

Transcript Prepared by Clerk of the Legislature Transcribers Office
Government, Military and Veterans Affairs Committee February 2, 2024
Rough Draft

HALLORAN: The Government, Military and Veterans Affairs Committee. Just so that there's no confusion, because I know there's a striking resemblance, I am not Chairman Tom Brewer. I'm subbing for him. I'm Senator Steve Halloran, District 33. I serve as the default Chairman for the committee today. The committee will take up the bills in the order posted on the agenda. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us. The committee members might come and go during the hearing. This is just part of the process as we have bills to introduce and other committees. I ask that you abide by the following procedures to better facilitate, facilitate today's procedures. Please silence or turn off your cell phones or electronic devices. Please move to the reserved chairs when you are ready, ready to testify, and that would be in the front row, either side of the center aisle. Introducing senators will make initial statements, followed by proponents, opponents, and neutral testimony. Closing remarks are reserved for the introducing senator only. If you are planning to testify, please pick up a green testifier sheet that is on the table at the back of the room. Please fill out the green sheet before you testify. Please print, and it is important to complete the form in its entirety. When it is your turn to testify, give the green sheet to the page or the committee clerk. This will help us make a more accurate public record. If you do not wish to testify today but would like to record your name as being present at the hearing, there's a separate gold sheet on the table in the back of the room that you can sign for that purpose. This will be part of the official record of the hearing. If you have handouts, please make sure you have 12 copies, and give them to the page when you come up to testify and they will be distributed to the committee. If you do not have enough copies, the page will make sufficient copies for you. When you come up to testify, please speak clearly into the microphone. Tell us your name and please spell your first and last name to ensure to get an accurate record. We will be using the light system for all testifiers. I will do 5 minutes today to make sure your initial remarks to the committee. When you see the yellow light come on, that means you have 1 minute remaining, and the red light indicates your time has ended and an alarm will sound. Questions from the committee may follow. No displays of support or opposition to a bill, vocal or otherwise, are allowed from the audience at a public hearing. Committee members-- this will be brief. The committee members with us today will introduce themselves, starting to my immediate right.

LOWE: John Lowe, District 37. The best part of the tri-cities.

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HALLORAN: Oh, wow. That hurts.

LOWE: You don't have a rebuttal today.

HALLORAN: No, I don't. OK. So we have-- to my far right is Dick Clark, legal counsel. To my left is Julie Condon, committee clerk. And I'm going to let the aides introduce themselves.

CAMERON LEWIS: I'm Cameron Lewis. I'm a senior at UNL in political science, and I'm from Omaha.

KRISTEN PEREZ: I'm Kristen. I'm also a senior at UNL in political science, and I'm from North Platte.

HALLORAN: All right. Thank you very much. So let us begin with LB--

_____ : Senator Conrad's on her way. She'll be here in about one minute.

HALLORAN: Oh, OK. Well, let's pause for one minute. OK. What is it-- what's the official thing? Stand down?

_____ : Stand at ease.

HALLORAN: Stand at ease.

CONRAD: Hello. Good afternoon.

HALLORAN: Well, welcome. Welcome, Senator Conrad.

CONRAD: Oh, this is a small but mighty version of the prestigious Government Committee. All right. Very good. Thank you so much, Chair-- acting Chair--

HALLORAN: Acting Chair.

CONRAD: --Halloran, Senator Lowe, learned counsel, distinguished staff. My name is Danielle Conrad. It's D-a-n-i-e-l-l-e, Conrad, C-o-n-r-a-d. I'm here today to represent the Legislative District 46 and to introduce LB1082. So-- and I have-- if I could ask the page to pass this around, please. I have a hand out here. LB1082 would require the Department of Administrative Services to contract with the vendor to provide in-vitro fertilization insurance coverage for state employees. So employees could choose this option and would pay the entire premium for that coverage. There are some limitations on the coverage that are proposed. And there are also some requirements that

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individuals pursue other, less expensive means prior to utilization of that coverage. So currently, state employees can already opt for several optional special coverages, such as dental insurance, disability insurance, accidental death and dismemberment. And when they make those selections, they pay the full premium for that. So this benefit would work exactly like those current options that are available to, to put employees in the, the same vein. So this measure came to me from a state employee who works on the front lines of public safety in Nebraska. And I won't go into details about their personal story to protect their privacy, but I can tell you that this is a hardworking state employee who wants to desperately start a family and who is working hard every day to advance our shared public safety goals. And because of our current lack of coverage, this individual and others that are similarly situated are actually looking to leave the workforce. And, that's how the idea for the bill came about. So a couple of additional points that I want to make sure to lift in the opening. If you-- if I'd ask the community to turn their attention to the fiscal note. You can see, number one, it's a \$0 fiscal note. There is no cost to state-- to the state General Fund or cash funds or taxpayers in any regard. And the fiscal note itself does a great job of explaining how this optional coverage would work, wherein the state employee would pay for those premiums if this option were provided. Additionally, you can see that-- and there are some differences in contours to the scope and application of legislation and existing law in our sister states. But you can see, on the map that I passed around, that 21 states and the District of Columbia have some form of fertility insurance coverage in their laws. And you can also see, when you look at that map, that it's a very diverse set of our sister states, both in terms of political landscape and ideologies and cultures, and geographical differences. So I just wanted to lift that up for comparison purposes. The other thing, 2 final thoughts that I wanted to leave with you is that, I think it's well established that Nebraska has a lot of challenges with workforce development. And particularly when it comes to public employees, we're competing with private industry. And we want to make sure that we have all the tools available to recruit and/or retain the best and the brightest to do the hard work in, in public service. And the array of benefits can be one of those key recruitment and retention tools that we can and we should look like-- look at. And considering, again, this is one with a \$0 fiscal note, it's definitely something to keep in mind. The other piece that I think is important to remember, that when families face infertility, it can be not only very expensive, but very painful and very emotional situation for them to work through. The Kaiser Health

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Institutes estimate that about 10-15% of families face challenges with fertility when deciding whether to start or expand a family. And we know, much like families that pursue adoption, which is also emotional and expensive, that we have made adjustments to our public policy to try and bring those costs down, for example. And so I think we should apply, apply that same equity to families that are seeking fertility treatments in certain regards. When you think, too, about the family and friends and constituents that you may have in your network who have utilized fertility treatments to start or expand their family, it's pretty heartwarming, after those arduous journeys, to see a lot of happy babies and a lot of happy moms and dads, who've been able to complete their family with assisted reproductive technology. And I think that's something that we should not deny to state employees on a cost basis in that regard. And again, this is not a mandate that we cover it, but just an option that people can buy for themselves. I will tell you and I have spoken about this in other instances, I try to be consistent in terms of being an advocate for reproductive justice. And that means supporting all moms and all babies whenever we have the chance, and leaving the decision about when and if and how to become a parent to Nebraskans, instead of erecting governmental barriers. So I really see it as part of that work as well. And hopefully an area within reproductive justice, which, it can be very fraught and controversial, that we can find some common ground, like we do on adoption services and removing barriers to helping family formation in that regard. So I've put a lot on the table. I will stick around for the hearing and for close, but I thank you for your consideration, and I'm happy to answer questions, too.

