

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Welcome to the Education Committee. I'm Senator Dave Murman from Glenvil, and I represent the 38th District, and I serve as chair of the committee. This public hearing is your opportunity to be part of the legislative process and to express your position on the proposed legislation before us. The committee will take up agenda items in the order posted. If you wish to testify on the mic today, please fill out a green testifier sheet. The forms can be found at the entrances to the hearing room. Be sure to print clearly and provide all requested information. If you will testify on more than one agenda item, you will need a new green testifier sheet each time you come forward to speak on the mic. When it is your turn to come forward, please give the testifier sheet and handouts you might have to the page as you are seated. If you have handouts, we request that you provide 12 copies for distribution. If you do not have 12 copies, please alert the page when you come forward. At the microphone, please begin by stating your name and spelling both your first and last names to ensure that we get an accurate record. Observers, if you do not wish to testify, but would like to indicate your position on an agenda item, there are yellow sign-in sheets in the notebooks at the entrances. The sign-in sheets will be included in the official hearing record. We will begin with the introducer giving an opening statement at the mic, followed by proponents, opponents, and those wanting to speak in a neutral capacity. The introducer will then have an opportunity to give a closing statement if they wish. We will be using a 3-minute time limit system for all testifiers. When you begin your testimony, the light on the table will be green. When the light turns on, you'll have 1 minute to wrap up your thoughts, and the red light indicates that you have reached the end of your time limit. Questions from the committee may follow off the clock. A few final items to facilitate today's hearing. Please mute your cell phones or any other electronic devices. Verbal outburst or applause are not permitted. Such behavior may cause you to be asked to leave the hearing room. Know that committee members may need to come and go during the afternoon for other hearings. I will now ask the committee members with us today to introduce themselves, starting at my far right.

SANDERS: Good afternoon. Good afternoon. Rita Sanders representing District 45. It's the Bellevue-Offutt community.

HUGHES: Jana Hughes, District 24: Seward, York, Polk, and a little bit of Butler County.

MEYER: Glen Meyer, District 17, northeast Nebraska: Dakota, Thurston, Wayne, and the southern part of Dixon County.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

HUNT: I'm Megan Hunt, and I represent District 8 in the northern part of midtown Omaha.

LONOWSKI: Good afternoon. Dan Lonowski, District 33, which is Kearney County, Adams County, and rural Phelps County.

JUAREZ: I'm Margo Juarez, District 5, representing south Omaha.

MURMAN: Staff with us today are to my immediate right, legal counsel Kevin Langevin. And to my far right is committee clerk Diane Johnson. The pages who serve our committee are-- and I'll let them stand up and introduce themselves and tell us a little bit about themselves.

RUBY KINZIE: I'm Ruby Kinzie. I'm a third-year political science major at UNL.

SYDNEY COCHRAN: I'm Sydney Cochran, and I'm a first-year business administration and U.S. history major at UNL.

JESSICA VIHSTADT: Hi, I'm Jessica Vihstadt. I'm a second-year political science and criminal justice student at UNL.

MURMAN: Thanks for helping us out today. And with that, we'll begin today's hearing with LB440 and Senator Spivey.

SPIVEY: Well, thank you, Chair Murman. I think this is my first time in front of Education, so I'm glad to be here with you all today. I am Ashlei Spivey, A-s-h-l-e-i S-p-i-v-e-y, representing District 13, which is northeast and northwest Omaha. And I'm really proud to introduce to you today LB440, which establishes the Education Leave and Support Act to provide critical support for Nebraska's teachers and school districts. The Education Leave and Support Act addresses a pressing need in our education system by creating the State Education Leave Fund. This fund will reimburse school districts for the cost of long-term substitute teachers during the first 6 weeks of certified teachers Family and Medical Leave Act. It will pay for the cost of that leave, or FMLA, of that certified teacher for the first 6 weeks, and allocate unused funds to be used for the teacher retention and recruitment fund. I put a definition, because I think sometimes folks forget, inside of your synopsis paper that I handed out, but FMLA is not just around maternity and paternity leave. The, the-- you take the leave, FMLA, for significant health and life events. And it's really important, I think, in this climate and where we are, that people have what they need in order to navigate those health events and not have to choose between their health and their job. I think about when I had my last son, my now almost 2.5-year-old, and I needed to take, of

course, maternity leave once he was born. And I've talked about this. I suffered from severe postpartum depression and anxiety, and so I needed additional time to not only work on my mental health, but also to show up and be the parent that I needed for him. And I was fortunate to have an employer in U.S. Bank that allowed for my FMLA to be paid for 3 months, and then I could use my PTO for the, the longer need that, that I have to take. And outside of my maternity leave, my sister, during the pandemic, was diagnosed or really not even diagnosed, had extreme medical condition where we thought she was not going to make it. My sister is now 27, so at 22 years old, she was admitted to the hospital immediately. And she was in the cancer and COVID ward. And, again, the signs were that she was not going to make it past the next 2 weeks, and she ended up being in the hospital for 3 months. I was her guardian as a young person under 19. Our mother passed away, so I was her legal guardian and so I was her caretaker during that health event. And, again, if I did not have this paid family medical leave, I would have had to try to choose between being there for my sister and navigating something that we did not even plan on, and then still supporting my child and my family. And so I think this bill and what it brings forward is really, really important. And this matters because it prevents teacher burnout and turnover. It strengthens our education workforce, which we have talked about a lot since I've been in the body. It promotes long-term savings by reducing the costs associated with hiring and training new teachers, and we can really focus on those long-term substitutes. And it really invests in the stability of Nebraska's classrooms, benefiting our students and our communities statewide. And so with LB440, it establishes a payroll fee of 0.35% on a certified teacher's taxable wages, and it's matched by the school districts. And this will start January 1, 2026. It would then create this Education Leave Fund that would cover the costs for the long-term substitutes, as well as the certified teachers' leave, ensuring that teachers can take FMLA without exhausting their personal and sick leave, which we see to be a problem now. Teachers, if they have to take paternity leave or maternity leave, if they have this life event, they're going to have to exhaust their sick or PTO time in order to cover that, again, to ensure that they are paid. And then it also creates the Education Retention Fund to redirect surplus funds towards addressing teacher shortages and professional development, which, again, has been a topic of this body since I've been in the Legislature around how do we really invest in one of the most critical positions across our state? So this bill aligns with Nebraska's commitment to supporting education-- educators-- excuse me-- much like other workforce. And it supports and creates programs that we see like unemployment insurance or workers' comp. With teacher burnout and

shortages at critical levels, there is no reason to leave our educators without adequate support during significant life events. As I mentioned, this current system that we have in place forces teachers to dip into limited leave banks or forgo income, all while districts struggle to afford substitutes. And I don't know anyone, at least in my circle, who can afford to forgo income, right, because of a life event. And so this is really making sure that people have what they need to be able to manage that significant life event and still not give up on their career or leave the workforce. And so when you look at the nuts and bolts of LB40 [SIC], it changes our current circumstance by ensuring that teachers receive the support for their first 6 weeks, first 6 weeks of FMLA leave. It reimburses those districts for those substitutes, and that cost is determined by the State Board of Education. This, this bill also leverages sustainable funding. And so through the payroll contributions, we're not asking for state appropriations. You may see it on the fiscal note. However, we do have an amendment that you all have with you as well that looks at a specific cash fund that does have money available to be able to pay for the start-up costs and the managing of this program. But because of the payroll tax that the employee pays in, as well as the employer, which is a school district, the, the cost of FMLA coverage is paid for. So it does have a pay source and it does not require any additional state appropriations. And then, again, as of January 2026, the State Education Leave Fund will start to collect those fees and start reimbursing July 1, 2026. I believe this is a really good policy because it brings Nebraska's education system in line with the modern workforce needs, supporting teacher retention and student stability. It addresses some of the gender-based disparities in leave policies, especially for our young women who are mostly affected by limited pay leave options and ensures fiscal responsibility because we have built-in annual audits and as well as transparent reporting to the Legislature. So there is that accountability and oversight, which I think is important. When you think about the impact that it has on teachers, right, like, I don't think teachers make enough in general, so, like, what would this mean for them to have this payroll deduction? When you look at it, it's about a \$20 a month investment from them. And so when you kind of put it into that context, to be able to invest \$20 a month into this pool and then to be able to use it when they have a significant life event, I think is very impactful and is worth that investment. So some of-- just kind of context around other states that are doing this, so there's 13 other states and D.C. that have mandatory paid family medical leave laws in place. A lot of these other states have a longer leave period, and they don't cover 100% of that salary. So, for example, Colorado's program covers 12

weeks, but it provides 90% of their average weekly wages instead of the 100% that teachers would continue to receive. And they use a 0.9% payroll tax deduction. So, again, this is, when you look at the market, we're very reasonable in what we're asking and contributing of the employer and the employee. This is also happening in the public sector. And so in 2023 the Department of Labor did a study in Lincoln-area businesses and it showed that 44% of the businesses offered some sort of paid family medical leave. And that 7.5% offered it to some of their employees, and 36% offered it to all employees. It does vary by employer. But I will say, again, that this industry that we're in, education needs to keep up with other competitive markets, and we're seeing it happen in the private sector. And I would always argue that teachers are some of our most important industry and frontline workers. And so they need competitive benefits. They need this, this-- the FMLA support in order to be able to stay in the workforce, keep educating our future leaders and workforce of the future and making sure that they can do that in balance and in harmony with their families. And then, lastly, this still allows for local control. So this mirrors other programs that we operate at the state level. So think our statewide insurance program or how we pool our retirement. And so this allows us to spread out the risk and benefits and especially will support smaller districts where they don't have to implement a policy on their own and bear that burden. And so, again, you do have the two amendments that would fix just a technical language there, as well as the pay source of that cash fund for the administration of the program. You also have a synopsis that kind of breaks out the nuts and bolts of the policy. And with that, I will welcome any questions that you have on LB440.

MURMAN: Thank you. Any questions for Senator Spivey at this time?
Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you for bringing this, Senator Spivey. I have a couple of questions, if that's OK. Are we-- one question I was going to ask is what happens if the money collected isn't enough to cover all the leave requests that are out there, or is there some backup if--do you know what I'm saying-- if the pot of money, which I love how you figured out how to fund this on its own and things.

SPIVEY: Yeah, so from our looking at, like, previous, like, time off and what does it look like for the district? It looks like there would be a balance. Like, there would not be--

HUGHES: Because I saw you got in place if you've collected too much,--

SPIVEY: Yeah.

HUGHES: --I just didn't know if there's something on the, the backside of that.

SPIVEY: Yeah, absolutely. I think that's a great question. So we-- I think we did our math correctly that it looks like, based on the amount that we are having for the payroll deduction, that there is enough in that pot of money to cover what we have seen historically--

HUGHES: OK.

SPIVEY: --around FMLA leave. But I think that's a great piece that I can make sure that I explore with my partners around this in Fiscal, so that there's not a-- if there is a deficit, that we can address it.

HUGHES: Yeah. And then so I'm-- I was glad to hear it's kind of-- you're-- it's running on average \$20 a month is what it would cost out of the teachers' pay, which then on the flip side, every school, it's also \$20 on average for all their teachers. So it doesn't cost the state more, but it will cost the districts more.

SPIVEY: Absolutely.

HUGHES: And I just wanted to make sure. Yeah.

SPIVEY: Yeah, and I think that's a great point to upload, which I think it's an investment for the districts. Right? So when you--

HUGHES: And retention is so important.

SPIVEY: Yeah.

HUGHES: Yeah.

SPIVEY: And so we think that based on what other states have done from, like I mentioned, Colorado has that 0.9%, like that we are in a, a good medium space of what we are asking people to pay into this pool of money. And the, the benefits that will have will be outsized. And I think it's worth that investment.

HUGHES: And then my last question is how does this-- because this is not just for a certain type of leave. It's any FMLA leave. How does this work in conjunction with some schools? Like, I came from a district that they had a sick bank locally at that local level where if Senator Meyer and I are both teachers, I, I put in a day and he

puts in a day and if something happens, you know, with my-- whatever, I have a-- I get sick or whatever, I can pull from that. Well, those still, you think, exist or do you think this will kind of do away with the districts already doing this at the local level?

SPIVEY: No. So this is not to replace any sort of interventions or support that at the local level are happening. And my hope is that districts will continue that because like that sick bank is very particular if you have a kid sick, right?

HUGHES: Right.

SPIVEY: PTO is still accruing, sick leave is still accruing. It doesn't change that. These are for the FMLA-eligible activities, and that definition that I listed that can include maternity and paternity, but that, that really health event that happens which you can take FMLA, it's just unpaid. And so people still are going to take FMLA. This just says to be competitive in the market to retain folks, keep doing what you're doing. And this also offers 6-- that 6 weeks, which makes it more competitive and allows for people to stay within their job and not have to choose between their income and their health event.

HUGHES: By law, it's 12 weeks, is the option. So this pays you for the--

SPIVEY: 6.

HUGHES: --so you could use the sick thing for X amount of days and then this kicks in. OK.

SPIVEY: Yeah, and, and doesn't cover-- this doesn't cover the full FMLA-eligible leave time, just the 6 weeks.

HUGHES: Right. Just the 6 weeks. OK. Thank you.

SPIVEY: Yes. Thank you, Senator Hughes. I appreciate your questions.

MURMAN: Any other questions? Senator Meyer.

MEYER: Thank you, Chair Murman. Just for clarification, I think I read in here what it applies, but you take the Family Medical Leave Act 6 weeks first and then back up with this particular, with this particular program.

SPIVEY: So how it will work, so say I, I have to be a caregiver for my mom who's now in hospice and so I can apply for FMLA. And under the law, I have the 12 weeks unpaid that protects me to have my job when I come back. This just says the first 6 weeks because I'm teaching that I'll need a long-term substitute, so it would cover my long-term substitute to ensure continuity in the classroom. And then it would cover my first 6 weeks only for me to leave to go care for my mom that is in hospice. And then to Senator Hughes's point, if I have PTO or sick leave that I'm going to use to be paid for that other time on my FMLA, I can. This just covers the first 6 weeks. And I do want to name that NAPE, so our union for state employees, they actually just negotiated this in their contract as well to have paid time under FMLA. So we are seeing, again, that this is becoming a benefit that is more common than not, because we know that folks are going to need it to stay in the workforce.

MEYER: May I ask one more question, Chairman?

MURMAN: Yeah. Sure.

MEYER: And so the, the use of this paid sick leave and paid time off corresponds with the same reasons with Family Medical Leave Act, there's no other additional caveats or anything of that nature.

SPIVEY: Absolutely, Senator, you are correct.

MEYER: Thank you.

SPIVEY: Thank you, Senator Meyer.

MURMAN: Any other questions? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Thank you for bringing this, Senator Spivey. So does the, does the teacher need a medical note, a doctor's note to say I'm getting this time off or I require this extra time off?

SPIVEY: Yes. So this will still follow all of FMLA protocol and processes where you have to submit information. So none of that changes the actual federal policy around FMLA.

LONOWSKI: OK.

SPIVEY: So all of that-- yes, all of that is still protocol.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

LONOWSKI: I'm just curious on the, like, the adoption of a child, how that would work, but I can look into that as well, so.

SPIVEY: Yep. Yeah. So, yep, as long as it falls under FMLA and its an eligible reason, then they can use their 6 weeks for that eligible reason.

LONOWSKI: OK. Thank you.

SPIVEY: Thank you for your question.

MURMAN: Any other questions? Senator Conrad.

CONRAD: Thank you, Chair Murman. Thank you, Senator. Good to see you. Appreciate this bill being brought forward in this hearing here today. And I'm sorry if you covered this in your opening when I was introducing another bill, but maybe it would just be helpful for the committee moving forward, I just want to put a reminder on record if we could maybe get a chart or a little one pager put together about how your proposal might interface with existing FMLA protections, either to, to complement or contrast where there's holes or gaps that, that need to be filled in. It's kind of hard to, to get through all of that in a committee-level hearing today, but that might just be something helpful so that we can all kind of--

SPIVEY: Yeah, absolutely.

CONRAD: --be on the same page of that working forward. And then to add to that homework, perhaps, I'd also wonder if maybe we could have a brief analysis with your staff or, or committee staff, too, about if there's any implications or intersections with the sick leave law recently approved by voters in Nebraska here as well, just to make sure that we're, we're taking that into account in building upon on that clear sentiment from the electorate in regards to how they want us to continually make progress in the state to provide not only good wages, but thoughtful benefits like sick leave to folks--

SPIVEY: Yeah, absolutely.

CONRAD: --so that they don't have to choose between their job and, and an illness. I think that would-- that was another issue that just popped up. And then if you want a chance to respond to this or perhaps other members behind you will, I know that a sick leave bank can be a lifeline for people sometimes when they've burned through their time and they have, they're sick, or they're caring for somebody who's sick, and they just need that little bit of extra help so that they

don't have to walk away from their job. But I also worry about that really puts the solution squarely on the employees to then give up their own time to put it into a bank, and it's uncertain about how much time will be in that bank and will be available. And it really lets the employers off the hook and, in this instance, big government. It lets the schools off the hook instead, and puts the onus on the teachers themselves to essentially be Good Samaritans and provide leave for, for their colleagues, which I know they're generous and willing to do. But that approach has a significant amount of limitation and, and policy concern as well.

SPIVEY: Yeah, absolutely. And I think you named it, it has limitations. And we want to be competitive to retain teachers. We want to make sure that people can have that harmony and balance and do what they need to do. And so I think you will hear some really great testimonies of, like, real life, what this will look like for our teachers. And I'm excited to not take their thunder--

CONRAD: Yes, yes, very good.

