.

BREWER: That's perfect timing, I like that. All right. Your, your slides are good here. I probably didn't mean me to just arbitrarily pick Kiewit out, I see they're on the list here, but this REACH Program, the idea is then you take smaller businesses that are trying to get started or they're, they're operational and they mentor with one of the bigger companies and then they become subs for them on projects?

WINSLEY DURAND: So there's many different aspects, the REACH Program has three main components to it: one is education, which includes just general technical assistance, people come in, they need help, they have a pain point. We help them over those pain points. The second is mentoring, and that is for those that have been in business at least two years, they're profitable and they have the-- not only the desire for growth, but they have capacity for growth. We do extensive assessments with them and then match them with a mentor that mentors them throughout the year. And some of our entities are smaller subcontractors that participate in the program, have increased their revenues by millions of dollars over the year. I guess, our most successful created or increased their revenues from two and a half million to about six million.

BREWER: All right, thank you. Questions? All right, thank you for your testimony.

WINSLEY DURAND: Thank you.

BREWER: OK. Any other proponents? If not, we will shift to opponents. Come on up. Welcome back to the Government Committee.

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DOUG CARLSON: Good afternoon, Chairman Brewer and members of the committee. My name is Doug Carlson, Doug, D-o-u-g, Carlson, C-a-r-l-s-o-n, and I'm the deputy director and materiel administrator of the Department of Administrative Services. I'm here today in opposition of LB1218. While this bill has a noble cause in trying to assist underutilized businesses, as we have seen many times before with legislative proposals to bring preferences to various groups, the bill asks us to create a system of preferences that are both complex and counter to cost effectiveness. This agency is opposed to any preferences or priorities given to certain factors due to the fact that they limit competition and drive up costs to the taxpayers. Our agency's perspective is that we operate in a global marketplace and this transparent and open competition is good for the taxpayer. This agency continues to work very hard to reduce the tax burden on its citizens while also providing a high level of service to those same citizens. We cannot both reduce taxes and provide the level of services that our citizens have come to expect without making every effort to reduce cost to run state government. A competitive and open bidding process is one of the ways we reduce costs, in part by leveraging our buying power as it drives down the cost of goods and services and increases the quality of those goods and services. This agency has a responsibility of reducing government spending. That goal is-- excuse me, that goal is aligned with increasing the amount of tax funds that can be returned to Nebraska citizens in the form of additional services or tax relief. LB1218 also includes an elaborate process for pre-identifying a subcontract plan, ongoing monitoring of those subcontracts, auditing of the compliance with the subcontract plan, and requires contract amendments should any subcontract plan require change throughout the life of a prime contract. Currently, our agency has no involvement with the subcontractors as there is no contractual relationship directly with the state. The bill also requires the state to audit the contractor's compliance with the subcontracting plan, which creates layers of bureaucracy counter to good government. The required process created by this bill are untenable with the existing work force. State Purchasing Bureau manages all contracts statewide that are \$50,000 dollars or above. We either bid goods or services contracts out on an, on an agency's behalf or review their proposed bids prior to being released with some exceptions. Currently, State Purchasing is handling in excess of 680 active contracts. All those by being accomplished by staff of 13 teammates. State Building Division manages 80 contracts with contracts attached to most. Those contracts-- projects are being handled by a staff of seven teammates. The bill also proposed significantly reduced

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short turnaround time for payments being made to the contractors and subcontractors, which deviate from the existing Prompt Payment Act. Such requirements would require manual changes the state's enterprise accounting system to accommodate those changes. Invoice approval processes are decentralized and require review and approval by staff who receive such goods or services before being submitted for the payment process. Every current level approval is necessary to ensure proper internal controls with a separation of duties required by the State Auditor and the government accounting standards. The end result of the bill is clear, it's greater cost to the taxpayers. I'd be happy to answer any questions.

BREWER: OK. Again, I appreciate you taking your five-minute speech and turning it into a three-minute speech.

DOUG CARLSON: Yes, sir.

BREWER: But OK, so in essence what you've said is that the bill is fundamentally, for a lack of a different term, flawed to where even with amendments or tweaking, you really are not gonna be able to get where you need to be so the bill doesn't hurt your ability to, to do what you do and that's the bottom line on it. Is that kind of where we're at?

DOUG CARLSON: That's correct.

BREWER: OK. Questions? Yes, Senator Hilgers.

HILGERS: Thank you, Mr. Carlson, for being here.

DOUG CARLSON: Yes, sir.

HILGERS: What is the Prompt Payment Act, what's the timing of payment?

DOUG CARLSON: Forty-five days.

HILGERS: Forty-five days?

DOUG CARLSON: Yes, sir.

HILGERS: Is, is the concern that you're just gonna do 20 days or is the concern that it would be a deviate-- you couldn't-- having two rules is too difficult, one 45 and one 20 days?

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DOUG CARLSON: Yeah, that, that would be difficult. But the way the current system operates, it would just also create some challenges with, with accomplishing that.

HILGERS: So I mean, how, how low could you go? How fast can you do payment? I mean, I, I take Senator Wayne's point about small businesses, you know, even 45 days, that's pretty good turnaround, but for some small businesses amongst large construction projects, that, that could put them at a disadvantage in being able to perform. So how fast could you go without, without sacrificing some of the quality of the approvals?

DOUG CARLSON: You know, that's a great question and I don't know that I have an answer for you, but I, I agree with the sentiment that we should always be striving to pay our, our bills as fast as possible. We as citizens, private citizens do that and we as a state should be doing the same thing.

HILGERS: OK. Thank you.

BREWER: All right, Any more questions? Seeing none, thank you, Doug.

DOUG CARLSON: Thank you.

BREWER: All right, next opponent? Welcome to the Government Committee.

KYLE SCHNEWEIS: It's great to be here. Good afternoon, Chairman Brewer, members of the committee. I'm Kyle Schneweis, K-y-l-e S-c-h-n-e-w-e-i-s. I'm director of the Nebraska Department of Transportation. I appreciate the opportunity to come and talk to you today in opposition to LB1218. We currently administer a successful program that does support underutilized businesses like those that are targeted with this bill. Our disadvantaged business program or-- disadvantaged business enterprise program or DBE program, as I'll talk about in the rest of, of my testimony, is required by federal law and is applicable to construction contracts in which federal funds are utilized. We feel that a separate state program is unnecessary in our world and would be duplicative and could conflict with the well-established federal program. I want to provide a little bit of background on, on our DBE program. We administer with four folks, staff at headquarters, and several additional field staff who assist in monitoring the program. In fiscal year '19, we awarded \$27 million to DBE firms with our-- in our federal contracts. The goals of the program are: to ensure that nondiscrimination in the award and

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administration of our federally funded contracts; to create a level playing field so the DBEs can compete fairly for those contracts; ensure that only firms that fully meet eligibility standards are permitted to participate as DBEs; to remove barriers to the participation of DBEs; and to assist in the development of firms so they can compete successfully in the marketplace outside of the DBE program. We believe that, that passing LB1218 would result in, in the DOT having to hire a couple more folks to comply with additional requirements such as certifications, project-level goal setting, review and administration of contractor goal plans, tracking, auditing, etcetera. The proposed program could also interfere with our federal program. Just as an example, the goal setting requirements of this bill conflict with the goal setting requirements that we see in the DBE federal requirements. An additional concern is that the, the program could result in higher construction costs. And you know, the program-- whenever we see additional effort that these-- that we put on our contractors, we do see, you know, additional training and in order to understand those obligations and that can result in fewer bids, which we, we know results in higher prices. And so-- and the last thing-- and I, I had some numbers run, I mentioned earlier \$27 million we, we put out for our federal DBE program, we are seeing those same firms win contracts on state- only projects at, at the DOT where federal funds are not in place. And in fact, last year we saw \$6 million in state funds go towards those projects, which was about 7 percent of the state-only projects, so that's above our federal DBE goal of 6 percent. So we are seeing these firms compete in Nebraska, we're seeing them on federal contracts. We have a federal program that helps make sure that is the case. And as a result, I believe, we're seeing them on state contracts as well. So with that, I'll try to answer any questions that you have.

BREWER: All right, thank you for your testimony. Questions? Senator Blood.

BLOOD: Thank you, Chairman Brewer. Two brief questions. I'm not sure I heard this in your introduction, maybe I missed it, can you tell me what percentage, percentage of projects that come from your area do not have federal funding as part of the funding?

KYLE SCHNEWEIS: So I didn't-- so I don't have a number for you. I can tell you that we average about \$500 million in construction a year, give or take, and most of that has federal money on it. We do about--

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BLOOD: When you say most, you mean 75 percent--

KYLE SCHNEWEIS: We-- so we probably do \$60 to \$70 million in state fund only contracts a year out of that. The rest of our state money is used to match federal money that comes in.

BLOOD: And then the other question I have is you thought that somehow this would, would not mesh with your federal guidelines? But you weren't specific, you just put that out there and didn't really explain why.

KYLE SCHNEWEIS: So I, I mentioned an example, I'll try to elaborate on it. So the, the way the program works is we have-- we're required to set a goal for our federal funds statewide for the-- all federal funds, and we set that goal based on a series of criteria and data that's established in the federal law and in the federal program. And so we set the goal for the program statewide, then we take that program or that goal, and that goal is, is put through a legal sufficiency review in Washington, D.C. It's very-- it's something we work with federal highway on to establish what that goal is. That's the statewide goal. Then for every project we analyze that project to see, does it need an additional goal on it to help us meet the statewide goal? And oftentimes we don't. We see that that DBE firms can't compete on this project without a goal, and so we don't set a goal. And other times we see that there are-- that there might only be one firm that can compete. And we were hesitant to put a goal on there that would just self-select who that contractor would be. So when there's a middle ground where we think there's competition and firms that can perform it, we put a goal on it. And then, and then we let the, we let-- put the contract out and we, we shoot for a goal for DBEs on that contract specific, and that helps us achieve our overall goal.

BLOOD: So, so if I'm hearing you correctly and I may not be, so I'm asking for clarification.

KYLE SCHNEWEIS: Sure.

BLOOD: I mean it to me, it sounds like you're saying like, yeah, we're gonna set a goal at this level, and-- but you don't seem to be worried like above and beyond that goal is like how we're-- it's mandatory that we do a certain amount and we want to--

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KYLE SCHNEWEIS: So, so the goal of the program is, is, is to, to not discriminate, to make sure that DBE firms are not discriminated against and to not discriminate against non-DBE firms. So we set that target and we try get that target. That's what the federal program is designed to do, that's how we operate.

BLOOD: How would you discriminate against non-DBE?

KYLE SCHNEWEIS: By setting a target that is above and beyond what, what the market would support.

BLOOD: I'm sorry. And I'm not trying to be obtuse, I really am not understanding what you're telling me. OK, so I'm hearing that--

KYLE SCHNEWEIS: So, so we set a goal--

BLOOD: --you set a goal and you try to meet that goal,--

KYLE SCHNEWEIS: Correct.

BLOOD: --but you're not concerned beyond that goal, and-- but the concern beyond that goal might be that you might discriminate, discriminate against the non-DBEs?

KYLE SCHNEWEIS: So our program, the federal-- it's a federal program that we administer, OK, and the rules--

BLOOD: Yeah, I'm very familiar with the federal program.

KYLE SCHNEWEIS: of the federal, the rules the federal program are set up so that we are not discriminatory against DBE firms and also not discriminatory against non-DBE firms, so you set a goal that tries to hit a target.

BLOOD: So define discrimination, that might help me.

KYLE SCHNEWEIS: So I would-- so the goal is to make sure that, that DBE firms can be competitive. That they have-- and so we-- part of the program is we try to train, provide training for DBE firms if there's an opportunity to, to educate them to be-- to compete on our contracts. If the rules-- to help them navigate through the rules process, business plans, those kinds of things are-- we have some training that can support that. And so we, we are trying to make sure that they can compete, that the rules don't discriminate against them, and that, that firms-- all those kinds of firms have the tools they

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need to be able to compete within the rules and restrictions that the program has.