HALLORAN: Thank you, Senator Conrad. Any questions from the committee? Oh.

LOWE: No.

CONRAD: OK.

HALLORAN: Well, I--

CONRAD: OK.

HALLORAN: Quick question then.

CONRAD: Sure.

HALLORAN: It's probably, probably pretty obvious, but what-- what's fertility preservation? How's-- and it, probably, by definition, is

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pretty obvious, but, but describe to me what that is compared to in vitro fertilization [INAUDIBLE].

CONRAD: Yes. So-- and, and thank you, Senator Halloran. And I will let-- I will be very candid and clear, that my limitations when it comes to medical terminology and practice are significant. But I think my understanding in regards to how that map presents, is that certain states provide coverage for fertility treatments. Certain states provide coverage for-- say, for example, preserving an embryo or preserving an egg. And so I think that might be some of the distinctions reflected on that map. If I'm wrong, I will follow up with you.

HALLORAN: That's fine. One final question. You mentioned our sister states.

CONRAD: Yes.

HALLORAN: Do we have any brother states?

CONRAD: Well, I think in these great laboratories of democracy, we are-- we're all joined in the American family, so we could be sisters or brother states.

HALLORAN: Kind of sibling, sib-- sibling states?

CONRAD: What's that? Sibling states. There you have it. That's a gender neutral way of saying it. There you go.

HALLORAN: Just, just having fun with you, so. All right. Thank you, Senator Conrad.

CONRAD: Thank you.

HALLORAN: We will proceed then, with proponents for LB1082. Proponents. Welcome to the Government Committee.

JUSTIN HUBLY: Senator Halloran, Senator Lowe, good afternoon. My name is Justin Hubly. It's J-u-s-t-i-n H-u-b-l-y. I'm the executive director of the Nebraska Association of Public Employees. Our union represents over 8,000 state employees. They work for 43 different code and noncode agencies. They perform more than 350 jobs in all 93 of Nebraska counties. On behalf of our members here today, I'm here to testify in support of this bill. The number one call, call that we get to our office regarding health insurance coverage is typically from

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somebody who is having trouble starting a family. And there is no option for them to have coverage through the state insurance program. So our own government affairs committee met and discussed this bill at length. Because the fiscal note has no cost, it wouldn't go into the, the normal state insurance pool. So I'm sure you're aware, the state of self-insured. Claims come in and paid against a pool of money that's set aside to pay those claims. My understanding, based on the fiscal note of this bill, is that it wouldn't affect that. This would be coverage that's purchased separately. Claims are paid out of that pool. And so, we just want to make sure that state employees have the coverage that they need. And I'll echo what Senator Conrad said, because I've had to take some of the phone calls. Full disclosure, I don't have kids. I, I don't have a family. But it's heart wrenching to hear the calls come in, when a state employee is thinking about quitting state service, because it's cost prohibitive because they aren't able to conceive a child naturally. And so that's why our union is in support. And I appreciate you, you having us here today. And I would be happy to answer any questions that I can.

HALLORAN: OK. Thank you, Justin. Any questions?

JUSTIN HUBLY: Thank you.

HALLORAN: You're good to go. Thanks. Any additional proponents, LB1082? Additional proponents? Seeing none, are their opponents to LB1082? Good afternoon.

MARION MINER: Good afternoon. Too many, too many papers. So good afternoon, Senator Halloran, Senator Lowe and the Government, Military and Veterans Affairs Committee. My name is Marion Miner, M-a-r-i-o-n M-i-n-e-r, and I'm here on behalf of the Nebraska Catholic Conference, which advocates for the public policy interests of the Catholic Church, excuse me, and advances the gospel of life by engaging, educating, and empowering public officials, Catholic laity, and the general public. And I am here to-- today to express the conference's opposition to LB1082. Many thousands of couples trying to conceive suffer from infertility. Almost all of us know a number of people who have had to endure it. The Catholic Church suffers with those couples and accompanies them with spiritual and psychological counseling and moral support. The church also assists them in overcoming infertility by ethical and morally good means. In taking that approach, the church demonstrates its respect for the marriage of each couple, the man and woman's own individual integrity, and the dignity and invaluable worth of every human life. It's important to-- from the outset, to

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acknowledge that we all likely know one or many couples who have had children through IVF. In expressing our opposition to this policy, it is not our wish to alienate or condemn anyone. The vast majority of people who embark on IVF do so, in fact, without knowing entirely what it entails. In addition, it is important to emphasize that those children brought into being through IVF are as deserving of love, protection, care, and affirmation as any other child. They are recognized and valued as such by the church, and I hope by us all. In-vitro fertilization has become common in our society, and it's not difficult to recognize why. It gives couples an opportunity to beget least biologically descended from them when the natural avenue for doing so is or seems to be closed. The end toward which IVF is directed, having biologically descended children, is certainly a great good. This good end, however, does not justify every means by which we might attempt to attain it. In-vitro fertilization does not assist in achieving pregnancy through an act of sexual union, that act proper to marriage that is naturally ordered to the procreation of children. Instead, IVF replaces this act, making children objects of manufacture screened for genetic imperfections and selected for fitness, rather than a gift brought about by a unitive act of love between 2 people. In practice, IVF results in more new individual lives coming into existence than is possible for the mother to carry. Multiple embryos, human life during the first 8 weeks of development come into being. The general practice is that only the healthy or the strongest embryo or embryos are then implanted into the mother or surrogate's womb. The rest are frozen for later use or for scientific experimentation, or are simply discarded as medical waste. These are direct attacks on human life at its earliest and most vulnerable stage. It is common for multiple embryos to be implanted-- multiple embryos to be implanted, especially if the mother or the gestational character-- carrier, excuse me, is in her late 30s or older, to increase the chances that at least one will survive to term. Where more than one does survive, it is common for the weakest to be aborted and discarded. Finally, IVF encourages the commodification of children, as products to be bought in the marketplace rather than as free gifts which come to us from God, which is what they are. IVF brings new human beings into existence in exchange for financial compensation and, as I have already pointed out, discards the extras or makes them subjects of experimentation. The risk of treating children like market goods is only amplified where participation in IVF is not limited to spouses. This policy allows for new children to be created by parents who have no relationship to each other, other than that their reproductive material has been joined in a laboratory. To conclude, given the

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inherently problematic-- problematic nature of IVF, the Conference opposes policies that would promote further usage of it, including insurance coverage. We respectfully urge you to indefinitely postpone LB1082. And I did include in your packet as well, just a little bit of information about the 2 organizations referenced with regard to-- you know, it says here that the, the program can require that covered treatment or procedures be performed at facilities that confirm [SIC] to certain standards. And 2 organizations are named. I just included some information about those 2 organizations in your packet, and, and what they, what they do. So thank you very much. I'm happy to take any questions you might have.