SPIVEY: --so I won't speak on that piece. But I do think in terms of a policy for us, as a body, and, and why I wanted to bring you this because I think we have a responsibility to our workforce, just like you named with the voters saying that they want paid sick leave. Like, we've, we've seen through the pandemic, especially, right, when a life event happens, and what does that mean for you to have to choose between taking care of your family, managing that life event? We know that we struggle with keeping bodies inside of jobs now, and so we have to have and create a competitive market that takes care of people and honors the work that they are doing. And I think this bill does that. It allows for people to take-- and, again, this isn't chipping away at it. It's only 6 weeks. So this is allowing for people to take that 6 weeks of paid FMLA to manage that life event, hopefully within that 6 weeks. And then they can leverage their PTO and other sick time in a way that they need it. But it doesn't burn it because, again, we know that those life events keep happening. And so teachers are critical to our future in Nebraska. They are on the front lines. I know there's two school board-- former school board members and folks that have worked in that space. And so, I mean, we know the importance of keeping teachers, having them work with the future with our young people. And I think this allows and addresses some of the issues that we have been wrestling with on a number of fronts.

CONRAD: Great. Thank you. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

SPIVEY: Thank you, Senator Conrad. And I put the two notes for some of the follow up for the committee.

MURMAN: And thank you. I just got another follow-up question. I think you've kind of answered it, but with the recent vote of the people on paid family leave, is this bill still necessary and, if so, why? And maybe we'll hear more about it later, too.

SPIVEY: Yeah, absolutely. And I'll poll the difference between unpaid sick leave and how that interfaces with FMLA, because there are some technical differences from, like, a federal perspective in HR. And so this really sits in unpaid, paid family medical leave. So FMLA is where this sits and we're paying for that versus sick leave is a little bit different. And so I'll put together that chart so that you can clearly see what does that look like from that valid initiative that passed and then how this impacts this.

MURMAN: OK. Thank you. Any other questions?

SPIVEY: Thank you, Chair.

MURMAN: Yeah. Thank you very much.

SPIVEY: All right. Thank you. I appreciate it. And I will be here to close. I have a hearing across for Appropriations and I'm third in another room. So I may kind of be bouncing in, but I will be here to close. OK?

MURMAN: OK. We hope you can be here.

SPIVEY: Yes.

MURMAN: Proponents for LB440?

TIM ROYERS: Good afternoon, Chair Murman, members of the Education Committee. For the record, my name is Tim, T-i-m, Royers, R-o-y-e-r-s. I'm the President of the Nebraska State Education Association, and I am pleased to be able to testify on behalf of our members in support of LB440. As you already heard, LB440 would establish a program that would ensure that the first 6 weeks of a teacher's authorized FMLA leave is paid. So teachers are in, in kind of a unique position, teachers are under yearly contract, which means that the start of the school year, the full salary and benefits cost for a teacher is already accounted for in the school district's budget, which means when a teacher takes FMLA leave, the only added cost for a school district is the cost of the long-term sub that's hired to cover the

class for the duration of the absence. So to account for the cost of the sub, the bill would establish a 0.35% payroll fee matched by district contribution to make sure this is not an unfunded mandate on our district. After those initial 6 weeks, employees are then free to utilize any locally negotiated day's programs, like sick banks, to continue to make their FMLA paid rather than unpaid leave should they so choose. We want to sincerely thank Senator Spivey for being an excellent partner and champion on this issue. The-- we started working on this after we had conducted a survey of educators across the state this past fall, and this need was brought to our attention by hundreds of teachers across the state, indicating that this was impacting them personally. This is especially an issue for young female teachers. So how most teacher contracts work is you get 10 to 12 sick days a year and you can bank them. For example, I have 75 days waiting for me when I go back to Millard after my time in this position is done. Well, that might be great if you're in the later part of your career where you have that much leave built up. If you're a first- or a second-year teacher, you're looking at guaranteed unpaid leave if you have a baby. And, and the reason this bill is about providing 6 weeks paid leave for all categories of FMLA, and not just birth of a child, was because as we started to explore this issue, we started to hear other stories. For example, I heard from a first-year teacher who got a cancer diagnosis right at the start of the school year, and by the end of September they're out of paid days. And so now they're having to struggle with fighting cancer and trying to tackle the financial insecurity of not having an income anymore. You will hear from several educators today who will tell their very specific stories and share how their lives would have been immeasurably better if LB440 had been in place. Please, if you only listen to one thing I say to you this entire session, listen to the people that come after me. We have a crisis of faith right now in teachers-- of teachers in Nebraska. Just 8% of our educators feel that this body takes them into account when it crafts education policy. They feel the bills discussed here, for the most part, do not align with their experiences or their needs. And that perception is a contributing factor to some people leaving the profession. We've brought forward several ideas this legislative session. We partnered with several of you here in this committee. But I'm going to tell you, as I visited districts across the state, nothing has gotten the reaction compared to this bill. I've had people come to me in tears just because this bill was introduced. And so for less than \$20 a month, we're going to give teachers the peace of mind that if they need to take this leave, they won't have to worry about the financial hardship that accompanies it. And I would just ask if we get that reaction from just introducing it, think about how strongly

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

they will feel supported by you all if we advance this bill. Thank you, and I'm happy to answer any questions you might have.

MURMAN: Any questions for Mr. Royers? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. And thank you, Mr. Royers, for being here. So is the \$20 a month, just the teachers that want to take part or is that a requirement for every teacher?

TIM ROYERS: It's a requirement for every teacher.

LONOWSKI: OK. And then do you know if there's some schools that are already giving 6 weeks paid leave?

TIM ROYERS: Not to this extent, no, not that we're aware of.

LONOWSKI: OK.

TIM ROYERS: Yep.

LONOWSKI: All right. Thank you.

MURMAN: Any other questions? Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you for coming in, Mr. Royers. What do you think is going to be the biggest pushback on this bill?

TIM ROYERS: You know, I think-- you, you certainly expressed the, the question about the matching contribution on the district side. I'd be naive if I say that isn't a, you know, that isn't a factor. Outside of that, you know, I think-- I mean, Senator Lonowski raises a good point about, you know, folks choosing to or not needing it. And I guess on that, I would just say, I think, I think we all would wish to live in a world where we don't need to worry about a life event that requires us to take FMLA. I think it'd be a great problem to have. But, no, I think that's the, the only concern that I can think of.

HUGHES: And then-- if I might follow up?

MURMAN: Yeah.

HUGHES: Why-- how did you come up with 6 weeks?

TIM ROYERS: Yeah, great--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

HUGHES: Could we do 2 weeks? Start off with 2 weeks? Could-- do you know what I mean, just to maybe minimize--

TIM ROYERS: Sure.

HUGHES: --the financial piece? I don't know.

TIM ROYERS: Yeah, the concern-- what-- the 6-weeks piece was thinking about our very early career folks that might only have 2 weeks of leave available to get them to the 8 weeks. Also because-- again, depending on what the circumstances are, there is access to long-term disability, but there's a certain amount of time you have to go before you can be eligible for long-term disability. So it was about how do we provide sufficient coverage so that way, even in your first year as a teacher, if you-- again, that teacher with a cancer diagnosis, we can get them to the point where they can access that without having to go for an extended period with zero income whatsoever.

HUGHES: Thank you.

TIM ROYERS: Um-hum.

MURMAN: Any other questions? If not, thank you.

TIM ROYERS: Thank you very much.

MURMAN: Other proponents for LB440?

SYDNEY JENSEN: First timer, so. OK. Good afternoon. All right. My name is Sydney Jensen. That's spelled S-y-d-n-e-y J-e-n-s-e-n, and I'm a ninth-grade English teacher at Lincoln High School in Lincoln, Nebraska. I'm here in support of LB440. As educators, we dedicate our lives to nurturing the next generation. But when it comes to our own families and well-being, Nebraska's current system often forces impossible choices. I speak to you today not just as a teacher, but as a mother who has personally experienced these challenges. In May of 2020, I discovered I was pregnant with my daughter, Gloria. We call her Glo. Having anticipated starting a family, I had scarcely taken a single day off in 8 years, often coming in sick so that at the end of each school year I could bank my leave to afford maternity in the future. And despite this careful planning, my 8 weeks of saved leave was not enough. Like one-third of women who gave birth during the global COVID-19 pandemic, I was diagnosed with postpartum depression after welcoming Glo in January of 2021. I felt that returning to work after just 8 weeks would be devastating for my mental health. And in truth, I felt like I would not survive it. While FMLA allowed me to

extend my leave up to 12 weeks, those additional 4 weeks came without pay, which created financial strain that only worsened my postpartum depression and created hardship for our new family of three. I thought I had done everything right, but it still wasn't enough. Now, at 32 weeks pregnant with our second child, I've managed to save about 30 days of leave over the past 4 years. And this has meant coming to work sick. My husband, who is not a teacher, always being the one to stay home with Glo when she's been ill, and my suffering from burnout due to never taking personal days off. Knowing that postpartum depression affects about one in seven new mothers, and that my previous experience increases my risk to 30%, I face my upcoming leave with significant fear and anxiety. If LB440 were in effect now, I would at least be relieved of the financial burden I've experienced when taking extended family leave while caring for both my baby and my own health. This is fundamentally a teacher retention issue. LB440 creates a sustainable solution to ensure educators can take necessary FMLA leave without depleting personal leave or facing financial hardship. This means new mothers, new mothers would be able to stay home when their child is sick, stay home when they themselves are sick, and take personal days when they're overtired or overwhelmed. Things I haven't done in my entire 12-year career, as I traded my leave time to be able to afford becoming a mom. Our current system disproportionately impacts younger teachers and women, contributing to burnout and turnover in a profession already facing shortages. So many new teachers leave the profession, citing the affordability of starting a family. And by creating this self-sustaining fund, LB440 creates a fiscally responsible approach to addressing a significant challenge in education. Teachers shouldn't have to choose between their families and their financial stability, and Nebraska should be a state where mothers are able to continue working while expanding their families. LB440 aligns Nebraska's education system with modern workforce needs, and demonstrates that we value the well-being of those who shape our children's futures. I urge your support for this bill. Thank you for your time and consideration.

MURMAN: Thank you. Any questions for Sydney? If not, thank you very much for the testimony.

SYDNEY JENSEN: Thank you.

CONRAD: Great job.

HUGHES: Congratulations.

SYDNEY JENSEN: Thank you, pages, for these extra supplies. Thank you.

KATHY POEHLING: Good afternoon. My name is Kathy Poehling, K-a-t-h-y P-o-e-h-l-i-n-g, and I am the President of the Omaha Education Association and on the Board of Directors for NSEA. I know that there's been a lot of talk about this bill being one for pregnancy. However, I'm here to tell you a little bit different story. 20 years ago in Nebraska, my husband and I became foster parents, and we took in one of the most traumatized children in Omaha at the time. She was only 22 months old and had been abused in every way. We had her for 3.5 years. And at that time, the state put her back to, to her biological parent, who was her abuser. After 2 months, she went back into foster care and lived in 10 different homes over 3.5 years. During that time, we had no contact with her but fought for her every day of our lives. So when she was almost 9 years old, they called us to take her back and, of course, we did. She was part of our family. I had just become a teacher and had no days to take, but I still had to take her to Project Harmony. I still had to take her to numerous medical appointments. And on top of that, therapy at least twice a week. I couldn't leave my job. We got \$200 a month to take care of her. And so I took days myself that I didn't get paid for. Then again in 2018-- which she is doing wonderful now, by the way, she's 23 and is an amazing kid. But in 2018, I found myself in another situation where my father had congestive heart failure and could not afford to live or move into a home to help care for him. He had been a small business owner for 35 years and never built a retirement. He didn't have the money to build a retirement. And so, therefore, my husband and I welcomed him into our house and cared for him. During that 2.5 years, there were several times I had to take time off work to take him to the doctor or to make sure that he was cared for if he was having a bad day. And so I'm asking you not just for people who are pregnant, but for people who adopt, for people who have children, for people who care for their aging parents, we need to have this time allowed to us. So I'm asking you to please advance this bill in consideration of, of teachers and their families. Thank you.

MURMAN: Thank you. Appreciate your caring testimony. Any questions for Kathy? If not, thank you very much.

KATHY POEHLING: Thank you.

MURMAN: Other proponents for LB440?

BRYANT BULL: Good afternoon. My name is Bryant, B-r-y-a-n-t, Bull, B-u-l-l, and I'm a Millard Education Association member and a high school teacher at Millard West High School in Omaha. I'd like to thank the committee members for the opportunity to testify today in support

of LB440. My reasons for supporting this bill are very personal, so I'd like to briefly share my story with all of you. In March of 2011, after an extended illness, I was diagnosed with Crohn's Disease. My health deteriorated while my treatments were getting started, and I ended up losing about 40 pounds and being hospitalized with complications in April. My recovery kept me out of work for the last 10 weeks of the 2011 school year. Since teachers in my district are allowed to bank unused sick leave, I had built up several days from prior years, but my illness and recovery caused me to use all of my accumulated leave that spring. I'd been saving up that leave for a very, very important reason, as my wife and I were expecting the birth of our daughter, Matilda, that September. Nebraska teachers do not have maternity or paternity leave, so we must use our sick leave if we want to stay home to care for newborn children. My plan was to use my bank of leave to spend some extended time with our daughter, but I used it all during my health scare that spring. My ongoing treatments took me out of school several times during the 2011-2012 school year, so I ended up with only 5 days of leave that I could use to stay home with Matilda, despite planning on spending a few weeks with her initially. If I wanted to spend more time with her, I would have needed to start using unpaid leave. But between outstanding medical bills, which were a major issue due to the astronomical expense of my treatments, our mortgage, a car payment, and the expense of childbirth, we simply couldn't afford for me to take unpaid leave. So I spent a single week with my daughter. To this day, I have not recovered from the despair and depression that I felt going back to work that week. I missed out on some of the most important days of my child's life, and I could do nothing about it. If LB440 had been law back then, it would have changed the entire situation, and I never would have been forced to make an impossible decision. I know there are many Nebraska educators who this approved bill would assist. So I'm here today in hopes that my testimony will aid in advancing this bill so others won't be forced to choose between family and financial stability. This bill would help a parent helping to care for a newborn or sick child. It would help someone whose elderly parent needs care. It would help during unforeseen crises, during which the last thing a person wants to worry about is whether he or she can afford to miss work. These situations are not occasions to focus on financial planning. They are life-altering moments that require the full attention to the human needs at hand. And this bill empowers us to take care of ourselves. We educators, with the help of our local districts, will be the primary source of funding. So it would not burden-- put a burden on taxpayers. I give my full support to LB440, so please consider advancing this bill to the full legislative body

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

and help Nebraska educators like me be able to care for our families as much as we care about providing the best education that's possible for future generations. Thank you so much.

MURMAN: Thank you. Any questions for Mr. Bull? If not, appreciate your testimony.

NORA LENZ: Hello. Hello. My name is Nora Lenz, N-o-r-a L-e-n-z. I'm a teacher with 30 years of experience in Lincoln, Nebraska. I'm here today to speak in support of LB440 on behalf of the Nebraska State Education Association. Before I begin, I just want to give you a little bit of background. Teachers in my district get 11 days leave per year, which is 1 day a month. But it is cumulative. Why do I believe LB440 would be a godsend for teachers? Please allow me to share my story. In the summer of 2019, my parents were placed in a nursing home. My mother was placed in a nursing home. My father is still in good health at the time remained in his home. Since he was unable to care for my mother on his own, my family made a collective decision to ensure she would never-- she was never alone. I was assigned to be with her Friday through Sunday. Balancing these visits with my full-time teaching job, despite living 150 miles away in Lincoln, the travel was exhausting, but honoring, honoring my father's wishes was also a priority. Then, in January 2020, my father fell ill. I began spending time with him as well, and it quickly became clear that he was losing the will to live. The looming threat of COVID-19, his condition grew even more fragile. At that point, I faced an impossible decision to continue my weekend visits or retire. Unfortunately, early retirement was not an option. I had a daughter in college and a son in high school, and I simply couldn't afford to go without a salary. When my father was hospitalized, my heart ached to be by his side, but I couldn't. I longed to spend more time with my mother, but, again, I couldn't. I was juggling the responsibility of caring for two families while working a full-time job. I was with my father during the final 4 days of his life. I held his hand as he took his last breath. But to this day, I regret not being there with him sooner before he was hospitalized. I truly believe that if I had been able to take in even a short leave from work, he might have lived longer. The Family Medical Leave Act could have eased the pain. Everyday I carry the weight-- oh, sorry-- of abandoning my father. Let's not forget about my mom, she was in the nursing home. COVID had come and we could not go in. 17 days later, after my father passed on March 4, March 21, my mother passed as well. LB440 would have given me the time I desperately needed to be with my parents. And I know that it is a good thing. No one should pick between a paycheck and a family, and I know that leave is an option. Thank you. My, my daughter

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

works for Merck, which is a pharmaceutical, pharmaceutical, pharmaceutical company. Sorry. That company, which is an international company, gives new mothers 4 months leave. They have unlimited sick leave. They have vacation leave. And they have this thing called compassion leave. So she was allowed to be with her daughter 4 months and then, as needed, without any pay docked. Yet, a new, a new mother being a teacher or an older teacher like myself, not able to care for our parents, we go without pay. Even after 30 years of dedication to a-- of, of education, we are not given that dignity. Thank you.

MURMAN: Thank you. Appreciate your heartfelt testimony.

NORA LENZ: Sorry about that, Mr.-- Senator Murman.

MURMAN: And, any questions? Yes, Senator Conrad.

CONRAD: Thank you, Chair. Thank you for being here and for your dedication to education and, and sharing your, your story with us today, which I know is not easy but is helpful I think to helping the committee and our colleagues later on the floor, hopefully, understand the importance and need for legislation like that. And if you don't know, I don't-- did you ever have a chance to be a part of the bargaining team in your school or in your district?

NORA LENZ: No, I was never on the bargaining team.