BLOOD: So how would you discriminate against the other 94 percent?

KYLE SCHNEWEIS: So-- well, if, if you were to say, OK, there's one, as an example, there's one-- and so when we look at a goal for a project, we're trying to figure out what the sweet spot is. And if there's only one firm that can perform this kind of work on this specific project in this area, there's only one, we're not gonna to put a DBE goal on that because we'd be selecting who the firm is. We'd be eliminating competition completely so we won't put a DBE goal on that.

BLOOD: All right. I'm, I'm still not quite hearing my answer, but I appreciate your attempt to try and answer it.

KYLE SCHNEWEIS: I'm sorry.

BLOOD: Yeah. All right, thank you.

BREWER: All right, thank you. Any additional questions? All right, thank you, Kyle.

KYLE SCHNEWEIS: Thank you.

BREWER: All right, additional opponents? Welcome back to the Government Committee.

CHRISTY ABRAHAM: Thank you, Senator Brewer and members of the Government, Military and Veterans Affairs Committee. My name is Christy Abraham, C-h-r-i-s-t-y A-b-r-a-h-a-m. And I guess I'll first start by apologizing to Senator Wayne, we're very sorry that we're opposing your bill. We just have a couple of concerns we'd like to raise up and address. We appreciate that Senator Wayne said in his opening that his intent is not to have mandates, that this is a good faith effort to try to contract with these historically underutilized businesses. As I went through the bill, I counted over a dozen instances where the words the government entity shall do something. And some of these requirements are not terribly burdensome, like reviewing contracts. We certainly appreciate that that's something that our entities can do. Some of them become much more burdensome. And the one I'd like to, I guess, raise up specifically is Section 7, it's on page 22. I had to write that down because I sometimes can't find my way through this bill. But as I read that section, it says that every municipality that's receiving state aid or is using a

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property tax, which I want to tell you, dear Senators, is all of the municipalities, they have certain mandates that they have to do. So this applies not only to the city of Omaha, but to the village of Ansley. And so those things are concerning to us. We are more than happy to work with Senator Wayne to reduce some of these mandates to make sure maybe they only apply to larger municipalities. So I would just offer that up as probably our greatest concern about the bill. The other concern we have-- and again, I've written down the page number, more for me than for you, is on page 13. As I read this language, it talks about that a business that's receiving a state tax incentive, and I'm picturing maybe the Nebraska Advantage Act, who are getting sales tax rebates. It says that they could get up to an extra one cent of the sales tax. Again, I'm assuming he means both state and local sales tax. That could be pretty detrimental to some communities who have a lot of Nebraska Advantage Act businesses in their community. I see my yellow light is on, I will stop. Again, we really appreciate Senator Wayne's goal. I think our municipalities want to comply with this, they want to make good faith efforts. We're just concerned about some of the language in the bill. So I'm happy to answer any questions you might have.

BREWER: All right, thank you. Quick question on the first one that you identified on page 22,--

CHRISTY ABRAHAM: Great, I'm gonna turn to it myself.

BREWER: --was that, was that line 20 then where it says "Any government entity utilizing state funds, tax credits, any tax authorized under the Constitution of Nebraska."

CHRISTY ABRAHAM: Yes, you, you identified the line. Thank you, Senator Brewer. State funds, the first thing that popped into my head is the municipal equalization funds. As this committee knows, those are funds that municipalities get for street and road improvements. We have 529 municipalities, probably close to 500 received those funds. And then the language about "any tax authorized under the Constitution of Nebraska," we think that's property taxes. That's probably everybody.

BREWER: All right. Well--

CHRISTY ABRAHAM: And that might not be Senator Wayne's intent. Again, that's how the League is reading this bill, and that's what raised our concerns.

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BREWER: Just remember, he was, he was very open in saying that he would make any--

CHRISTY ABRAHAM: Yes.

BREWER: --amendments that he could live with. So--

CHRISTY ABRAHAM: We look forward to working--

BREWER: --he seems very flexible.

CHRISTY ABRAHAM: I know. We had a lunch meeting with him on housing, he was incredibly flexible. So we will continue to work with him on any issue he would like.

BREWER: All right. Questions? All right, thank you, Christy.

CHRISTY ABRAHAM: Thank you so much, I appreciate your time.

BREWER: All right, additional opponents? Those in the neutral? Senator Wayne, welcome back. I saw you taking just feverish notes there.

WAYNE: Yes. Thank you, Chairman Brewer and members of the Government Committee. Forty-five days, I want to just go through some of the points real quick, 45 days for billing, that's just too long with technology today. You're a small business, if you can't get it out in 30 days, we got bigger problems. Most people with small businesses use QuickBooks or some kind of billing software. I don't think it's that hard with email and technology, they can forward it to the field and get, get sign offs on that. I do think it's important that from the DOT's perspective, I have no problem exempting their federal program from it. If they're doing it, I don't have a problem with it, they can, they can keep doing what they're doing. But I do think it's interesting to point out the DOT admits that it works, that he said that there are, there are firms who, who are participating in their DBE program that are now getting other government jobs. That is the point of this program. But right now, the only place we're getting those type of jobs that have these type of small business requirements in disadvantaged businesses are DOT and Offutt, that's it. We don't have a state program. And the fact of the matter, this bill does something else that I think is critical. There was a bridge reconstruction project on 13th Street, DOT didn't put any goals on it. The reason was, supposedly it was an emergency. It really was an emergency. It was college world series and zoo time, which is planned every year. But I can go to Keith County and bid on a job that has a

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10 or 12 percent DBE goal where no DBEs exist. This bill makes it require a good faith effort, but it also gives the contractor the ability to appeal the process through the APA. So it gives the contractor the, the idea to say, hey, wait a minute, Omaha's here. I don't know if that's an emergency, it's about holding people accountable. And we believe in the second house on everything else, we should believe in the second house on holding contractors accountable for not following the law. I'm willing to work with anybody on this issue. I will-- I am working on an amendment to address some of the concerns. We are trying to go after all municipalities. I think it shouldn't matter what city you're from, you should make a good faith effort to use disadvantaged businesses. But if we need to limit that to a certain contracting price to exempt maybe a village, I have no problem with that. So we will continue to work to this. I hope to have an amendment to the committee by next week. And with that, I will answer any questions.

BREWER: Well since you have identified this as, as your priority bill, we will work closely with you because we're kind of crunching up against a deadline here.

WAYNE: Absolutely.

BREWER: And we owe it to you that if you need to know the status of this so you can properly identify a plan B if need be.

WAYNE: Correct.

BREWER: All right, any, any more questions before we let Senator Wayne go? We're not gonna let you go very far because you have the next bill. Let me read the letters in on LB1218, LB1218. There was none in the neutral. You have four opponents: Eastern Nebraska Developmental Council; Associated General Contractors, Nebraska Chapter; Nebraska Department of Labor; and the American Council of Engineering Companies, Nebraska. With that, we will close the hearing on LB1218 and transition to LB918. With that, Senator Wayne.

WAYNE: Good afternoon, Chairman Brewer and members of the Government, Military Affairs-- and Veterans Affairs Committee. My name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e, and I represent Legislative District 13, which is north Omaha and northeast Douglas County. This is a very short bill. This bill will create the Commission on African American Affairs. This commission will consist of 14 members allow-- all of whom shall be African ances-- of African ancestry, who will be tasked

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with promoting state and federal legislation beneficial to African Americans in Nebraska, working and coordinating with other similar organiza-- commissions for other states, and keeping the Governor's Office apprised of the plight and well-being of African Americans in African American communities. Members will serve a four-year term and will elect a chair for the commission among themselves. The commission will be required to meet four times per year, once in January, than in April, July, and lastly, in October. This legislation is modeled after two other existing commissions already in place in Nebraska, the Indian Affairs Commission and the Latino American Affairs Commission. Lastly, the bill will ask that these three commissions conduct disparity studies on government contracting and there will be an amendment to make sure that they can do it every five or ten years. I think the bill-- the way I-- could be interpreted as every other year and it's not just gonna limit it to government contracting, I think it should be whatever the commission decides the disparity study need to be on. With that, I will answer any questions you may have.

BREWER: All right, thank you for your opening. Senator Hunt.

HUNT: Thank you, Chairman Brewer. Thank you, Senator Wayne. I am totally aware of the Commission on Indian Affairs and the Latino American Commission. And I had no idea that we didn't have an African American Commission, so that shows my ignorance and I cannot believe we don't have one. So I will just say I will be wholeheartedly supporting this bill and I hope we all do, too.

WAYNE: Thank you. Just give you some background of fairness, there was the Nebraska Equal Opportunity Commission that was started a long time ago. That was the de facto African American Commission. But their mission has changed significantly since the 70s. And so that's kind of why it was left out in limbo, because some of the previous senators before we were term limited out still remember the other commission, and they said, well, we kind of have one, but no, now we're gonna make it explicit to deal with so we can get unbiased data about what's going on in our communities.

BREWER: This will essentially mirror what we currently have with, for example, the Indian Commission, so you'll have a director, some staff, you'll focus on a number of projects that are very unique-- well, like what, what they did with the Chief Standing Bear statue and getting it to Washington, D.C., and--

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WAYNE: Correct.

BREWER: --that's--

WAYNE: Correct.

BREWER: --and, and the verbiage as far as the bill looks very similar?

WAYNE: Correct.

BREWER: So just, just so I got a snapshot of things.

WAYNE: Yep, it's identical.

BREWER: Got it. All right, any other questions? All right, thank you. And you'll stick around for the closing?

WAYNE: Yes.

BREWER: Thank you. All right, we'll start with proponents to LB918? Come on up.

WILLIAM KING: How you guys doing?

BREWER: Welcome to the Government Committee.

WILLIAM KING: Thank you, I feel, I feel very proud, very proud. Senator Brewer and the committee, we appreciate the courtesy you gave us today. I'm supporting the bill. My name is William King. I own a radio station in Omaha, Nebraska, called 95.7 The Boss.

BREWER: Could you spell that?

WILLIAM KING: William King?

BREWER: Yes.

WILLIAM KING: W-i-l-l-i-a-m K-i-n-g.

BREWER: Just for the official record.

WILLIAM KING: No problem, no problem. You know, I'm kind of nervous a little bit.

BREWER: That's all right. You're doing great.

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WILLIAM KING: OK. Like I said, I own a radio station in Omaha, Nebraska. We're the only urban contemporary station in the state of Nebraska. I want to tell you a little bit about myself, my mother, my mother couldn't read or write, but she made sure I did. I feel I have a great responsibility, I own a radio station broadcasting to the community that, that needs the most help. And so we advocate business everyday because business is necessary. Small businesses create more jobs for our people. Also, being a former probation officer for, for Douglas County, I know for a fact that jobs lessens criminality. And so I'm encouraging you guys to, to support this bill so we can get the, the data that's necessary so we can leverage that data to getting any necessary funds to go to our community to, to support small businesses. But we need a, a body in order to do that. And so we appreciate you guys, especially, Miss Hunt, for recognizing we all are ignorant at some, at some standpoint, but we also have the ability to learn from that and do what's right.

BREWER: All right.

WILLIAM KING: So I appreciate, I appreciate the opportunity. I'm gonna get out of here in about two minutes.

BREWER: Well, let's see if we got any questions for you before we [INAUDIBLE]. Senator Lowe.

LOWE: Thank you, Chairman Brewer. And thank you, Mr. King, for being here. Just a little plug, what is your call letters?

WILLIAM KING: KOWN. We are a low-power station. We came in existence under Lee Terry legislation. We took advantage of the Local Community Radio Act.

LOWE: And where can it be found on the radio?

WILLIAM KING: 95.7 The Boss. We're in Omaha, so if you guys in Omaha, [INAUDIBLE].

LOWE: That's all I wanted to say.

WILLIAM KING: I appreciate it.

BREWER: Nicely done, helped out. All right, any other questions? If not, thank you for your testimony.

