

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee February 15, 2023

CLEMENTS: Afternoon, everyone, and welcome to the Appropriations Committee hearing. My name is Rob Clements. I'm from Elmwood and represent Legislative District 2. We'll start there? OK, thank you. I serve as Chair of this committee. We will start off by having members do self-introductions, starting with my far right.

ERDMAN: Steve Erdman, District 47.

LIPPINCOTT: Loren Lippincott, District 34.

McDONNELL: Mike McDonnell, LD5, south Omaha.

DOVER: Robert Dover, District 19.

DORN: Myron Dorn, District 30.

ARMENDARIZ: Christy Armendariz, District 18.

CLEMENTS: Thank you. Assisting the committee today is Tamara Hunt, our committee clerk. And to my left is our fiscal analyst Keisha Patent. And our page today is Malcolm, from Omaha, a UNL student. At the entrance, you'll find green testifier sheets on the table. If you're planning to testify today, please fill out a green testifier sheet and head it to the committee clerk when you come up to testify. If you will not be testifying but want to go on record as having a position heard today on something being heard today, there will be white sign-in sheets at the entrance where you may leave your name and related information. The sign-in sheets will become exhibits in the permanent record after today's hearing. To better facilitate today's proceeding, I ask you to abide by the following procedures. Please silence your cell phones. The order of testimony will be introducer, proponents, opponents, neutral and closing. In the event of testimony regarding agencies, we'll first hear from a representative of the agency, then we'll hear testimony from anyone who wishes to speak on the agency's budget request. When you come to testify, spell your first and last name for the record before you testify. Be concise. We request that you limit your testimony to five minutes or less. Written materials may be distributed to the committee members as exhibits only while testimony is being offered. Hand them to the page for distribution when you come up to testify. If you have written testimony but do not have 12 copies, please raise your hand now so the page can make copies for you. With that, we will begin today's hearing with Agency 3, Legislative Council.

BRIESE: Thank you and good afternoon.

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CLEMENTS: Welcome.

BRIESE: Thank you. Good afternoon, Chairman Clements and members of the Appropriations Committee. My name is Tom Bracy. Tom Bracy. And I represent the 41st District. I'm here today before you as chair of the Executive Board to testify regarding the budget for agency three, the Legislative Council. I want to thank the Appropriations Committee for its preliminary budget recommendation, which provides the funding level that the Executive Board can work with for ongoing budget needs by reappropriated or unexpended balance. I believe the legislature will have the flexibility to fund the items that were identified in our budget request. To the extent that some items to be funded using prior REAPPROPRIATED funds involve staff salaries, I would ask that the committee be sure to include an increase in the personal salary limit as needed. I do want to speak very briefly about an issue that is on the minds of many members legislative staff pay. Like many of you, I believe that the Legislature needs to take steps to increase staff salaries in order to be more competitive and to help recruit and retain good legislative staff. In fact, I am a co-sponsor of Senator Clinton's LB323, which would provide for a 15 percent increase in legislative salaries across the board. The Legislative Council's budget request, which was submitted last fall, called for a 5 percent salary increase in 2324 and a 5 percent increase in 2425. And I believe that was essentially placeholder numbers of pending negotiations with the bargaining unit on behalf or with the state. The governor's proposed budget, as well as the Appropriations Committees Preliminary budget provides for a 7 percent salary increase in 2324 and a 5 percent increase in 2425. I believe that the preliminary budget represents a good start that we but that we may need to take additional steps to examine how legislative staff salaries compare to those being offered in the private sector and other public sector jobs since 2001. The Legislature's pay plan is provided for a pay advancement on January 1st of each year if approved by the Executive Board per the policy pay advancements are available to legislative employees who have been in their current position for at least a full calendar year. This really serves as a retention tool for existing employees, and the Executive Board has provided pay pay advancements as high as 3 to 4 percent in recent years. Our budget request reflected a 1 percent pay advancement in each fiscal year, but the Executive Board has authorized me to request that the committee consider increasing this amount an additional 1 percent for a 2 percent pay advancement for each fiscal year. And this really is a reflection of our concern over employee retention within our body or within our divisions. While it would be possible for this to be done

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with by using REAPPROPRIATED funds, if the committee feels it's appropriate to provide general funds, we would welcome those dollars. The Legislature's current staff classification and pay plan are based on a study conducted by the Before the Legislature by the National Conference of State Legislatures in 2001, more than 20 years ago. The Executive Board has begun initial discussions about conducting a new pay study and has authorized me to request that the committee consider providing funds for that purpose. As with the pay advancement, the study could potentially be paid for with REAPPROPRIATED funds. But if the committee wishes to provide general fund dollars, I believe that would be appropriate. But even but even with the salary increases included in the proposed budget, I do believe the time is right for us to look at how our current salaries and job descriptions compare in today's market. And I've asked each of the division directors to be here in order, in order to answer any questions you might have about their respective budget programs. We have Brandon Metzler, clerk of the Legislature, Martha Carter, Legislative Auditor, Keesha Patton, director of the Legislative Fiscal Office. Benjamin Thompson, Director of the Legislative Research Office. Julie Rogers Public Counsel. Marsha McClure Revise your statutes. I believe also in attendance are Shelley Reid, legislative business Manager, and Jayne Scofield, manager of the Legislative Technology Center. And I think all those folks are behind me here, and I would be happy to try to answer any questions you might have. But I would also defer to the folks behind me for questions about specific items. And following my testimony, I believe that Martha Carter did want to speak briefly to the committee as well.

CLEMENTS: Thank you, Senator Brazier. Any questions of the committee? Senator Dorgan.

DORN: Thank you, Senator Conrad. Thank you for being here. Any idea about how many staff people or how many people will this pay increase be part of the

BRIESE: of the

DORN: total number?

BRIESE: It's a total number. I can't tell you Somebody behind me could answer that. I could get that for you. But I should have that number in mind. But I do not.

DORN: I'm more curious than anything else

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BRIESE: Yeah, sure.

DORN: just how many it involves.

BRIESE: Good question.

CLEMENTS: Any other questions? Steve Young. Thank you, Senator, briefly.

BRIESE: You bet.

CLEMENTS: We welcome next.

BRIESE: Thank you.

CLEMENTS: Testifying for the Legislative Council.

MARTHA CARTER: Good afternoon, Senegal.

CLEMENTS: Excuse me.

MARTHA CARTER: I'm sorry.

CLEMENTS: I see the cages here keeps another page. The two kids from Kansas. Also a unit of student didn't introduce her earlier. So welcome.