CONRAD: OK. And we can maybe continue the conversation beyond that and kind of ties on what Senator Hughes was asking earlier. But I was just curious as to whether or not issues like this have been on the bargaining table and then what the reception has been from local school districts and school boards and administrators, because we know we have a teacher shortage. We know we have recruitment and retention issues. This seems like everybody's willing to do their part to really-- which would make a huge difference for our teacher shortage and on recruitment and retention issues. And, yet, here we are at the state level because we're not pursuing these, these solutions on the local level or when you-- when, when teachers are trying to pursue these solutions, they're hitting a roadblock with school boards and administrators. And I just-- I want to-- you don't necessarily have to respond to that, but I wanted to lift that up for later in the hearing--

NORA LENZ: Right.

CONRAD: --because I, I think it maybe helps to connect the dots on some of the issues.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

NORA LENZ: I am on the board of, of, of the Lincoln Education Association--

CONRAD: Oh, great. OK.

NORA LENZ: --and on the NSEA Board of Directors. So we talk about it a lot and the district negotiates and they give us 11 days leave. And this year we did negotiate an additional 2 days for people who have 20-- it's kind of hard to explain on the steps--

CONRAD: No, that's OK.

NORA LENZ: --22 years of experience. But, you know, a day a month, that's it, is not a lot of leave. And as teachers, they don't like to be gone.

CONRAD: Correct.

NORA LENZ: You heard the young mom say, we're-- we go sick. We don't care. We-- you know, we go sick and we cannot miss. Only because, one, we're very dedicated. Very dedicated to our classrooms. Two, we can't, we just can't afford to have that leave. I was telling a friend, I never took a sick day until this year. Well, last year, sorry, when my dentist almost killed me. Otherwise, I never took a sick leave. And so it was just something-- it's ingrained in us. But there are times when people have to leave and, and negotiations between LEA and the school districts, it's, it's a hard thing. They-- everybody's given a little bit and they-- we do have family leave. However, there are stipulations and it isn't paid. You do have to use your leave. And then when you come back, you have no leave. You know, like my daughter's company, they have compassion leave. That's nothing against you, you just take the day. It's, it's, it's a hard thing when you're going to school and you're happy, but inside you're, you're falling apart because your baby is sick or your father is dying. But it's amazing, teachers go to school happy as can be and, and focused, and they're some of the most intelligent, kindest people you'll ever meet.

CONRAD: Yes, I, I agree with that assessment. Thank you for sharing that, that feedback. I just wanted to, to make sure that we had a better understanding about the lack of action or lack of responsiveness on the local level that may have brought us here today. So thank you.

NORA LENZ: Yeah, this would really help. And, and Senator Hughes talked about pushback from the district. I, I can only hope that they-- they're like, OK, this is the kick we need and it'll-- and

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

teachers are going to be putting in the money so it's a give, give, give. I probably will never use it, but I'm so happy to give to it.

CONRAD: OK. Thanks. Thank you.

MURMAN: Any other questions? If not, thank you.

NORA LENZ: Thank you.

RAEANNA CARLSON: Good afternoon, Senators. My name is Raeanna, R-a-e-a-n-n-a, Carlson, C-a-r-l-s-o-n, and I'm here today as a teacher, a mother, and someone who has faced firsthand the difficult choices that come with unpaid FMLA leave. I'm here to urge your support for LB440, because no one whether a new parent, a cancer patient, or a teacher facing a medical crisis should have to choose between their health, their family, and their financial stability. In 2021, my husband and I made the difficult decision to move from Niobrara to Omaha. Leaving the district where I had taught for 6 years meant leaving behind my accumulated leave. Now, on paper, 6 years of teaching should have left me about 54 days of sick leave. But life is not that simple. In 2017, my body was signaling a problem. Something was wrong. A year later, after months of testing and medical appointments, I was diagnosed with kidney disease, in addition to other ailments I was struggling to get under control. Anyone who has worked in the school can tell you that it's never if you get sick, it's when you get sick. Between my own ailments and the everyday illnesses that come with working in a school, I had only accumulated a little over 20 days of sick leave by the time I left my former school district. I knew when I started at Omaha Public Schools that I would be starting over, building my sick leave from the ground up. I knew I was starting a new school year in a new school district pregnant, but what I wasn't prepared for was the financial fear that came with unpaid FMLA. I was given my 10 sick days per contract, and the other 6 weeks of maternity leave had to go unpaid, which I've included those two paychecks. The two \$0 paychecks I was sent. Some teachers had told me they used those checks to get on WIC to help offset the cost of a newborn and unpaid leave. I didn't understand why would I possibly need to look into assistance when I haven't qualified for assistance since I was a child living in poverty? When my child was born, we were struggling to sell our old house while living in a one-bedroom apartment in Omaha. We came dangerously close to bankruptcy, not because we were irresponsible, but because we had to take unpaid time off. This is not money that is appearing from nowhere when we look at LB440, it is income as employee-- that we as employees want to invest in a system that is designed to help educators in times of medical

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

crises. I am speaking to you today as a mother, but I'm also speaking to you as someone who has a debilitating illness that increases my risk for cancer. My district doesn't allow a sick bank that I can pull from. I don't have that ability. I can bank my days that I've increased, but I have a child and I myself get sick. When we look at FMLA, it is the security for our jobs. But LB440 could be the security for our finances, for our stability. I urge you to support and advance this legislation to the full Legislature for consideration. Our students deserve highly qualified educators and highly qualified educators deserve LB440. Thank you.

MURMAN: Thank you. Any questions for Raeanna?

RAEANNA CARLSON: Thank you.

MURMAN: If not, appreciate your testimony. Other proponents for LB440?

ALEX DWORAK: Good afternoon, Chair Murman and members of the Education Committee. My name is Dr. Alex Dworak, A-l-e-x D-w-o-r-a-k. It's my honor to come before you in strong support of LB440 as a parent with children in the Nebraska Public School System and as a primary care physician. I'm testifying on my own behalf as well as on behalf of Nebraska State Education Association. They can get written copies, or I'd be happy to email my testimony as well. As a doctor, I can personally and professionally attest to the importance of FMLA coverage, both when people are starting or expanding their families, as well as when elective or emergent health issues come up. Having FMLA protection for your job, but needing to take it as unpaid vacation is only slightly better than losing your job. And if you're not independently wealthy, they may as well be the same thing. This is important for all Nebraskans, but it is particularly important for our education professionals. We know that teachers and other educational professionals have an overrepresentation of young women. This bill will allow for them not to have to choose between the families they serve as educators, and the prospect of having their own children. Beyond that, it will allow all people who want to take on the amazing and sacred obligation of raising a child of their own to do so while serving Nebraska's children and our future, whether through their own pregnancy, adoption, or however nature and their own circumstances permit them to become parents. This bill will also ensure that our state's educators can focus on their own health or the health of their loved ones, as we've heard from other testifiers, without fear of losing their job or burning through their savings when a medical issue inevitably arises. No matter how healthy of a lifestyle we might strive to live, major health issues are a fact of life. We all know

that teachers are not getting hedge fund CEO pay and that they're doing this because it's their calling. This bill will ensure that they can get an urgent gallbladder surgery, have a knee or shoulder surgery to alleviate pain, and let them bring their full selves to the classroom and gymnasium, or take the time to focus on a spouse or child whose life is upended with a cancer diagnosis and not have to sacrifice their retirement to do so. We know that our educators are turning down better paying jobs because of their passion for helping our children learn, grow, and thrive. They are providing an incalculable benefit to Nebraska society by doing so. Looking out for them with paid FMLA coverage, especially with them contributing to it, is a small but highly important way for us to recognize their contributions and, quite literally, to value their work. It is also a crucial step in making teaching more attractive and sustainable to attract and retain the best and brightest to teach our state's children, like my own two kids. This is an all-around win, and I strongly encourage the committee to advance it for floor debate. I thank you for your support and I'll be very happy to take any questions you might have.

MURMAN: Thank you. Any questions for Dr. Dworak? It's not, appreciate your testimony.

ALEX DWORAK: Thank you.

MURMAN: Other proponents?

TAMARA M. BAILEY: Good afternoon. My name is Tamara M. Bailey, T-a-m-a-r-a M. B-a-i-l-e-y. I'm a retired teacher and an active NSEA retired member. I'm speaking as a proponent of LB440. I'm really confused as to why we're discussing this issue again. Voters let it be known during the election in November '24 that paid family medical leave was what we wanted. Back in early 1989, I was pregnant with my son. I had a difficult pregnancy. I found myself short of 10 sick days. As a result, I ended up being docked for the 10 days, unbeknownst to me, even though my salary was divided by 12 months, it was calculated at \$89.44 per day based on a 180-day contract divided by \$16,100, which was my annual salary. My June check was short \$894.44. The taxes and other deductions were taken out last. The above information was not communicated to me in advance. Even though I was married, that sent our family into turmoil and stress. Not to mention having to provide for the needs of a newborn and a 6-year-old. Teaching summer school to try to make up the difference was not an option because I was still on maternity leave and under doctor restrictions. I encountered another situation during my teaching

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

career. Over 20-plus years ago, my mom was dying from cancer. Even though I was granted the ability to take time off for her appointments, those days would have been docked as, as well if I had not had the sick days to cover the time. To believe that the same issue exists 36 years later is extremely sad commentary. In order to have competent and adequate staffing, school districts need to provide paid time off. This bill will ensure families will not have to suffer because of not having sick days to cover time off above what is now given. LB440 would help relieve the stress and worry about not having the necessary days for either maternity leave, having to care for a sick loved one, or even the employee being sick. Thank you for this opportunity to speak.

MURMAN: Thank you. Any questions for Tamara? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. And thank you. Really, was, was 1989 your first year of teaching?

TAMARA M. BAILEY: No, actually 1985 was.

LONOWSKI: OK. I just was reminiscing, '89 was my first year and I think I made \$12,500. So we've at least come a little ways since then, but. Thank you for your testimony, appreciate it.

TAMARA M. BAILEY: Thank you. All right.

MURMAN: Other questions? If not, thank you. Appreciate you being a teacher.

HOWARD R. GAFFNEY: Good afternoon. Howard Gaffney, H-o-w-a-r-d R. Gaffney, G-a-f-f-n-e-y. Enjoyed my trip, left home at 7:00 this morning, left the wife in charge of calving out a cow so hopefully I have one when I get home. But the weather's beautiful, I couldn't pick a better day. I want to cut right to the chase. I've only worked in five school districts as an educator, elementary started out, signed my first contract on a back tractor tire, 22 years there, then I got demoted to high school where I first had my degree. And then some, some activity as an administrator. And then thought I was going to retire and just watch the south end of northbound cows. And I got talked into going to Stapleton as a, as a superintendent. And before that I was up to Hyannis as a principal athletic director. I've been at all and coached over all those years. But when I interviewed young teachers, which I think this bill will really help, one of the questions were, well, how far are we from a doctor or a hospital or if I was to give birth to a baby? When I was at Hyannis, 60 miles one

way. OK? We did have a PA come there 1 day a week for a couple hours. At Dunning, we're 40 miles to Broken Bow. Got a good clinic, two of them. They got a hospital. But guess what? They don't deliver babies. Put another 60 miles on that to get to Kearney, get to North Platte, get to Grand Island. At Stapleton, we're at 35 miles. One of the closer ones. And as an interim superintendent at Anselmo-Merna my last year, hopefully, that question came up any time I interviewed a young teacher, especially a woman, and she said, well-- in several cases, we had the, the husband taught there as well. That makes a great combination. But anyway, this bill should help us out. Because when you go to travel those distances, somebody might have to do the driving and it might probably have to be that spouse unless you've got a really good neighbor. And so I really, really hope that you would consider getting this through for those of us that are trying to work with filling up these vacancies that we may have in the future in rural areas. Of course, I'm in Senator Storer's area and she student-- she was a substitute teacher for me at Hyannis, very good at that. If she's half as good as a legislator she was a substitute teacher, she's going to do a great job for this, this state, so.

MURMAN: Thank you. Any questions? If not, I, I started out kind of looking at the south end of a northbound cow, and now I'm here and you're the other way around. Which, which do you enjoy the most?

HOWARD R. GAFFNEY: I'll tell you what, at my age, in the last week and a half, you know, the weather was terrible out there. You're crazy to keep these cows around with the money they're bringing right now.

MURMAN: Yeah, in the wintertime, I appreciate being here.

HOWARD R. GAFFNEY: Pretend I'd have to pay taxes for a change if I got rid of them.

MURMAN: Well, thank you for testifying.

HOWARD R. GAFFNEY: Thank you for your time. Thanks for all your hard work. And I did run against Deb Fischer in 2002. Enough of that story.

CONRAD: We have some follow-up questions.

MURMAN: Any other proponents?

CARRIE GEORGE: That's going to be-- oh, sorry, here's the copies. So sorry. I'm a little frazzled after that to follow that. Good afternoon. My name is Carrie George, C-a-r-r-i-e G-e-o-r-g-e. I am speaking today as a special education teacher with over 20 years of

experience. I am testifying in support of LB440. 5 years ago, I was faced with the need for a hip replacement due to arthritis. Hearing this news before even turning 50 years old was definitely unexpected. Thankfully, my family had a support system. Previous to that, that included having grandparents that provided daycare for our three children over the years. This meant that even if one of our children were sick, they could go to grandma's to be cared for and my husband and I could still work. This also meant that over the years, I was able to accrue sick leave that would allow me to take the necessary time off for the surgery and the required recovery time for a minimum of 4 weeks. My family's circumstance is not the norm having that support. My sick, my accrued sick leave also allowed me to support my son and daughter-in-law when my son was deployed during their first pregnancy, and there were some complications that arose, so I was able to travel down to Kansas to be with my daughter-in-law and support them during that time, and to support the need after our granddaughter was born. I feel compelled to speak today to advocate for my colleagues who do not have a bank of sick leave or whose districts don't have one you can borrow from. They must support their families in the event of unexpected medical crises. Unfortunately, I have had to watch dear friends endure the compounding stresses of navigating health care and incurring financial burdens. Many districts don't have the available bank leave that teachers can borrow from. I have even had friends lose children, spouses, and parents, and still struggle with having to manage financially. I wish that there was something that I could do for them, but I think that LB440 would be a significant resource for them. Teachers face increasing burnout and the nation is facing a teacher shortage. LB440 can help in addressing both of these issues. Teachers are not the only benefactors of LB440, students, students benefit from effective instruction from teachers who are lightened by the stresses from health and financial burdens. In closing, I would like to thank you for your time today. I appreciate your consideration of the issues being faced in education as you strive to continue to keep the best interests of our students at the forefront of your solutions.

MURMAN: Thank you. Any questions for Carrie? If not, thank you. Other proponents?

SHEILA JANSSEN: Hello. Thank you for listening to me today. My name is Sheila Janssen, S-h-e-i-l-a J-a-n-s-s-e-n. Back on June 6, 2022, I was 43 years old, and I suffered a stroke in my brain stem. I was in the hospital for 9 days at Bergan Mercy and then 5 weeks at Immanuel Hospital in Omaha. Due to not having enough sick leave, because I blew through it pretty quickly, I returned to school on the first day of

school that year on August 10. I probably had no business being there. But I was, because I couldn't do it financially. I also had to go to PT 3 days a week for 6 months. And so LB440 would help in any of those circumstances for teachers. I still currently have appointments with cardiologists, neurologists, neurosurgeons every 6 months. So I, again, blow through those 12 days a month pretty quickly. If I have any more medical problems like this come up in the future, I won't have a bank because I blow through them every year. And where I teach, we are not allowed to donate days. It is not something that they have shown interest in. It is something that's been brought up and we don't seem to get very far with it. So I am just here today to try and help pass this LB440 on further so it can help people in the future. Thank you.

MURMAN: Thank you. Any questions for Sheila?

CONRAD: Thank you.

MURMAN: If not, thank you.

SHEILA JANSSEN: Thank you.

KIRSTEN BANK: Senators, I am Kirsten, K-i-r-s-t-e-n, Bank, B-a-n-k. I'm here today not only to testify as a Nebraskan, but also as a teacher, a spouse, and a mother. Currently, I get to teach the top 1% of students who receive special education services for behavior in our district at LPS. As I have completed my master's, I have taken time to invest in my students by making positive changes through my, my research and restorative practices in the classroom. I thoroughly enjoy the work I get to do day in and day out as an educator. However, it is challenging when I have felt like I've had to make a dedicated choice between either my family or my employment, including the last year when we found out I was pregnant after trying-- after 4 years of trying and going through IVF treatment. In the last trimester of my pregnancy, I became ill and began to have complications. The decision to keep me and baby safe led me to delivering 3 weeks prior to my expected delivery. I was faced then with the decision of going back to work for the last few weeks of the school year with my students or spending time at home with my brand new baby, who we've waited and prayed for for years. As a spouse, I did-- as my spouse and I have talked while heading into parenthood for the first time, our decision was for me to stay at home with our child for the rest of the, the school year. Determining a plan of action was difficult enough in all the change that accompanies becoming a new parent, but we also faced how we would-- how this would affect our family financially as it was

a hardship navigating through this time without my paycheck while navigating the cost of living increases, as well as the expense of childcare. Due to the sensitive nature of my pregnancy and being carefully monitored often, I was already using part of my paid time off for appointments and checkups for the viability of our son, as well as my overall health. These appointments continued to dwindle by paid time off that we had already allocated for maternity leave, leaving me with less paid time off overall. Taking the rest of my maternity leave not only to help me with my health and recover from after a traumatic birth and C-section, but also to bond with our son, it made an enormous impact. Through this all, I feel fortunate to have a spouse who has supported me in my career as a teacher and who is a phenomenal partner I could lean on. However, the fiscal concerns and the leave time greatly impact our choice in expanding our family. 6 weeks of paid leave is a starting point to help families and individuals lift some of the financial burden they may feel. It also gives some security and peace of mind when returning back to work for family members and individuals that I would need to care for. My advocacy is not only for myself, but my family, as well as the other teachers who continue to endure the circumstances of not being allocated paid time off after giving birth. I implore you to consider passing bill, bill-- LB440 as all educators who continue to navigate the financial burden, fiscal-- familial joy that is growing our families, communities, and our schools would benefit. Thank you.