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WILLIAM KING: Thank you.

BREWER: And thanks for your patience. OK, LB918, any other proponents? Welcome to the Government Committee.

YUSUF KAFELE: Good afternoon. My name is Yusuf Kafele, Y-u-s-u-f K-a-f-e-l-e, representing Black Men United, also an advocate for the reentry program dealing with returning citizens as I am one myself. I'm also a public speaker. When I heard about this, I too was surprised. I just kind of took for granted there were [INAUDIBLE] whatever name it was given, I just kind of took for granted there was somebody someplace I can call the commission on the affairs of black family or African affairs. When I say African, I use Africans interchangeably with blacks so for you all don't get lost on that one. But I was thinking about something that John Henrik Clarke said, a great historic African historian, John Henrik Clarke said that power need rehearsal. And I think this commission, what it does more than anything, is gives us as African black people in the community, the rehearsal, the power. You look around here all the time, you see these type of meetings and events, you see very few black people because we're not that engaged. We-- that's why we don't feel so American, so Nebraskan, so "Omahan," we need something that we'll be able to galvanize or to spark some type of fire to where we can be more involved. This won't solve the problem, it's only a Band-Aid, putting a Band-Aid on a piece of, of a wound that will at least heal that piece of the wound. We put enough bandages on it, pretty soon the wound will not allow us to bleed to death. I was sitting down thinking about some, some of the things that I might say coming up here and my woman's granddaughter, she was eating-- I can't remember, I think it was strawberry something, and she was eating it for the first time, and she was like, and it was so good to her. Well, that, that ain't nothing, that's my example. See to her, it was great. This will be great for us to just even get in the door, to lift us up, to give us some type of excitement, because to her, it was her first try at rehearsal. With me, I didn't think that strawberry was something else, 57-years-old, countless, hundreds of times. So as John Henrik Clarke said that as African people more than anything we need rehearsal of power. Let, let us feel more Nebraskan, let us feel more American. I tell you, a lot of black folks, African people, they don't even feel American, not involved, not engaged, don't know how to get engaged. At least with this commission, we have a foothold to where we can involve a community, go to the community, and maybe the community would begin to come to us as well. Because this is not about isolating specific

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ethnic group because we can't do this in a vacuum, but give us a chance. We need this as a community. Oh, boy, do we-- I thought it was already there, so we're behind. So as John Henrik Clarke said power need rehearsal. Give us a chance at rehearsal and some power that not only gonna benefit us as a people because we, as African people, the African mission statement says we must put our best foot forward and in putting our best foot forward, we have nothing to fear. What does anybody have to fear if I have power, if I'm putting my best foot forward, that meaning that this power is still shared with all. Let me be at the table is all I'm asking.

BREWER: All right, thank you for your testimony. And I, I probably need to share with you that I've worked very closely with the Nebraska Indian Commission and in part of what we did, of course, was focus on scholarships. We, we developed a youth leadership program for our youth. We worked on a, a number of methods of organizing activities. And so I think what you're asking for is exactly what it was intended to do. So thank you for your testimony.

YUSUF KAFELE: You're welcome.

BREWER: Questions? All right, thank you.

YUSUF KAFELE: You're welcome. Thank you.

BREWER: All right, additional proponents? Welcome to the Government Committee.

JUANITA JOHNSON: Good afternoon, Senator Brewer and--

BREWER: You have been very patient.

JUANITA JOHNSON: --the rest of the committee. My name is Juanita Johnson, J-o-h-n-s-o-n last name, first name J-u-a-n-i-t-a. I, I stand here to represent two organizations, one called Long School Neighborhood Association and the other 24th Street Corridor Alliance, both in Omaha, Nebraska. The Long School Neighborhood Association is located in north Omaha from Hamilton on the south to Erskine on the north, North 24th Street on the east and the north freeway on the west. And it has a total of more than 30 blocks. Houses started getting built in the neighborhood as early as 1860. However, it wasn't until Long School was built that things really got underway. This is a brief history about the Long School Neighborhood Association; 24th Street Corridor Alliance was founded by Juanita Johnson; 2017 the

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organization received their 501(c)(3) status from the U.S. Internal Revenue. The organization mission is to build relationships between businesses and residents whom reside on North 24th Street for the purpose to increase commerce and solidarity. Our vision is modeled after places and things that existed on the corridor before the riots, with the consolidated effort to restore North 24th Street back to its glory days. Areas between North 24th and, and North 30th from Hamilton North to Lake Street were important blocks, and they established historical significance to the Omaha and the community. During 1880, North 24th became a vital commercial and entertainment area. Working class people mingled freely with the wealthy in the commercial strip along North 24th Street. Today, entertainers and others return to the community as a badge of honor in support of native Omaha days, this biannual event generates revenue to the city of Omaha. This is a brief history about the 24th Street Corridor Alliance to, to illustrate the importance of this organization and the role it plays to north Omaha and the city of Omaha. Today, Long School and 24th Street Corridor Alliance stand collectively together in support of this bill because it will restore hope in our community. Thank you.

BREWER: Thank you. And thanks for the, the history. All right, any questions? Seeing none, thank you. OK, proponents? Welcome to the Government Committee.

CRAIG BECK: Good afternoon, Chairperson Brewer and members of the Government, Military and Veterans Affairs Committee. For the record, my name is Craig Beck, C-r-a-i-g B-e-c-k, and I am the fiscal analyst at OpenSky Policy Institute testifying today in support of LB918. OpenSky supports the creation of Commission on African American Affairs for a couple of reasons: first, we support the proposed functions of the commission because fiscal policy has implications for racial equity and a commission could play a pivotal role in advancing interests of the African American community in Nebraska on that front; second, we believe the commission could help collect new data, particularly related to the African American community, that could be helpful in analyzing policy and the impact on racial equity. The way state and local governments raise and spend revenue has a major effect on racial and ethnic equity, and fiscal policy can impact racial disparities. Working to ensure fiscal policies provide equal opportunity for all Nebraskans helps to promote prosperity. Fiscal policies did not need to be explicitly race-based to worsen or perpetuate racial inequities. Some legislation, such as income tax cuts, can exacerbate such inequities. Tax cuts in North Carolina in

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2013, for example, resulted in white North Carolinians receiving 81 percent of the benefits, despite being only two-thirds of the state's population. Similarly, according to an October 2018 report by the Institute on Taxation and Economic Policy, the Tax Cuts and Jobs Act passed by Congress in 2017 overwhelmingly benefited white Americans who are three times more likely to be among the nation's wealthy. Considering these examples, OpenSky believes it is vital to ensure that no unintended negative effects are imposed upon communities of color and the commission in LB918 could play a pivotal role in promoting economic prosperity and equity for the African American community in Nebraska. OpenSky has identified several policy areas where we believe the commission could be especially impactful since changes in the tax code often serve to increase or temper racial disparities. The commission could be helpful in examining how health, education, and transportation policies impact racial inequities within the state, and having access to more data would help the Legislature have a better informed debate surrounding these issues. For these reasons, we support the creation of the Commission on African American Affairs. And with that, I'm happy to answer any questions the committee may have. Thank you.

BREWER: All right, thank you, Craig. All right, questions? All right, seeing none, thank you. All right, additional proponents?

LAZARO SPINDOLA: Good afternoon, Chairman Brewer--

BREWER: Good afternoon and welcome back.

LAZARO SPINDOLA: --and members of the committee. Thank you very much for receiving me this afternoon. I, for the record, my name is Lazaro Spindola, that would be L-a-z-a-r-o S-p-i-n-d-o-l-a, and I am the executive director of the Latino American Commission. And I am also testifying on behalf of the Indian Affairs Commission. They could not be here today, but I have spoken with the director and our feelings are similar on this issue. I am here in support of LB918. African Americans have higher rates of unemployment than non-Hispanic whites, lower educational achievements, lower incomes, higher poverty levels, higher rates of teen pregnancy, higher rates of infant mortality, and mortality caused by heart disease, stroke, HIV/AIDS, cancer, and homicide, higher rates of food stamps and SNAP beneficiaries. These type of disparities have existed since the beginning of our state and they persist today. What African Americans do not have is a state agency that will educate our state representatives on these issues, study the underlying causes, propose programs and policies to solve

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them, analyze whether the solutions are effective, and report to the Legislature on the results. So far, the needs of the African American community have been studied by a cluster of agencies with very little input from the community itself. The solutions have also been drafted and are implemented mostly by known African Americans. In my days doing public health, we used to say or comment that we were dealing with brown problems with white solutions. I urge you to advance LB918 out of committee. And I'll be happy to try to answer any questions that you might have.

BREWER: All right, thank you for your testimony. And thanks for filling in for Judi, I'm sure she appreciates it. Questions? All right, seeing none, thank you for your testimony. All right, additional proponents?

ROSE GODINEZ: Good afternoon.

BREWER: Can I get you to turn in the green slip?

ROSE GODINEZ: Oh, yeah.

BREWER: It's government procedures here.

ROSE GODINEZ: OK.

BREWER: Welcome.

ROSE GODINEZ: Thanks. Hi, my name is Rose Godinez, spelled R-o-s-e G-o-d-i-n-e-z, and I am legal and policy counsel at the ACLU of Nebraska testifying in favor of LB918. We'd first like to thank, Senator Wayne, for introducing this legislation, which creates a long overdue Commission on African American Affairs and a study on disparities in government contracting allocations on such a timely month that is black history month. The authors of the Declaration of Independence outlined a bold vision for America, a nation in which there would be equal justice for all. And 200 years later, we have yet to achieve that mission. The enslavement of those of African descent marked the beginnings of a system of racial injustice from which our country and our state has yet to break free. Still, through generations of activism and creations of commissions such as the one contemplated by LB918 will lead to important gains and legal, political, social, educational spheres. And while I'm not speaking on behalf of the Latino American Commission, I am privileged enough to be on the commission. And I want to share a little bit about my personal

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experience being on it. And as a Nebraska-raised Latina, having a state made commission provides me with a medium through which we can influence policy and influence law. It also gives us a sense of belonging in this capital and the state which we call home. So for those reasons, we urge you to advance this bill to General File.

BREWER: All right, thank you for your testimony. Any questions? All right,--

ROSE GODINEZ: Thank you.

BREWER: --thank you, again. OK, any additional proponents? Any opponents? Come on up. Oh, proponent. OK. [LAUGHTER] Don't let them harass you, you're doing good. All right.

DAVID MITCHELL: Hopefully, you can read my handwriting, I swear it's not as terrible as my speech.

BREWER: OK. Welcome to the Government Committee. Whenever you're ready, go ahead and begin.

DAVID MITCHELL: Well, first off, my name is David Mitchell, D-a-v-i-d, last name is spelled M-i-t-c-h-e-l-l. I'm a small business owner here in Lincoln, also in Omaha, Nebraska. And I'm actually in favor of this bill, not, not opposed to it, but for in favor of this bill, LB918. And a reason why I'm in favor of this bill is because African, the African American community, especially in a city that I'm in right now, Omaha, Nebraska, is very underrepresented. And I think is a lot of, like one of the brothers had previously brought up, a lot of us is not-- we really don't feel like we have a seat at the table right now because a lot of us don't feel connected with any type of political figure, maybe like one or two of them, but we really don't feel like we have any power to make change within our own community. Now I want to bring up something that happened a couple months ago back in December, the Nebraska Farm Bureau, which they actually voted, 176 to 1 for the right to repair bill, was able to get pushed through on their behalf because they actually have a whole committee behind farmers and they was actually able to help, and they was actually representing 58,000 families here in the state of Nebraska. And we're long overdue, we're 50 years behind right now. I mean, we have the-- a commission right now for the Native American Indians. We have a commission right now for the-- for our Latino brothers and sisters, but we don't have one for African American people. Arizona, Pennsylvania, Washington State, Kansas, Colorado, Texas, North

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Carolina, and many more states also already have a commission already set in place for African American people, but Nebraska still doesn't have one. The Journal Star actually just, actually just published an article about the disproportionate traffic stops amongst African American males and females. Lincoln has 4.3 percent of African American people and it's disturbingly, and disturbingly we are 11 percent more likely to be pulled over and we really have no-- none of these people are able to come forth and bring forth these numbers to a commission and say, hey, this is what's going on. We're being disproportionately pulled over and we have no means to go to someone and explain what we're going through. That's why I really like what Senator Chambers is trying to bring forth with the police racial bias training. I think that's a good step in the right place. And I also believe LB918 is a perfect step in the right place. So I was a little bit nervous, but hopefully I wasn't too bad.