HALLORAN: All right. Thank you, Mr. Miner. Appreciate it. Any, any questions from the committee? OK. Very nice job. Thank you.

MARION MINER: Thank you.

HALLORAN: Any additional opponents to LB1082? Good afternoon.

CAROLINE EPP: I'm Caroline Epp, and that's C-a-r-o-l-i-n-e E-p-p. At first, LB1082 appears as an-- a benevolent bill. My heart does go out to the husband and wife, being one man and one woman, who cannot conceive in the natural way. But I must admit, several items concern me with this bill as to what it could lead to. To whom may this really apply? Would a homosexual couple be considered unable to conceive, and this method used? Does this bill open the door for them to have children contrary to what God designed? For healthy and emotional development, children need both a mother and father. Number 2, what happens to the unused embryos? They are real human beings and their lives should always be protected. And number 3, I know this doesn't seem to be a part of it, but I would not want any tax dollar being used to partially fund this, even if it is an optional choice. When government gets involved, spending and regulation always grows. Fertila-- fertilization should be privately funded. I'm sure a church community would love to help out financially and with prayer, which is proven to make a difference in the medical realm. God does care. So due to these concerns, I choose to oppose LB1082.

HALLORAN: All right. Thank you. Carolyn. Any questions? Very good. Thank you. Any additional opposition to LB1082? Seeing none, anyone in the neutral capacity, LB1082? Seeing none, Senator Conrad, would you like to close?

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CONRAD: Thank you so much, acting Chair Halloran, members of the committee. I want to thank everybody who took time to come out today and share their perspective, both in support or in opposition, including the materials we've received, received from our second house online, as well. And one thing that I just want to put a finer point on, is that I, I think it's really important that we respect people's deeply-held, authentically-held religious beliefs and their right to exercise their religious beliefs and hold those beliefs. And one thing that's important to know about this legislation is that it does not provide any sort of mandate that any individual would have to deny their personal religious beliefs when it, when it comes to important issues like procreation. But this ensures that individuals, who maybe don't share those beliefs or don't feel constrained by those beliefs in their pursuit of starting or expanding a family, have an option to do so at no cost to taxpayers, but buying their own coverage with their own dime so that they can continue in state service and become parents. So I thank you very much for your time, and appreciate any questions.

HALLORAN: OK. Thank you, Senator Conrad. Questions?

CONRAD: Thank you.

HALLORAN: I think you're good. Thank you.

CONRAD: Thank you.

HALLORAN: All right. For the record, there were 8 proponents online comments, 31 opponents and zero in the neutral for online comments. That concludes LB1082. Moving on to LB1174.

Speaker 3: Ellie just stepped out to retrieve Senator Hansen.

HALLORAN: Well, we'll stand at ease for a few minutes then.

CONRAD: Just so you know, I've got 5 bills up in Judiciary, so.

HALLORAN: Oh, that's pretty lame excuse.

CONRAD: I'm not screwing around. I'm not playing hooky.

_____ : Only, only 5, Senator?

HALLORAN: Only 5?

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CONRAD: I think only 5. Maybe 4.

HANSEN: That must be it.

HALLORAN: Well, welcome, Senator Hansen. LB1174.

HANSEN: Yes.

HALLORAN: Ready when you are.

HANSEN: Yes. Good afternoon. Members of the Government, Military and Veterans Affairs Committee. My name is Senator Ben Hansen. That's B-e-n H-a-n-s-e-n, and I represent the 16th Legislative District, which some might call the best district in Nebraska. Back in 1855, the United States government began the process of contracting surveyors to divide up the territory of Nebraska into sections. It took around 50 years to complete the project, and each section is 1 square mile. We still refer to these sections. And in 1957 it was determined that, by the Legislature, that section lines should be declared to be public roads. It is this state statute that LB1174 works to clarify and update. If you drive through most of rural Nebraska, you will see a public road every square mile. In certain areas, you can drive for miles without seeing a house, but each mile will bring you to an intersection of roads that were built along section lines. Through further conversations, I found an in-- inconsistency in the interpretation of state statute. Some on the state level, like the Department of Transportation, think the declaration is more of a statement that suggests public roads must be placed first and foremost on section lines. Others, like, such as counties, have come to the conclusion that section lines must be roads, causing miles of public roads to be built where it is unnecessary. LB1174 with AM2266 clears this confusion. It would make state statute read: The section lines are hereby declared but not required to be public roads. This clarification is the main reason for this bill. The other portion of LB1174 simply states the process of removing certain public roads. First of all, I need to point out that this bill does not allow counties to become lazy and get rid of roads just because they don't want to deal with the upkeep. There seems to be a continual tug-of-war between counties and the residents residing in the county. The people want better roads and lower taxes. The county must maintain roads along every square mile, yet they are pressured to lower taxes. Counties are divided into 3 groups based on population size: Large counties, with more than 50,000 people; medium counties, with 5,000-50,000 people; and small counties, with less than 5,000. From

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the latest numbers, medium and small counties spend 31-33% of their budget on roads. Rural county officials feel like current state statute requires them to maintain public roads every square mile, regardless if they are used or not. With this in mind, LB1174 seeks to allow counties to vacate or remove some of these roads that are not being used through an updated and simpler process without the requirement of a study. Otherwise, the rest of the process remains the same. Public roads that are not using taxpayer dollars-- used efficiently, can be removed when a county board proposes a resolution to vacate or abandon such road. The language is clear and actually states that it must be in the interest of the public. The resolution must include a time, a date, and place for a public hearing to be held, giving the people an opportunity to speak on the issue. The resolution will then be mailed to all landowners with land abutting on or adjacent to the road, and it will be in the local newspaper once a week for 3 weeks, giving plenty of notice. If the road is in the township or city, they must also prove, upon receiving a 2/3 vote from county board members. After the hearing takes place, the resolution is passed. It is my intention to make sure LB1174 takes into consideration the desire, desire of the people, the needs of the county, and the overall ability to be responsible with taxpayer dollars. I worked with the Department of Transportation, the counties and county commissioners while writing this language. A few suggestions from the state surveyors are included in AM2266, that makes sure that government corners aren't messed with. Every section had 8 monuments placed around its exterior back in the day, when the territory of Nebraska was divided. Each corner was marked with monuments and we don't want to lose those. AM2266 makes sure that doesn't happen. I want to thank you for your time today, and I'm open to answer any questions you may have, and ask you to support LB1174.

HALLORAN: All right. Thank you, Senator Hansen. Any questions?

HANSEN: Yes.

HALLORAN: Senator, Senator Lowe.