MURMAN: Thank you. Any questions for Kirsten? If not, thank you for testifying.

CONRAD: Thank you.

NICOLE LOPEZ-BETTENDORF: Hello again. My name is Nicole Lopez-Bettendorf, N-i-c-o-l-e L-o-p-e-z-B-e-t-t-e-n-d-o-r-f. I'm a special education teacher from Lincoln, and I am speaking in support of LB440. As a special educator and the daughter of a physician, I know that extenuating circumstances would require the use of FMLA leave. My mom has been a doctor for as long as I've been alive, and now we are fortunate to be working on two sides of the same coin. She works at a long-term acute care facility, and I work, as you know, in a school. It might sound like our jobs are worlds apart, but we both use a team approach to provide the best outcomes for the populations we work with. We both have many stories regarding why someone would need to be absent from school or work for extended periods of time. Occupational, physical, and speech therapies aren't just for students who need to learn to navigate their schoolwork and settings. They're also for the individual navigating life-changing health concerns, like

the one who has just had a stroke and needs to learn how to eat and speak again, or who has received a cancer diagnosis and needs to learn despite changes in cognitive ability and bodily functions. All changes can be affected by these diseases or can be in accidents, need surgeries like appendectomies performed, have autoimmune diagnoses like Crohn's, and can require psychiatric therapy. The list of life-altering moments can be never-ending, even for our youth. Receiving medical news can be scary, but educators, just like medical personnel, are a rare breed. Here's where I continue the comparison between myself, an educator, and my mom, a physician. We are somehow everything to everyone all at once, yet we never see ourselves as part of the equation. So when a medical event, diagnosis, or incident occurs, we rarely think about it the right way. In my few years as an educator, I have seen many of my coworkers need to be absent for many different long-term issues, car accidents, surgeries, cancer treatments, children's premature and on-time births, as well as the need to take care of older family members. For all of these individuals, it was sadly never how am I going to take care of myself or my family first? It was always, I need to get my sub plans together and I don't want to let my team down. Teachers work for the greater good, just like medical personnel, and as such, we often feel guilty taking care of ourselves or those we love first and foremost. Maybe it's because it's difficult to get days off work when some of them are blacked out or maybe it's because our teams are often comprised of just two people. Either way, it's not a mentally or physically healthy way to live. Observing my mom's work as a physician throughout my entire life, I have also seen her work through many different events because she didn't want to be seen as a burden to her team. This is why I appreciate this bill's wording, which explains that moneys will be levied from all certificated teachers' paychecks to build the fund. Knowing that this funding is built from, as well as supports, Nebraskan educators will hopefully offer a way for our teachers to take the time they need when a medical event occurs in their life. FMLA is not just for birthing people, it can be for everyone. Many educators will need to use the form of leave to ensure they take care of themselves or someone they love, and our joint support of each other sends a message to our educators. I believe this bill will tell our teachers it's OK to put yourself and your family first when needed, your team is here to support you, so take the time you need. Thank you.

MURMAN: Thank you. Any questions for Nicole? If not, thanks for your testimony.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

NICOLE LOPEZ-BETTENDORF: I don't have a question, but you asked a question earlier, Senator Conrad, about negotiations. May I answer some of that or no?

MURMAN: Do you want to ask a question?

CONRAD: Sure, sure. I-- you-- I-- I'm just trying to get a sense about whether or not issues like this are being bargained for locally, and if teachers are raising them, why aren't school boards and districts and superintendents responding?

NICOLE LOPEZ-BETTENDORF: So I'll share a little bit more in a testimony for later. I am part of our negotiations team for LPS. I am on the side of the teachers association and this, this issue has come up before, but we always think of it as you have a certain pot of money. If I continue to take that money for teachers, which is where the majority of the money currently goes, there's really not enough left for our educational support professionals, our paras, our bus drivers, our custodians, everyone else who has student contact throughout the day and is important to that student's life. If I continue to take money from them, we are going to continue to lose them as well as teachers, so.

CONRAD: Yes, that's true, but just recognize-- I'm just trying to get a sense of where the districts and the superintendents are in regards to this issue because we know we have a teacher shortage. We know when class sizes get too big, that puts a ton of burden on teachers, it hinders learning opportunities, etcetera, etcetera, etcetera. So whatever we can do to retain talent, dedicate-- talented, dedicated professionals like yourselves and others that we've heard of is, ultimately, going to save the district money. I mean, we know from the private sector that recruitment costs are some of the most expensive costs that you have in terms of employment. But, first, if you can hold on to somebody who's already talented and already trained and ready to go, that it, actually, ends up saving money. But I, I know you don't want to take any resources away from your partners in education, whether that's parents or bus drivers or folks who help us in nutrition services or school nurses, the list goes on and on and on. But, but my main question is why aren't the local superintendents, why aren't the local school boards doing more to move on this? I mean, I understand that resources are limited, but I'd be very curious to know what their leave packages look like in comparison to our teachers. So maybe somebody can answer that. OK. Thanks.

NICOLE LOPEZ-BETTENDORF: That's a great question. Yes.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Any questions? Glen-- Senator Meyer. Sorry.

MEYER: You were, you were right both times. Thank you, Chairman Murman. I don't have a question, just over the weekend, I was reading about you in the NSEA Voice. So you're famous and I just wanted [INAUDIBLE].

NICOLE LOPEZ-BETTENDORF: Well, thank you. I appreciate you taking the time to read our publication as well.

MEYER: Oh, absolutely.

NICOLE LOPEZ-BETTENDORF: It's very important.

MEYER: My wife is a retired teacher, so there's not an option in that, especially being on the Education Committee, so.

NICOLE LOPEZ-BETTENDORF: Yes.

MEYER: Thank you.

MURMAN: Well, thank you very much.

NICOLE LOPEZ-BETTENDORF: Thank you.

LISA STORK: Hello. My name is Lisa Stork, L-i-s-a S-t-o-r-k. I am a sixth grade teacher at Arlington, and I am speaking in support of LB440 on behalf of the Nebraska State Education Association. I taught in Fremont for 6 years before coming across my dream job in Arlington. And although it was a tough decision to leave Fremont because I had built up my 40 days of sick leave that I did not need, I made the decision to take my job in Arlington. Shortly after finding out about my dream job, I also found out that I was going to be expecting my firstborn son, Mason, who was set to arrive in September of 2020. My husband and I were, were very thrilled. But taking a new job as a new teacher, you only get so many sick days to start out with. It wasn't until May of 2021 that I found out that I would not be granted the days that I had actually requested from our sick leave bank. At Arlington, somebody doesn't get approved for the days that they request until they return back from their leave. In my case, I actually got a frantic phone call from my principal telling me that I was going to be only granted 20 days of the 30 that I had requested. So after using up all of my sick and my personal days, I still wasn't going to get all the days that I needed. My son Mason was born with a blood infection that sent him into the NICU for 2 weeks. My original plan was to take your standard 6-week maternity leave, but after

spending those 2 weeks in the NICU, I felt like I was being robbed of my time with him without any feeding tubes or IVs attached. My administration explained to me that I would be docked those 10 days from my paycheck, and I would have to start the next school year with only 3 days of sick leave to also use to take care of my 1-year-old because I had to pay the bank back. The amount that I needed to pay back ended up in totaling over \$2,000. I did have several meetings with my administration, and during this time I actually had one administration member tell me that the best time for teachers to get pregnant is in September. I was devastated. I'm a graduate from Wayne State College. I hold a master's degree in my field and I have been teaching currently for 11 years in my profession, but I felt guilty for becoming a mom. With the timing of my second child's birth, he was due in March of 2022, but as soon as I got over the initial excitement, I shortly realized that I would have to-- that I would not have enough days to cover my 6-week maternity leave. So from the beginning of my pregnancy with him, I was crunching numbers to try to figure out how many days I could stay at home. And it just felt wrong. With the timing of his birth, only getting to start the year with 3 sick days and only getting 15 days from the bank, I ended up only getting a 5-week maternity leave. So I dropped my 5-week-old baby off at daycare. I knew I had to finish out the school year because I had no choice. Not only did this set me behind in my pumping schedule with being early in my motherhood, I knew I'd have to supplement with formula, which is a whole nother stress in itself. I love teaching, I'm really good at it, and I just can't help but think if I were in a different career that really allowed me to protect my right to stay at home with my children where my mental health would be. I also have an answer, I hope, to Senator Conrad's question. And, of course, she stepped out, so. I look forward to any other questions.

MURMAN: Any other questions? But I'll ask the questions for Senator Conrad. Does, does it "concern" the superintendent's time off, is that--

LISA STORK: Yeah. No, not their time, of course. But I am a member of our local bargaining unit. And over the past 3 years, we have been advocating for teachers. And when we surveyed our members, a lot of teachers were in very much support of finding some sort of solution. And one solution that we ended up settling on with our board, is our district is going to pay for short-term disability for teachers moving forward in the next school year, starting September 1 of 2025. So we had great conversations with our school board and with our superintendent, and they felt like it was very important to step

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

forward and, and pay for short-term disability so that teachers felt appreciated.

MURMAN: OK. Thank you. Any other questions for Lisa? If not, thank you for your--

LISA STORK: Thank you.

MURMAN: --testimony. Other proponents?

DEANA KUMPF: Hello.

MURMAN: Hello.

DEANA KUMPF: Thank you for having me. My name is Deana Kumpf. It's spelled D-e-a-n-a K-u-m-p-f, and I'm a teacher here in Lincoln and a member of the Nebraska State Education Association. I'm speaking in support of LB440. Within the past few years, I've experienced the health decline and deaths of both of my parents. Having LB440's medical leave act provisions in place would have been a godsend and a game changer for me and my family. Being able to take FMLA without financial or professional penalty for the first 6 weeks of this life-changing experience would have greatly reduced my stress. It would have allowed me to be there for my mom after her debilitating stroke. She was neglected in one of her care facilities and had I, and had I been there to be, be able to be there more often, I would have been able to get her moved sooner. We did have to move her from one facility to another here in Lincoln. In 2020, I moved both parents to different care facilities. I used the help of my family to get this done in the short time frame I had available outside of work. After getting my mother to a better care facility, I continued to need to take some time off work for her doctor appointments and care plan meetings. I knew it was important to have a representative from our family there. Those are always during the day, the care plan meetings. Sadly, my father fell during this time frame during the COVID pandemic. He also needed to be placed in a care facility. The pandemic made navigating through these month-- month-- can't even say it-- these changes even more challenging and more time consuming. It took a lot of time and effort communicating with his doctors just to make arrangements so my parents would be near each other when they truly needed someone they knew and loved close by. Thankfully, my dad's doctor was amazing and did say the man needs to be with his wife and they were able to be placed in rooms next to each other. As COVID drove us down into the lockdown, I embraced the bittersweet hospital visits for the sheer reason that I was able to see my mother. Just

months later, in August 2020, my mother passed away. We buried my mom on a Monday. On a Wednesday, I took 1 day off to help my dad move rooms in the care facility. I was at work on Thursday and Friday that week after planning much of the funeral service. I didn't even take my bereavement leave as allowed, since I was learning to teach-- well, I already was-- knew how to teach in the classroom, but we were learning how to have Zoom students at the same time. While I was working through all of these critical family moments, the uncertainty in the outside world continued, and I had to learn how to not only teach these students, but also remotely through Zoom. Sorry, I just said that. So I'm here to tell you today that teachers everywhere make these types of sacrifices for their students in classrooms. My father suffered from Parkinson's, a disease he was told he would die with, but not from. That was not true for him. He did die from it. For another 2.5 years, he had good care before moving to hospice in February of 2023. I was there with him most of that time, but I was using my banked leave days. And I see that I'm almost out of time. I just want to mention that not only have I needed those concerns for my parents' well-being, but in the last 2 years I've had to had-- have two surgeries. One was on my shoulder and I just recently had a knee surgery. I'm using my sick days for myself now, but I would have had more time and life could have been much less stressful had LB440 been passed. I just want to express the needs for younger teachers that might take advantage-- or I shouldn't say advantage, but benefit from it.

MURMAN: Thank you. Any questions for Deana? If not, appreciate keeping your, keeping your-- yeah, I see a question.

DEANA KUMPF: Does he have one?

MURMAN: Appreciate keeping your students even a priority during those difficult times. But Senator Lonowski.

LONOWSKI: Well, thanks, Chair Murman. Yeah, just a comment that I, I appreciate teachers because you always have handouts.

DEANA KUMPF: You're very welcome.

LONOWSKI: Thank you.

DEANA KUMPF: Thank you, everybody.

MURMAN: Other proponents for LB440?

KALEY REDA: Good afternoon. My name is Kaley Reda, K-a-l-e-y R-e-d-a. And I'm sorry, I'm the only teacher who does not have handouts today. I am here in support of LB440. I have been a public educator for 12 years and currently work as a school librarian down the street at McPhee Elementary. In my time as an educator, I've also had four kids. Their ages are seven, six, five, and four. So, yes, I'm very busy. And each time I had to use up all of my time for maternity leave before using disability insurance, which every district-- or every teacher in our district is required to pay into. That left me no days when I returned back to work and didn't give me any option to stay home with my babies longer than 6 weeks. While I tried diligently to schedule appointments during summer or other breaks, my kids had their own agendas and often got sick in their early years of daycare. I also have a son with severe food allergies and have had-- who has had to be rushed to the hospital in the middle of the day several times for anaphylaxis. During the pandemic, the daycare my kids went to instituted a 72-hour rule for any child who had a fever. At that time, the CDC also stated kids who couldn't mask would have to quarantine for 14 days. My daughter tested positive and was quarantined for 14 days, and my youngest son tested positive on day 13 of my daughter's quarantine. My kids were out for over a combined 50 days that school year. Even in a regular year, I would often end the school year borrowing days from the next year or losing money just to take my kids to the doctor, stay home with them when they were sick, all because I had to exhaust my PTO bank for maternity leave. I can't imagine what it would have been like if anyone in my family had more serious health issues. Losing money to take care of their families is one of the main reasons many colleagues and friends have had to leave the profession. While teachers in Lincoln Public Schools can donate leave, it has to be sick leave and to have sick leave, one has to be able to bank days. But, of course, every district has different policies across the state. Teachers have the greatest impact on student achievement more than any other area of schooling. Highly qualified teachers are essential and this bill would help keep, keep the best in their field to ensure students are successfully-- successful academically and socially. Thank you for your time.

MURMAN: Thank you. Any questions for Kaley? If not, thank you for your testimony.

KALEY REDA: Thank you.

MURMAN: Other proponents for LB440? And if you're going to testify, try and move up to the front row so-- we want to move through pretty

fast. Any other proponents for LB440? Any opp-- still proponents? Move up the front, please.

KIM TURNWALL: OK. My name is Kim Turnwall, and I'm a newly retired teacher that I taught 34 years with the Seward Public Schools. And I was asked to come here today to share my experience as a teacher, a wife, a mom, and how an effective state leave for teachers could have made a huge impact on myself, my family, and ultimately my classroom. My experience starts with a 7-year journey of dying with my husband. My husband of almost 30 years suffered from a fatal disease called Multiple Systems Atrophy. Was many years of hospital stays, visits to Mayo Clinic, physical therapy, emergency room visits, and many different kinds of doctor visits. As primary caregiver for my husband, I had a lot to juggle because I also wear the hats of mom and second-grade teacher. It was then I started my juggling act of strategic mapping of my leave days I had accrued after teaching for decades. The beginning of my journey, my bank was full. Never again did they take that for granted as they knew there would be unplanned days that would find me back at the ER in the hospital with my husband. The real struggle started with Brian was placed on hospice care. Brian could no longer stay at home by himself, and he needed full-time care. As his time here on earth was coming to a close, I should have taken care of him. He asked me to. I couldn't. I didn't have the days. And we couldn't afford the cut in the only pay our family had coming into our household. It was a heart-wrenching decision, and he finally agreed to go to the Journey House, which is a hospice facility, as long as I promised to bring him home in May when I was done with school. This was January because, contrary to many people say, well, you have 3 months off, life doesn't always work out just have those life-changing experiences during summer break. Of course, I would bring him home and I made him that promise, knowing it was a promise I probably wasn't going to have to keep. His time was running short. So Brian went to the Journey House and I went to school each day. And after every day of teaching, I headed to Lincoln to be with him. All the while, I worked hard at school to be sure that my kids did not suffer or miss out on anything because of what I had going on. I had to be sure they were still learning and growing in every way they needed to as second graders. Did I have some days in my bank? Yes. I planned very carefully, but I knew I was going to need those for funeral planning and for days that hopefully I wasn't sick or my two kids that were still at home. One thing I learned was you don't take anything for granted. Brian died about 6 weeks after entering the hospice house. I have guilt over these days, but I also know I did the best I could with what options I was given. Having the

opportunity and knowing I could have been with him and my school district and my students would not have suffered, would have been huge. I am in one of those school districts that does have one of those banks. Why didn't I take advantage of that? We also had a staff member who had a child who had cancer and a family of very young children, and I knew she might need it even more than I did. Having that town and allowing my students to have a long-term sub, I would have felt better about the effect it would have had on them. By allowing this leave bill, it would have lessened the burden upon school districts. Our school districts have and may have a lot more upon-- responsibility upon themselves coming up. Wouldn't it be nice to do something generally good for a group of professionals that don't, don't always get the positive "acclaves" that they deserve? Please consider the bill, it's a small gesture on the part of the Nebraska state government to provide an extremely caring and hardworking workforce of teachers a little bit of relief that most don't know they will need until they need it. At a time when it's difficult to get young people to join the profession of teaching and retain those already in the field, you can make a difference. Instead of taking from them or acquiring more of them, you can give them a gift, a gift of time that they might not even know they need yet. I didn't have that time with Brian. I wish I had and I will never get that back. Please consider this. Thank you.