BREWER: Well, you, you, you didn't show it. Just to kind of follow up on what you're saying here and to kind of give you an example of how this would maybe carry over with what is currently happening with Nebraska Indian Commission. Part of the problem with the, the native community is it's very divided in that you have the-- you have the Winnebagos, you have the Ponca, you have the Omaha, the Santee, and they're in different places, so you have the Sioux in the west, but at no point did they ever come together to consolidate ideas and, and want to work toward an end goal. And so what the commission does is it gives you the ability to do just that and have one voice, so tracking exactly with what you're saying.

DAVID MITCHELL: Yeah, and that's why I'm heavily in favor of this bill is because we need as a community to be able to go to a body of people that represents that community. And we need to go over and have an agenda and a plan for our community. There was just, there was just something that was just put in place, I know, especially in north Omaha, where they're trying to study the mental health of young African American males, which I'm hugely in favor of, but the problem stems-- what the problem with that is, when they actually came into our community, the first thing they was trying to push is medication instead of talk therapy. I mean, you get these people that come in our community trying to push Ritalin, Metadate onto the youth instead of pushing talk therapy, that's, that's an issue. So that's why I believe the community needs to come to the table and sit down with a group of people and be able to have a say so on what's happening to our-- in our community and also with our youth. Ritalin, just a fun fact, is

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actually a Schedule II drug next to cocaine. And these is the drugs that's being pushed onto the youth into our community. And we really had no say so because we didn't have a committee, a committee or a board to come together and speak about it.

BREWER: Well, again-- any questions? Thank you for your testimony. You did a good job and don't let them give you a hard time and not give you a ride home.

DAVID MITCHELL: Thank you.

BREWER: All right, any additional proponents? Let see, I'm, I'm scared to ask again, do we have many opponents? Good. Any in the neutral capacity? All right with that, we'll invite Senator-- oh, and Senator Wayne waives. Basically, what that means is, is you proved his point, he doesn't have to get up here and say anything else. I do need to read some letters in though: we have no opponents; none in the neutral; and we have four proponents for LB918. With that said, we are gonna shift gears to LB1068 with Senator Hunt. And I think I'm gonna open my second Red Bull. We'll give it a minute here to clear out. All right, we're gonna have, we're gonna have a couple of requests. I have a hunch that if it-- if the people in the room represent the letters in support and opposition, we have a lot in support and a few in opposition, if your testimony is really kind of a mirror image of the others, let's make sure we cover all the issues and all that, but for your sake, you know, we'll, we'll listen as much as you want, but there'll be a point where we probably will be a little repetitive. Anyway with that, Senator Hunt, welcome to the-- your Government, Military and Veterans Affairs Committee, whenever you're ready.

HUNT: Thank you, Chair Brewer and my fellow members of the Government, Military and Veterans Affairs Committee. My name is Senator Megan Hunt, M-e-g-a-n H-u-n-t, and I represent midtown Omaha in the neighborhoods of Dundee and Benson. And I'm here today to present LB1068. This bill establishes a voluntary registration for educated and qualified interior design professionals that will grant a much needed construction document stamp for permitting those qualified-- for permitting to those qualified design professionals. This bill is a long overdue piece of legislation for the design and construction industry in Nebraska. I'm excited about this bill because it will bring more choice to consumers and more economic mobility and opportunity for the many small business interior design firms across the state, most of them women owned. There are 313 interior design establishments in Nebraska and 300, that's 96 percent of them, are

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solo practitioners or firms of 4 or fewer employees. And nearly 90 percent of interior designers in Nebraska are women. These are entrepreneurs running very small businesses that really need LB1068 to pass. I'd like to take a few moments to illustrate for the committee the problem this bill seeks to solve. Let's say an interior designer is brought in to renovate a restroom in a large hotel here in Lincoln, no load bearing elements will be altered in this renovation. To comply with Americans with Disabilities Act requirements, this designer must draft a design that relocates fixtures, moves support handrails in handicapped stalls, and perhaps expands the size of the bathroom to allow for wheelchair or walker access by pushing a non-load-bearing, nonstructural wall back by a few feet. This is a very typical normal job for a commercial interior designer. These are activities that interior designers are educated, trained, examined, and already qualified to do. Several of these activities require a building permit before construction may begin once the design is complete. An architect or engineer can use their stamp and seal and proceed to get a permit for the client to start construction. An interior designer, on the other hand, has no stamp or seal by law. They must go to an architect or an engineer, work under the, quote unquote, responsible control of the architect or engineer, and then have that architect or engineer stamp their drawings and then proceed to complete the project. The designer often must pay for the architect or engineer service anywhere between 1 percent of their fee, up to 15 percent depending on the size and complexity of the project. Interior design small businesses should not be required to hire or contract out to an architect or an engineer to complete projects for which they're not absolutely required. This needless and antiquated bureaucracy is a problem for interior designers and for consumers who must pay higher fees for these extra needless steps. LB1068 will end this unnecessary bureaucratic process by allowing these designers to get their own stamp for their own work. LB1068 very clearly describes what interior designers will and will not be able to stamp independent of an architect or an engineer. There will be no confusion. There will be no threat to public safety. The practice of interior design described in this bill is specific and is limited to nonstructural and non-load-bearing interior design elements and explicitly excludes the engineering of complex building equipment like HVAC systems which interior designers are not qualified to design. The scope of interior design practice described in LB1068 is well within the competencies of interior designers as determined by their education, training, and examination. When I talk about interior design, this is not the profession that you might see portrayed on TV, focused solely on

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paint, pillows, aesthetics, and other decorations. What I'm talking about here are tested, qualified building scientists who are trained to independently design the work that LB1098 [SIC] specifically describes. Though this bill allows the State Treasurer to select the qualification exam for these registrants that is best in keeping with the values and needs of the state of Nebraska, 26 out of the 27 U.S. states which currently regulate interior design, choose the National Council for Interior Design Qualification or NCIDQ Exam. Prior to sitting for the NCIDQ, the applicant must complete a rigorous combination of postsecondary schooling and supervised field training and then sit for an 11-hour, nationally recognized comprehensive exam. This exam tests on core design and life safety competencies including: building systems and systems integration, regulation, building and safety codes, and accessibility standards, contract documents at administration, construction standards, design application, professionalism and practice, and project coordination. Other subjects include: construction drawings and specification, technical drawing conventions, programming and site analysis, furniture finishes, equipment and lighting, building systems construction, human behavior in design environments, and project communications. So you can see this is not just picking paints and picking pillows and designing something pretty for somebody. Furthermore, I love this bill because it's strictly voluntary and it won't obstruct the practice of any other profession currently practicing. It does not create a mandatory license and it will not impact those who are engaged in strictly decorative services. And it will not impact any commercial or residential designer who does not want to obtain a construction document stamp. If designers don't want to get a stamp and they want to continue on as they do now, going to the architect or the engineer to stamp their projects, nothing will prevent them from doing that. Currently, the interior design profession is regulated in 27 states, 2 federal jurisdictions. These regulations range-- and most of the bills in these other jurisdictions have bipartisan support. So I would hope that you agree to advance this bill. I'd be happy to answer the questions, but I know there are many experts behind me who can speak from more experience than I can, although I've done quite a bit of research on this bill. Oh, and I also have a-- what is this, this is an amendment, right? Yes. I would like to pass this out, too. We had a Drafting mishap, but we're gonna fix that. Thank you.

BREWER: So something small and technical?

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HUNT: Something very small.

BREWER: Very small.

HUNT: Yes.

BREWER: All right. Well, thank you, thank you for your opening. Let's run through and see if we have some questions? Yes, go ahead,--

LOWE: Thank you, Chairman. And thank you,--

BREWER: Senator Lowe.

LOWE: --Senator Hunt. You said that they must do after secondary education, they go on to other education.

HUNT: Um-hum.

LOWE: Can you tell me what that is?

HUNT: Sure. As far as I understand, and if someone behind me can correct me that'd be great, but I believe that it's postsecondary schooling and then they have to do supervised field training. So an apprenticeship type of thing and then they have to sit for an 11-hour exam, which is federally recognized.

LOWE: I'll ask questions later.

BREWER: And if this needs to be someone behind you that I ask this to, please just, just let me know. But-- so you have the blueprints and the, the engineers, the architects, they've done their magic to things, and now the part that the interior designer's gonna do would just simply have a, a, a stamp with that then would show that they are part of-- I don't know what exactly, this qualified group, and, and that then will let anyone know who's having the construction done that it's official and that they're--

HUNT: That someone's gonna be doing this work who's qualified.

BREWER: Right. OK. All right. Well, I'm assuming you're sticking around for close?

HUNT: Yes.

BREWER: Good. All right, we'll start with proponents? Yes, actually, I was getting that from both directions here. OK, but before you start,

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a real quick, we're, we're trying to do a quick head count here, how many are planning to testify that are in the room now? Just a raise of hands. All right, we'll, we'll be OK, we'll make it work. To, to everyone, I know it's been a long afternoon, thank you for your patience. And we're gonna, we're gonna get through it. We just can only go about so fast. But with that, welcome to Government Committee and you may begin whenever you're ready.

JESSICA DOOLITTLE: Thank you, Chairman Brewer and senators of the committee. My name is Jessica Doolittle, J-e-s-s-i-c-a D-o-o-l-i-t-t-l-e. I have a copy of my testimony. I'll try to, in the essence of time, shorten my testimony, also allow for some more questions you can ask me that I might know a little bit more than Senator Hunt. I am a professional interior designer. I work at HDR in Omaha. I'm here testifying on my behalf, not on behalf of HDR, but I'm also testifying on behalf of hundreds of interior designers across the state of Nebraska. And I'm here to ask for your support of LB1068. I graduated from Lincoln with a four-year degree and I received my Bachelor's of Science in Interior Design. I have taken the NCIDQ and passed that exam and I have worked for 25 years in the industry, in the commercial industry. I work on a wide variety of projects from hospitals, education, coffee shops, corporations, and those projects range from maybe 1,500 square feet to almost 900,000 square feet. And I've worked at large firms and I've worked at small firms. And at one point I even owned my own firm. So I truly appreciate how this legislation will help interior designers who have their own small business or work in firms in order to retain control over the work that they perform and do day-to-day without affecting-- having impact on the client either in fee or schedule. I'd like to explain what I do as an interior designer. So I meet with clients to assess their needs and their requirements for their spaces. I space plan, arranging their program of interior spaces into a thoughtful, efficient floor plan. I design interior elements including reception desks, nurse stations, wall elements, ceilings, and soffits. I select materials for those interior environments including flooring, wall finishes, window coverings, and acoustic ceiling systems. I also sometimes select light fixtures, sinks, faucets, and furniture, and upholstery. And that's the creative side of what I do, but there's the technical side. And for everything that I design and select, I have to document those decisions and selections. I work on floor plans, reflected ceiling plans, elevations, details, sections, finished plans, material legends, and specifications. And I coordinate with other design professionals, including architects and engineers. And the majority of

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the work I do requires a permit. But when I lay out those interior spaces, I have to know that corridors require minimum widths, doors require clearances on the push side and the pull side to meet ADA, Americans with Disabilities Act, toilets require that the clear floor space of the toilet cannot overlap the adjacent sink and that grab bars are required and what those grab bars are and that there is a five foot clear turning radius. When I design a nurse station, I have to detail how it will be constructed, making sure that I again have ADA access that it doesn't encroach into the clear corridor width, and be cognizant of privacy issues from patients and family caregivers. So with my education and my work experience and examination, I'm a qualified interior designer working in code impacted environments. And I ask that you support LB1068. Thank you for your time. And if you have any questions, I'll be happy to answer them.