MARTHA CARTER: Thank you, Chairman Clements and members of the Appropriations Committee. For the record, my name is Martha Carter, RTR, and I'm the legislative auditor in charge of the Legislature's Performance Audit Office. I just wanted to give you a little bit of information about my budget request. You'll you will get all this information shortly, I think. So I've asked to restructure the office a little bit. And specifically, what I've asked is to upgrade our current legal counsel position to a deputy director and upgrade one of our performance auditor positions to an audit manager, and then to create a performance auditor to position to provide for a step up from the current performance audit position. So the estimated jump of funds in both of the next two fiscal years is less than \$50,000 for those changes. So it's not a big dollar amount, but it is a restructuring of positions. So if you have the handouts, the first handout shows, it's the one that shows me. We have a very flat structure right now. I'm at the top of the structure and everybody else in the office is at the bottom. I'm not trying to make any value judgments about that. I'm just saying there's no supervisory mid-level supervisory experience there. And attached to that, I'm not do that. So there's a second

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chief that shows things for or he compares the audit office with the other divisions. And if you look at that, you'll see that every other division does have some level mid-level position. Now, those are not all fun. I want to be clear about that. But they are positions that exist in the legislative policies. So division directors could ask to have those funded. So the problem, as I as I mentioned, is that we don't have any mid-level supervisory positions. So the other hand that has a little bit more color on it shows you what the problem is. If you look at the top U.S. legislative auditor as the oversight of everything, and then you look at our individual projects and you see the legislative auditor is also the part of the project manager for each of the projects. This is not working. It used to worked when we were a little bit smaller and when we had smaller responsibilities. But we get more complex requests now, including the statutory requirement that we conduct audits of the business tax incentive programs. And so it has just become unworkable. The other reason it's become unworkable is because the office is required to follow the government auditing standards. That is a provision that your predecessors put into law to require us to follow those standards. And those standards place a high priority on audit officers having strong internal control systems. And I apologize for talking about auditing standards. I will try and not put you to sleep. I'll just touch on them briefly. But in addition to the existing policies, there's a 2023 pending revision that spells out even more clearly how important this responsibility is. So in general terms, internal control just means the combination of checks and balances you have in place to reduce the risks of mistakes or oversights in each project. However, the standards also require us to participate in a peer review where legislative staff from other states come and look at our policies and they scrutinize several audits, all of the paperwork of the audits of documentation to see if a reasonable person going through those could recreate the audit and come to the same conclusion that we did. So it's it's it's not rocket science. I want to be clear about that. It's not rocket science, but it's a lot of procedure that is required under the government auditing standards and a lot of checking and double checking. So while we've passed our 2022 peer review, the reviewers did indicate that some of our internal control processes needed to be stronger. So the bottom part of the graph is more color shows you what what was proposing, which is basically to give to people in the office supervisory responsibility, not supervisory responsibility in terms of managing individual employees. Domain steps in a climate.

CLEMENTS: Here we go.

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MARTHA CARTER: But I just wondered what the red line, you know, with the red light throw on me to stop a.

CLEMENTS: You know, Please finish.

MARTHA CARTER: Thank you. So not supervisory experience in terms of personnel evaluation, but project management supervision. So instead of the legislative auditor being responsible for all three of the projects for the direct supervision. I'd be responsible for one of them for the direct supervision. And then two other people would be responsible for the other two. Those two people would also be serving on another audit project. So they would not just be supervisory personnel. They would be doing both audit work on one audit and then supervisory work on another one. So the last thing and I'm going to see if you will consider a suggestion I have on the third part. So that's the that's the two major changes which relate to supervision of projects. The other thing that's in my budget request is a proposal to create a performance auditor to position that would be a step as it's written. It would be a step for auditors who developed specialty expertise or otherwise took on significant duties beyond the jobs standard job duties. However, what I would like you to consider is the legislature used to have in its policies what was called a C or a bar. So if you've been in the legislature for seven years, you are eligible to get a bonus that has been removed. However, there is still in the actual legislative policies a position of senior performance auditor. And as I was looking at it, getting ready for this presentation, I saw that again and I realized I hadn't really considered that. I guess I kind of had it mixed up, frankly, with other senior thing. But that position is still in the policy. It's the same grade as what I was talking about adding. So what I would ask is it would be the same dollar amount. It just would mean not creating another position. So I would ask if you would consider that. And my intention would be that the we have one person in the office who we refer to as the principal tax incentive auditor. So he is a person who is involved in all of the tax incentive audits. And it's a complex area both because the programs are complex and because the research is changing continually on how to evaluate incentive programs. So if you were to grant that request, that's what I would do, is that I would move that person from the performance auditor position to the senior position. So just to wrap up, I wanted to say to that it's been suggested to me that I should not have requested these changes because there needs to be a salary study and I want to say that I wholeheartedly support a study. I disagree, though, with the idea that division directors should not request what we need for our officers while awaiting such a study. And my reasoning is twofold. First, whether or not budget requests are

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ultimately granted or not. By making them, we we build a record of some of the specific needs that a study should consider. And secondly, I hope there will be a study. But despite everyone's good intentions, it's possible it won't happen or it will get delayed. I've worked here a long time and these things just happen sometimes not doing no one's fault or bad intention, but priorities can change and things get postponed. So I feel it's my responsibility as a division director to tell you now what we need to do our jobs. Thank you. And I'll be happy to answer any.

CLEMENTS: Any questions from the committee? Thank you for your testimony.

MARTHA CARTER: Thank you.

CLEMENTS: Well, there's Legislative Council testimony. Seeing none. With budget in agencies, we probably don't go with proponents. The opponents are neutral because if you're a proponent asked for more money, you're really an opponent of what We've been pretty libertarian. And so I would say, is there anyone in the neutral position that wanted to testify? 39. That will conclude Agency 3 Legislative Council. Next, we welcome the Attorney General for Agency 11. In just a minute here.

Speaker 3: You know how to clean out a room. Look at them all. We come here.

CLEMENTS: OK. You ready? Welcome, Attorney General Hilgers.