LOWE: So the land will go back to the landowners on either side of the road, then?

HANSEN: I think that'll probably be up to the county or who owns it, you know, because there would still be a right-of-way. So then, they can choose to vacate it and then give it to the landowners, like

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sometimes they do in cities or counties currently, so it'll be up to them.

LOWE: Your, your amendment, does that take away the fiscal note, then, since you're not moving any of the boundaries?

HANSEN: I'm unsure.

LOWE: OK. You can get back to us.

HALLORAN: That's a good answer. I'm unsure.

CONRAD: It is.

HANSEN: That's the political answer. Oh, no. Actually, no.

HALLORAN: It's a smart answer.

CONRAD: It's honest.

HANSEN: Actually, no. That's honest. Sorry. That's not political. It should be, I'll get back to you.

HALLORAN: No. You're fine. It's just refreshing-- it's just refreshing when someone says they're not sure.

CONRAD: Yes.

HALLORAN: OK. Well, Senator Lowe kind of stole my thunder, but-- so these are-- these would otherwise be commonly what you might see-- not too commonly, but low maintenance or no maintenance roads?

HANSEN: That would probably-- I would assume that would be a big portion of it, yes. Because the ones that they just have to put there because they're required to now by statute-- I think maybe decades ago when we had a lot more smaller farmers who maybe needed those roads, they may have wanted to maintain those or that might have been the reason why they put in statute in the first place. But now, it's a lot different than it is currently, so. There's a lot less need for many of these roads, especially in rural Nebraska, so that should save the taxpayers quite a bit of money if the counties don't have to take care of those anymore.

HALLORAN: So per Senator Lowe's question, it would be in the pur-- purview of the county to decide who takes possession of that, what otherwise would be county roads and--

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HANSEN: Sure.

HALLORAN: --ditches?

HANSEN: Yep. I know, when I was on the city council, that what we would do. Whenever we vacated a right of way, we split it between the landowners. And they would actually-- I think, I think they still had to buy it from like the county or the city, or they would just put it on their property tax roll, one of the two.

HALLORAN: They would probably pay taxes to the middle of the road already, though. OK. Very good. Any other questions? All right. Thank you, Senator Hansen.

HANSEN: Thank you.

HALLORAN: Are there proponents for LB1174? OK. I see Senator Hansen loaded us up on proponents, so any opponents for LB1174? Oh, I'm starting to like this guy better every-- anybody neutral capacity, LB1174? Oh, we do have neutral. Welcome. Proceed at will.

BETH BAZYN FERRELL: Thank you. Good afternoon, acting Chair Halloran, members of the committee. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l. I'm with the Nebraska Association of County Officials, and I'm appearing neutral on LB1174. When our board talked about this bill, we heard a lot of really interesting stories about counties, how they opened roads and closed roads and different situations that had occurred. Ultimately, though, we decided to take a neutral position on this bill because it's an option. It still requires, as Senator Hansen said, notice to the adjoining-- adjacent and abutting landowners. It requires published hearing notice. And at that public hearing, the landowners can come and explain if there are, you know, current or future uses for the property, what the reasons might be to close it or to open a section line road, so it still gives the public that kind of input if they would choose to provide it. With that, I'd be happy to answer questions.

HALLORAN: All right. Thank you, Beth. Any questions? Senator Lowe.

LOWE: Thanks both for being here and, and maybe clarifying some of this. So my, my sheriff is sitting in the audience today. And so, would he be obliged to go up and view these roads occasionally, or his deputies, if, if they're minimum maintenance?

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BETH BAZYN FERRELL: I would say-- and he can probably speak to it better than I could, but, if it was--

LOWE: I don't want to put him on the spot.

BETH BAZYN FERRELL: If it was a minimum maintenance road or a regular road and something happened, some sort of incident that law enforcement would be involved in, he would be there. But on a regular basis, I, I don't think he necessarily would.

LOWE: All right. Thanks, [INAUDIBLE]. You don't need to come up and speak.

HALLORAN: Thank you, Senator Lowe. Any further questions? Thank you, Beth. Appreciate it. Any more neutral capacity, LB1174? All right. Seeing none, that will conclude our LB1174 test-- hearing. We had online comments: 1 proponent, 0 opponents, and 2 neutral. That concludes LB1174. Moving on to LB1018, Senator Holdcroft. Senator Holdcroft.

HOLDCROFT: Senator Halloran, how are you?

HALLORAN: It's a great Navy day.

HOLDCROFT: It's a great Navy day.

HALLORAN: Proceed at will.

HOLDCROFT: Thank you. Good afternoon, Chairman Halloran and members of the Government, Military and Veterans Affairs Committee. For the record, my name is Senator Rick Holdcroft, spelled R-i-c-k H-o-l-d-c-r-o-f-t, and I represent Legislative District 36, which includes west, western and southern Sarpy County. Today I am introducing LB1018, a bill to open doors for those without a postsecondary education to apply for jobs with state agencies in Nebraska. According to the Nebraska Department of Labor, as of December 21, there were 36,548 open jobs on the NEworks. The NEworks is the Nebraska Department of Labor's website and labor exchange system. Of those, 841 jobs were flagged as government across all levels of federal, state and local. According to Lendingtree.com, as of December 2022, the average student loan debt in Nebraska was \$35,727. Total student loan debt was \$8.2 billion. LB1018 also recognizes that those who have been in the workforce for a number of years should, in most cases, have acquired practical knowledge and skills that help them to hit the ground running in a new position and

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save the new employer hours of training and having to bring the seasoned employee up to speed. In an article titled "States Consider Elimination of Degree Requirements," Andrew Smalley of the National Conference of State Legislatures wrote that skill-based hiring has gained significant traction in both public and private sectors, mainly through the removal of college degree requirements from hiring practices, sometimes called tearing the paper ceiling. Major companies such as IBM, Delta Airlines, Google, and Bank of America have all removed college degree requirements. A 2023 survey found that 53% of hiring managers say their company eliminated a requirement for bachelor's degrees for some roles within the past year. The 2022 survey of tech-focused employers found 40% have added behavioral skill based requirements for hiring procedures. The article goes on to say that through a mix of executive and legislative actions, at least 16 states no longer require a 4-year degree for most college-- for most state jobs. In March 2022, Maryland Governor Larry Hogan announced that the state would become the first state in the country to remove the requirements. According to estimates released at the time of this annou-- of the announcement, more than half of the state's 38,000 positions could substitute relevant experience for a 4-year degree. In early 2022, state employee data showed that there were more vacant positions in state government than at any time in the previous 14 years. A year later, the same report found a slight decrease in the number of vacant positions. Governors in 11 states, including Alaska, California, Colorado, New Jersey, North Carolina, Ohio, Pennsylvania, South Dakota, Utah, Virginia, and most recently Minnesota have followed Maryland and eliminated degree requirements for most state positions. AM2255 narrows the scope of LB1018 to just state agencies. It also-- it also adds community college to the list of exempted entities and adds some clarifying language. Chairman Halloran and members of the Government, Military and Veterans Affairs Committee, thank you for your consideration of LB1018. I appreciate your attention today, and I would be happy to answer any questions you may have.