BREWER: Well-- and thank you for this--

JESSICA DOOLITTLE: Yes.

BREWER: --because it, you know,--

JESSICA DOOLITTLE: Yep, it's a bit short.

BREWER: --I got to compress you when you weren't expecting to be compressed in your opening.

JESSICA DOOLITTLE: That's all right.

BREWER: Some of the letters I've got would lead one to believe that this would be a incredibly dangerous thing. In the opening when Senator Hunt talked about it-- and, of course, safety needs to be an issue, but what you're doing doesn't change load-bearing walls, electrical positioning, things that, that might be an obvious safety issue?

JESSICA DOOLITTLE: Correct.

BREWER: So-- all right, so it doesn't look like the world will end quite as quick. Any questions?

JESSICA DOOLITTLE: Would you like me to--

LOWE: Yes.

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BREWER: Oh, sorry, I keep ignoring you. Senator Lowe.

LOWE: So does my wife.

BREWER: Yeah.

JESSICA DOOLITTLE: I will not, I promise.

LOWE: OK. Thank you very much. I, I asked Senator Hunt about the postsecondary education, and then she kind of alluded there might be an apprenticeship or you work underneath somebody. Can you answer that?

JESSICA DOOLITTLE: Correct. So you, you have a postsecondary education, I went to Lincoln, it's an accredited program, one of two in the state. During your schooling, you do have an apprenticeship, an internship with a firm. You can have one or multiple if you're lucky to do so. And then you gain work experience by working under, you know, qualified designers. And then once you meet minimum requirements for that, you can sit for the exam and take the exam.

LOWE: What, what is the minimum requirements?

JESSICA DOOLITTLE: For?

LOWE: To take the exam before you can get experience?

JESSICA DOOLITTLE: If you-- it varies a little bit on-- for a four-year degree, you've got two, two years of work experience and other hours related to that. Not 100 percent sure what those hours are, but the CIDQ website will have that and we can make sure that Senator Hunt has the exact qualifications for what those are.

LOWE: Thank you.

BREWER: All right, any additional questions? All right, thank you.

JESSICA DOOLITTLE: Thank you.

BREWER: You did a good job of explaining it. All right, next proponent?

JAY DAVIS: Good afternoon, Senator Brewer and members of the committee. Been a long time since I sat in front of one of these. So a

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little background, I am a retired building official from a small jurisdiction on the eastern part of the state.

BREWER: Your, your name--

JAY DAVIS: I forgot my name. You know what,--

BREWER: --and spell it.

JAY DAVIS: --I did the last time, too. Jay Davis,--

BREWER: Jay.

JAY DAVIS: --J-a-y D-a-v-i-s.

BREWER: Thank you.

JAY DAVIS: I'm so excited to be back. I forgot how to handle it.

BREWER: Drive on.

JAY DAVIS: See what happens. So I'm actually here representing myself, although I'm representing myself as a former building official because I worked a lot with interior designers and architects. A few of my friends who are still in the business still talk to me in the interior design, asked me to come down and say a few words so the very basic beginning is it's a start for them to get a little more recognition than what they currently get in their profession. They are talented, they are very knowledgeable, but they are not structural engineers and they are not architects. And that's a very distinguishing factor that has to come into this. That while they would be granted the permission by law to stamp their own drawings, they can't step outside the lines of what's in the Architects and Engineers Act. And as a building official, we're very concerned about that because life safety is our game. That's kind of what we like to keep people alive and safe, and that's sort of a strange thing. But the building official themselves at the time of plan review would have an awful lot of oversight as to whether that's actually an acceptable plan with an acceptable seal or if another party architect or engineer needs to be involved. So from the very basic beginnings of it, it's important to them to give them a little more credibility in the industry. They do a fine job, they do a great job, actually. I know some interior designers and I know people in back of the room don't want to hear me say this, that can do better work than some architects I know. So it's very important that-- to give them that little bit of credibility. The other side of it is it's

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voluntary. We like registration, I did when I was at city of Omaha, because registration gives me a chance to go back to somebody who did something wrong. Licensing of contractors is one in Omaha, which nobody liked. But at the end of the day, it was a, it was a, it was a good thing for the community. And that's really what's important to what they're doing. So I've been here too many times. I'm gonna keep it right here. We're done. I'll take any questions anybody might have.

BREWER: All right. Well, thank you for that testimony. Senator Blood.

BLOOD: Thank you, Chairman Brewer. And it's nice to see you again, Jay.

JAY DAVIS: Thank you.

BLOOD: And say hello to Deb for me, please.

JAY DAVIS: Yeah, I will. I'll tell her that.

BLOOD: So I just, I just want to get this on the record. So you worked for the city of Omaha, right?

JAY DAVIS: Twenty-two years.

BLOOD: For 20--

JAY DAVIS: Two years.

BLOOD: Twenty-two years and--

JAY DAVIS: Yes.

BLOOD: --16 of those years you were the--

JAY DAVIS: I was the guy that all the garbage landed on, yes, the top of the pile.

BLOOD: What was your exact title?

JAY DAVIS: [INAUDIBLE]. My official title was assistant planning director and superintendent of the Permits and Inspection Division.

BLOOD: And what did you do prior to that?

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JAY DAVIS: I worked with architectural firms in my younger days, and actually I'm a photographer, which is where I prefer to keep my life, but--

BLOOD: And your photography is beautiful, but that's a different bill [INAUDIBLE].

JAY DAVIS: Thank you.

BLOOD: I, I just want to make sure that people understand the expertise of where you come from because you always make light of it and you are most definitely an expert. So--

JAY DAVIS: Well, thank you. I, I don't consider it that way anymore. I, I, I do enjoy the business still. And which, by the way, on the way in, I counted five building code violations on the temporary structure, just saying. I still look. So-- but thank you.

BLOOD: Thank you, Jay.

BREWER: You're talking about here at the Capitol?

JAY DAVIS: What's that?

BREWER: You're talking about here at the Capitol?

JAY DAVIS: Yes, sir.

BREWER: Oh, reassuring. [LAUGHTER]

JAY DAVIS: I will come back here. Just saying, you know, I notice these things still.

BREWER: No, appreciated the, the attention to detail. All right, no additional questions. Thank you, Jay.

JAY DAVIS: Thank you, sir.

BREWER: OK, next proponent? Welcome to the Government Committee.

KENDRA ORDIA: Thank you, Chairman Brewer and members of the Government, Military and Veteran Affairs Committee. My name is Kendra Ordia, K-e-n-d-r-a O-r-d-i-a, and I'm an assistant professor of Interior Design at the University of Nebraska-Lincoln in the College of Architecture. I'm here today giving my testimony in support of LB1068 as my personal perspective as an educator and not representing

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the department, the college, or the university. I hold a Bachelor's of Science in Interior Design Degree from the University of Nebraska at Lincoln and a Master's of Interior Design from the University of Texas at Austin. I practiced as a registered interior designer in a range of firms in Texas for about 12 years, and I've been involved as an interior design, interior design educator for 7 years. I returned to Nebraska last year for my current academic position, and I'm proud that UNL's interior design program is one of two accredited programs in Nebraska. My role as an interior design educator is to properly prepare students for entry level positions in the professional work force, but also prepare them to be the next generation of interior designers able to critically address the future practice of interior design and evolving in dynamic social, economic, and environmental systems in our communities. This requires the creative application of technical knowledge so that all people can safely, efficiently, and functionally use space. We build this knowledge by studying systems of ergonomics, building and life safety codes, sector specific building regulations, environmental behavior, social factors, lightings, acoustics, products, and materials to name a few. These technical systems are simultaneously addressed as designers position aesthetic, cultural, and contextual systems necessary to establish a sense of place. Supporting this bill is necessary and appropriate action to line with the credentials and responsibilities that are earned for those who have an accredited degree, monitored work experience, and have earned a national review gatekeeping certification through the Council of Interior Design Qualifications or the NCIDQ Exam. CIDA, much like the National Architectural Accrediting Board for architectural education establishes our standards that we abide by in the interior design education, and these align with the guidelines that CIDA has put forward. It's important to note in regards to the examination that students must have graduated from a CIDA accredited program or have 60 semester credits of approved interior design courses with an additional 3,522 work hours under a qualified NCIDQ professional. Conversely, a person with an architectural degree would need about 3 years or 5,280 work hours for that same exam. From an educator's perspective, LB1068 is important for maintaining our state's talent in knowledgeable interior designers. Often our students are moving out of state to pursue job opportunities in those states that statutorily recognize the profession. And more importantly, allow them to practice as recognized professional to the fullest of their educational capabilities. I know this from personal experience. The passing of LB1068 will encourage our designers to stay in Nebraska and invest in their-- building their careers being at a larger

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multidisciplinary design firm or starting their own practice. This bill will open the door for many more possibilities for our interior designers. And I'm happy to answer any questions.

BREWER: All right, thank you for your testimony. And I, I would say you, you are very qualified. You have both the Bachelor's and a Master's and now you teach it.

KENDRA ORDIA: I do, yes. And I've also passed the NCIDQ Exam as well.

BREWER: Well, since you've, since you've gone down that road, that test takes how long to complete?

KENDRA ORDIA: At the time I took it, it was, it was spread over three days, but it is equated now to about 11 hours of total time that you're in the actual exam.

BREWER: OK, Questions? Yes, John Lowe.

LOWE: Thank you, Chairman Brewer.

BREWER: Sorry.

LOWE: And thank you for being here today. You stated that Lincoln is one of the places for the accreditation.

KENDRA ORDIA: Correct.

LOWE: What is the other school?

KENDRA ORDIA: UNK's program. The Army is also accredited.

LOWE: Thank you very much.

BREWER: All right, thanks for pointing that out. All right, thank you for your testimony.

KENDRA ORDIA: Thank you.

BREWER: Laura, welcome back.

LAURA EBKE: Thank you, Senator Brewer. Chairman Brewer, members of the committee, for the record, my name is Laura Ebke, L-a-u-r-a E-b-k-e. I'm the senior fellow for job licensing at the Platte Institute. I'm pleased to be here today to testify in favor of LB1068. While I'm sure none of you will disagree, the Platte Institute has maintained a firm

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position in opposition to new licensing in favor of reducing barriers to employment and encouraging the free market to work. We recognize that we also do not live in a vacuum and that occasionally some level of government imprimatur is needed in order to prevent barriers to employment and to give consumers maximum options for services. We thank the interior designers for reaching out to us last year to explore ways of achieving their goals short of creating a new practice act. It would appear that LB1068, as introduced, satisfies both the goals of the interior designers and the desire that many of us have to limit unnecessary regulation. In this instance, interior designers were seeking a way to obtain the ability to stamp or sign their own design plans to be recognized by local building inspectors rather than needing to seek separate approval by architects or engineers. What you see before you for consideration is a means for interior designers who wish to practice within a certain scope to voluntarily register with the state, upon proving their certification by a national competency examination and showing proof of professional liability insurance. Not all interior designers will choose to become registered, and this bill does not exclude those folks from using the term interior designer. It merely prevents the use of registered and will not allow them to stamp or sign their plans independently. This is a fine example of an effort to use least restrictive means by the proponents of this bill to accomplish the goals desired. And we thank, Senator Hunt, for introducing this bill and urge your favorable consideration. And I will note that when I testified earlier, I sent around a-- questions you should ask for legislators. You will notice that on there is some discussion in there about least restrictive means and alternatives to full licensure. And I thank the interior designers for going down that path.

BREWER: You walked the tightrope perfectly on this so that you didn't, you didn't want more regulation, but you pointed out that this is a good way to do exactly what they want to do.

LAURA EBKE: Yep.

BREWER: Well done. Questions? One quick one for you.

LAURA EBKE: Yeah, sure.