MIKE HILGERS: Thank you, Mr. Chairman. Members of the Appropriations Committee. Good afternoon. It's great to see you all today. Many former friends, all hopefully current friends, former colleagues. Congratulations to all the new members of 108th legislature. It's good to see you today. My name is Mike Hilgers and Mikey H. I l g r. S. I currently serves as Nebraska's attorney general and I'm here to speak on Agency 11, the Attorney General's budget. I passed around my testimony. The testimony has a number of citations and references that you can review. It provides a little bit more technical detail. I will read it this morning to make sure that the record is clean. The governor's recommendation really reflected the need for an expansion of a few core areas of office. I'm not going to spend this testimony of this discussion this morning or this afternoon going into all of the aspects of a request. I'm happy to answer questions, but I do want to highlight three things. That's going to be the bulk of my my discussion here this afternoon. Before I get into that, I do want to

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make a housekeeping note. And I did speak to the chairman about this yesterday. Our our office supports the governor's proposal. The governor's proposal, I understand, was received or was given to this committee after the committee did its preliminary report for the work of this committee. There is a slight difference between those two. And I just wanted to make clear on the record that we are very supportive of the governor's proposal, even though it's a slight modification of what the committee did. So there are three areas that I want to talk about this afternoon with you all in part to talk to you about our proposal, but also to give the body of this committee a sense of some of the work that we do on behalf of Nebraskans. So the three areas are an expansion in our greater Nebraska prosecutorial resources. The second is additional resources to handle civil appeals in the solicitor general's office. And the last is as it relates to our work defending Nebraska's water rights, in particular with regard to the Perkins County Canal. So a criminal prosecution that so the Nebraska attorney general, you may not be aware, has concurrent jurisdiction over criminal prosecutions across the state. In all 93 of our counties, the assistant attorney attorneys general in my office travel significantly around the state. Usually it's at the request of the county attorney, and we our office does also all manner of prosecutions. Those include really oftentimes significant felonies such as homicide, child abuse, resulting in death, child sexual assault, human trafficking, as well as some cases in which the county attorney might have a conflict. We also do some cases in the larger counties, Douglas Lancaster, Sarpy. Usually those are at the request for limited purpose, such as where there's a conflict just in the last two weeks of a meeting with every member or every person who's employed the attorney General's office. I've been meeting with them individually as I've gotten into office. And just in the last week, I've spoken to folks who have gone out to northeast Nebraska and Cedar County who may be familiar with the law, the law in Nebraska murders, as well as out in San Urban's area in Bayard and Murrell County. So our our folks go around the state. Those actually those resources are pretty pretty valuable for in particular Greater Nebraska, in part because without our office, those counties would bear additional costs to get court appointed special prosecutors. And I will give you one example that ties into our budget today, our request today, which is out in Scottsbluff County, we actually there is an on the ground assistant attorney general by the name of Doug Warner, who's out in western Nebraska, who's on the ground. So most of our office here in Leigh is in Lincoln, and they travel to go with us when they go to Morrow County to travel, except for Mr. Warner. He's in Scottsbluff County right now. And having an attorney on the ground in those areas

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is incredibly valuable, not just you can save the expense of travel cost by just having someone who's a resource and a liaison for our office for local county prosecutors is incredibly valuable. And I can't overstate the positive impact that I've heard from county attorneys in western Nebraska from having our presence out there. And it's been done in a very cost effective manner. We just we share some space in the Nebraska State patrol. So this request, what I want to highlight today is our budget request really builds on this strategy. And we are requesting three additional criminal prosecutors to actually locate on the ground in greater Nebraska. Not only do we will these prosecutors undertake all the cases that I've described before, you know, child sexual assault, things that we work on very frequently with, those are with the county attorneys around the state. But we also envision that this these group, these attorneys are going to work collaboratively, both with the county attorneys on the ground, as well as the U.S. attorney's office, to really help. What we're seeing is a significant increase in the distribution of methamphetamine, as well as federal and on and greater Nebraska, which are really devastating rural communities in particular. So. We think this this team that we propose expanding will help us fight the scourge in those communities of both meth and fentanyl. And really, it recognizes, we think, the really critical need of collaborating between all our state and federal resources, which is why as part of our budget, we've requested a drug, a state drug enforcement coordinator. There's a lot of resources, the DEA, certainly our local resources, our state patrol resources. But having a coordinator can help to have the wheels very important. That was those pieces. The prosecutors of the drug, the coordinator, were in. The governor's recommendation, we think will increase public safety as well as reduce costs, save money for the counties. The second piece I'd like to highlight today is on civil litigation and appeal so that the Nebraska attorney general, you're probably aware, has the primary statutory in common law duty to really to control all litigation where the state is either the plaintiff or the defendant. You know that in those includes things such as in defending executive agencies or the legislative branch, for that matter, whether we're defending the constitutional constitutionality of a statute that the legislature might pass. And we our office uses assisted aides to be able to provide defense to those matters. We have a civil litigation bureau with about 14 lawyers and handled at the volume of cases. It increases pretty significantly over the last several years. It's in the hundreds. Our solicitor general bureau is a bureau of one. There's one lawyer in our our office who's in the solicitor general's office. In that office is tasked with handling all of the civil appeals, the appeals that civil litigation that I just

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mentioned, whether that's the Iraqi Court of Appeals or Supreme Court or the United States Court of Appeals for the Eighth Circuit or, in fact, the United States Supreme Court, its office actually will be in front of the Supreme Court later this month in this criminal context. Our office handles all criminal appeals in the state, and we have a separate bureau to handle that volume. So we have a number of specialists to handle that. On the civil side, we have one lawyer. A lot of these cases are very high stakes. They deal with potentially hundreds of thousands, if not millions of dollars or more for potential liability to the state and also deal with constitutionality. As I mentioned, many of these cases are very complex and require a number of lawyers as well. So despite the fact that we have a separate bureau to handle criminal appeals, we don't have anything beyond our Solicitor-General, which is an office of one attorney, to be able to handle that. I will tell you as an aside that the I know I've heard firsthand from the Nebraska Supreme Court the quality of the lawyering and the positive impact that our Solicitor General has had on the on the argument in front of the Nebraska Supreme Court, which I think has led to positive outcomes in terms of the case law that the Supreme Court is producing. So the governor's recommendation, this is the one to Delta between the governor's in this this committee, the governor did include the solicitor general request. We want to add a few more attorneys to that office. And we have four additional attorneys in office, which we think will help rightsize this a little bit. I do want to that office doesn't just do appeals, civil appeals. They also actually do a few a number of other things. I'm just going to highlight two things for you in particular. One is there has been a dramatic increase over, say, the last 50 years, in particular of multistate coordination, bipartisan coordination among states around the country on a whole host of issues. Some of those issues relate to what the administration might do, whether it's a Republican or a Democrat administration. Some of those might relate to what a private business might do and maybe in a consumer protection context, some of them might relate to what another state might do. As an example, the state of California has done things in the ag context that might potentially close off markets to Nebraska. ACT producers are our office fields and a great number and growing number of requests that deal with the Constitution, sophisticated and complex federal statutes and how those interplay with Nebraska interests. The person who handles those are that the Nebraska solicitor general, which is, again, as I mentioned, an office of one. The second thing is this office also does force expand. The solicitor general does help out on civil litigation matters as well. So when our civil litigation bureau, as I mentioned, there's 14 lawyers there, They get a big case. A big