MURMAN: Thank you. Any questions for Ms. Turnwall? Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you for coming in.

KIM TURNWALL: Sure.

HUGHES: Yes, one of the best districts.

KIM TURNWALL: Yes, it is. And they were very supportive of everything.

HUGHES: I know they were. And I'm so glad to see you in person. I've heard about your story and thanks for sharing that today. It's-- yeah, thank you for what you do.

KIM TURNWALL: It was a tough time.

HUGHES: Terrible.

KIM TURNWALL: We made, we made it. We're good.

HUGHES: You did. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Any other questions? Yes, appreciate what you do. Thank you very much.

JAKE BOGUS: Hi, my name is Jake Bogus, J-a-k-e B-o-g-u-s. I'm an eighth-grade U.S. history teacher for Lincoln Public Schools. I'm speaking in support of LB440 on behalf of the Nebraska State Education Association. In the last several years, states like Tennessee, Oklahoma, South Carolina, Minnesota, Louisiana, Texas, New Jersey, Rhode Island, and New York have passed state laws regarding paid family leave for public sector employees. Policymakers are hoping that it will be a recruitment and retention tool, as school districts report struggling to fill high numbers of teaching vacancies. If the state of Nebraska were to offer paid family leave to its employees, it would most certainly help in recruiting efforts for new young teachers, as well as retention for veteran teachers. This bill would help reduce teacher burnout and turnover by providing financial support during critical life events. This would also help Nebraska's education system move forward with modern workforce needs, improving retention and gender equity and leave policies. The National Council on Teacher Quality, a research and policy group, analyzed the family leave policies of the 100 largest school districts in the country, the largest district in each state, and the member districts of the Council of Great City Schools. Of those 148 districts, just 18% provided full or partially paid parental leave of some kind. If Nebraska instituted this policy statewide, it could help recruit aspiring teachers to our state. It would be better to be looked at as one of the many early states to guarantee this leave instead of falling behind as aspiring teachers look elsewhere for better benefits. The personal stories I've heard from Lincoln Public Schools coworkers are difficult to process. The scenario some families are forced to go through sound archaic, almost like a Margaret Atwood novel. Couples are trying to time their pregnancies out in order to use as little PTO as possible. Teachers are requesting others to donate leave in order to care for their newborn children. I can only speak to the district I work in. Under the current system, it would take 3 full years to build up 6 weeks of PTO maternity leave, and 6 years to build up 12 weeks. That's if the employee never uses a sick day during those yearly spans. While my wife and I are done having children and this topic does not pertain to our current family situation, it's an, it's an ideology I strongly believe in. It could directly help families and indirectly help Nebraska and its students. Thank you.

MURMAN: Thank you. Any questions for Jake? If not, thank you for being a male grade school [SIC] teacher. I know they're in high demand.

JAKE BOGUS: Thanks.

MURMAN: Other proponents for LB440? Any other proponents? Any opponents for LB440? Any neutral testifiers for LB440? If not, Senator Spivey, you're welcome to close.

SPIVEY: Thank you again, Chair Murman. And, again, appreciate the grace of me running around to all of these different hearing rooms during this hearing. But I hope that does not reflect the lack of my commitment to this bill and the impact that I believe that it has. And I also want to thank you all for sitting through the testimony. I know it makes our days a lot longer. But these folks came in on their own and had such powerful, impactful, personal stories that I think really uplift the reason why I wanted to bring this bill. And, again, the impact that I think that it would have. And so the only thing that I have left to add, I just wanted to circle back from some of the conversation, is that there are some exemptions and paid sick leave. And so my team in my office have started to pull that language of how it doesn't impact FMLA and what does that look like. And so I will get you all that table so that you can compare and that you can see. And, again, you know, I think-- the, the reason why I wanted to come to the Legislature and I think why we work every day is that we want to ensure working families have what they need, and teachers are an integral part of our society from educating our young people to adding to the workforce and economy. And they can't do that when they are humans, too, when they have to make that decision, hard decision of what they have to prioritize. And I think we saw that uplifted, that folks had to make really hard decisions that impacted them personally because they wanted to prioritize the children that they work with every day. And this is, and this bill is starting to chip away at that and make it more-- make it easier, have more harmony in them having their very important job that they're present for, but also their very important role within their family. And so I appreciate you all taking the time to listen to all of those stories today, again, to hear about LB440, and I encourage you to move this out of committee, and I will make sure that I send you the follow-up information that I promised and would be happy to answer any last questions that the committee has.

MURMAN: Thank you. Any questions for Senator Spivey? Senator Juarez.

JUAREZ: Thank you. Thank you, Senator Spivey, for bringing forth this bill. I think it is an excellent idea to have this benefit available for our teachers. But after all the testimony, it helped me to think of more questions to ask than I initially did when you were up here

before. One question that I had was, what if a teacher moves to another school district? Are-- is, is like this benefit going to go along with them, that whatever school district they're in, they'll still get the benefit of this?

SPIVEY: Yes, that's correct, Senator Juarez, because this is across the state. So it's not within specific districts, which you kind of heard some of those stories that each district has their own kind of practice or policy. This is statewide. So if they move a district, then they would still be able to utilize this benefit.

JUAREZ: OK. Another question that I thought of, you mentioned that the Department of Education is going to be administering this bill. So I wondered, what about the HR people? Are we going to need to have some HR specialist help also in administering this bill?

SPIVEY: Yeah, so the Department of Education would work with the traditional folks that administer FMLA. And that's why you see in the fiscal note some overhead in operations because they have to administer it. They have to have the infrastructure. And so that is where we have built in the cash fund revenue for that versus having it come out of General Fund, and that's what that amendment speaks to.

JUAREZ: OK. Another question I thought of was it mentions here that there's going to be an annual audit by the Auditor. And I wondered, had you discussed that responsibility with them beforehand? I mean, I have no idea about their workload. So I wondered if this is something that's going to-- they'll be able to fit it in with no problem.

SPIVEY: Yeah, so usually with FMLA claims in cases there's annual review like from an HR perspective and all of that, and so this would be a part of a typical process just within a new program.

JUAREZ: OK. Thank you. I definitely feel that this is going to be an excellent benefit to attract, you know, potential teachers to our state. And I really see that as a definite benefit and recruitment tool. But I also wondered again about another program that was mentioned, the short-term disability. Are you confident that this is going to work OK with that program, too, and if it impacts it? I was a little concerned about that.

SPIVEY: Yeah, it doesn't impact it because what we're saying is FMLA is a federal program. So FMLA works with short-term and long-term disability now. FMLA creates the protection that you get to keep your job in these life events. You're able to come back. So what we're

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

saying is when there is an FMLA-eligible event based on federal definition, which is in that synopsis, that you get the 6 weeks paid of that. And so, as mentioned earlier, the 6 weeks work with-- coupled with, like, the typical 2 weeks that you may see available get you to short-term disability and then long term if you have to continue that case. And so this doesn't change any federal programs that already exist. This is just saying that you get your 6 weeks paid of FMLA. And so they-- these programs will still work together in the way in which they do now.

JUAREZ: OK. And then my final question is, I'm assuming that since there were no opponents here, I guess then that's saying that the school districts across the state are supportive of adding this or did you hear from them?

SPIVEY: Everyone loves it, Senator Juarez, and they're excited watching from their offices. No. So as the representative, Tim, from NSEA talked about-- and I asked that question, too, how do the districts feel? Because he holds that relationship, I asked him to make sure he talked to the districts. And I think, you know, they want to invest in their teachers as well, and they understand that recruitment and retention is an issue. And so they are willing to work with us on this. They're not opposed to this bill. They're-- they are willing to work with us on this. And so that's why they did not come in opposition or in that way. But we have been in communication because that is important. So I appreciate you uplifting that. But, again, we've been doing that legwork to talk to the districts.

JUAREZ: OK. Thank you.

SPIVEY: Thank you, Senator Juarez.

MURMAN: Thank you. Other questions? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Wow, Senator, you took all my questions. I'm just kidding. I like the teacher buy-in part of this. Senator Spivey, I just think it, you know, I just think you need some buy-in, a little skin in the game.

SPIVEY: Absolutely.

LONOWSKI: Can you tell me if support staff is part of this as well or--

SPIVEY: So this is for certified teachers only currently, and I--

LONOWSKI: OK.

SPIVEY: --think there is an opportunity for us to think about support staff. But we know that-- and not that support staff are less important than teachers. We just looked at this from the standpoint of like the continuity of when this life event happens, that teacher is the one who's providing instruction to that classroom, and so that there is a big disruption in shift, especially for the students.

LONOWSKI: OK. So right now, [INAUDIBLE]--

SPIVEY: Where support staff might be a little bit-- yeah, easier to navigate. And so I would love to work with you on this committee to think about a bill for next year around support--

LONOWSKI: Next year, Senator Spivey. All right.

SPIVEY: --staff. So thank you, Senator.

LONOWSKI: Thanks.

MURMAN: Any other questions? If not, thank you for bringing the bill. Oh, and online, I forgot to mention there are 110 proponents, 4 opponents, and zero neutral.

SPIVEY: Thank you, Chair. I appreciate it.

MURMAN: Thank you. And with that, we will close the hearing on LB440 and open the hearing on LB411. Senator Dungan.

DUNGAN: Hello.

MURMAN: Go ahead.

DUNGAN: Good afternoon, Chair Murman and Education Committee members. I am Senator George Dungan, G-e-o-r-g-e D-u-n-g-a-n. I represent Legislative District 26 in northeast Lincoln. Today, I'm introducing LB411, which expands grants for teacher recruitment and retention payments under the Nebraska Teacher Recruitment and Retention Act. Beginning on July 1 of 2025, the Department shall automatically provide a retention grant to eligible teachers. Currently under the way the law is written, educators must apply for this grant. This legislation would alter that to make them automatically eligible to receive the grant under the bill. This is information the Department of Education currently has and it removes unnecessary red tape. We also made another logistical change that directs the department to

award the funds to the school district, instead of directly to individual educators. Currently, the department has to send 1099 tax forms to every teacher that receives the grant. This is an unnecessary burden for teachers and the department. Other than the high-needs portion of this, which I'll get to you later in just a second, these grants will be awarded annually. The department will decide when they send these, but it's our intent that they be awarded every October or sometime before the holiday season. Long story short, this bill allows for a bonus every single year for teachers based on how long they've been in the profession. Currently, the 1st through the 6th year is \$2,500. This then expands that program so that the 7th through the 15th year, a teacher would receive a bonus of \$3,000 dollars, and the 16th year and beyond, they receive \$4,000. In addition to that, this expands or it continues the language that was already in there about a high-needs retention grant of \$5,000 for special certifications such as, such as special education, mathematics, science technology, or dual credit. Regarding the high-needs retention portion of the bill on page 3, line 27, subsection (B), it reads, quote: A teacher shall only be eligible to receive one high-needs retention grant. The original fiscal note, I think, mistakenly accounted for everybody who is eligible or has one of those certifications receiving a high-needs retention grant, as opposed to only the ones in the future who haven't received it. We spoke with Fiscal. We got a new fiscal note. That's what I've handed out to you. It did significantly reduce the cost. I understand it's still a relatively high number, but we went down from, I think, about \$137 million to about \$96 million on that. So that is a significant reduction based on that unintentional miscalculation on the high-needs retention grant. Given the fiscal health of our current Legislature, the price tag is obviously going to cause a lot of hesitation. Investing in areas that create long-term returns on investment is essential. Those who educate future generations should be at the forefront of our investment, and investing in teachers is a direct investment in our state's future. Once I finish, you're going to be able to hear from educators, administrators, and parents, and others who will emphasize the positive impact that this would have on their careers. Like any profession, longevity is essential for maintaining high quality. I can't think of many professions that need to retain a high-quality workforce more than our educators. Many of us have an older, more experienced professional mentor. This legislation, excuse me, directly works to retain those who choose to stay in teaching while incentivizing beginning teachers to stay and make educating our children a lifelong career. Just to put it really simply, I know we've done a lot of work in this Legislature to bring in new teachers. I think that's fantastic. I think it's essential,

this bill seeks to keep those people in the workforce. If we don't keep people in the workforce, then we're just creating this terrible cycle where we have to always find ways to incentivize new teachers. What I did find interesting on the fiscal note was the breakdown from the Department of Education, of how many teachers are in their first 6 years, how many teachers are in year 7-15, and then how many teachers have currently been teaching for 16-plus years. The largest of those blocks are teachers who have been teaching for 16-plus years. That means those folks are going to retire at some point in the relatively near future, and we're not getting enough teachers in the pipeline to make up for that. So this really is essential. I've talked before, I think, in front of this committee about personal anecdotes with friends of mine who wanted to be teachers their entire life. They got into the profession and then they left after 2 years. They do that obviously for a number of reasons, but one of the major ones is it's not fiscally solvent for them to stay in that job. There's not enough support. And so this is one piece of the puzzle. I know this doesn't fix the entire thing, but certainly I think we should be giving all of our teachers a benefit, and that's what this seeks to do. With that, I know you've had a long day so far, but I'm happy to answer any questions.

MURMAN: Thank you. Any questions? Senator Meyer.

MEYER: Thank you, Chairman Murman. My understanding is this will be yearly.

DUNGAN: Correct. Yep. It's an annual-- so the, the year-- every teacher would receive an annual bonus. And then on top of that, you'd be eligible for a one-time \$5,000 bonus for one of the high-needs areas. So it'd be an annual bonus that you receive. And then if you get a certification in special education or something like that, you could receive that \$5,000 bonus once throughout your career.

MEYER: OK. Thank you.

MURMAN: Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. And thank you, Senator Dungan. Have you seen the movie Back to the Future?

DUNGAN: I have.

LONOWSKI: 30 years would be about right for me if we could go back.

DUNGAN: Fantastic film. All three of them

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

LONOWSKI: No, so my real question here, now I forgot it. So I guess my real question here is, is just the, the ability of a teacher. They-- do they apply for it or is it automatic?

DUNGAN: So that's actually what part of this bill addresses. The Legislature passed these retention grants, I think in the last year or two, 2023, they went into effect-- or 2024, they went into effect. The way the law was written, a teacher had to apply for it. And I think some folks after me can explain some of the issues with that, that there's been some hoops that have been difficult to jump through. A lot of teachers didn't know they had to do that. So one of the things this changes is it makes it an automatic disbursement as opposed to something you have to apply for. So I think if, you know, you're earning a bonus because you're working hard, I don't think you should have to actually fill out the application for that. So this directs the Department of Education to actually send that out.

LONOWSKI: OK. Thanks.

DUNGAN: Yep.

MURMAN: Other questions? Senator Hughes.

HUGHES: No, I had one, but I think you answered it. My question was why did you switch it to be automatic?

DUNGAN: Yeah, I think-- again, after me you'll hear from a couple of other folks. But my understanding is these are just now being claimed essentially, and there's been a number of problems.

HUGHES: It seems like the NSEA should have done a better job. I'm totally joking. All right. Thank you.

DUNGAN: I'm sure they can speak to that after me. I will make--

HUGHES: I'm sure they're coming up.

DUNGAN: I will make no comment.

LONOWSKI: I like where this is leading.

MURMAN: Any other questions? If not, thank you.

DUNGAN: Thank you.

MURMAN: You going to be here for the close?

DUNGAN: I will stick around. Yes.

MURMAN: OK. Good. OK, here's the guy that's got some explaining to do.

TIM ROYERS: Apparently. Man, Senator Hughes coming in hot on that. All right, let's see. Well, hello again, Chair Murman, members of the Education Committee. Again, for the record, my name is Tim, T-i-m, Royers, R-o-y-e-r-s. I'm the President of the Nebraska State Education Association, and I am pleased to be able to testify in support of LB411 on behalf of our members. As you just heard, LB411 seeks to build off of a bill that was passed in the previous session of the Legislature. Presently, this program provides a \$2,500 retention stipend to teachers in their 2nd, 4th, and 6 years of teaching. Our goal is to both streamline the process and expand the scope, and especially given the recent comments, I'll start with the goal of streamlining the process. So this school year was the first year that the existing program was in operation. So we made sure in the fall to help notify members and make sure that they're aware that they're eligible. However, in its current form, as you heard, the program requires a teacher to apply to receive funds from the Department of Education. We had a number of members reach out who ran into challenges. Some were erroneously told they were ineligible based on certain code errors on the application. We actually had others report to us that it took more than 10 attempts to submit the application for it to be properly received. And so-- but the underlying message that we heard was one of frustration at having to even apply in the first place, that if the intention is to incentivize remaining in the profession, why were there these hoops established in which they would have to jump through them in order, in order to receive the promised incentive? Why couldn't the funds be provided to their employer to be distributed through standard means? By making these payments automatic, LB411 streamlines the process and reaffirms what the true goal of that bill was, which is to thank these individuals for continuing to stay in the profession. LB411 also seeks to expand the scope of the program. Rather than only providing payments to those in their 2nd, 4th, or 6th year, under LB411, every teacher, regardless of their years of experience, would see a, a retention payment. These payments would also grow from \$2,500 in their first 6 years, up to \$4,000. This was done based on educator feedback in the fall. We heard from countless veteran educators who feel a little forgotten right now. They feel there's a lot of programs to attract and retain new and young teachers, but nothing out there to thank our veteran teachers for their decades of dedication to Nebraska's youth. And, candidly, this is very important. Experienced staff are essential to effectively building culture, they are the ones that mentor and support our new

educators. And in many cases, they serve as pillars of consistency. You know, if you're a teacher-- and, Senator Lonowski, I know you know this-- when you hit that point in your career where you're teaching the kids of your kids, that's a certain point of pride when you reach that point and you feel old, too. Acknowledging the most experienced educators in the state is also important because, by and large, efforts to improve teacher pay and focus on starting pay. So like take my home district of Millard, for example, if I take Millard's pay back to the future from 30 years ago and adjusted for inflation to now, it's pretty on par with what our current starting pay is. But if I take the top-end pay from 30 years ago and adjust it for inflation, a top-end teacher in my district should be making roughly \$90,000, when, in fact, they're making \$15,000 less than that presently. So in addition to the other benefits, LB411 would help address the profound loss in purchasing power that our more veteran educators are experiencing. We know, as Senator Dungan mentioned, this is a significant request of the committee, but we also feel you created the Education Future Fund for exactly these kinds of proposals, bills that would specifically put money directly in the pockets of teachers. You're going to hear from other educators about why this is important, but obviously happy to answer any questions. And I sincerely appreciate you taking the time to consider the bill.

