KAUTH: Welcome to the Business and Labor Committee. I'm Senator Kauth from Omaha, representing the 31st Legislative District. I serve as chair of the committee. The committee will take up the bills in the order posted. Today is a confirmation hearing. This public hearing is your opportunity to be part of the legislative process and to express your position on the proposed legislation or appointment before us. If you're planning to testify today, please fill out one of the green testifier sheets that are on the table at the back of the room. Be sure to print clearly and fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the page or to the committee clerk. If you do not wish to testify but would like to indicate your position on a bill, there are also yellow sign-in sheets on the table at the side for each bill. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone. Tell us your name and spell your first and last name to ensure we get an accurate record. We'll begin each bill hearing today with the introducer's opening statement, followed by proponents, opponents, and follow-- follow-finally following anyone speaking in the neutral capacity. We'll finish with a closing statement by the introducer if they wish to give one. We will be using a three-minute light system for all testifiers. When you begin your testimony, the light on the table will be green. When the yellow light comes on, you have one minute remaining. And the red light indicates your time has ended. Questions from the committee may follow. And I am now informed there's no timer on appointments, so-- as long as we want. Committee members may come and go during the hearing. This has nothing to do with the importance of the appointment being heard. It's just part of the process. We will have three other senators joining us today. If you have handouts or copies of your testimony, please bring up at least 12 copies. Give them to the page-- or, in this case, Thomas. If you don't have enough copies, we'll make copies for you. Silence or turn off your cell phones. You may see committee members using their electronic devices to access more information. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position comments on a bill to be included in the record must be submitted by 8 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at nebraskalegislature.gov. Written position letters will be included in the official hearing record, but only those testifying in person before the committee will be included on the committee statement. I will now have our committee members introduce themselves, starting on my far right.

RAYBOULD: Hi. Good afternoon. I'm Jane Raybould, Legislative District 28, representing Lincoln.

McKINNEY: Good afternoon. Terrell McKinney, District 11: north Omaha.

KAUTH: And also assisting the committee today: to my right is our legal counsel, Thomas Helget; and to my left is our committee clerk, Julie Condon. And we do not have pages for this today. So with that, we will begin our hearing on the gubernatorial appointment of Katie Thurber, Commissioner for the Nebraska Department of Labor. Katie.

KATIE THURBER: Thank you. Good afternoon, Chairwoman Kauth and members of the Business and Labor Committee. For the record, my name is Katie Thurber, K-a-t-i-e T-h-u-r-b-e-r. And I'm appearing here this afternoon to ask for your support in recommending my confirmation as commissioner of labor to the full Legislature. As most of you know, I served as general counsel and deputy commissioner of labor for the previous commissioner, John Albin. And I've been serving as interim commissioner of labor under Governor Pillen since Commissioner Albin's retirement. I'm extremely grateful to Governor Pillen for giving me the opportunity to serve the people of the state of Nebraska. I also want to take a moment to thank Commissioner Albin for his mentorship and support over the years. By way of a quick personal background, I grew up in Gering, Nebraska. I received my undergraduate degree in mathematics from Birmingham Southern College, where I also played college volleyball. I repur-- returned to Nebraska after undergrad and received my law degree from UNL. I'm blessed to be married to my wonderful husband, Zach, and together we are raising our seven year old son, Wyatt, which is a new adventure every day. I clerked for the Nebraska Department of Labor while attending law school and briefly entered private practice in Scottsbluff before returning to work for the department. In my 13 years with the department, I've served in many roles, including general counsel, acting UI director, and deputy commissioner for operations before the appointment of interim commissioner of labor by Governor Pillen. As you're aware, the deper-- department is primarily federally funded, with approximately 98% of the department's funding coming from the United States Department of Labor. Federally funded programs come with added layers of compliance requirements. Obviously, the federal landscape is changing at a rapid pace right now. As part of that, my focus as commissioner is to make sure Nebraska is ready to quickly adjust and respond to federal changes in order to maximize the use of funding available to the department. The more agile the department can be, the more we can ensure federal resources are allocated efficiently while delivering meaningful impact for the citizens of this great state. In my tenure as interim commissioner, I've supported Governor

Pillen's mission of modernizing the Department of Labor to ensure the department continues to successfully respond to any challenges Nebraska may face. To that effect, the department brought forth legislation this session streamlining the unemployment adjudication process. This legislation, LB197, was recently passed. Further, the department also brought forth LB297, which reduces the combined unemployment insurance tax charge to employers and provides the department greater flexibility to adjust annual employer unemployment insurance tax rates. These changes will help reduce the excessive reserve funds in the Unemployment Trust Fund. Committee metter-- member Senator Ibach agreed to introduce this legislation on the department's behalf, and I thank her for her support. As interim commissioner of labor, I've tried to carry out the governor's vision of streamlined but impactfu-- but an impactful approach to workforce development for the state of Nebraska. Senator Sorrentino introduced LB265, which merges two existing workforce development programs administered by the Department of Labor and their corresponding funding mechanisms into one account. Under LB265, the department will be able to administer one program with flexibility to respond to the state's revolving workforce needs. Senator Sorrentino is also a member of this committee, and I thank him for his support on this legislation. If confirmed, one of my top priorities will be to carry out the governor's vision of an impactful approach to workforce development for the state of Nebraska. This vision includes implementing a workforce development program that aligns with economic development's 6 Regions, One Nebraska program. Governor Pillen's initiative encourages regional collaboration to address workforce needs. The collaborations between educational institutions, businesses, and local governments will allow the state to develop creative workforce solutions and ensure that training and workforce development are directly aligned with regional economic priorities. Innovation flourishes when government, business, and educational institutions collaborate. If confirmed, I will actively promote these public-private partnerships. Additionally, a key tenant of workforce development in Nebraska going forward will be its youth. Youth need meaningful access to employment training that gives them a career path to stay and thrive in Nebraska. As part of this, I hope to expand workforce programming such as Jobs for America's Graduates and apprenticeship throughout the state. I believe that if you offer the next generation of Nebraska workers meaningful opportunities, a majority of the next generation will stay here and apply those learned skills in this great state. To accomplish this goal, I am dedicated to expanding apprenticeship opportunities for Nebraskans. Nebraska needs to foster a new generation of skilled workers and its youth and those with barriers to employment. I've already begun working with my