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case might take five lawyers. They handle any very well. And in those instances, tap our resource in the Civil Litigation Bureau to have additional attorneys in the solicitor general's office, whether it's civil litigation, criminal appeals, water litigation will help us for expand a little bit as well. The last thing and I appreciate the time, Mr. Chairman. I just want to emphasize is on the water, as many of you know, especially those who served with me last year, the legislature passed SB 1015 relating to the Perkins County Canal, and that relates to the Nebraska Colorado 1923 compact that protects our flows in the South Platte River. Very critical. Project, in our opinion, both for western Nebraska as well as this across the state here in the eastern part of the state as well. And our budget request is also including the governor's recommendation includes another attorney in the AG Environment and Natural Resources Bureau that will provide additional support for that bureau's represented agencies such as the Department of Natural Resources and others to help carry out their statutory duties to ensure compliance with this up that the the South by River Compact, the construction of the Perkins County Canal Project and the protection of Nebraska's entitlement to beneficial use of water from the South Platte. This committee is recognized for many years the protection of the state's water interest, not only regarding the compact that I just mentioned, but also other important compacts such as the Republican River Compact with Colorado and Kansas and the Platte River Cooperative Agreement with Colorado, Wyoming and the U.S. Fish and Wildlife Service. Those those agreements require ongoing compliance, monitoring costs and the utilization of technical experts. And those are included in both the actually our request, as well as the committee's preliminary budget, as well as the governor's office, that we appreciate the committee's recognition of those important resources. One last thing I want to highlight just for the structure of this particular request. The governor's request actually includes those budget recommendations, what I just described primarily through cash fund expenditures. So the attorney general's office does have a cash fund. It's the state settlement gas fund that's in program to 90. There's a whole statutory scheme in chapter 59 that allows for that cash fund expenditures to be used in the eyes of include of the sites in my testimony to look at that. The state settlement cash fund has routinely been amended by the legislature to permit transfers to the general fund, the Capital Construction Fund, or the Legal Education for Public Service and Rural Practice Loan Repayment Assistance Fund. As of today, the State Government cap fund is approximately \$28 million. That's the balance in the fund right now. And with these additional cash fund expenditures were, which are a very small fraction of that, we believe that the cash money is sustainable. I

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really appreciate all the work that you've put in for our agency as well as all the work I know you're putting in for the broader budget. I know it's a very, very time intensive process this year and we would just ask that this committee approve the governor's recommendation, which is very similar to the committee with it with the except for the difference that I described, I'm happy to answer any questions. I've also include a couple of folks from my office or technical experts, Dana Hoffman and Josh Ascher. They're here as well. So gravity is really questions that we might have regarding this or we can get something offline as well. Thank you, Mr. Chairman.

CLEMENTS: The attorney general, questions for the committee.

DORN: Thank you. Senator Nolan's thank you for being here and being on that side of the.

MIKE HILGERS: Skepticism.

DORN: On the part of as we've gone through the winter agencies and stuff that we appropriated last year for the basically of Perkins County canals, 23.5 million at least. I've had questions and I think some of the others, too, maybe about where where is that money gone, basically. Have you used that? How has that been used? Is is part of that left or is it all new or do you have not?

MIKE HILGERS: But I appreciate that. Senator Dorr, the 53 million from last year really didn't touch agency 11, the attorney general's budget. Those those funds were set aside for or appropriated for a number of other purposes, including design options for potential purchase of land. Really, I think all of those I think all those funds were or the certainly the bulk went to the Department of Natural Resources to help execute HB 1015. So for the attorney General's office, I don't believe and they can correct me behind me, behind me, but I don't believe any of those funds actually went to our agency. Is that correct? Yeah, that's correct.

DORN: Oh, for some reason last year, I thought that's because we dealt with the attorney general's office. I thought that's where they went or whatever.

MIKE HILGERS: So we're happy to take \$33 million. Senator Dorn, if you.

DORN: Believe that.

MIKE HILGERS: We put into place for that.

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DORN: Explanation and asking the wrong. Person.

MIKE HILGERS: Yes, sir. But certainly the increase work and what we think is coming with not just with that work with the canal itself, I think necessitates additional resources in our office.

CLEMENTS: The other question, Senator Erdman.

ERDMAN: Thank you so much. Thank you. Attorney General. Dozers So the Doug Moore thing out and it doesn't work very well. And so you're going to place three more somewhere else. Have you decided where those might be?

MIKE HILGERS: I heard Sidney's got an opening tip now, a little inside joke name of parks, anyway. 107th Legislature joke. Sorry, Not yet. SANTORUM And it's actually something you and I have had a brief conversation about. The primary purpose is to have these and to enable enable us to accomplish several different things at once. The drug distribution networks is a big part of it. So that's going to help dictate probably what we want to do. Part of it is, you know, where do we think we can do the most good with the county attorneys who are least staffed? But if we're going to look for other things, I think as well in terms of where we. Put. Attorneys, because if we're going to have permanent attorneys. Out there. We want to do as much. We think it's a potential very positive thing for those communities. And so we don't have the criteria. We certainly don't have the locations yet. But I would love to dialog with you if you've got some thoughts.

ERDMAN: So in the case of Doug Warner. What is his budget to be out there in that location?

MIKE HILGERS: I do not know if there's a specific budget outside of I don't we don't pay any money, I don't think for the state patrol. I mean. So, yeah, it's just it's just Mr. Warner salary.

ERDMAN: So he's located in the state?

MIKE HILGERS: That's right. We have. We have office. We don't pay them anything for that office space.

ERDMAN: So basically all that.

MIKE HILGERS: Yeah. Thank you, Senator.

CLEMENTS: Any other questions for the committee? I had one that was brought up to me recently. There's been a understand there's been an

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opiate opioid drug settlement in Nebraska. Got some money from an opioid drug settlement. Does that going into your settlement fund or you're aware of that?