BREWER: Don't you think that there's a pretty high probability that most will want to get the stamp? I mean, that would kind of be that seal of approval.

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LAURA EBKE: Sure. Well, I'm sure that there will be a lot who will especially I-- and I don't know a lot about their, their organization here in the state, but I would think that in areas where you have, where you have a lot of construction and in more urban areas, that, that they'll want to do that. But I know there are certainly a number that who, who, who, who call themselves interior designers, who are trained interior designers, who really what they want to do is, you know, help local home, home builders figure out how to, you know, lay out a kitchen and things like that. So they-- it's probably more for the commercial folks, I would guess, but--

BREWER: If I,--

LAURA EBKE: --subject matter experts behind me can talk about that.

BREWER: --if, if I had gone to all the work that they have gone to and taken an 11-hour test, I'm gonna be putting stamps on stuff.

LAURA EBKE: Well, you-- sure, sure-- yeah, well if they get to that point-- you know, not-- the, the, the test is not required as I understand it, it's, it's just if you get-- want to get that certification, so. Is anybody nodding behind me? Am I-- is that correct?

BREWER: I think they're approving of everything you say. All right, thank you, Laura.

LAURA EBKE: Thank you.

BREWER: All right, additional proponents? Welcome to the Government Committee.

MARILYN HANSEN: Oh, I love it. So my name is Marilyn Schooley Hansen. And it's just like you would think, M-a-r-i-l-y-n, Hansen, H-a-n-s-e-n. This is kind of a low chair.

BREWER: It is, and--

MARILYN HANSEN: May I stand?

BREWER: --I'm tall. Whatever is comfortable for you, I'm good.

MARILYN HANSEN: I'm kind of short, kind of, so. Good afternoon, Senator Brewer and members of the committee. It's really exciting to be here after 25 years. OK, my name is Marilyn Schooley Hansen and I

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am here today to ask you for support of LB1068. I've worked in the interior design field for 50 years in Nebraska. When I graduated, most people thought interior designers were qualified to select furniture and sell carpet and draperies. Television programs featuring decorators only have done very little to change that opinion among the public. Fast forward 50 years, interior design is recognized as a complex, construction science-backed profession with a serious role to play alongside the architects, engineers, tradespeople, and contractors. During these 50 years, I worked on many fantastic projects. You can imagine that some of these buildings were many years ago were very old. Nonstructural renovations are one of my biggest business drivers, and that's why LB1068 is important. Where the buildings-- whether the buildings are of historic or five-years-old value, residential, or commercial, it's important that the building codes be followed for the safety of the occupants. All design decisions must follow the electrical, plumbing, construction, and fire codes. For example, if I have selected the commercial carpet designed or a stairway railing or specified lighting that didn't follow the code, the project would not stand, and it would not be approved. One of the many projects I am most proud of serving was the interior design chair for the renovation of the Governor's residence of Nebraska. The building was brought up to code in all facets, lower level egress exits were added, an elevator was installed, and accessible rest, rest-- excuse me, an accessible restroom was installed, and the building received sprinklers, everything was brought up to code. Though I worked with a design team that includes the architects, engineers, fire professionals, and others, the state found me to be a competent interior designer trained professional to lead, and I led the project. Every inch of the residence was updated and refurbished over a two-year renovation. And today, I serve on the as-- on the Advisory Council to the resident as their interior designer. Over the years, I've worked on both residential and commercial projects. My business, The Designers, is 40-years- old. When I work on condos, churches, hotels, schools, restaurants, and multiunit commercial buildings, I must be proficient in all codes related to the project. Oftentimes, these design projects impact code and therefore require a building permit to complete. A great example of interior design that-- interior design work that would require a permit is bringing a commercial interior into conformity with the Americans with Disabilities Act. Much of this work that I'm capable of doing on my own as an interior designer requires a construction document, stamp, and permit. Unfortunately due to our antiquated laws in Nebraska, I am deprived of the ability to obtain a stamp after 50

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years. LB1068 would change that. Despite working on many residential and commercial projects, after 50 years, I am still not able to stamp and seal any plans I've created. A contractor, a plumber, and electrician can take my plans and use those drawings for his permits, but I cannot obtain my own. Being forced to rely on my general contractor for his stamp when I'm perfectly capable of drafting, reviewing, and stamping my own interior design documents is not only demeaning to me as a woman professional in the business, but it also adds time and cost to my bottom line and that of my client. It doesn't make sense. So when I survey the future and the built environment, I see all buildings becoming more complete and demanding of safety as well as accessibility. The interior design profession has been challenged to meet these obligations and we have. Our profession requires us to design interiors that are functional and safe as well as beautiful. I believe this voluntary registration can lead to a solution of a better built environment while enabling me and other qualified design professionals to practice to the fullest extent of the education they've received finally after 50 years. I am passionate about this vision. I ask you to support the LB1068 bill for the voluntary registration for interior designers as a forward thinking and proactive solution to the safety of the lives of the residents of the state of Nebraska. Thank you for your time and attention. I'm happy to take questions.

BREWER: Thank you, Marilyn. I, I figured after 50 years of, of your life given to interior design, that that red light-- the red light shouldn't apply to you, OK. [LAUGHTER]

MARILYN HANSEN: Sorry, did I see, did I see it? Sorry.

BREWER: All right, questions real quick for Marilyn? All right, seeing none, thank you for your testimony.

MARILYN HANSEN: Thank you.

BREWER: All right, additional proponents? Welcome to the Government Committee.

KELEIGH KETELHUT: Hello, thanks for having me. Please be patient, my heart rate is 150 beats per minute right now.

BREWER: That's OK.

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KELEIGH KETELHUT: All right. Good afternoon Chairman Brewer and members of the committee. My name is Keleigh Ketelhut, K-e-l-e-i-g-h K-e-t-e-l-h-u-t, and I am a fourth year interior design student at the University of Nebraska-Lincoln. I'm here today to ask you to vote in favor of LB1068. I chose interior design because the opportunity this complex profession provides to positively impact lives, health, safety, and welfare of people in their interior environments. According to the EPA, Americans spend 87 percent of their time indoors. The design of our interior environments has a direct impact on both our personal health and outcome of each day. Many people think interior design is simply about ascetics and decoration. That perception is wildly inaccurate. I am not in school obtaining a four-year degree to only pick pretty carpet and paint swatches. The skills I'm learning will enable me to be a qualified and impactful member of the design and construction teams in the professional world. This bill would impact me greatly as both a student and emerging professional. The ability to submit construction, construction documents for permits which is allowed in more than a dozen other states is key to my future practice. The brain drain here in Nebraska for interior designers is real. Why would my peers and I stay in state when we are not currently allowed to practice to the fullest extent of our training and ability? If the bill, if passed, would both encourage me to continue my education at the graduate level here in Nebraska and to, to also seek full-time employment in the state of Nebraska upon graduation. My peers agree that they too would be more likely to pursue full-time employment in Nebraska postgraduation with the passage of this bill. My education has prepared me for a career in the world of interior design by giving me a quality of understanding, creativity, and empathy of how the interior built environment could positively influence people and their experiences. My education has taught me life safety, accessible design, building codes, construction standards, lighting, acoustics, construction documentation, systems integration, history theory, and more. I have also been exposed to interdisciplinary collaboration with architects, engineers, landscape architects, and tradespeople, which is extremely pertinent in the professional world. In addition, I have also become empathetic to the concept of universal design. This reflects on the ability to practice beyond code minimums and design for every type of user group, including but not limited to children, those with disabilities, and the elder population. My instructors have worked in a way that has highlighted the importance of continuing education and study on the changes in construction regulations and laws. My education here in Nebraska has taught me to be a diligent-- taught me to be diligent in

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an interior setting that can and will impact each and every one of you, your health, your safety, and your welfare. With the passage of the NCIDQ Exam, I know I will be fully prepared to work within the proposed scope of practice outlined in LB1068. I am proud of the qualifications I have earned and will continue to earn before I begin to practice as a professional. I also know I will be able to protect and enhance public's-- public safety in interior spaces. In closing, I ask you to please not deprive me of my ability to practice to the full extent of my training and ability. I see the potential for myself to be a Nebraska small business owner one day. Without the sensible abilities granted an LB1068, my journey will be much more difficult to obtain and succeed in. For the sake of my professional future in Nebraska and my ability to positively impact your lives in the interior environments in which you live, work, and succeed in, please vote in favor of LB1068. Thank you and I'm happy to answer any questions you have at this time.

BREWER: All right, thank you for your testimony. Questions? All right, well, for having a high heart rate, you did great, so.

KELEIGH KETELHUT: Thank you.

BREWER: All right, any additional proponents? All right, we will transition to-- oh, all right.

_____ : I'm just moving--

BREWER: Oh, OK, you had me fooled. All right, opponents? Come on up. Welcome to the Government Committee.

JON WILBECK: Thank you. Senator Brewer, members of the committee, good afternoon. Again, my name is Jon Wilbeck, J-o-n W-i-l-b-e-c-k. I am the executive director of the Nebraska Board of Engineers and Architects. And again, I'm representing the position of a subcommittee of the board, the legislative committee, not the position of the board, as it has not had a chance to meet and discuss LB1068. And my testimony is really gonna be approaching the regulatory aspects of this, not about the, the value of interior design at all. Our largest concern is that the definition of practice of interior design in the bill appears to be a complete subset of the practice of architecture as defined in the Nebraska Engineers and Architects Regulation Act. The practice as specified in Section 81-3420 is defined as "design services in connection with the construction, enlargement, or alteration of a building or group of buildings and the space within

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and surrounding the buildings". So if you look at the three, the three components of the definition of interior design, I would ask you as a committee to look at those and see does that also equal the practice of architecture? And my committee would argue that, that it definitely does and that, that raises some concerns. For example, it would-- may complicate my board's efforts to enforce its own act. For example, if the board were to be made aware of a project that had its drawing stamped by an interior designer, and the work shown on that project could also be construed as the practice of architecture, by our reasoning that interior designer is practicing architecture and may be in violation of the E&A Regulation Act for unlicensed architectural practice. Our board would then be required under its own act to investigate this. As it stands now, the definition of the practice appears to constitute the practice of architecture. And to practice architecture in Nebraska, you have to be licensed as an architect by our board. That has been the case since 1937. We have not had a chance to review the amendment, but we are definitely willing to work with Senator Hunt and this committee to address this concern. And that concludes my testimony.

BREWER: OK. Let's, let's go back and take a look at the--

JON WILBECK: Yeah.

BREWER: --issue you just pointed out and I'm, I'm hoping at some point one of the, you know, high, high dollar lawyers at the table here will sing out and help me out.

JON WILBECK: Right.

BREWER: If the stamp-- no pressure, if the stamp, if the stamp says that they are an interior designer,--

JON WILBECK: Right.

BREWER: --at what point does it become confusing with the architect or the engineer and, and the crossover that would cause that to become a legal issue?

JON WILBECK: Well again, Senator Brewer, I would point out it has to do with the definitions of what the practice is in our act, and is in this bill as, as I said. You know, architecture is, you know alteration of a building and the space within and surrounding the building. And if you look at, look at one of the components of, of

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interior design, programming, planning, predesigned analysis, and conceptual design of interior nonstructural elements. Again, to the committee that's a subset of the practice of, of architecture. Again, preparation of a physical plan of a space within a proposed or existing building or structure. Again, to the-- my committee that also falls within the definition of architecture. So there's a tension between the definitions that already exist in our E&A Regulation Act and the definitions of interior design as in, in this bill, LB1068, if that makes sense.

BREWER: All right. And it's probably just because I don't have a brilliant mind like the attorneys do, but there's a point where the common person looks at that and it's a fairly easy definition. I mean, you're not, you're not sitting down and deciding whether or not a wall would be load bearing or whether or not a particular wiring diagram could potentially cause a fire,--

JON WILBECK: Right.

BREWER: --you're, you're making sure that the interior looks as, as acceptable as possible for the type of business.

JON WILBECK: Right.