MURMAN: Thank you. Any questions for Mr. Royers? Senator Hughes.

HUGHES: Thank you, Chairman Murman. So-- I mean, essentially, we're just-- everybody's getting either a \$2,500 raise, \$3,000-- I mean--

TIM ROYERS: Yeah, right.

HUGHES: --as you age up. How do you-- you're saying it's like a bonus, how do you ensure-- I mean, I'm just-- like, devil's advocate, I'm on a school board, and it's, like, sweet, the state just paid \$2,500 more for a teacher, I'm not going to bump them up for the next couple of years.

TIM ROYERS: Yeah. Great question. I think that's where, you know, the existing CIR comes in. Right? You still do have an array. Because this is a stipend, it doesn't count as salary for the purposes of comparability within the array.

HUGHES: That's true.

TIM ROYERS: That would be, that would be my direct answer.

HUGHES: OK.

TIM ROYERS: Yep.

HUGHES: Yes.

TIM ROYERS: But great question. That's certainly something we talk about, too.

MURMAN: Any other questions? If not, thank you.

TIM ROYERS: Yep. Thank you, everyone.

MURMAN: Other proponents for LB411?

KATE REGLER: Hello.

MURMAN: Hello.

KATE REGLER: Good afternoon, members of the Education Committee. My name is Kate Regler, K-a-t-e R-e-g-l-e-r, and I am in my 11th year of teaching in Nebraska. Thank you for the opportunity to speak today in support of LB411, the teacher retention grant bill. Teaching is more than a profession. It's a commitment to our students, our schools, and the future of our communities. But as many of us can attest, it is a commitment that becomes increasingly difficult to sustain without proper support. Teacher retention is a growing crisis, with educators leaving the profession at alarming rates due to burnout, financial strain, and a lack of incentives to stay. LB411 provides a proactive solution by offering annual retention grants that reward educators for their continued service, making it easier for teachers like me to remain in the field we love. I personally know the challenges that come with a long-term career in education. I previously worked as an English teacher before transitioning to special education. In 2018, I earned my master's in special education, driven by a passion for supporting students with diverse needs. However, this is my first year as a special education teacher. Despite this transition and my years of dedication to Nebraska schools, I do not qualify for the current retention bonuses. That reality is disheartening for me and countless educators who have made similar career moves to fill critical teaching gaps. We are adapting to meet the needs of our students and the system must adapt with us. LB411 would ensure that every teacher who stays in the classroom is recognized and valued, whether in their initial role or transitioning like me within the profession. One of the most important aspects of LB411 is its inclusion of a high-need retention grant, providing \$5,000 for teachers in special education, math, science, technology, and dual credit. Special education teachers, in particular, face unique challenges that contribute to high burnout

rates. The demands of individualized instruction, compliance with extensive legal and administrative requirements, and the emotional toll of supporting students with significant needs makes retention in this field especially difficult. By offering an increased incentive, LB411 acknowledges these challenges and provides a concrete solution to keep highly trained special education teachers in Nebraska's classrooms. The tiered grant schedule or structure in LB411 sends a clear message. Nebraska values its educators at every stage of their careers. For early career teachers, a \$2,500 annual grant for the first 6 years provides much-needed financial support as they establish themselves. For those in year 7 through 15, like myself, a \$3,000 grant would make a tangible difference in retaining mid-career educators, who often face increasing personal and professional responsibilities. For those who commit to teaching beyond 15 years, a \$4,000 annual grant is a powerful incentive to keep experienced educators in the classroom. And for educators in high-need areas like special education, the additional \$5,000 grant recognizes the extra dedication and expertise required for these critical roles. As I'm considering whether to continue to teach beyond my 15th year, knowing that Nebraska recognizes and rewards long-term dedication would make that possibility more viable for my future in this profession. When teachers feel valued and supported, students benefit. Stability in our schools leads to stronger learning environments, more experienced educators and, ultimately, better outcomes for Nebraska's children. Right now, only a handful of teachers believe that lawmakers truly understand the challenges we face. And my time is up.

MURMAN: Thank you.

KATE REGLER: Thank you.

MURMAN: Any questions for Kate? Appreciate you watching the time. Any questions? If not, thank you for your testimony.

KATE REGLER: Thank you.

MURMAN: Other proponents for LB411?

LEE PEREZ: Good afternoon, everyone. My name is Lee Perez, spelled L-e-e P-e-r-e-z, and I'm an ESL teacher in Omaha, Nebraska for the Omaha Public Schools District. I've been an ESL teacher for 18 years, and I'm here to testify in support of LB411. Currently in Nebraska, we are seeing a teacher shortage across all school districts. This has had a profoundly negative impact on our schools, communities and, most importantly, our students that we serve daily. Retaining teachers

should not only be the job of our local school boards and superintendents, but our elected government officials. While teachers do not go into this noble and important profession for the economic incentives, that does not mean the teachers should struggle to pay for basic necessities or work multiple jobs to pay their bills. It is long overdue to economically reward all teachers in Nebraska for the incredible things they achieve daily. While thank you, thank you and teacher appreciation days are nice, they do not pay for a mortgage, food, utilities, or car payment. LB411 would be a way to appreciate Nebraska teachers and retain them long term in Nebraska. When teachers are rewarded financially, the investment is that we keep our best and brightest teaching here which, in turn, leads to positive outcomes for our Nebraska students. For example, from 2020 to 2024, 2024, Omaha Public Schools saw 1,779 teachers leave the profession, with the average being 600 teachers leaving in a 3-year span. However, in 2024, significant pay raises were given and the average dropped from 600 teachers leaving to just under 130, thus, proving that paying teachers and giving them bonuses retains them long term. For these reasons, I support LB411 and I'm happy to answer any questions at this time. And below are the sources for the data and statistics I just gave you.

MURMAN: Thank you. Any questions for Mr. Perez? Senator Meyer.

MEYER: Thank you, Chairman Murman. This is probably totally unfair of me to ask you this question. I should have asked it with President Royers. We're asking for an increase of pay for teachers and, yet, we see our test scores go down. Should we be considering looking at elevating salaries based on outcome?

LEE PEREZ: No.

MEYER: Why not?

LEE PEREZ: Because over-- well, for example, in my district-- so Omaha Public Schools is put on a-- we're classified under the status needs improvement. Over half of our students, 50% are English Language Learners. So there are students that come to this country that don't speak any English. So they take a multitude of standardized tests. And to nobody's surprise, they don't do very well. That's not worth--

MEYER: I recognize that. And, and one thing we all have to take into consideration is when we take standardized tests, many classrooms are starting from different levels. And so you may not have a really good test score at the end of the year of testing, but you might have done a great job depending on where you started from. So I'm not trying to,

I'm not, I'm not trying to throw teachers under the bus here. It's almost impossible to compare districts because classes based on demographics start in different places.

LEE PEREZ: Correct.

MEYER: And, yet, we're seeing across the board, on average, our test scores come down. And I don't think throwing money at it-- and, and, once again, I, I, I want teachers to be paid as much as we possibly can. As I mentioned before, I'm married to a retired teacher and I understand that argument quite well. But as we throw more money at schools and we see our results come down, I have a hard time squaring that circle. And I fully appreciate it's almost impossible to gauge progress because we're not all starting at the same point. So how do we square that circle?

LEE PEREZ: That's a really good question. But I will say if you ever want to have a conversation about test scores, I'm actually a published author. I actually wrote about this in a book about English Language Learners, and why it takes them so long to learn English and master proficiency on a test score. But with all due respect, sir, I don't really think that that bill really addresses that. What I will say is that if you look at what's happening in Nebraska, it's not naive or ignorant thinking to think that we are facing a crisis, that if we continue to ignore this, it might get worse. I mean, for example, for-- in 2022, you know, the Governor of New Mexico called in the National Guard because things got so bad. I mean, are we really-- do we really want that to happen before we-- we could have said, jeez, you know, we could have been super proactive and we could have fixed this problem before it happened. And here, you know, let me just read some other statistics for you, OK? So in other states where they have given-- if, if I may, if, if that's OK? If I may just read the statistics?

MEYER: It's all up to Chairman Murman.

MURMAN: Sure. Go ahead.

LEE PEREZ: If that's OK? If I may? In North Carolina, a study in high areas such as math, science, and special education, and in high-poverty schools where test scores are lower, they gave teachers annual bonuses, I think, of up to, like, a 2- or 3- year span of \$1,800, and it reduced teacher turnover by 17% in the state of North Carolina. In Florida, another study looked at some of the same high-level areas such as science, math, special education, English

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

Language Learners, TESOL, whatever language acronym you want to use, And they gave \$12,000-- \$1,200 to middle and high school teachers in those areas. And they found that it reduced teacher reduction by 25%.

MEYER: What about outcome?

LEE PEREZ: I mean, I don't really have any statistics on that, but. I mean, I guess what I'm trying to say is really-- the studies really looked at keeping people in the classroom, because if you don't have-- sir, I, I guess, my point is this, like if you look at the state of New Mexico, the problem got so bad, they called in the National Guard. So now you're, literally, losing people that are actually certified in that craft to bring in people that have no teaching experience. Do you honestly think that the outcome would be any better?

MEYER: And, and I, I apologize for putting you in a bad spot, I should have had that for President Royers, but.

LEE PEREZ: No, I'll answer any question you want.

MEYER: And I'm not trying to hold teacher pay down. And, and one of the most difficult jobs we have in Nebraska is teaching. I have the utmost respect for all teachers. Please understand that.

LEE PEREZ: Thank you.

MEYER: And, yet, outcome-- United States is number 1 in per pupil spending and number 40 in, in developed nations and educational proficiency. I have a hard time digesting that, quite frankly. And, and, and we have to do better. I'm open to suggestions, but certainly paying teachers to retain them, I'm on board. I have no problem with that. Fiscally with where we're at financially with the state, it's essentially almost an impossibility. So, once again, throwing money at something and not getting outcome is just an-- a really hard sell for me. And I'm-- that's all I've got. But I really respect, I really respect the job you do. You guys have an extremely difficult job. I don't know what the answer is. I really don't, so.

LEE PEREZ: A lot of us don't know [INAUDIBLE].

MEYER: I appreciate your time.

LEE PEREZ: Yeah.

MEYER: And, once again, thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Thank you. Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. And thank you for being here. My daughter's an ELL teacher.

LEE PEREZ: Oh, yes, yes.

LONOWSKI: And so--

LEE PEREZ: So she can tell you how, yeah, it's--

LONOWSKI: --so do, do you recommend tying the bonuses to critical areas?

LEE PEREZ: Yeah, I think in shortage areas, like, for example, it's, it's gotten so bad that our Rule 24 with the Nebraska Department of Education, July 19 of last year, basically, they're saying anybody with a teaching certificate now, an initial teaching certificate, can take the Praxis 2, which is the content area exam. Specifically in shortage areas, so there's math, science, you know, high-need areas, and then they-- they're certified to teach that subject without taking any coll-- any college-approved courses from any of the 16 institutions that we have. I will say this, 10 or 15 or 20 years ago, even 5 years ago, that would have not even been an option. But now that just kind of gives you a preview of how bad the shortage is in math, science, special education, things of that nature is that they're willing to literally negate college-level content area courses. And if you got lucky to take some tests, you're now-- so if I went in and I took biology and I somehow miraculously passed it, which I probably wouldn't, I could then teach biology or math or, yeah. So, I mean, that just-- Rule 24, the amendment to that through the Department of Education, just kind of shows how dire this is.

LONOWSKI: OK. And then I'm thinking outside the box here, would you recommend tying any of these bonuses to student loan repayment program or--

LEE PEREZ: Again, that, that I don't know. You'd have to ask the crafter of this bill, but I'm not really sure how that would-- how the parallels with student loans would work. I'm just here to testify on specifically what I saw in my district when the school board and the superintendent approved these massive pay raises, especially for veteran teachers. You know, let me give you an example. I knew teachers that were actually getting ready and were on the cusp of retirement. And after these bonuses were passed and these salary hikes were passed, they said I've decided to stay another 5 to 10 years. So

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

that's 5 to 10 years that we don't have to look for a veteran teacher. Because as you've seen, if you ask anybody in the state at any teacher preparation institute, not just in Nebraska and in the nation, their numbers have declined anywhere from 5 to 25%. So the fact that we were able to keep more teachers, specifically veteran teachers in the field for another 5 to 10 years, is a game changer.

LONOWSKI: Thank you.

LEE PEREZ: So I don't know if that answered your question.

LONOWSKI: Nope. Yeah, I didn't mean to put you on the spot.

LEE PEREZ: That's my TED talk, so.

LONOWSKI: I didn't mean to put you on the spot with the other part, but thank you, I appreciate it.

LEE PEREZ: Absolutely.

MURMAN: Any other questions? Senator Juarez.

JUAREZ: Thank you. Thank you, Mr. Lopez [SIC], for being here. I have just a couple of questions. I couldn't remember what was the second state that you mentioned after North Carolina on your stats? Was it Florida?

LEE PEREZ: It was Florida.

JUAREZ: OK.

LEE PEREZ: So if you want me to read-- this, this comes from a source called The 74, and the title of the article is Why Teacher Pay Matters: Recruitment and Retention Can Improve Results. And so if I may, Senator Juarez, it's good to see you, if I could just read the first couple line verbatim,--

JUAREZ: OK. Thank you.

LEE PEREZ: --if you'll just bear with me. It says Florida, another study looked at \$1,200, about \$1,700 adjusted for inflation retention bonuses given to middle or high school teachers in certain subjects. The research found even more pronounced results. Teachers who receive the relatively modest payments were about 25% less likely to quit than similar teachers who didn't receive the pay bump or bonuses. That's what it says. End quote.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

JUAREZ: OK. And so I was curious because you teach English Second Language--

LEE PEREZ: ESL, yes. Correct.

JUAREZ: Correct. Correct. OK. I'm sure that in the years that you've been teaching, you can really see the challenges that students have with their transition, you know, coming into our school system. Correct?

LEE PEREZ: Yes, yes.

JUAREZ: And what did you say that trying to address the outcome is definitely a complex one. I mean, I served on the school board and that's how I felt. You know, we want to put the onus on the teachers and it's just not up to them.

LEE PEREZ: Right. Right.

JUAREZ: I mean, I feel that, you know, it's a family issue. Their parents might not be at home helping them because they might be working two or three jobs just trying to survive.

LEE PEREZ: Correct.

JUAREZ: I mean, there's, there's a lot to it just being in the classroom. Would you agree?

LEE PEREZ: Oh, yes, absolutely, in, in addition to like the language barrier and I've testified before on my expertise on multilingual learners and why it takes them so long to reach English proficiency and how that correlates to low test scores. And I will say this, it, it doesn't matter what part of Nebraska you go to, and you're starting to see an influx of these students going to rural Nebraska. And it's by no fault of the students, it just-- it takes 7 to 10 to 12 years to master the language good enough to perform well on a proficient test. It's called academic language. Any district or any superintendent or school board will tell you that English Language Learners' scores are going to, scores are going to be traditionally lower than those of their native speakers. And that's just one obstacle that we as teachers face in, in addition to all the other ones that you just mentioned, Senator Juarez. And that's not just Omaha Public Schools, by the way.

JUAREZ: I have one more question, please?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Sure.

JUAREZ: So I know that you try to interact with Latino students at college--

LEE PEREZ: Correct.

JUAREZ: --to try to encourage them to be teachers.

LEE PEREZ: Yes.

JUAREZ: Wouldn't you find these particular bills that we've looked at today would be something that would definitely attract them to definitely consider going forward with their career choice?

LEE PEREZ: Yes. I've had former students of mine that have considered becoming teachers, and the number two things that they have mentioned to me are pay and safety nets. And, literally, what we are discussing today with LB440 and LB411 are, literally, two things that could, literally, remove a barrier to where people that are leaving high school would say, oh, wow, look at what's going on in education right now. I'm, I'm going to be financially set. I'm going to have safety networks there just in case I were to get sick or my father was to get hosp-- put in hospice care or my mother were to get cancer or I was able to start a family. Those are two huge barriers as to why people are not entering the profession at this point or in addition to that, actually leaving the profession and going into the private sector of the economy.

JUAREZ: And one other side comment I'd like to make is it would be nice with the salary that we pay to our Nebraska football coaches if we tied their performance in their pay, too. Thank you.

LEE PEREZ: Thank you, Senator Juarez. Good to see you again.

MURMAN: The question I came up with, you talked about teacher retention.

LEE PEREZ: Yes.

MURMAN: Studies I've seen, a big part of-- a big obstacle for teacher retention is behavior in the classroom so I'm surprised you said pay and safety net. Because from what I'm seeing, it's a pretty dead line.