MIKE HILGERS: So there are a number of opioid litigations around the country and settlements. This the legislature, when I was maybe Senator and in his first couple of years passed legislation when Senator hours in the body that directed where potential settlements might go and they do not go, they do not run through our office. There's currently a committee or there will be a committee Mr. Saturate with helped us should that bill through the legislature. So that doesn't run through our office. It doesn't run through the state settlement cash fund. But if you would like that precise details, Senator Clement. Mr. Chairman, I'd be happy to get that for you.

CLEMENTS: A person is wondering if it can be used for drug treatment programs that you such as, like the tobacco settlement, may be used for to stop smoking. And if you'd have information, I'd be help help me so I could direct that person where to. Ask about it.

MIKE HILGERS: 30,000, maybe 60,000 foot level, Mr. Chairman, that the funds are meant to help mitigate the impacts of the opioid crisis, which would include those types of resources. But we'll get you something a little bit more detail.

CLEMENTS: OK. Well, thank you. Thank you for your testimony. Are there additional testifiers for the attorney general agency 1181 in the neutral capacity, seeing none. That concludes the hearing for Agency 11. Next agency is Agency 30 State Electrical Board. Welcome.

CRAIG THELEN: Thank you. Thank you, Chairman. And members of the Appropriation Committee. My name is Craig Thielen. It's Craig T.H. Neal, and I'm the director for the State of Nebraska Electrical Division. Now, this full board consists of electricians, engineers, electrical inspectors, and representatives from local utility companies. We are responsible for licensing all electricians in the state. We hold approximately 11,000 licenses for contractors, journeymen residential firemen and firearms. We are also responsible for all the. Permits filed in the state. And we average just under 10,000 permits a year. We have 15 state inspectors that oversee all these permits. Our enthusiasts are is through permits and licensing. And we do see a huge spike in revenue during the license renewal period, which happens every two years. And we continue to look for efficiencies in doing our job, especially with 15 inspectors that cover the entire state. I do appreciate the committee's work on the

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oversight of our appropriations on the budget we submitted for fiscal year 2023 through 2025 should adequately fund our agency in our efforts to better protect the public safety and welfare of the citizens. And for us, Prescott. That's all I have. Questions for me.

CLEMENTS: Are there any questions in the committee? I had a question. How long have you been in your position?

CRAIG THELEN: I've been in my position about two and a half years.

CLEMENTS: All right.

CRAIG THELEN: Attrition for about 30 years.

CLEMENTS: OK,

CRAIG THELEN: So

CLEMENTS: I thought that you were a new face that I hadn't seen before. That. So thank you for coming in. We appreciate your testimony.

CRAIG THELEN: Thank you.

CLEMENTS: That concludes. Are there any other testifiers for ABC 30 saying None. That concludes agency. That's your. Testimony. And the next agency is Agency 57. We will open the hearing for the Nebraska Oil and Gas Commission. Welcome.

DAN WILES: Oh. I do have a handle on. Sorry. Good afternoon community. I'm Dan Wiles. Dan w i l.e.s and I'm pinch hitting for the oil and gas commission and so they can get their testimony in. They're in Sydney and decided that it wasn't. Worth the travel with the weather. So just so you can get their testimony on the record. And we gathered that. Out and that's all I have. So if you have a question for. Me, we'd be glad to.

CLEMENTS: Thank you all. And that the Oil and Gas Commission emailed me saying they were would rather not travel during the bad weather. And it did, but it didn't get to us before the deadline of noon yesterday. And so I asked them to present this so we could go there later. It could be part of the record. Any comments or question from the committee? Are there any other testifiers on the oil and gas commission seeing none, then conclude the agency 57 and we will switch the Agency 74 Power Review Board. And I see no representative here and the position comment through the Power review where we have one

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proponent letter submitted. And seeing no one else here to testify. That concludes the Agency 74 Power Review Board. And next on my agenda is Senator Linehan.

ARMENDARIZ: She was here. She was here.

TAMARA HUNT: She has two other bills in committees--

CLEMENTS: Oh.

TAMARA HUNT: -so.

ARMENDARIZ: [INAUDIBLE]

CLEMENTS: And so--

DORN: She was here.

CLEMENTS: Yes, I saw her here earlier. OK, let's have a ten-minute recess. Until we see Senator Linehan, we're in recess.

[BREAK]

CLEMENTS: [RECORDER MALFUNCTION] for LB323. Senator Linehan, welcome.

LINEHAN: Thank you, Chairperson Clements and members of the Appropriations Committee, I am Lou Ann Linehan, L-o-u A-n-n L-i-n-e-h-a-n, and I'm from Legislative District 39, which is Elkhorn and Waterloo in Douglas County. Today I am introducing LB323. LB323 is a simple bill. It gives our legislative staff salary a raise. LB323 would appropriate money from the General Fund to give legislative employees a 15 percent increase in their salary. Colleagues, we all know how hard our staff work and how much they do for us. Without them, we would not be able to function. It's not just our office staff, but the staff members who work behind the scenes to keep the Legislature in running order. I believe that we should reward our staff accordingly. I had huge staff turnover in my office this year and you-- it was like you could hire a lawyer for \$60,000. You can't. I mean, maybe you can get somebody who's retired, who's got some other income, but our salaries just are not competitive. And we have people-- I mean, we-- I-- we talk about how teachers aren't getting paid. We have people starting-- with college degrees starting below what starting teachers pay. It's ridiculous. OK.

CLEMENTS: Are there any-- any questions from the committee? I have one. I see in the fiscal note, it's actually asking for 15 percent the

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first year and another 15 percent the second year. Is that your intention?

LINEHAN: That might have been a slip-up in Bill Drafting. [LAUGH] Sorry. I mean, it's not-- I was just going for 15 percent, but it's up to you. I don't--

CLEMENTS: Yes, well--

LINEHAN: We need to-- and maybe you could do something where, since we have to do this, it gets relooked at every three or four years, because it seems like I don't know how long we've been at the same scale, but the whole time I've been here, so.

CLEMENTS: We had testimony from the Legislative Council that the last study was an NCSL study in 2001. I believe that's what she said. And they're looking into requesting another peer study of the legislative staff.

LINEHAN: Well, I wouldn't-- I would-- it's fine. They can do a study. I wouldn't wait to do the 15 percent. We're not paying people enough.

CLEMENTS: Any other questions?

DORN: Yeah.

CLEMENTS: Senator Dorn.

LINEHAN: Thank you. I just might. Thank you, Senator Clements. Thank you for being here. Mine's more clarification. So this is a-- this is an additional request besides what the Legislative Council is requesting, or is this included in that or is it--

LINEHAN: I don't know.

DORN: This is your bill, you're bringing--

LINEHAN: Right.