HALLORAN: Thank you, Senator Holdcroft. Any questions from the committee?

HOLDCROFT: I will be here for closing.

CONRAD: Great.

HALLORAN: Thanks for doing that. All right. Proponents for LB1018. Good afternoon.

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LAURA EBKE: Good afternoon, Chair Halloran, Senator Lowe, Senator Conrad. As most of you know, over the last five-- oh, my name is Laura Ebke, L-a-u-r-a E-b-k-e. I'm the senior fellow at the Platte Institute. As most of you know, over the last 5 or 6 years, the Platte Institute has devoted much effort to finding new ways to help alleviate our workforce shortages. From scaling back some occupational licenses to opening new opportunities for licensing for those coming to Nebraska, we believe that all people should have the opportunity to earn a living and work up to their potential, regardless of what they have or haven't done in the past. LB1018 is a bill that follows that tradition. We thank Senator Holdcroft for introducing it, and we wholeheartedly support the intent behind it. The bottom line in this is that this bill, in its white copy amendment form, would ensure that the state, as an employer, considers experience and life skills when hiring and does not arbitrarily require a bachelor's degree for jobs that might not need them. With the cost of higher education continuing to rise and the premium for holding a college degree not rising at the same rate, you can look at the graph on the back of your handout, it seems likely that we will see a time in the not too distant future when fewer young people will choose to pursue-- will choose not to pursue a traditional degree path. A 2023 Fortune article chronicles how this has already started to happen. Degrees don't make the person, prove the skill, or show the value of an employee. Ability and action do, and the state and its employment practices should make a statement that those leaving the military and those who have collected experience elsewhere should be equally considered and compensated as those with a bachelor's degree. We encourage the advancement of LB1018 to General File.

HALLORAN: OK. Thank you, Ms. Ebke. Any questions from the committee? Yes, Senator Conrad.

CONRAD: Thank you so much, acting Chair Halloran. Thank you, Senator Ebke. It's good to see you. Quick question, and I'm going to throw it out because of your distinguished background. And if you don't know, maybe some other testifiers might know. But I'm very intrigued by the ideas that Senator Holdcroft has brought forward in this legislation. And, in fact, I had written to the Department of Administrative Services and members of our Workforce Task Force that the Governor had assembled over the summer to lift this very idea because I saw what was happening in our sister states or brother states. That was-- that was very interesting and, and I think important. But the one question I just have is kind of generally from a process perspective is why do we need the state law to do this? And why can't we already do this in

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terms of state agency hiring? If you know, I'd give you a chance to respond. If folks want to think about it, we can circle back.

LAURA EBKE: I'm sure there's others behind me--

CONRAD: OK.

LAURA EBKE: --who will have something to say. But let me just say this.

CONRAD: Yeah.

LAURA EBKE: I, I do think we can already do it. I don't think there's any law that requires bachelor's degrees. I think that this bill would make a statement.

CONRAD: OK. Fair enough. Thank you.

HALLORAN: All right. Any further questions? All right. Senator Ebke, thank you. Additional proponents, LB1018. Good afternoon.

JOHN GAGE: Good afternoon, Chairman Halloran, members of the committee. My name is John Gage, that's J-o-h-n G-a-g-e. I'm here on behalf of Americans for Prosperity to testify in support of LB1018. Americans for Prosperity strives to create an economy that works for all, empowering people to earn success and realize their full potential. Government discrimination against Nebraskans without postsecondary degrees makes it harder for people to earn a living in careers of their choice and hurts state government by limiting the candidate pool they select from. The state of Nebraska should work to break down barriers to employment, and LB1018 does that by helping end unnecessary preferences in hiring by state government. Postsecondary degrees, like other training credentials, may be valuable for Nebraska public service. However, having such a degree should not be a prerequisite to employment in our state. We know there are many pathways to gain knowledge and skills required to be successful in various jobs. Postsecondary degrees in many instances are irrelevant in evaluating whether someone has the ability to do a job or not. This legislation ensures our state gives more people the opportunity to pursue the careers in public service by removing harmful barriers, as well as improve the services Nebraskans can receive by ensuring more great candidates receive opportunities to pursue public employment. I encourage this committee to support LB1018. Thank you.

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HALLORAN: OK. Thank you, Mr. Gage. Any questions from the committee? Seeing none, very good. Thank you. Additional proponents to LB1018. Good afternoon.

ALLY PERKINS: Good afternoon. Thank you, members of the Government, Military and Veterans Affairs Committee, for giving me an opportunity to support LB1018. My name is Ally Perkins, A-l-l-y P-e-r-k-i-n-s, and I'm on staff at Cicero Action, a nonprofit that advocates for entrepreneurial solutions to public policy problems across the country. My colleague, Stacey Guber, submitted a written testimony that more fully outlines the reasons our organization supports LB1018, sponsored by Senator Holdcroft. I will highlight a few key points, and then I'm happy to make myself available to answer questions. College degree requirements leave most Nebraskans out of the public sector job market. Nearly 2 of every 3 Nebraska working age adults lacks a bachelor's degree, meaning unnecessary college degree requirements remove two thirds of the workforce from even being considered for these state jobs. Just over half of Nebraska residents who are members of the armed forces have at least a bachelor's degree, and less than 10% of Hispanic men and only 12% of Hispanic women in Nebraska have at least a bachelor's degree. College degree requirements not only limit hiring, but also limit promotion opportunities. In many cases, an entry level position may not require the college degree, but the higher level management role might. This means the worker who best knows the operations of the agency or office is forbidden from taking a leadership role simply because she lacks a credential. There are thousands of stories from across the country of workers finding the fastest and easiest degree, regardless of that cost, just to become eligible for a promotion. The private and public sectors are moving to eliminate unnecessary-- unnecessary degree requirements. State governments across the political spectrum, from coast to coast, are removing degree requirements. Florida, Georgia and Missouri passed laws last year, and governors in Virginia, Maryland, California and Utah have all signed executive orders to do the same. Private businesses in fields as diverse as airlines, computer programming and defense contracting have all worked to remove unnecessary degrees from their job descriptions. This important bill will add tens of thousands of eligible workers to the pool that the state may choose from when filling open jobs, and will give Nebraska the chance to benefit from the skills so many workers have that are not merely the result of a college degree. Thank you for your time, and I'm happy to answer any questions you might have.

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HALLORAN: Well, thank you, Ms. Perkins. You read that like you only had 2 minutes. That's pretty impressive. Are there questions from the committee?

CONRAD: Good job.

HALLORAN: Seeing none, very good.