LEE PEREZ: Well, I mean, here's, here's the thing. Like, I, I deal with a lot of issues in the classroom, but now that I'm making more

money, I'm willing to-- you know, it's-- teachers are more willing to put up with those issues and work with those kids and work with the schools to help address some of the trauma and stuff that we're seeing. And as you can see, this is not just confined, other studies have shown in states that are having some of the same issues, the minute they pay them or give them bonuses or hike them on the salary step, magically, teachers are actually staying in professions and rolling up their sleeves, and, and they're more willing to work with some of the challenges that those schools offer. So I guess my point is this is, you know, paying them actually goes a long way. It really does. And from what you've seen, the data with my school district, you know, we went from in 3 years, the average number of teachers leaving Omaha Public Schools was 600, which, by the way, that is a lot to in 2024. And, again, the sources are on this testimony. I, I encourage you all on this committee to look at that. We went from that to losing only 130. And I will say that many of those teachers that had left the Omaha Public Schools, once the pay raises came out, they had rescinded their resignations and came back because of the money. So that 130, the number is actually lower. And there's a school board member behind me that's willing to testify that, yes, the raises and the bonuses absolutely helped keep and retain teachers in Omaha Public Schools long term. And that is huge. And I guess the crux of my message is that could work statewide, so.

MURMAN: OK. Thank you. Any other questions? If not, thank you for your testimony.

LEE PEREZ: All right. Thank you.

SHABONNA HOLMAN: Good afternoon, everybody, I'm said school board member that he just mentioned. Good afternoon, Chair Murman and members of the committee. My name is Dr. Shabonna Holman, S-h-a-b-o-n-n-a H-o-l-m-a-n, and I'm a member of the Board of Education of the Omaha Public Schools. I'm a proud graduate of OPS, a parent of an OPS student, and a former teacher and assistant principal for the district, and currently the P-12 school leadership coordinator at one of our state institutions. School districts across the state and across the country are experiencing a teacher shortage. This shortage is particularly acute with respect to certain specialized subject areas such as special education, math, science, technology, and dual credit courses. LB411 would amend the Nebraska Teacher Recruitment and Retention Act to provide retention grants for those who receive endorsements in those high-need subjects. LB411 would also increase the amount of individual grants to teachers as their experience increases. We continue to support legislation like LB411

that provides incentives for teachers to begin or continue teaching in Nebraska. These additions to the Recruitment and Retention Act would have a significant impact on our ability not to just recruit education-- educators, but to retain educators who have already made the decision to teach in our district and whom we have welcomed into our schools. Additionally, the provision that permits the Department of Education to provide grants automatically to eligible teachers will also make this process smoother for our staff. We want to thank the Legislature for the steps that have been taken over the past several sessions to help school districts across the state deal with these issues of recruitment and retention. We appreciate Senator Dungan's efforts to assist educators in this session, and would encourage you to advance LB411. I'd be happy to take any questions you may have.

MURMAN: Thank you.

SHABONNA HOLMAN: Thank you.

MURMAN: Any questions for Ms. Holman? If not, thank you.

SHABONNA HOLMAN: Wonderful. Thank you so much for your time.

LISA FRICKE: I'm a little nervous. I asked for a glass of water so hopefully that will calm me down a little bit. So my name is Lisa Fricke, L-i-s-a, Fricke is F-r-i-c-k-e, and I want to thank you for this opportunity to share my thoughts on LB411. So thank you, Chairman Murman and members of this committee. I'm a retired teacher and I still advocate for educational opportunities for all students. That is me paying it forward for all the times that I was helped along the way. As we all know, Nebraska is experiencing a teacher shortage, especially in the areas of special education, mathematics, and science, as you've heard before today. Nebraska has approximately 328,000 students, and I strongly believe every single one of those students deserves a qualified educator. Unfortunately, not all Nebraska teachers are endorsed in the areas they are currently teaching. In addition, the Nebraska Department of Education reported that 908 unfilled positions happened this year and-- or 2023-24 year. That's unacceptable. Absolutely unacceptable. I believe passing LB411 will help recruit and retain the qualified teachers our students need and deserve. In 2023, Senator Linehan, I have to give her credit for creating the Nebraska Recruitment and Retention Act that applies to all K-12 teachers, Section 79-8,114 of that current law allows teacher grants of \$2,500 a year once teachers reach their 2nd, 4th, and 6th years of teaching. I'm requesting that section, that section that I just referenced be amended and expanded in the current law. You've

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

already been given by Senator Dungan all of the statistics of the amounts of money so I'm going to skip that and just say that I believe these changes will help recruit and retain teachers. Senators, you all have either children, grandchildren, nieces, nephews, kids in your neighborhood, children that you care about, and this teacher shortage is real. It's not made up. If we expect young, intelligent, caring college students to choose education as a career path, and if we truly want to retain the excellent, experienced teachers who also serve as mentors to these new teachers, we need to consider passing LB411. Passing this bill will be an investment in our children's education. Remember, an investment in education pays the best interest or dividends however you want to look at it. And so I hope you seriously consider this for the future of our future workforce, the children that are in school today.

MURMAN: Thank you.

LISA FRICKE: Thank you for your time.

MURMAN: Thank you. Any questions for Ms. Fricke?

LISA FRICKE: May I, since I still have no yellow light, mention a couple of things that I thought of?

MURMAN: You actually got the red light, but--

LISA FRICKE: Oh, I did?

MURMAN: --if you want to quickly mention something, you can.

LISA FRICKE: Oh, OK.

MURMAN: Just very quickly.

LISA FRICKE: I think that the Education Future Fund that I mentioned earlier, I read that and there's a line in there about grants. And so I think that's potential fund, I think Senator Dungan had mentioned that. Teachers take classes, I took classes every summer and sometimes during the year to make me a better teacher for my students. And I learned a lot and I, I added ideas to my classroom. And so that money that you-- that they receive in this potential passing of this bill that would help. And also somebody mentioned passing something along to NDE for disbursement in the form of a grant and how that got clogged up, they in the last 2 years have just started updating their computer. But I still think that direct to the school district would be the best way to go. So thank you for your time.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Yep. Thank you.

LISA FRICKE: Appreciate it. Oh, I don't know if you have any questions. I'm ready to go.

MURMAN: I don't think so.

LISA FRICKE: OK.

REBECCA MANTONYA: Hello. My name is Rebecca Mantonya, R-e-b-e-c-c-a M-a-n-t-o-n-y-a, and I am an EL teacher from Lincoln. I'm honored to speak with you today. I am speaking in support of LB411 on behalf of the Nebraska State Education Association. I have dedicated 30 of my years, 30 of my-- 30 years of my life teaching, and 25 of those years have been in Nebraska. During this time, I have witnessed firsthand both the credible potential of our educators and the challenges that force many to leave the classroom. I am here before you today to urge your support for LB411, a bill that is not only timely, but essential for the future of our education system. Over the years, I have seen passionate, dedicated teachers walk away from a career that they love simply because they cannot earn a livable wage. These are individuals who bring heart, skill, and invaluable experience to our schools. I have personal-- personally seen colleagues who, despite their commitment, were forced to choose between supporting their families and continuing in a profession that makes such a profound difference in our community. This is a loss not only for the teachers, but also for every student who benefits from a stable, experienced mentor. LB411 addresses these challenges head-on by proposing a tiered retention grant system. Under this plan, educators will receive grants reflecting their growing experience and continued commitment while honoring their dedication and the invaluable wisdom that they bring to the classroom. Additionally, high-need retention grants would provide extra support for teachers in critical areas such as special education, STEM, and rural settings, sectors in which the shortage of skilled educators is most acute. I have seen that when teachers return year after year or move to new schools and join fresh teams, they carry with them a wealth of knowledge and experience that benefits everyone. Veteran teachers are not just educators, they are mentors who guide new teachers, share effective strategies, and create a nurturing learning environment. Their continued presence builds a stability, ensuring that students receive the high-quality instruction that they deserve. Without such support, our schools risk losing that very fabric that sustains excellence in education. Investing in LB411 is an investment in Nebraska's future. It is a sustainable strategy to reduce turnover, cut the costs associated with recruiting and training

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

new teachers, and maintain a robust educational system that prepares our youth for the challenges of tomorrow. By providing fair compensation and recognizing the hard work of our educators, we are also sending a powerful message to our community that we value education and those who make it possible. I respectfully ask you to support LB411.

MURMAN: Thank you. Any questions for Ms. Mantonya? If not, thank you for your testimony.

REBECCA MANTONYA: Thank you.

MURMAN: Other proponents for LB411?

KRISTA COUTON: Good afternoon. My name is Krista Couton, that's K-r-i-s-t-a, Couton, C-o-u-t-o-n, and I am here on my own behalf to testify in support of LB411. While I am not the product of Nebraska's Public School System, I have been a loud-and-proud Lincoln Public Schools music teacher for 10 years, and I was the Staff Inspire award winner at my school last year, which was an absolute honor and highlight of my career. I would be mistaken to accept this recognition without mention of the many mentors who invested in my growth from the first time I stepped into a Nebraska Public School classroom in September of 2011 as a naive 18-year-old practicum student. I stand on the shoulders of veteran teachers like Laura and Judy and Sheryl and Jake, Amy and Bob, who, in addition to inspiring their students each day, swooped in to pass forth to me and other aspiring teachers the skills and expertise in our most formative and value-- and vulnerable years. These experts' perspectives on matters of curriculum, institutional processes, and the student-teacher relationship were formed through years of trial and error. This inherited guidance afforded students they would never even meet with the opportunity to work with teachers whose skills far exceeded the years of experience in the classroom. Veteran teachers are an asset not just to our students, but to our profession. I fear without more proactive retention measures such as this bill, the well of knowledge from which we green teachers drink will quickly dry up before our very eyes. As a teacher in my 10th year, I'm not even a third of the way into my career. I have so much more to learn. A \$3,000 yearly stipend is enough for me to sign up for a second master's degree from a local university, paying that money back into our local economy. It's enough for me to sign up for a national conference in Lexington, Kentucky, to learn from professionals in music education around the world and to share that knowledge back with the educators in our community and in my district by presenting at local conferences, a conference for which

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

I paid \$800 this year out of my own pocket. It's enough for me to attend a world drumming workshop in the summer to pursue my Orff Schulwerk teacher certification. This grant allows for me to learn more, and to also start pouring back into the next batch of young teachers in the ways that I so badly needed when I first started. This retention grant is an acknowledgment that in Nebraska, we are willing to invest in education, and that is something that would benefit our great state and the future of young Nebraskans for years to come. Thank you for your time.

JUAREZ: Thank you.

MURMAN: Thank you. Any questions for Krista? If not, thank you.

JUAREZ: Thank you for being here.

MURMAN: Other proponents for LB411? And could, could we have a show of hands of how many are testifying on this bill yet? OK. Thank you.

CARRIE GEORGE: Hello again. Good afternoon. My name is Carrie George, C-a-r-r-i-e G-e-o-r-g-e, and I am speaking today as a special education teacher with over 20 years of experience. I am testifying today in support of LB411. Over the course of my 23 years of education, our negotiated contract has included five salary freezes. With these freezes are-- excuse me-- when these freezes are combined with rising prices, the result in educators' salaries are not keeping up with inflation. I am aware of the teacher retention grants offered by the state, but, again, my length of employment exempts me from these grants, which, again, is a lost opportunity of income. In order to make the most of contract increases, I have paid for a master's program and additional courses to continue to move on our pay scale. It is important to point out that salary increases do not always cover the cost of the courses that I've taken. If there's increase in insurance rates and such, it doesn't necessarily always offset those increases in expenses. I do not just take the classes to increase my salary, but also to be the most effective educator I can for my students and a positive mentor for new teachers because I love being a teacher. I have previously testified about the increasing stresses in education, including student behavior, increasing class sizes, and demanding workloads. Across the nation, we are facing a teacher shortage. I greatly appreciate this committee's work on LB411 that can address these hardships facing educators and school districts, which, ultimately, can lead to negative impacts on our most vulnerable, our students. Teachers have been encouraged by districts that have offered retention stipends, but school budgets do not always allow for

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

continued stipends. From a personal perspective, these grants or stipends do not mean a luxury purchase such as a trip or jewelry, but rather alleviating some stress when covering our family's budget, which includes health care and helping with college expenses. To address concerns about throwing money at public education, the students of my district are increasing-- are living in poverty, in poverty at an increasing rate from 22% to 30%, combined with chronic absenteeism. Yet, despite these facts, our graduation rate has stayed above or at 95%. In closing, again, I want to thank you for your time today. I appreciate your consideration of these issues as we strive to maintain excellence in education in Nebraska.

CONRAD: Thank you, Ms. George. Any questions from the committee? Senator Lonowski.

LONOWSKI: Thank you, Vice Vice Chair.

CONRAD: Just Senator Conrad is fine.

LONOWSKI: And thank you, Ms. George. I'm really just curious, where do you teach at?

CARRIE GEORGE: In Papillion and La Vista.

LONOWSKI: OK. Thank you.

CONRAD: Thank you, Senator. Any other questions? Thank you, Ms. George.

JAKE BOGUS: Hello, my name is Jake Bogus, J-a-k-e B-o-g-u-s. I'm an eighth-grade U.S. history teacher for Lincoln Public Schools, and I'm speaking in support of LB411 on behalf of the Nebraska State Education Association. I believe this bill will do an excellent job of retaining teachers through financial incentives during a time when we have a teacher shortage in many districts across the state. In a notoriously underpaid, overworked profession, it is not uncommon to have a shortage of applicants. However, just 9 years ago, I was told it could be difficult to receive a full-time teaching position due to the competitive applicant pool and number of aspiring teachers. That's clearly not the case anymore. I have participated in the interview process to help with the hiring of teachers several times. I have listened to administrators' concerns about receiving even one qualified applicant for a teaching position. The field has gained a reputation as one that is not just underpaid, but one that also actively causes severe stress and burnout. It doesn't help that the teacher pay penalty, the difference between the weekly wages of

teachers and other college graduates with a similar education, has been widening over time. And in 2023 it reached a record 26.6%. My wife works at Bryan Hospital as a cardiac sonographer. And I remember shortly after the COVID pandemic, she received notice that certain staff would be receiving annual stipends or bonuses due to the hard work and stress they had been through in a difficult profession that serves the public's needs. We as a family were happy that a place would think to financially reward a career field that is necessary, and one that serves the public's best interest. However, when I look at it in regard to my own profession, one that also is necessary and serves our communities, it's incredibly frustrating. Where was my bonus or retention incentive? My coworkers and I also deserve a financial boost to recognize and assure teachers that the work we are doing is vital, and that the state wants to keep us in the profession. Instead, we are often showered with coffee mugs, t-shirts, and gift cards from students, parents, and community members who want to show their apprecia-- appreciation. During a teacher shortage, the lack of receiving support by the state is especially insulting and exacerbates the difficulty of retaining teachers. There have been moments when I have seriously considered leaving the profession and seeking other comparable, better paying work. I love my job and I take it very seriously. On a slightly different note, I would ask each of you on the committee to think of a teacher who has had a dramatic impact on your life. A teacher who truly cared about you and who helped shape who you are today. Now think about the challenges that teacher had to overcome while pursuing their career to help educate the next generation. How would you feel knowing your favorite teacher left their career early due to burnout and lack of financial incentive, that they didn't feel respected in the profession for all the work they put into it, and they never had a financial reward? In which many cases is very needed for their service and time. If you provide financial incentives, incentives to retain teachers, it will also help with recruitment. With more teachers potentially entering and coming back to the field, more competition for teaching jobs will follow. And with that often comes the best teachers. And with those influential teachers, just like the ones you all can envision in your own lives, we see the best outcomes for kids and the future of Nebraska. Thank you for your time and I'll take any questions you have.

MURMAN: Thank you. Any questions from Mr. Bogus? Senator Juarez.

JUAREZ: Thank you. I just actually have a general question about your preparation to be a teacher.

JAKE BOGUS: Yeah.

JUAREZ: When you were taking your college courses, is the subject of trying to improve a student, a student's academic performance, is that a topic that's discussed in all your classes or is there one class that tries to help teachers figure out strategies to improve student performance? Could you give me a little background about that?

JAKE BOGUS: Yeah, sure. So my, my bachelor's degree was actually in broadcast journalism. I was a nontraditional student at Doane, and I became a teacher when I was 27. I changed career paths. And through that program, yes, we talked about how do you help students improve their grades academically? I also-- I, I heard Mr. Perez testifying earlier, and he might be a better example because he's helping students genuinely, genuinely learn how to read or speak English. I teach U.S. history. And, and so while U.S. history used to be a lot of remembering facts and dates and events, it's a lot more driven with a reading focus and a literacy focus now. We-- media literacy, making sure children are, are receiving the correct information and understand all of the, the good, bad, and in between in, in U.S. history. And so as far as improving academics for at the state level, social studies at this time doesn't have state standardized testing. So I, I apologize. I can't answer that question a little bit better for you.

JUAREZ: OK. Thank you. It just came to me. I was just curious to ask you. Thank you.

JAKE BOGUS: I, I was curious, Chairman, if I could-- I, I heard Senator Meyer say something earlier. And I, I was just wondering if I could, could answer one of your questions? You said your, your wife is a, a retired teacher.

MURMAN: Senator Meyer, would you like to ask your question? Actually, we can't ans-- ask senators questions.

JAKE BOGUS: I was going to address one of his.

MURMAN: If, if he wants to ask a question.

MEYER: If, if you would like to address the question I previously asked. My wife has already visited with me about some of my comments.