DORN: --is your request. OK. So then you-- because you wouldn't know then what they're bringing. OK. That's-- I just wanted clarification on my part.

LINEHAN: Right.

DORN: So [INAUDIBLE]

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LINEHAN: I just know when I went to hire, so I had both the Revenue Committee analyst and the legal counsel retire this summer-- or one retired in December. So I went to hire new people and people laughed at me, like, you know, kids right out of law school are making more than we're paying, and it's good to have, sometimes, some experience. So now, like other government things, I think you stay here long enough, you move up the ladder, but it takes a long time and you're not going to find young people to work.

CLEMENTS: We had testimony from Chairman Briese that the base salaries, they adopted what the negotiation of the bargaining union was 7 percent the first year and another 5 percent the second year, and we're already considering that request, but this would be an additional request above that, is my understanding. And are there any other-- other questions?

DOVER: Would it-- my question is, would it really be 15 percent above that request or is this just a separate request?

LINEHAN: Well, you-- I think the way it works is you guys decide.

DOVER: OK.

CLEMENTS: Yes.

DOVER: OK.

CLEMENTS: We-- we-- [INAUDIBLE] Senator Erdman.

ERDMAN: Yeah, thank you, Senator Clements. Senator Linehan, do you know how many people this would affect?

LINEHAN: I don't, but I was surprised when I looked at it that it didn't seem like that much money, so I don't think it's that many people. I mean, clearly I'm becoming-- \$5 million is a lot of money. But compared to other expenses, it didn't seem like exactly-- I don't know exactly how many.

ERDMAN: OK. Thank you.

LINEHAN: Employees of the Legislature can't be--

DOVER: You only-- you're only as good as your people.

LINEHAN: That's true.

CLEMENTS: Any other questions from the committee?

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LINEHAN: I could-- I'm sorry. My right answer should have been I can find out.

CLEMENTS: Very good. Thank you for your testimony. Is there anyone else here to testify on LB323 as a proponent?

LINEHAN: I could-- I could have my staff come up. [LAUGH] But I'm pretty sure you know what he'd say, so.

DORN: There's a lot of other staff that would like to come, too, today, yeah. Yeah.

CLEMENTS: Are there any opponents? Anyone here in the neutral position? Seeing none, that concludes the hearing for LB323. Thank you.

LINEHAN: Thank you.

CLEMENTS: Oops, no it doesn't. Excuse me. We'll reopen that briefly. We have one position comment on LB323, and I'll turn the Chair over to Senator Erdman, because I see that I'm up next.

ERDMAN: The chair is all yours, Senator Clements.

CLEMENTS: Thank you, Senator Erdman and Appropriations Committee. This is a different end of the table for me. I'm here to introduce LB597. This is an Appropriations bill, a shell bill introduced to provide a contingency in the event the Appropriations Committee needs another bill to carry out budget reg-- recommendations, so it doesn't have any specific dollar amounts. And it may or may not be used during the session, but that's-- you'll see one more after this another time, and that's all I have. I'd be glad to answer any questions.

ERDMAN: Any questions? Seeing none, thank you.

CLEMENTS: Thank you.

ERDMAN: I don't see any opponents or proponents or neutral, so we'll end the hearing on LB597. I'll turn it back over to Senator Clements.

CLEMENTS: Thank you. We'll begin the next bill, is LB654. Senator McDonnell.

McDONNELL: Thank you, Chairperson Clements, members of the Appropriation Committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l, represent Legislative District 5, south Omaha.

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Today I'm proud to introduce LB654, a bill that seeks to provide funds to-- for a sustainable business plan for juvenile justice reform. The proposed legislation is an important step towards providing a safe and secure environment in which youth are able to get the help they need, while also enhancing public safety within our communities. By granting county-owned property at 1301 South 41st Street, Omaha, Nebraska, 68105, for this purpose, we will be able to better serve pre-adjudicated and post-adjudicated youth from Douglas County and other jurisdictions throughout the state. Bless you. In addition, this-- this lease or grant will generate additional revenue for the state of Nebraska through per diem charges paid by county jurisdictions sending youth to this facility. It is my hope that this legislation will help to create a brighter future for our youth and families, as well as our communities. LB654 requires the involvement of several parties in order to be successful. Stakeholders include probationary officers, district and state court systems, law enforcement officers, county attorneys, public defenders, school districts, Douglas County, and the state of Nebraska. Each party will play a vital role in ensuring that the necessary resources are available for effective juvenile justice reform. This bill aims to create a partnership between these stakeholders in order to ensure positive outcomes for our youth and families involved in the juvenile justice system. With their help, we can build stronger communities through improved safety and enhance services to those who need them the most. The bill appropriates funds to hire a third party to conduct a sustainable business plan and develop a framework for successful public-private partnerships to achieve these goals. In addition to the funding for a sustainable business plan, I am also planning to introduce an LR for an interim study to bring together those stakeholders and draft this legislation. Through this process, we will be able to determine the best course of action to ensure that this proposal is a financial win-win for all involved. It is my hope that this proposed legislation and interim study will provide an effective framework in which our communities can thrive while providing positive outcomes for these-- these involved-- those involved in the juvenile justice system. with your support, I'm confident this bill will help achieve our goals and create a safer and healthier environment for our youth and families in Nebraska. So I think you've all experienced the problem with-- with the juvenile justice and-- and I believe we have three areas of juveniles right now. You have juveniles that have made a terrible mistake, you have juveniles that have a serious mental health issue, and you have juveniles that have become hardened criminals. And I don't know if we can do anything to-- to reverse that, but I know the first two categories, the ones that have made a