colleagues at the Department of Economic Development, Health and Human Services, Education, Corrections, and others to find opportunities for apprenticeships and workforce training that offer a lasting impact to our future workforce. I would be remiss in not pointing out that all of the current and future successes achieved by the department would not be possible without the hard work of the department's team members. They tirelessly work to help people through periods of unemployment and helps develop the skills needed to find new jobs. I'm honored to work with them. And it's my hope that I may continue to lead them as commissioner of labor in the coming years. Thank you for your time. And I would be happy to answer any questions that you may have.

KAUTH: Thank you very much, Ms. Thurber. Are there any questions from the committee? Senator Raybould.

RAYBOULD: Thank you, Ms. Thurber. And I have to apologize. I think I was pretty rough on you when I was asking you questions about LB299. And I now know that you've been working very hard to, to get something like that passed. But can you tell me a little bit more what you think the ne-- next steps should be to make sure that those who are here with documentation and legally here can, can have access, if they need it, of their unemployment benefits?

KATIE THURBER: Well, I think immigration in general is a federal issue. And in this climate, it's going to be changing a lot right now. Just—it just seems like everything at the federal level is moving at a pace I haven't witnessed before. Maybe some of you have, but I have not. And so I think that we need to be responsive and ready once there is a final decision made. And I think the best way to do that is to have flexibil— as much flexibility in the legislation as possible so that as the federal law changes, we can just enforce that as needed.

RAYBOULD: And you-- and I, I understand that they threatened to withhold any federal funding for the department should we continue to pursue this. And I was just curious what the department's response was to that. And-- but I guess, how are they threatening to withhold? I believe there are 32 other states that may have passed similar legislation. How were they intending to withhold--

KATIE THURBER: So they--

RAYBOULD: --federal funds to those states as well?

KATIE THURBER: The immediate threat that I testified for, and the reason I was here in opposition for, I believe that was addressed in the amendment that was drafted. And then the new matter that came up-

RAYBOULD: Yeah.

KATIE THURBER: --more recently is tied to the President Trump's executive order. And based off of that executive order, departments have been issuing new regulations that specifically say individuals here under the Deferred Action for Childhood Arrivals programs are not lawfully present. And that's exactly what LB299 touches upon. And so I haven't resubmitted the amendment yet, and am required by law to resubmit the amendment. But that's the issue that I needed to bring up again.

RAYBOULD: Is, is that one of the presidential executive orders that is being challenged as being unlawful?

KATIE THURBER: I don't know if that's specifically one-- what specific one has been challenged. I know several have been.

RAYBOULD: OK. All right. Thank you.

KATIE THURBER: You're welcome.

KAUTH: Thank you, Senator Raybould. Other questions? Senator McKinney.

McKINNEY: Thank you. Quick question. How do we address the issue of having a low unemployment rate but having a high population of the Nebraskans that are working multiple jobs?

KATIE THURBER: Yeah. I think that's-- lots of ways to address that. First of all, our labor force numbers are actually growing. So we've grown by about 10,000 last year. It shows Nebraska is growing in the right direction. That means more people are able and willing to work in Nebraska than last year. So that's a promising sign. But we need to continue to figure out how we can continue to grow that number. And I think that's-- there's two main areas of that. It's recruiting more talent in, but it's also keeping the existing talent we have and upskilling that talent more. So is-- are there people with barriers to employment that are not part of that labor force right now? Yes. How do we get those individuals working as well so that people don't need the multiple jobs? And then obviously with multiple jobs, there's also a wage component. And there are high-wage jobs available in Nebraska. We may-- need to make sure we have the training to get individuals in them.

McKINNEY: Thank you.

KATIE THURBER: You're welcome.

KAUTH: Thank you, Senator McKinney. Any other questions? Senator Ibach.

IBACH: Thank you very much, Chair. I would echo Senator Raybould's comments regarding LB299. You were very, very helpful and thoughtful in helping us work through how we could make it work. And it was disappointing that it didn't. But I also think that eventually there will be a window for us. So I appreciate you-- your thorough analysis of that bill and your really thoughtful follow-up with it. You were very helpful. So thank you with that.

KATIE THURBER: Thank you.

IBACH: And I appreciate what you've done over at the Department of Labor. I think that you've really-- your experience there speaks for itself. And I, I appreciate what you've done. So thank you.

KATIE THURBER: Thank you.

KAUTH: Thank you, Senator Ibach. Any further questions? Seeing none. Will you say to close?

KATIE THURBER: I'll waive closing. But I will just say thank you all. I've appreciated this working relationship.

KAUTH: Absolutely. OK. First proponent. Seeing none. First opponent. Seeing none. Does anyone wish to testify in the neutral? Seeing nothing. We do have-- we had one letter online. O-- oh. 1 proponent letter online, O opponents, and O neutral. And the Nebraska Chamber of Commerce also submitted a letter on your behalf. So. If you'd like to come up and have any final words.

KATIE THURBER: I'll waive.

KAUTH: You'll waive. And that concludes our appointment hearing. Thank you, Ms. Thurber.

KATIE THURBER: Thank you very much.