ALLY PERKINS: Thank you.

HALLORAN: Thank you. Next proponent for LB1018. Good afternoon.

JASON WITMER: Good afternoon. Members of the committee, I'm Jason, J-a-s-o-n, Witmer, W-i-t-m-e-r. I am the policy fellow at the ACLU Nebraska, and we are here in support of LB1018. Based on the data of the department-- the Nebraska Department of Labor, our state has achieved a 2.3% unemployment, which is commendable. However, as Senator Holdcroft had pointed out, there's multiple jobs in state agencies that are open. By eliminating the requirements of postsecondary degree to expand the application pool, LB1018 upholds the value that individual skills, experience, and determination are valuable as diplomas. Also, I would add that Senator Holdcroft thoughtfully considered positions that may be at risk that have specific qualifications such as-- and federal funding that may present a risk in the exemption sheet that he put in his, his bill. LB1018 promotes a fair and inclusive employment environment while acknowledging practical experience can be valuable as a formal degree. I know from my employment history that experience and skill learned in the field can often be more beneficial than learned in the classroom. In 2017, I secured employment with an organization that [INAUDIBLE] that supports community members that often struggle with mental health concerns. And although I was not a caseworker, my, my, my duties mirrored them responsibilities. And one of them was documentations. I acquired crucial documentation and organizational skills through personal research and practical implementations. Several years later, I was promoted to coordinate the organization's hospital diversion program. One significant impact I had on the program was modernizing data collecting methods. I created efficient, efficient forms, spreadsheets, and collaborative processes, which eliminated hours, if not days, of tedious work. I also wrote a comprehensive manual describing each new process that was created. And I would say that I came in riding a bike, which can get you where you need to go, and I left whoever was coming in behind me with a fuel-efficient car. And with that said, I've done so-- I've done that without a postsecondary

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degree. This was all-- this was done self-taught methods but it was also done with a, a excellent team and an employer who wasn't hindered by any requirements that said she could put me in or promote me with a secondary degree or some pressure of that nature. So with that being said, I would say that my experience echoes LB1018 and recognizes the value and provides fair, fair opportunities that ultimately benefit both individuals and the organization. Hard work has always been a core of American value and a value that many, many Nebraskans share. LB1018 honors that value, and I urge this committee to support LB1018. I thank Senator Holdcroft for bringing this bill. And if there's questions I can answer, I would love to. Or if I don't, I will assure you that I do not know, and I will follow up.

CONRAD: Very good.

HALLORAN: Thank you, Mr. Witmer, and thanks for your personal story as part of your testimony. That was quite helpful. Any questions from the committee?

CONRAD: Thank you.

JASON WITMER: Thank you.

HALLORAN: Thank you.

JASON WITMER: Thank you, Senator.

HALLORAN: Next proponent, LB1018. OK. Are there opponents to LB1018? Anyone neutral capacity, LB1018? Senator-- oh, we've got a neutral. OK.

JUSTIN HUBLY: That's the nicest thing I've been called today.

HALLORAN: Well, we'll judge the neutrality [INAUDIBLE].

JUSTIN HUBLY: Good afternoon again, Senator Halloran, Senator Lowe, Senator Conrad. My name is Justin Hubly, J-u-s-t-i-n H-u-b-l-y. I'm the executive director of the Nebraska Association of Public Employees. Our union represents over 8,000 state employees. They work for 43 different code and noncode agencies, and over 350 jobs in all 93 Nebraska counties. I'm here today in a neutral capacity. First, I want to start by talking about some of the positives and thank Senator Holdcroft for bringing this bill, because it highlights some of the concerns that we have in general. One out of every 5 state jobs right now is vacant, and we have to do everything in our power to fill those

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jobs so that state services can be delivered. So anywhere that there are barriers, we should be looking to eliminate those and this certainly matters. We have members who have worked for the state for a number of years, who've gained valuable experience, and they aren't able to promote to certain other state jobs because they don't have a degree that's required. But if you've worked at DHHS for 5 years as a social service worker and then as a lead social services worker and a supervisor that don't require degrees and you want to promote to become a program specialist, you can't because you don't have the degree. I promise you, anybody who's done those jobs for 5 years is more qualified than the person for the degree for that job. So those are positives with, with this bill and one of the reasons why we support it. But there are some concerns that some of our members have about this bill. Primarily certain jobs we heard from members in developmental disabilities, public health, environmental science, where the training to do those jobs is typically gained by getting the degree that is required for the job. And so those members of our union feel, well, maybe the best approach is not a carte blanche, we should let every-- no job should require a bachelor's degree, but to actually go through and look at the job. So we think this bill does some good things and so that's why we're neutral. Have some concerns about it, like to offer a solution to this. One, I agreed with Senator Conrad's question earlier. The state could do this today. There's nothing that would-- DAS could redevelop the job descriptions and take away those requirements where necessary, and our union would be more than happy to partner with DAS to work on that, whether that be through contract negotiations or just as an aside to figure out which jobs do they really need this and which ones do they really not. Or perhaps another solution is to say certain jobs require a certain level of experience to substitute for the degree, not just a carte blanche you don't need a degree. You have to have 5 years of experience or something like that. So I think there are some better solutions. Our member-- our members feel that way, but we're not opposed to this bill and that's why we're here neutral. And I would just say again, on behalf of all 8,000 of us, we have to do something to fill these vacancies. This is one step that we need to take. We can certainly support that. So we thank Senator Holdcroft for putting this forward to start that conversation. I'd be happy to answer any questions.

HALLORAN: OK. Thank you, Justin. Questions? Senator Lowe.

LOWE: Thank you. Thank you, Mr. Hubly, for coming and testifying. So in your opinion, is it better to have it in statutes or to make it by policy?

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JUSTIN HUBLY: If you want my real answer, it's I want it negotiated
[INAUDIBLE]

LOWE: Administration may change.

JUSTIN HUBLY: Yeah, sure. No, I appreciate the question. We would want to negotiate that. I will tell you, we've, since I've been here for the past 6 years, we've had good relations with DAS, and they have the authority under the State Employees Collective Bargaining Act to develop their job requirements as a management right. And I know that we have an open door over there to go have conversations where we have concerns. I want to negotiate to guarantee that right. But without that, I think we can have those conversations to, to make sure we're doing everything we can to fill vacancies.

LOWE: Thank you.

JUSTIN HUBLY: You bet.

HALLORAN: OK. Thank you, Senator Lowe. Any further questions? Senator Conrad? No, you're, you're good to go.

JUSTIN HUBLY: Great. Thanks.

HALLORAN: Thank you. Any additional neutral for LB1080, LB1018, excuse me?

JASON JACKSON: I forgot my green sheet.

HALLORAN: Time's up.

JASON JACKSON: You've already heard from me enough?

HALLORAN: No, no.

CONRAD: No.