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terrible decision and the ones with serious mental health issues, we can do something to help them immediately. I think part of the problem is-- and it's not any of these agencies-- all the agencies I just talked about, the courts, probation, the law enforcement, the idea of having OPS, the school systems throughout-- all 244 them throughout our state, it's not that they don't want to be helpful. It's the idea that, I think, a lot of times, they don't work together to try to solve the problem, not that they don't want to solve the problem, but this-- this idea came from-- currently in-- in Douglas County, you have property that's potentially going to be available on 41st and Woolworth area. They've just built a new juvenile justice facility and expanded the courts, the idea of trying to get people to come together but have a true business plan. And some people say, well, that's kind of hard core, you're talking about children and you're gonna have a business plan? Yes, because I think effective business, any effective business is based on communication, and right now I don't see that communication. And this isn't coming from-- from just me, my idea. It's coming from the people from those different areas saying that if we can get a facility-- and if you look at that area from Center Street all the way up to UNMC, you're looking at where currently the Veterans Hospital is on 49-- as you cross Woolworth Street, you look at the Douglas County facility I'm talking about, and then as you go farther to the north, you go right into UNMC's campus, so having these discussions with Dr. Gold about what can they do through UNMC, having these discussions with people on the-- currently county board members, and the most the time I've spent is with, P.J. Morgan, a former state senator, and also Mike Friend, a former state senator, that I've been working on with this, and other people, having a chance to meet with Lee Polikov, the county attorney for Sarpy County, and getting some ideas and a number of pe-- I don't want to-- Sheriff Aaron Hanson. I could list probably 50, 60 people that we've talked to in-- in over the last year that we've gotten input. The idea that they are the subject matter experts, if we can get them working together, have a business plan, and look at investing-- and maybe it's a tri-county; maybe it ends up being Washington, Douglas, Sarpy County; maybe it's a Region 6 with health. The idea of having this kind of pilot program and starting with Douglas because of the most population, but also right now with the Douglas County Board and building a new juvenile justice facility, having the space available potentially on 42nd and Woolworth, knowing that they've set aside \$55 million of their-- their second tranche of \$110 million was \$55 million, and they set that aside for mental health, and that's including adults and juveniles. So that's why I'm bringing this forward, to say, can we really work together, can we have a true third-party business plan, and then can

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we have an LR where everyone's going to come to the table and try to solve this problem? And again, are we going to solve every one of the problems? No, but we can make a big difference, I think, if we really do look at the-- the kids that, again, terrible decision, kids with true mental health issues, and then, of course, there's some that have already become hardened criminals.

CLEMENTS: All right, thank you. Are there any questions from the committee? Senator Dorn.

DORN: Thank you, Senator Clements. Thank you for bringing the bill. What-- what kind of timeline are you looking at, or when-- when do you hope to have a-- a workable plan or what's it gonna look like?

McDONNELL: December.

DORN: Of this year?

McDONNELL: Yes.

DORN: And then will you be-- I mean, how will the state figure in on this?

McDONNELL: So that's what-- trying to tie the appropriations amount of the asking for the \$250,000 to develop a study, and then at the same time having a LR going with all of these groups I've just mentioned working together to say we need to have something in place by December to introduce back to the Legislature in January.

DORN: OK. OK, thank you.

CLEMENTS: Senator Erdman.

ERDMAN: Thank you, Senator Clements. Senator McDonnell, in the last part of your bill, that's the green copy, at the bottom, the last sentence says the planning grant shall include sustainable revenue model. Can you give me an idea of what-- where the sustainable revenue would come from?

McDONNELL: So as I mentioned in my opening, if we would be involved in this as the state, and let's say-- and I'm-- I'm just-- this is hypothetical. So let's say it's Washington and Sarpy and-- and Douglas County. Well, Jane Doe comes over from Washington County, and it's-- we're-- that-- that person is being charged X. John Doe comes over from Douglas County, that-- the-- the point is that we would have to put it in a way-- and, again, I don't want to forget about the

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private-public partnership, because there is people interested in investing in this from the private sector, but we-- that's why we have to-- and I-- when I say business plan, some people say that's cold, but it has to be sustainable through those-- those funds that are coming from the counties for us to bring people together to have that-- that mental health and the idea of-- of those facilities to help people, but the-- the counties are going to have to pay if they send some of those children to this facility.

ERDMAN: OK.

CLEMENTS: Senator Armendariz.

ARMENDARIZ: So-- so tell me where you're at with the study. Have you engaged somebody to do the study? already?

McDONNELL: You will see it on the floor. Are you-- oh, I'm sorry. The LR? No. OK, so there's a legislative resolution that I will introduce on the floor this year to work on the-- the study, you know, with these groups coming together. If--

ARMENDARIZ: OK, so you don't know--

McDONNELL: If this is appropriated, this is the first step. If we would appropriate this money, has to go back to the Executive Board. The Executive Board has to hire a third party. But simultaneously, we would have the LR going. And that interim study, let's say we're working on that in September, and potentially, let's say the Executive Board, if this was successful, would be hiring company A to do the feasibility study on this, so they'd be going simultaneously.

ARMENDARIZ: So I'm-- I'm trying to get to where-- how do we know it's going to cost \$250,000?

McDONNELL: We're not going to spend more than \$200,000. That's why.

ARMENDARIZ: I mean, what did you get the number [INAUDIBLE]

McDONNELL: From subject matter experts. They-- they really felt that it should be at a max to be able to do a study like this. They felt if you put \$250,000, it should most likely be less than that. But they felt that was enough to be able to get the work done on potentially the site and the programming and the sustainability.

ARMENDARIZ: OK.

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CLEMENTS: I have a question. Could you tell me--

McDONNELL: Yes.

CLEMENTS: --about this county-owned property? Is this building vacant or going to be vacant now?

McDONNELL: It's still owned by Douglas County. It is not vacant. But right now, the juvenile justice center downtown is-- is being completed, so, therefore, there's going to be space available.

CLEMENTS: All right. This currently has a juvenile justice--

McDONNELL: Yes.

CLEMENTS: --operation in it and it's-- OK, they're building. I have heard they built-- building a new building.

McDONNELL: Yes,

CLEMENTS: I see. That's-- so that's one of the reasons for this, because there's going to be a building available.

McDONNELL: And the-- and the location of it, based on that proximity to UNMC, which, you know, trying to work also with Dr. Gold and on the mental health side and having people available for those, the juveniles that really do have a serious mental health issue, to be able to have that kind of partnership.

CLEMENTS: This business plan will also see that there-- identify if there is a need for this kind of a facility, as well as the funding part?

McDONNELL: Definitely, and the idea that, based on the numbers and has-- as they continue to grow, not only in Douglas County but other counties, we believe there-- there is a need, but also there should be a different approach based on people coming together and then looking at that, again, that first-time mistake versus mental health versus possibly some juveniles that have become hardened criminals and-- and trying to separate that and get different people working together. But, yes, if there were to come back to say there's no need, this was brought to me by people from every one of these cat-- the areas that I-- I mentioned, from the idea of the courts, from-- from law enforcement, from Douglas County Board members. I mean, it's-- there's no one disagreeing that we should-- that they want to help, but they also feel that if we could work closer together and try to maybe take

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a different approach to solving their problems. And this pilot program would work-- let's say it's going to be 3 counties, 4 counties, 5 counties, then it can work in all 93 counties, so I'm basing it on the people that do this every day and deal with the juveniles.