BREWER: And so, you know, I guess I'm kind of a little bit struggling to understand why it is so hard to make the two work together and not be reasonable.

JON WILBECK: Sure. And I, I don't know that I can address that. Again, I'm just trying to point out a tension between-- the practice of architecture has this broad definition. And while I applaud this bill that it does try to section that out, it still doesn't change the fact that this section it carves out to, to my committee is part of the bigger practice of architecture. It's included in that.

BREWER: Because if it was safety issue, I think I could probably wrap my arms around that, but if it's like I'm protecting my turf kind of issue, then it loses some of its value in an, in an argument.

JON WILBECK: Right.

BREWER: But--

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JON WILBECK: No, I understand that and I hope my, my testimony didn't come across as, as protecting turf.

BREWER: Oh, that's all right. I needed a lawyer and they didn't come to my aid so that's all right. Oh, I got a lawyer coming to my aid. Senator Hilgers, please.

HILGERS: Thank you, Chairman Brewer. Thank you for your testimony. So I think I heard your arguments, I just want to make sure which, which flavor this is. So you say there's a tension, and let's just take that to be true,--

JON WILBECK: Yeah.

HILGERS: --is the concern that there's just a statutory tension between the definition, or is the concern that to do the work that they're trying to do, you really need to be an architect? So the former-- the reason why that matters is the former concern is something we can just work on--

JON WILBECK: Yeah.

HILGERS: --through language.

JON WILBECK: Right.

HILGERS: But if it's the latter concern, that's a bigger policy question. So--

JON WILBECK: Right. No, I would say it's the former. It's a, it's a, it's a language issue between what our act says and what this scope of practice for interior designers is.

HILGERS: So theoretically, if there could be some-- if you could eliminate the definitional conflict or tension, then the architects would be not opposed?

JON WILBECK: I think they would be-- well, I, I don't want to speak for the board. Again, because--

HILGERS: The subcommittee?

JON WILBECK: Yeah. And I can't even speak for them, but I-- they would be willing to listen and be-- they, they want to be a part of that conversation, put it that way.

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HILGERS: OK, thank you.

JON WILBECK: Yeah.

BREWER: See that's why he gets the big bucks.

JON WILBECK: Yeah, you're absolutely right.

BREWER: All right, any more questions? Yes, please, Senator La Grone, jump right on in there.

La GRONE: Thank you, Chairman Brewer. And thank you for being here. Kind of dovetailing off of that same question, I was looking at the statute you cited, 81-3420, the definition of architecture. Do you have that in front of you?

JON WILBECK: I do.

La GRONE: Perfect. I'll give you a second to get there.

JON WILBECK: Um-hum. Yes.

La GRONE: OK. So I get your point to the breadth of the definition and then it lists some services that you, you guys can practice. But then the sentence at the end seems to indicate that this same issue of definitional concern would also exist with engineering. And it looks like that was solved through adding a sentence at the end of sub (1) that says "The practice of architecture does not include the practice of engineering." Would something like that to Senator Hilgers question about a definitional change or something like that and is similar with interior design solve that concern, not-- and I recognize you can't speak for the board, but--

JON WILBECK: Absolutely.

La GRONE: --get to that probably?

JON WILBECK: That's a possibility. That's probably as far as I would want to venture to say. Again, because my board really hasn't met and discussed this so, but it is a possibility,--

La GRONE: Understood.

JON WILBECK: --something like that.

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BREWER: All right. OK, we're gonna-- Senator Lowe.

LOWE: I do not have a law degree.

BREWER: I know, that's why I'm shocked you're jumping in here but go for it.

LOWE: So please excuse me if this is an obvious answer, and you may not know this answer, it, it says on page 3 that they must "Make application to the State Treasurer." Why the State Treasurer and not the board of architects?

JON WILBECK: I can't answer that question, Senator Lowe.

LOWE: OK.

JON WILBECK: I don't know.

LOWE: Just-- I just wondered why it was to the Treasurer.

JON WILBECK: Yeah, that I don't know.

BREWER: Can you just hold that thought, we might be able to get you an answer.

LOWE: OK.

JON WILBECK: Yeah.

BREWER: All right, any additional questions? Seeing none, thank you for your testimony.

JON WILBECK: Thank you.

BREWER: Next opponent?

MELINDA PEARSON: Good afternoon.

BREWER: Welcome to the Government Committee.

MELINDA PEARSON: Thank you. My name is Melinda, M-e-l-i-n-d-a, Pearson, P-e-a-r-s-o-n. I have been a licensed architect for 40 years, born and raised in Nebraska, educated at the-- at UNL. And I am also a former executive director for the Board of Engineers and Architects. I do not speak for them because I am former. I was the director before Jon. And I was on the board, I served on the board for ten years

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during some legislative changes. So I did not want to clarify that. I'm speaking today for both the AIA, the American Institute of Architects, and for the ACEC, the American Council of Engineers. There's a lot that I would like to talk about, so I'm gonna try and hit the high points. I do want to respectfully correct Senator Hunt, there are only three states the United States that allow permitting by interior designers, that being Florida, Alabama and Nevada. So there aren't 21, there's only 3 that allow permitting by interior designers. So the E&A Act has been a-- has been a highly regulated-- since 1938, this board has been around. And I know that there has been a lot of discussions between interior design and I think that, that, that this is a new way. And so the problem-- there's, there's problems with this bill, otherwise I would-- may be in support, but the problems are is that it's, it's a volunteer for a title. It is not a practice act. And if you look specifically on page 9, 11, it says Nothing in Interior Design Voluntary Registration Act shall be construed to: Require a person to be registered in order to engage in the activity. So it's not a practice act. I don't know what it-- it's a, it's a hybrid that I've never heard of and I don't know what it means. I don't think that they could practice with a seal under this legislation. But I'm not an attorney, so. I do want to say that architects are, are, are-- design professionals are regulated under the code specifically. So you've got the international building code which talks about materials and separating occupancies and structural items and that kind of thing. And then you've got the ADA, which we've already talked about accessibility. And then we've talked about the life safety code, which is enforced by the State Fire Marshal, and that governs walls, doors, windows, exits, all things fire and smoke related. So typically, buildings fail in three ways. That's what we-- that's what we're, we're worried about today is, in my opinion, so that they're designed so that they don't fail, but they often fail under construction. That's scaffolding bridges where the concrete doesn't set up, that kind of thing. Two, with-- when there's an exterior destructive event; 9/11, quintessential example, airplane flies into a building, jet fuel goes down through the building. And that is what caused the building to fail, not the planes, but the jet fuel. And then, three, being that the building suffers an, an internal destructive event. And I'll tell you that 95 percent of building failures are due to fire and smoke, not structural, because structural engineers do their job very well. But on plans that architects draw, we do not, we do not say which walls are structural and which walls are not. And structural engineers don't say this wall is not structural and this wall is. So it's very difficult, so I don't like just the structural because fire and smoke

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causes far more deaths in the United States than structural failures do. So are they trained? I can tell you there are both firewalls and there's smoke barriers. So they're different and they're constructed differently and they're drawn differently. So that's something I would have a concern on. So I did want to remind you, so while I was the executive director, and this is back in May 2004, eight-year-old Alexa Foster, her mother and her sisters, went to a Crete city park for an after-school picnic. Alexa and her friends went into the restroom of the park where an interior, nonstructural wall fell on Alexa and killed her. That was a very, very sad day. And I'm still-- I still think about that because we worked with the Foster family to figure out-- it's called the Alexa Check, and you may know about this because we devised a system where the public, if they felt like something was unsafe, they could notify their local code official, their local government official, or their-- any architect, or the board, which we put our name in, to say, OK, here's a problem. So I feel like is-- so I feel like there is no wall that is, that is not-- that could be used for nothing. I mean, we just don't put walls in buildings, they're expensive for no purpose, they're there for a reason. It's either separation or it's there for structure. It could be there to hold up something, but that's different.

BREWER: OK, let's, let's--

MELINDA PEARSON: OK.

BREWER: --go ahead and wrap it up here.

MELINDA PEARSON: OK.

BREWER: So on the issue of the fact that it is a volunteer system--

MELINDA PEARSON: Yes.

BREWER: --I guess that, that is a current concern why again?

MELINDA PEARSON: Because that is a title, so it's-- there's a title and a practice act. And what they're asking for, in my opinion, is they're asking for a title act which will allow themselves to voluntarily register for a title of a professional interior designer. Now-- but they're-- and they're not asking to practice, however, they are asking for a seal. So if you're-- because they're not saying-- you don't-- when you fill out an application with the Treasurer or the

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whoever is doing this-- it's not going through the board, it's going through another agency,--

BREWER: Correct.

MELINDA PEARSON: --if you fill out an application with them, you don't-- it doesn't say that you have to have a degree that you have to have taken an exam and, and you have to have experience. It doesn't say that. It says that you voluntarily by paying money want to call yourself a professional. You don't have to have it to practice. But with that, they want a seal. And I think that is very dangerous for the public. And certainly if it's confusing to me, it's confusing to the public as well.

BREWER: Well, I think when Senator Hunt gets up, I'm gonna-- we'll, we'll burrow down a little more on that one--

MELINDA PEARSON: OK.

BREWER: --and try and get some detail.

MELINDA PEARSON: OK.

BREWER: Any additional questions? All right, thank you for your testimony.

MELINDA PEARSON: Yes, thank you.

BREWER: OK, any additional in opposition? Welcome to the Government Committee.

EMILY ROESLER: Thank you. Hello, Chairman Brewer, members of the committee. Thank you for listening to my testimony today against or in opposition to LB1068. My name is Emily, E-m-i-l-y, Roesler, R-o-e-s-l-e-r. And I am one of two associate directors on the AIA, or American Institute of Architects Nebraska Board. Also, I'm here representing ACEC, American Council of Engineering Companies. Today, the state of Nebraska requires a stamp on construction documents, drawings, and specifications for a large majority of commercial buildings. A stamp is issued to a licensed architect or professional and usually used on those construction documents. LB1068 would issue a stamp to an unlicensed person, so I'd like to point out what the requirements are to become a licensed architect in this field and why licensure is important. An engineer's license and an architect's license have the same three cornerstone requirements: education,

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experience, and examination. And you heard NCIDQ also has those three requirements. And I am currently pursuing, pursuing my architectural license, so I feel like I know these requirements very well. In order to become a licensed architect, you must obtain a professional degree, which through the University of Nebraska is a Master's of Architecture Degree. You must complete 3,740 hours of practice under a licensed engi-- or architect, and you must complete the area examination, which is divided into six parts. Each exam is about three to four hours long and covers various concepts related to site, building design, code analysis, and business. Once those are complete and you want to be licensed in the state of Nebraska, you must take an exam through the Nebraska State Board of Engineers and Architects on the Nebraska statutes and rules. And once you have completed and obtained your license, you must complete continuing education in order to keep that license. I put the last ten years towards obtaining my license and I hope to accomplish that by the end of this year. As you can imagine, achieving a license or a stamp is extremely difficult and it is difficult for a reason. The process is meant to be strenuous because of the impact that it has on the public's health, safety, and welfare. LB1068, under Section 4 would allow any person to apply both the NCIDQ certified and someone who is from outside of the industry. You would take an exam through the Nebraska State Treasurer's Office and pay a fee to receive a stamp to use on similar types of documents stamped by architects and engineers. No education or experience required. AIA Nebraska believes that these requirements are needed to become a licensed professional and maintain the health of the public, their safety, and welfare. That is why we at AIA Nebraska respectfully ask that the committee do not advance this bill.

BREWER: All right, thank you for your testimony. Senator Hilgers.

HILGERS: Thank you, Chairman Brewer. Thank you for coming down today, your testimony. So can you just walk me through this stamp that exists currently?

EMILY ROESLER: Yes.

HILGERS: Is there one kind of stamp and you can get any kind of engineering and construction document approved? Is that right?

EMILY ROESLER: For construction documents, you will have either an architect's stamp or if you're practicing like electrical engineering, they have their own; structural engineering, they have their own;

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mechanical engineering, they have their own; civil, they have their own.