HALLORAN: No, no, no.

CONRAD: We're always happy to see you.

HALLORAN: Good afternoon. Proceed.

JASON JACKSON: Good afternoon, Chairman Halloran and members of the Military, Government and Veterans Affairs Committee. My name is Jason Jackson, J-a-s-o-n J-a-c-k-s-o-n. I'm the director of the Department

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of Administrative Services and chief HR officer to the Governor. And I'm here to testify in a neutral capacity on LB1018. Appreciate you having me this afternoon. Happy Friday to everybody. I want to start by saying LB1018 serves some laudable goals, and we appreciate Captain Holdcroft's leadership on this issue and everybody that's been working on workforce development, removing barriers to employment throughout Nebraska for many years. We see that this, this bill is consistent with those efforts, building upon those efforts consistent with the Pillen administration's general policy if we want to remove barriers to employment, and consistent with DAS's existing practice. DAS's existing-- so there was some discussion already about, hey, can DAS just do this? As a general matter, we do. Basically when any new position is opened up or we have a job posting, we have a conversation with the requesting agency and we say, hey, do these minimum qualifications-- are they really what is necessary to be able to be successful in the role and, and try to make these minimum qualifications as permissive as possible to open up the opportunity to the widest possible pool of applicants. So this bill is entirely consistent with those efforts and consistent with our policy objectives within the administration. And, and that's why we're in a neutral capacity. We do have concerns, particularly about AM2255. So the amendment basically eliminates the University of Nebraska system from the bill, eliminates the state college system from the bill, appears to eliminate political subdivisions from the bill. For those that aren't aware, I know everybody here on the panel is, but for the benefit of the record, other governmental entities are our primary competitors for talent. The University of Nebraska in particular is a massive bureaucracy here in Lincoln. They have over 18,000 public servants working for them. They hire from the state of Nebraska all the time. What's more, separate other governmental entities as [INAUDIBLE], they aren't burdened by the state collective bargaining act. They're not burdened by the state personnel system. And we're always reticent to endorse in policy or in law provisions that will put the state as an enterprise at a competitive disadvantage relative to other governmental entities. And so if we are on an equal footing with those other entities, we believe we can compete and offer wonderful opportunities to the workforce and attract and be able to retain our workforce in a favorable way. We're reticent to endorse something that would put us at a competitive advantage. And so that's where our primary concern rises. We do appreciate that Captain Holdcroft's office has been receptive to conversations. We've had conversations with their office about language that would build some flexibility and discretion into the bill. It would be our hope that

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those conversations could continue. Because when LB1018 originally dropped, we were favorably disposed to it, generally speaking. And so we hope there's an opportunity for continued dialogue. I would also just briefly point out another concern that arises is as we're currently reading the bill, we don't construe that it impacts 81-1316. That's the statute that basically grants exemptions under the personnel rules to executive branch employees that are in policymaking positions or otherwise hard to fill classifications, in particular, niche professions. If, if this bill in fact impacted that statute, that would be a source of additional concern. And so just wanted to kind of flag those issues for the committee. But again, broadly speaking, supportive of the policy objective of the bill and hope there's opportunity for continued conversation. And with that, I'd be happy to answer any questions.

HALLORAN: All right. Very good. Thank you, Mr. Jackson. Any question? No. Very thorough as usual.

JASON JACKSON: Thank you, sir.

HALLORAN: Thank you, Mr. Jackson.

JASON JACKSON: Hope everybody has a good weekend.

HALLORAN: You as well. Any additional neutral for LB1018? Seeing none, Senator Holdcroft, we'll entertain a close.

HOLDCROFT: OK. Well, my hope was to address essentially 2 issues. I think they've been outlined very well here. First, fewer people are getting postsecondary degrees. And the job market is getting tighter and tighter. So we need to, I think, make some, some flexibility, have some flexibility in our hiring. And that is really what I'm trying to do here is to give more flexibility to the employment managers who are hiring these people to give them the option to waive some statutory requirement, in lieu of having, you know, the experience. We, let's see, we probably don't need to put this in the statute. We probably could do this with a, you know, executive, maybe executive order from the Governor, just to make that [INAUDIBLE] willing to work with the Governor if he wants to do something like that. And let's see, there are exceptions, and I just wanted to reiterate the, the exemptions that we put in here was the University of Nebraska, state colleges, and community colleges-- community colleges came to us specifically afterwards and asked to be added to the list-- the judiciary branch, any requirement that is in statute that requires a postsecondary

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education, if it's in law already, we didn't want to affect that. And if it jeopardized any federal funding, we didn't want to jeopardize that so we didn't apply it there. But again, my real effort here was to try and give, you know, employment managers more flexibility in hiring in this atmosphere of, of shrinking workforce. With that, I will be happy to answer any questions you may have.

HALLORAN: OK. Thank you, Senator Holdcroft. Any questions? So the University of Nebraska, why exemption?

HOLDCROFT: Probably because they have-- they have requirements for postsecondary education to work there. Most of them vary. So those-- the higher the, the, you know, the, the colleges, the university, the, the community colleges, they specifically came forth. So that would make their jobs harder if they couldn't make those hard and fast requirements in their hiring policies.

HALLORAN: I recall from college, it's been a long time ago, but I recall several professors that-- and it wasn't at the University of Nebraska so I'm not disparaging the University of Nebraska here, but had several college professors that, quite frankly, a few people off the street could have done a better job. But I'm just, just pointing that out as-- and I visited with a gentleman this morning that could have been an entomologist and teach at the university, and, he gave several reasons why he didn't want to do that, but he was very qualified in his field. But I'm just curious. I mean, it's a-- it's, you know, the universities have a tendency to protect themselves from all kinds of, well, state actions, for sure. But anyway, I was just curious what the reason was [INAUDIBLE]

HOLDCROFT: OK.

HALLORAN: Thank you, sir.

HOLDCROFT: Thank you.

HALLORAN: Appreciate it. Online comments for LB1018, there were 2 proponents, 2 opponents and 1 neutral. That concludes LB1018. Moving on to LB1162.

HANSEN: Losing your only committee member.

HALLORAN: I was going to say, I'm not going to ask if there's any questions from the committee.

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LOWE: I can clear a room. I can clear a committee.

HALLORAN: Good job, John.

_____ : At least there's a senator here.

HALLORAN: Welcome.

LOWE: Thank you. Well, we'll see if we can get out of here by 3.

HALLORAN: Well, there's one thing I feel quite comfortable with, being the only committee member here, I should have adequate eye contact with the testifier.