CLEMENTS: All right, thank you. Any other questions? Senator Erdman.

ERDMAN: Thank you, Senator Clements. Senator McDonnell, would I be wrong in assuming that if the LR proves that this is a necessary step, that there'll be a future ask from the Legislature?

McDONNELL: You would possibly be wrong if the business plan comes back and shows that the idea of sustainable funding through the counties working together. So in one hand, and-- and looking at 93 counties, potentially, if this is something that could be successful, would we have four of these in the state, five of these, six of these, potentially? So the idea of these to cash flow with counties working together and potentially, for example, Uni-- Uni-- UMMC, also the-- the police, the idea would be come back and say that, yeah, this thing would be financially sound, it's needed, and we think it can work.

ERDMAN: But if they prove that it's needed but it's not financially sustainable on its own, there'll be a future request.

McDONNELL: Well, I-- I don't want to say that. As-- as partners, I think every partner should be part of this, you know, financially, but that's not the goal. The goal is right now you have different counties trying to do different things. And also if it costs every county a dollar to do it on its own, logic says that if they brought them together, that you could reduce that. If you had three counties at \$3, you should really reduce that \$3 down to hopefully, you know, \$1.50. It's more effective and efficient, I think, for counties to work together, especially the smaller counties around a large county, for example, like Douglas, because, for them to do it on their own as a county and pay for it, it's going to be very expensive. It becomes less expensive, of course, as they pool their resources and come together. And then one county, county one, might have three people and county-- you know, the ninth county might have 32 people, so trying to figure out that fair balance on what they should pay. But the goal is for the counties to pool their resources because they're paying for it now for us to bring people together and then have a way for them to work together to solve the problem.

CLEMENTS: Senator, yes.

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ARMENDARIZ: So you're-- today you're just asking for \$250,000 for the study.

McDONNELL: Yes.

ARMENDARIZ: And who's going to put the metrics around what we're trying to achieve with the plan? Should it go forward? Who's going-- is it going to be the counties? Is it going to be you or is it going to be the state? Who gets to put those metrics around?

McDONNELL: The Executive Board, our Executive Board, based on the input from the-- that's why I'm trying to do it simultaneously, at the same time, to have the-- the study, the legislative-- the LR going at the same time to get this done to the Executive Board. But the people that have been working on this, I believe they're ready to put that together now.

ARMENDARIZ: So the Executive Board knows what they want to achieve.

McDONNELL: No, Executive Board hasn't even seen it yet.

ARMENDARIZ: But they'll be the ones that'll tell you what we--

McDONNELL: We would pres--

ARMENDARIZ: --want to achieve with this program--

McDONNELL: Yeah, this group would present

ARMENDARIZ: --and that would be in the business plan?

McDONNELL: Yes. But then the executive board would have to go ahead and say, we're going to contract with this third party, so the third party would have to come in through the bidding process--

ARMENDARIZ: Right.

McDONNELL: --and say, we believe we can accomplish A, B and C and our bid is X, and explain it to the Executive Board, our Executive Board.

ARMENDARIZ: OK. So would there be a management group then managing this facility?

McDONNELL: If you came in-- well, if you came in and said the plan is-- we think we hit the matrix on this--

ARMENDARIZ: Right.

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McDONNELL: --and all of a sudden it's one, two, and three, and we can do this for X, at that point, and they say we will have you-- the study done in six months, whatever, I-- you know, I don't know, but at that point, we're having this group continue to meet through the-- the interim study part and have hopefully these things come back together in December, and then there would be a LB "X" for next year in January.

CLEMENTS: Senator Erdman.

ERDMAN: Thank you, Senator Clements This is more or less a statement, I guess. I think Senator Armendariz and I are on the same page. It seems like \$250,000 for a study is exorbitant.

McDONNELL: And I said up to \$250,000.

ARMENDARIZ: And I-- and I can reiterate what I did yesterday, that, you know, we have to be careful what we pre-approve because vendors will come in and spend every dime and \$1 over, so we're kind of in a tough spot of approve or come to us with an accurate quote ahead of time, and then we at least know that it's an accurate quote that we've negotiated and done the best for our constituents in their spend.

McDONNELL: And the idea of having a blind bid, of course, that would be wonderful. That's not the process here. So the idea of having that, that dollar amount set up to, and then the Executive Board, having to trust them to do their job, yes, that's part of the process, a not-perfect process, but it's also-- and this is-- the-- we came up with the number based on the input we have from these groups that think that would be under, but that's why we put up to \$250,000.

CLEMENTS: Senator Erdman.

ERDMAN: Thank you, Senator Clements. Sorry to keep dragging it out, but if those other counties are going to get involved, shouldn't they be paying for part of this study?

McDONNELL: Well, the idea of being part of this and having the \$55 million potentially on the second tranche of-- of money that they receive through Douglas County, we expect them to be part of this. But for us to lead it and try to bring all these groups together, this is the investment of the state. At \$40,000 an inmate, we incarcerate people yearly, trying to reduce recidivism. If this works on six people per year, we've saved the first \$250,000 we invested, and every year after that, we're just gaining. So the idea of reducing recidivism, I think, trying to do the right thing with the youth and

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trying to do it differently than has been done in the past, this is an investment on how-- how to basically turn the ship of where we are going right now with the youth. And it's not getting better; it's getting worse. And I know every one of these groups care and I know they work hard, but it's-- sometimes you gotta work, instead of harder, smarter and come together. And that's the goal of this through the state, to be the tip of the spear, lead it, and get them to come together.

CLEMENTS: And could you again say what the \$55 million is? What money is that?

McDONNELL: Th-- Douglas County has received \$110 million in ARPA funds. They've set aside the second tranche of money, \$55 million right now, for mental health.

CLEMENTS: Oh, that's-- the county-- direct ARPA funds from the federal government to the county?

McDONNELL: That's currently what Douglas County has. I'm not-- I can list all 93 counties, but I know what Douglas County has because they've set their second tranche of money, the \$55 million out of the \$110 (million), for mental health. That's what they want to focus on.

CLEMENTS: Very good. Any other questions? Seeing none, thank you. And--

McDONNELL: Can I just close now?

CLEMENTS: Oh, yes. [LAUGHTER]

McDONNELL: Thank you. I'll-- I'll-- just here to answer your questions.

CLEMENTS: Seeing no other testifiers, that concludes LB654.

ERDMAN: Bless you, my child.

CLEMENTS: And that includes-- concludes the Appropriation hearings for today.