HILGERS: And that--

EMILY ROESLER: So those are the five, five stamps currently.

HILGERS: And those allow you to do a certain set of approvals?

EMILY ROESLER: Correct.

HILGERS: So for this stamp, is it-- I understood this, this stamp-- this contemplated stamp would be a, a narrow set of approvals. Is that your understanding?

EMILY ROESLER: As it's defined in the bill, I believe so. It is just who the stamp is administered to, that is a bit vague.

HILGERS: So is there, is there-- I guess from a-- I mean, I don't want people who are not engineers constructing buildings. Right? I mean, I'm not an engineer, a building I would make would fall down immediately. I don't-- we don't want that. But what I'm hearing from the testimony from the proponents is that there's a maybe a limited set of things where you don't really need to have the full 4,000-- 3,700 hours of an architect or engineer to do interior non-load-bearing walls or some things that maybe by requiring them to go somewhere else would be maybe, maybe not the right policy balance. So is there a set set of things that someone who doesn't have the architectural background or engineering background can do?

EMILY ROESLER: Well, I would just like to say, like, I do not have a professional stamp. I work under a practicing licensed architect and may overlap with some of these things that this new stamp might require. I still feel not comfortable using that stamp that we are proposing with this bill. Even though I personally could apply for the stamp myself, but I don't have that specific education, experience, etcetera, to be able to perform that. So I would say that, that stamp is highly regarded, an architect stamp is meant for a large skillset, as mentioned before. So I, I would say that even though I don't have a stamp, I would prefer someone who is licensed, who has a stamp to review those drawings before being sent through.

HILGERS: OK, thank you.

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EMILY ROESLER: Thank you.

BREWER: Additional questions? I got one for you now.

EMILY ROESLER: Sure.

BREWER: So is it possible to have an architect stamp and the stamp we're talking about now where they have reviewed and the structure is good and now what you're trying to do is finish the interior?

EMILY ROESLER: I am unable to answer that question. I'm not sure.

BREWER: OK. All right, thank you for your testimony.

EMILY ROESLER: Thank you very much.

BREWER: All right, additional opponents? Welcome to the Government Committee.

MARIAH TOBIN: Thank you, Mr. Chairman. My name is Mariah Tobin, M-a-r-i-a-h T-o-b-i-n, and I'm here today speaking in opposition of LB1068 on behalf of AIA Nebraska and the AIS Nebraska Chapter. I'm a graduate student at UNL in my last year studying architecture and community and regional planning. I did receive my Bachelor's of Science in Architectural Studies from UNL. Now I'm here today to shed light on the current programs and how these educational differences are in place to ensure that those looking to become design professionals have the means and the education to safeguard life, health, and property, and to promote the public welfare. The biggest difference is that through Nebraska, future architects are receiving a graduate degree, then interior designers only receiving a Bachelor's. Therefore, UNL architecture students are receiving two more years of education, which interior designers are not required to take. UNL's College of Architecture is a common-year program, meaning the first year students are taking the same courses. Now after the first year, they can apply to one of the programs offered, those being architecture, interior design, and landscape architecture. Now aside from this common year, architecture and interior design students are-- they both share a fourth year collaborative studio, an architectural history elective and an intro-level structures course. Now there is a long list of courses that the architecture students must take that are not a part of the interior design curriculum such as physics, urbanism, site. There are four different structures courses and environmental systems, and those last courses are ones being

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cross-listed with construction management and the engineering departments at UNL. Now when I graduate, I will not be an architect. Unlike my interior design peers, I am required to work under a licensed professional for up to the 3,740 hours and take 6 exams, which is a total of 605 questions. Despite all that work, I'm still not an architect. I must get approval by the state and take an additional exam over the professional practice before I can practice as a licensed architect in the state of Nebraska. That is compared to the National Council for Interior Design Qualifications method that Senator Hunt has mentioned. This is an optional exam, 3 tests with 250 questions, and it is not a requirement for interior designers to practice. Licensure is a long process and requires an intense level of commitment. This bill does not list any educational requirements, and there is a way for interior designers to get licensed by doing a three-year Master's of Architecture through UNL and getting their architectural license. Thank you.

BREWER: All right, thank you for your testimony. Questions? Yes, Senator Lowe.

LOWE: Thank you, Chairman. And thank you for being here, Mariah.

MARIAH TOBIN: Um-hum.

LOWE: Would an average person know the difference between an architectural stamp and a design stamp? I mean, if they come up and say, hey, I get your plan stamped.

MARIAH TOBIN: A common person and being the-- any of the public outside of the design profession?

LOWE: A client.

MARIAH TOBIN: Most likely not. I had trouble in reading this bill, understanding what the difference in giving them, the interior designers, a license and what that definition meant versus what that definition was for me as a future architect. And I felt that they did overlap a lot and I was confused by that.

LOWE: All right, thank you.

BREWER: All right, again, sometimes I look at these things too basic, but the stamp-- one stamp would, would say interior design, one would say architecture. So when you look at it, you'd know kind of the level of qualifications of, of who had made the stamp. And I think the idea

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that you're required additional schooling to, to have the title architect is good. You want that person to be squarely on top of, of what that building's potential is--

MARIAH TOBIN: I agree.

BREWER: --and how to make sure that it's safe. Where on the other side, you're not gonna put quite the same demand on them. Would, would that be a safe way to look at it that your, your interior design is, is not as demanding, so maybe the education requirement could be less?

MARIAH TOBIN: I don't think that it's not demanding, Mr. Chairman, I think that these students behind me and my peers do just as much work as I'm doing. But their degree that they're receiving is a Bachelor's and mine is a graduate level. And I'm doing more hours of work to get a license that you are essentially also giving them without doing that. Now I know there has been an exam that's been mentioned in there, but it's not specifically stating that that's the NI-- NCIDQ.

BREWER: OK. All right, any-- did you have a question? All right, no other questions, thank you for your testimony.

MARIAH TOBIN: Thank you.

BREWER: All right, any additional opponents? Any in the neutral? All right, Senator Hunt, welcome back.

HUNT: Thank you. My leg's asleep. [LAUGHTER] In talking with a lot of these interior designers in my office, which is in the bowling alleys, I started to realize maybe there are some things that are not compliant about my office. I'm sure that it's not ADA compliant. I've had constituents try to come talk to me who are in wheelchairs and they can't get in the door because of how the cubicle has to be and this and that. So you know, this has been a great learning experience for me working with these, these people. I would be happy to address some of the-- I've been taking a lot of notes here. It was said that only three states regulate interior design, that Nebraska would be outside the norm if we did this, and that's not true. I handed out a map earlier and it's black and white, it's not a color copy, so it's probably a little bit hard to discern the colors of the states, but 12 states and jurisdictions do give interior designers a construction document stamp to submit buildings or to submit documents for building permits, and 27 states do regulate the practice of interior design. So that would not be outside the norm for us to do it at all. Another

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thing that was mentioned was the definition of architecture in the bill, and architecture, as described in Nebraska, is a really, really broad term. It's in the bill, but it says practice of architecture means providing or offering to provide design services in connection with the construction, enlargement, or alteration of a building or group of buildings in the space within and surrounding the buildings. But the definition also speaks to design services in connection with, quote, alteration of a building. So this is a really broad definition and I find it very protectionist because it doesn't allow for any other professions to do design work in a building or around it for that matter, which fundamentally wipes out several other professions like stagers, remodelers, decorators, interior decorators, which is different from interior designers. I find that architects want to practice architecture and interior designers want to practice interior design. And those are different things. But there are elements of interior design to both professions. So these areas of practice would not necessarily qualify as solely an architect's domain of skill or practice based on their qualifications. So I think that if you make this argument, this really perpetuates like an anticompetitive attitude, kind of a protectionist attitude, a little bit of a turf war, which I got a little bit of a sense of from hearing the testimony between interior designers and architects and engineers. This is no different from doctors and nurses or dentists and dental hygienists or nurse practitioners and nursing assistants. When you become an architect, you can do different stuff. When you're interior designer, you do different stuff. Those are different professions. And it's appropriate that we regulate them differently and that we don't keep this very qualified profession of interior design responsible to the profession of architecture or engineering, when they are just as qualified to do, to do the work that they're doing. Moreover, to provide architects and legislators and engineers with more reassurance that interior designers won't practice beyond the scope of what they're qualified to do, it's really explicitly said in the bill by excluding specific activities from their practice like that electrical work, like load-bearing walls, like any kind of HVAC engineering type stuff so that there's no confusion for building codes, for officials, for other design professionals. Another question that was asked was about the NCIDQ, which is the professional exam that I mentioned, that one testifier said took 11 hours over 3 days. And the reason I didn't specifically specify the NCIDQ in the bill is to give the state of Nebraska the most autonomy and control in deciding what's right for the state in terms of the exam that we're gonna be requiring under this bill for reciprocity for other states. In 26 or 27 states that do

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regulate interior design, the NCIDQ is the one that's used. So there's no reason to think that the Treasurer wouldn't also choose the NCIDQ, but the language in this bill gives the Treasurer the discretion to decide that. That's also the same exam that's used in all Canadian provinces, which all Canadian provinces do regulate this already. Interior designers are already qualified to obtain their own building permits within the scope of interior design practice, which this bill clearly outlines. They are not second class professionals. You heard from Marilyn Schooley Hansen behind me, who was the lead designer on the renovation of the Governor's Mansion. She's a boss. She's qualified to do what she did. And there's no reason that she should have to run off to an architect, get a stamp on her permit, get a stamp on her plan in order to do her job that she's already qualified to do. The current system doesn't work. And I know you've received many letters, we've heard great testimony today that explains that the system as it is doesn't work for people. More than 96 percent of Nebraska interior design firms are small businesses of 4 or fewer employees. This lifts a burdensome requirement for those firms who can't afford to hire or contract an architect or perhaps drive to see an architect for those who are in rural Nebraska. That's why I think this is a great bill. I love it because it helps women. I love it because it helps small business owners, which I am one. So I would encourage you to move this out of committee. And I'd be happy to answer any other questions.

BREWER: All right, thank you for your closing. And one of the things that I guess kind of came to mind while we're talking about the stamps is, in essence, you're putting your mark, your, your fingerprint on that work, that then they can come back and reference. So if it's poor work, it's back on you for what you just did. So--

HUNT: That's right.

BREWER: --if you didn't have enough pride or, you know, want to have the work that you did known to folks then, you know, the, the stamp would be a bad thing, not a good thing.

HUNT: I think it provides accountability, which is good for public safety.

BREWER: All right, questions? Senator Lowe.

LOWE: Thanks, Chairman Brewer. Thank you, Senator Hunt, for bringing this bill and for all these people and for an end to a week. And I

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should have asked this to somebody else, but in the interior design education, is there a study of load-bearing walls so they would know the difference if they moved a wall if it was load bearing or not?

HUNT: When it--

LOWE: And maybe you can't answer that, but maybe somebody will come up to me later.

HUNT: I will get a professional to answer that for you. But I'll tell you that interior designers, when they're doing these big projects at hotels or hospitals or schools like the big kind of large-scale projects that this bill specifically addresses, they're working in with architects and with engineers. And I don't think there's anybody behind me who doesn't have the professionalism to work with these people in the interest of public safety and the safety of that building. I mean, nobody wants to be responsible for busting up a load-bearing wall and then we have a problem. That's why they go through that 11-hour exam. That's why they go through all that training. And that's why they have to get that degree, because they're trained to know the difference.

LOWE: Thank you.

BREWER: OK, additional questions? Obviously, we probably need to work close together and watch our time line for priorities and being able to move stuff, so if there's adjustments, amendments that need to be made, you know, we probably want to accelerate that. Before we close, we do have-- and I guess if I ever have something I really want to get through, I'm gonna talk to Julia Plucker. There are 6 letters in opposition; 78 letters in support; and no letters in the neutral. With that, we will conclude LB1068 and conclude our hearings for the day. Thank you.