LOWE: Thank you, temporary Chairman Halloran. My name is John Lowe. That's J-o-h-n L-o-w-e, and I represent Gibbon, Shelton, and Kearney. LB1162 was brought to me by NACO. And the county sheriffs clarified 2 issues about the mileage reimbursement collected by the county sheriffs when they serve process. The State Auditor had brought these issues to their attention this summer. Years ago, county sheriffs and deputies sometimes used their personal vehicles rather than county vehicles when they were serving civil process. They were allowed to collect mileage fees on this service. Today, sheriffs and deputies use county vehicles to serve process, but an Attorney General's Opinion from 1993 concluded that they can't charge mileage fees when they are using a county vehicle. This problem is especially apparent when they're using a county vehicle to serve process in a civil suit, but the mileage cannot be assessed as charged against the complaining party. This bill is intended to make it clear that these mileage fees can be collected by the sheriff, unless the sheriff or an employee is using a personal vehicle. The sheriff pays these fees to the county treasurer, and they are placed in the county general fund. This reflects current pract-- practice. After this bill was introduced, NACO and the State Auditor met again and decided that this language could be even more clear. So I'm offering this amendment to rephrase the sentence on page 4. The amendment is-- it doesn't have a number yet. The, the second clarification in L-- LB1162 deals with the process of sheriffs reporting and paying these fees to the county treasurer. Section 33-117 requires sheriffs to make quarterly reports to the county board, showing the amount of fees collected or earned. This raises the question, which should they report, collected or earned or both? The amendment would clarify that they should report the fees collected. In addition, the current law requires them to pay the fees earned, whether or not they have been collected to the county

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treasurer. LB1162 would require payment only after the fees have been collected. NACO and a county sheriff and a representative from the State Auditor will follow me.

HALLORAN: All right. Thank you, Senator Lowe. Any questions from the committee? Seeing none, thank you for your opening. Proponents for LB1162? Good afternoon, Sheriff.

NEIL MILLER: Good afternoon, acting Chair, Senator Halloran and Senator Lowe. My name is Neil, N-e-i-l M-i-l-l-e-r. I am the Buffalo County Sheriff, and today, representing Nebraska Sheriffs Association. Thank you for the opportunity to speak to you on LB1162. This was brought to a couple of counties last year during their annual audit, that they felt that the language that was out there currently did not allow the counties to collect fees while serving papers. We've been collecting fees for many, many years for the service of process, both fees to, to serve papers, as well as the mileage to take them out to the people to be served. Because we're in the law enforcement business, we felt it best that we not be violating the law, no matter who said that their opinion-- what the opinion was of that. And that's why we approached NACO, who approached Senator Lowe to come in with a bill that could address and clean up this language so that we did not have any issues or concern about whether or not we could collect those mileage fees. That's what we've done with LB1162. Certainly, I would be able or more than happy to, to answer any questions that you might have about the, the whole service of process and collection of fees and mileage I think that the sheriff's been charged with, with over 100 years. So, certainly, I would answer any questions you might have.

HALLORAN: All right. Thank you, Sheriff. As much as I would like to become more familiar with the process, I think I understand the process. So I won't belabor that and ask you to go through all that detail and history, but-- all right. Any questions? I have none. I appreciate your testimony.

NEIL MILLER: Thank you for the opportunity. We ask that you support and, and push through 11-- LB1162.

HALLORAN: I appreciate it.

NEIL MILLER: Thank you.

HALLORAN: Safe trip home. Additional proponents, LB1162? Good afternoon, again.

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BETH BAZYN FERRELL: Good afternoon, acting Chair Halloran and members of the committee who are not here, I guess. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l. I'm with the Nebraska Association of County Officials, appearing in support of LB1162. We'd like to thank Senator Lowe for carrying this bill on our behalf. As he has described and Sheriff Miller has described, it really is intended to be a cleanup of a couple of issues that came up with county audits, the one being mileage reimbursement and the other being just some clarification and codification of which fees should be reported, earned or collected or which one. So, I'd be happy to take questions.

HALLORAN: Pretty straightforward. I have no questions, Beth. You're very thorough, again. Thank you. Any additional proponents to LB1162? Seeing none, opposition to LB1162? Seeing none, neutral capacity, LB1162. Welcome. Good afternoon.

JEFF SCHREIER: Good afternoon. Senator Halloran, other members of the committee that are not here--

HALLORAN: Distinguished members.

JEFF SCHREIER: --distinguished members. My name is Jeff Schreier, J-e-f-f S-c-h-r-e-i-e-r . I am an audit manager for the Nebraska Auditor of Public Accounts, also referred to as the APA. And I am here, appearing on behalf of Auditor Foley and our office. As you may know, our office follows government auditing standards issued by the Comptroller General of the United States. Those standards require us to test an auditee's compliance with laws, rules, regulations, contracts, grant agreements, etcetera. Unlike the Attorney General's Office, we do not issue legal opinions or legal advice, but determining such compliance is an important part of the audit process. During the audit of several counties, we became aware of a disconnect between current practices regarding the charging and remittance of mileage fees and the requirements of current state law. Currently, the majority of counties utilize county-owned vehicles when serving papers and charge mileage for that service, and those fees are subsequently remitted to the county general fund. While this practice does seem reasonable, it appears to be in conflict with the current statutes and the opinion-- previous opinion issued by the Attorney General. In that opinion, the Attorney General was asked if mileage fees charged under statute 13-- 33-117 should be considered income to the county, and also if those mileage fees should be charged by the county sheriff if they are using a county-owned vehicle. In that opinion, the Attorney

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General concluded that mileage fees should only be charged if the sheriff's personal vehicle is used to complete service. And any mileage earned by the sheriff would have been the property of the sheriff. And no mileage fees should have been charged if using a county-owned vehicle. As mentioned earlier, this appears to be in conflict with current practice of the various county sheriffs, who are charging fees when using county-owned vehicles and remitting those fees to the county general fund. In conclusion, Auditor Foley and our office appreciates NACO for working on a solution to this issue, and Senator Lowe for introducing LB1162, that allows the Legislature to excess-- exercise their policymaking responsibilities and provide clear direction to the county sheriffs regarding the proper handling of mileage fees. I'd be happy to answer any questions.

HALLORAN: Thank you, Mr. Schreier. You're very, very complete. I have no questions.

NEIL MILLER: All right. Thank you.

HALLORAN: Thank you. Any other in the neutral capacity, LB1162? If not, Senator Lowe, if you'd like to close.

LOWE: Well, I'd like to address the committee, but I might have to go somewhere else.

HALLORAN: I have a question for you.

LOWE: Yes.

HALLORAN: I should have asked the sheriff, and forgive me for that. I usually lean on my fellow committee members to fill in the gaps, but it-- does it happen often? Frequently? Personal use of cars? I didn't think-- OK.

LOWE: I'll answer that.

HALLORAN: So for the record, there's, there's a headshake in the negative reference. OK. All right. All right. That--

LOWE: Thank you very much.

HALLORAN: --that concludes-- there's no online comments. So that concludes our hearing for LB1162.

LOWE: Sounds like consent agenda to me.

HALLORAN: Yeah, it could sound that way.