JAKE BOGUS: I'm not, I'm not here to criticize. I, I, I, I just-- I heard you mention throwing money at a problem. And, and I, I hear that a lot from people I talked to that aren't in education. Well, what are we supposed to do, just throw more money at the problem? And the answer is yes. And, and I'm going to, I'm going to tell you why I feel

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

that way, is because I teach eighth grade, and it's about the age when kids are starting to think about what they want to do with their, with their career, where they want to go to college, maybe. And I make a point of in my classroom, there's always a few students that stand out that I think could be excellent teachers someday. And, and I talk to them privately and I say, hey, have you ever thought about being a teacher? And almost always the first thing that they say is, yeah, but you guys don't get paid very much, do you? And, and that's the attitude that a lot of young people have right now. And I feel like you can help change that narrative. You can help teachers receive more pay. And I think this bill, while it's not going to answer all the questions, and some might view it as just throwing money at a problem, I, I think it's a great start.

MEYER: May I?

MURMAN: Senator Meyer.

MEYER: Thank you. Once again, I, I have the greatest respect for teachers.

JAKE BOGUS: Sure, sure.

MEYER: And I, I-- if I had your training, which I do not, I couldn't do your job because I don't have the temperament for it, quite frankly. And maybe my comments about throwing money at a problem, that was misconstrued, and, and, and I didn't mean it in the way it sounded,--

JAKE BOGUS: Sure.

MEYER: --but there's only so much money. I, I don't know how else to approach it. I really don't. And, and I think I said something that might have been in some people's minds here and at home but were afraid to ask.

JAKE BOGUS: Sure.

MEYER: I'll ask. And, and, and I'll make the comment. And, and, once again, I, I would like to see teachers paid a lot more. How?

JAKE BOGUS: Yeah.

MEYER: You know? I just, I just, I just don't know how it can be done. And you, you have a tremendously difficult job. And, and, and, once

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

again, full respect and, and a very much needed job. And so I was not disrespecting the profession,--

JAKE BOGUS: Sure.

MEYER: --I'm coming at it from a different direction. And, and so I appreciate your comments back to me.

JAKE BOGUS: Yep. Thank you very much--

MEYER: Yeah.

JAKE BOGUS: --for your time.

MEYER: And I, and I appreciate what you do. I really do.

JAKE BOGUS: Thank you very much. Appreciate the conversation.

MEYER: Maybe that'll help with my wife later.

MURMAN: Senator Lonowski has a question.

LONOWSKI: Thank you, Chair Murman. And thanks for being a, a teacher, Jake.

JAKE BOGUS: Yeah.

LONOWSKI: I'm a retired Spanish teacher, so I had a lot of sophomores that were Hispanic kids.

JAKE BOGUS: Yeah.

LONOWSKI: And it was the same thing. They didn't say the money wasn't enough. They said, I don't want to deal with the sophomores. But-- and, and I-- just kind of maybe a little caution is rephrase that because when you say throw money at it and--

JAKE BOGUS: Yeah.

LONOWSKI: --taxpayers hear that--

JAKE BOGUS: Sure.

LONOWSKI: --you know, that might rankle their feathers. I think word of mouth and just being a, a good, you know, a good, positive teacher will go a long ways to helping some of those kids. And, hopefully, we

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

can turn the corner where we're not searching for teachers so much. Yeah, I guess I don't have a question in there, just--

JAKE BOGUS: No, that's fine.

LONOWSKI: --some words of advice, but thanks for what you're doing. Appreciate it.

JAKE BOGUS: Thank you. I appreciate it.

MURMAN: Thank you. Any other questions? If not, thanks for your testimony again.

JAKE BOGUS: Thank you.

MURMAN: Other proponents?

NICOLE LOPEZ-BETTENDORF: Do you all want the fast version?

MURMAN: Pardon?

NICOLE LOPEZ-BETTENDORF: Do you want the fast version? Hello, my name is Nicole Lopez-Bettendorf, N-i-c-o-l-e L-o-p-e-z-B-e-t-t-e-n-d-o-r-f. I'm a special education teacher from Lincoln. I'm speaking in support of LB411, which is also my height. From the work of the previous retention grant bill, I received funding last year as a sixth-year educator, and it was honestly one of the highlights of my year. I appreciate that this proposed bill would not only add more incentives for educators to maintain their presence in the classroom for longer, but I also appreciate the updated language that would make this grant more readily accessible to all educators. However, those aren't the only reasons why I support this bill. I am part of my district's negotiation team working on the side of the teachers association. When we do these negotiations, there were always multiple give-and-take moments when we must make difficult decisions on what to advocate for, and those points are always tied to costs. When we go to negotiations, as the majority of our membership is made up of classroom teachers, that is typically who we speak for. But I would love if in the future we could have more available to share with our educational support professionals, our paras, our bus drivers, our custodial staff, our secretaries, our technicians, our sign language interpreters, our cafeteria staff, our security personnel, and so many others who I feel-- I often feel bad shortchanging. I also appreciate this bill for the language tying to an educator's years of service at a school in the state of Nebraska. Many schools in our state have varying contract language when it comes to determining a teacher's year of service,

which also determines a teacher's salary. So when educators move from one district to another, they are often given standing that is not truly reflective of their knowledge and expertise. I really like how this bill would acknowledge any and all years of service a teacher has given. I believe many of our tenured and experienced teachers will appreciate that acknowledgment as well. With these grants and updated language to provide them to districts to give to educators, it would make our job at negotiations a little more equitable. Instead of fighting for the myriads of things teachers need as well as raises, we can start to do the work that will make education stronger overall. We, the negotiation team, would now be able to focus on the number one thing teachers need, time. While you, our state leaders, can focus on the number two thing teachers desire, money. Our job as educators is a difficult one, and with the ever-changing world of politics really affecting how we can best do our job, it is heartening to know that our Nebraska Legislature is trying to support us through any means they can.

MURMAN: Thank you. Any questions? Yes, Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Thank you. And you were here one other day in front of the committee. Correct?

NICOLE LOPEZ-BETTENDORF: And I'll be back tomorrow, you all.

LONOWSKI: So who's with your kids today? Did you have to get a sub for today?

NICOLE LOPEZ-BETTENDORF: It is spring break.

LONOWSKI: Oh, gotcha.

NICOLE LOPEZ-BETTENDORF: Yes.

LONOWSKI: Chair Murman, did you, did you design it that way?

MURMAN: No.

NICOLE LOPEZ-BETTENDORF: Great timing.

LONOWSKI: Thank, thank, thank you very much. Appreciate it.

NICOLE LOPEZ-BETTENDORF: Of course.

MURMAN: Any more questions? Just-- if you could do that little pop when you get done all the time.

NICOLE LOPEZ-BETTENDORF: Always. Gladly. Thanks, you all.

MURMAN: Thank you. Other proponents for LB411?

BEN WELSCH: Thank you, Senator Murman, members of the Education Committee. My name is Ben Welsch, B-e-n W-e-l-s-c-h. I'm a teacher in my 20th year and my wife is a teacher in her 2nd year at Hastings Public Schools. I'm here today to speak in support of LB411, and for all the educators serving our amazing students all across the state. We are still in a teacher shortage and all hands should continue to be on deck, providing the necessary support to address and reverse this current teacher shortage reality. Local schools, state legislators, and the State Board of Education should all share a responsibility in doing their part to help bring on and retain more teachers for our schools. I want to share about how those shared responsibilities have affected my wife and I's ability to continue in the education field, even in our different educational circumstances. Allowing funding resources like LB411 at the State Legislature is imperative for school districts to hire more new teachers and to keep their current teachers working longer. The work of education has not gotten easier, and so systematically setting longevity grants throughout a teacher's career helps us keep our teachers in our schools. My wife is a great example of how our state's collective action has helped return a teacher to the classroom after staying home with our 5 children over the past 15 years. The State Board of Education has continued to remove barriers for teachers who have gap years in their teaching and are able to come back into the classroom sooner with fewer extra recertification steps. Also, this Legislature, 2 years ago, established the 2nd, 4th, and 6th year \$2,500 retention teaching grants. This grant system has been a great first step in prioritizing the value of educators and the work we are doing for our students. The unfortunate part about these retention grants, though, is they are only funded on a first come, first serve basis. The fund wasn't big enough to cover all eligible teachers in those, in those original bills. All educators who are eligible can't currently receive these grant dollars and are being left out. I'm glad my wife was able to click on the submit button fast enough on the website to qualify this year during year 2. We need legislation like LB411 to guarantee all teachers every year from 1 through 6 would qualify to receive these funds for those years of service. As a 20-year educator myself, I can no longer receive longevity steps in my district salary schedule. Our local school district knew we needed to help address teacher retention and recruitment also. The teachers and school board decided we should adjust our salary schedule to front-load dollars for our new teachers in years 1 through 3, help increase our base salary, and help with

teacher recruitment. We also adjusted increased amounts on the final steps of our salary schedule for years 15-plus to help retain our teachers and set up a more successful retirement. Local leaders are working hard to address teacher retention and recruitment. Through the passage of LB411, you can also continue your role giving longevity grants to all teachers in years 15-plus to maintain our work-- teacher workforce in our schools. By continuing to collaborate together and creating policies that are local and state levels, leaders can continue to move the needle in combating the teacher shortage. As we create policies that do little-- do a little bit more, our collective policy changes can make a big impact. Now is the right time for all senators to continue to prioritize teacher recruitment and retention by extending these grants to all teachers. On behalf of our Nebraska educators, I ask you to advance LB411 out of committee. Thank you.

MURMAN: Any questions for Mr. Welsch? I've got one. So the school board decided to do what they can to attract new teachers, maybe, or to bring in new teachers with incent--

BEN WELSCH: Yeah, so--

MURMAN: --increase the pay, the pay there and then also to keep long-term teachers in the district. But you're kind of in between, so.

BEN WELSCH: Well, so, again, all of our salary schedules have been around forever. And so it's, again, taking what's existed and trying to adjust it by, you know, our percentage matrix going horizontal and vertically. And so we've automatically moved all of our new teachers to level 3 so they can get 3 years right out of the gate to make sure that we've said, hey, thanks for coming to Hastings. We're going to get you started off right. And then because we were able to do that and change a little bit of the, the matrix in a way, we were able to extend another, you know, year of service to our longer tenured teachers so that our teachers that are at the end of the salary schedule would end up having a higher salary than they would have in the old system. You know, the way it was set. To go back to another point on does this stuff help? Last year we had one retiree at Hastings Public Schools because when they knew that the teachers at the end that could retire had a little bit higher-- I mean, we put \$2,500 on the base that year. And so it was one of those where that incentivized those teachers that could retire to say, hey, this whole retirement thing and matrix, you know, for when we decide for retirement with our 3 highest years of service, were able to stay and then not have those teachers that we have to bring in because just moving those dollars to the people that we thought needed it the most,

made a huge difference in, in the amount of retaining the teachers that we had.

MURMAN: OK. Thank you. Any other questions? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Thank you for being here. So, so first of all, if a, if a teacher were to come over to you from Adams Central to Hastings in year 14, would they get this bonus at year 15 if your school had it and other schools didn't?

BEN WELSCH: I think currently when-- it used to be maybe school districts didn't allow your-- all of your years of service. And so I think now most school districts, if you move to another school, they'll give you all of your years of service. So if somebody, you know, was, you know, 14 years in one district, they'd let you move all the way to the same spot in the current district. And so, I think, you know, to answer your question, a lot of school districts, just because of the now very competitive nature of a teacher shortage, they're letting you move all the way in with no penalties for switching school districts anymore. So I feel like that's a little more helpful to any school district.

LONOWSKI: OK. And then my second question. So the, the retention of, of your senior teachers, just by adding a little bonus, the retention was greater than the burnout or-- does that make sense-- like-- or they're just inspired to stay a couple more years?

BEN WELSCH: I'm sure it's a little bit of, you know, if they've already, you know, taught for 30, 35, 40 years, if the difference between me retiring at a certain dollar amount and staying 3 more years after 35 or 40 years of teaching, I think they'd be, like, yeah, I'll, I'll do 3 more years of teaching at a higher amount, so.

LONOWSKI: Overcomes the burnout.

BEN WELSCH: Yeah.

LONOWSKI: OK.

BEN WELSCH: And technically, Senator Lonowski, we actually for the first time had our new teachers make more money than the Adams Central School teachers. So we actually did our job to be a little more competitive. So that was part of the whole thing also.

LONOWSKI: I just hope you're not stealing them, because between us--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

BEN WELSCH: No, I don't think, I don't think anybody has ever been stealing each other's teachers.

LONOWSKI: --between us, we probably have the best two districts. But if you have to tell people that, maybe we don't.

MURMAN: Thank you.

LONOWSKI: Thanks, thanks for your testimony.

MURMAN: Any other questions? If not, thank you.

BEN WELSCH: Thank you.

TOM VENZOR: Good afternoon, Chairman Murman and members of the Education Committee. My name is Tom Venzor, T-o-m V-e-n-z-o-r. I'm the Executive Director of the Nebraska Catholic Conference. I'll keep my comments pretty brief. A lot of the similar challenges and obstacles and things of that nature that you've heard from many of the public school teachers apply as well to nonpublic school teachers. So we are grateful that this program that's in front of you has been something that's been applied to both public and nonpublic school teachers to access. You know, we're, we're supportive of the program moving forward as well. So just wanted to make note of that. One really small technical thing is lines 5 through 9. And I've talked with Senator Dungan about this. And this would be a thing that if it were to, you know, move forward, you know, ever. Just right now the bill is, is addressed in a way that helps remedy some of those problems with how do you get the funds to the public school teacher to avoid some of the kind of issues with, you know, does this make them an independent contractor, etcetera? So he's trying to remedy that in lines 5 through 9. You just need to find a, a different or similar mechanism for trying to pass those dollars through to nonpublic school teachers to ensure that there's an avenue by which they would receive these grant funds. So I just mention that as a small technical matter, but we're supportive of the bill and concept, in support of the Education Committee when you pass forward these types of grant programs, or whether it's school security or teacher retention and recruitment programs and they're applicable to both public and nonpublic. So that's all I had for today. Thank you.

MURMAN: Thank you. I assume you're talking about lines 5 through 9 on page 2?

TOM VENZOR: Yeah, page 2. Yeah, sorry, forgot to mention which page.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Any questions for Mr. Venzor? If not, thank you.

TOM VENZOR: All right. Thank you.

MURMAN: Other proponents for LB411? Any other proponents? Any opponents for LB411? Any neutral testifiers for LB411? If not, Senator Dungan, you're welcome to close. And while he's coming up, online, we had 88 proponents, 3 opponents, and 1 neutral testifier.

DUNGAN: Thank you, Chair Murman and members of the Education Committee. I don't want to take too much more of your time. I want to start by thanking all of the people who came in and testified here today. I know it's spring break and that makes it a little bit easier. But the people who came in and told you their personal stories, I think it carries a lot of weight. As one of the testifiers said, we all have teachers that we can look back on and remember that changed our lives. I won't sit here and list all the ones that I remember, but they all are very near and dear to my heart and so I am incredibly appreciative for all of the work that they do. I think a lot of the questions that were asked were really good, and we dug into a couple of the, the issues here. Zooming out, big picture, this is an opportunity to pay every single teacher more. And when you go knock doors and talk to your constituents, they ask you what you're doing to actually help. It's really difficult sometimes to say, oh, well, I passed this bill that has a real, tangible effect on your life. And in this opportunity, we have a chance to say every single teacher in the state of Nebraska, private and public, is going to get a little bit more extra money in their pocket. It's not a ton. We're not raising everybody's salary by a lot, but we're giving just a little bit more money to make things a little bit easier. And I think that's important. It matters to me. It matters to my constituents. And I think it matters to everybody's constituents here on the committee. Senator Meyer, I really appreciate your questions. I understand it's a very complicated problem, and this bill doesn't fix everything, and I wish it did. That would be a lot easier. But certainly it is one puzzle piece, like I said earlier, to the larger problem. If we're looking at test scores and if we're looking at outcomes, having teachers that are leaving and not staying in the profession or having new teachers every other year try to learn and then quit after a couple years is certainly not going to help. So I don't think that this, you know, addresses all of the problems with regards to outcomes. But I do know that if we have teachers who are excited to be in the job, who are good about the job, and who stick around with the job for long enough, it's going to help our students. We can have a bigger discussion at some point as to whether or not test scores are

reflective of actual learning, but I certainly know that, that what the ill is that this tries to seek to fix is teachers are leaving the profession and they're leaving because they don't feel supported. They're leaving because they don't have enough money in their pocket. And the job, as I think Senator Lonowski also alluded to, is it's, it's difficult. It's getting harder. Right? I mean, we live in a modern world with technology and cell phones, and there's behavioral problems. There's no one single solution. But this does try to get people who love this work to stay in this job and not feel like they have to leave. I know the fiscal note is big. I think upstream investments are always worth our time and our money, because it's going to save us money down the road. Happy to have conversations with the committee offline. We can talk a little bit more about the fiscal note and kind of where we're going to go from here. But certainly an investment in our teachers is an investment in Nebraska. And I would note, Governor Pillen talks often about how the one thing he wants to do is pay teachers more money. And that's, literally, what this bill seeks to do. So I do think it's an important step forward and we can continue having this conversation, but we got to do something. With that, happy to answer any questions.

MURMAN: Thank you. Any questions for Senator Dungan? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Thank you, Senator Dungan, for being here and for being patient and for bringing this bill. What-- maybe one aspect of this, and I have five children, all with higher education, just thankfully, I'm older than Mr. Welsch. But, but one of the things I guess I'd like to see it tied to is student loan repayment. So if a, if a person's getting a bonus, maybe that this student-- this becomes their student loan repayment and they're still in effect making the money, but it just maybe ties it to taking care of another problem. I don't know if that's possible. I don't know what it looks like, but.

DUNGAN: Yeah, if I could respond to that briefly. So I, I had a bill before this committee earlier this year that dealt with forgivable loans for special education teachers, that kind of tries to seek to, to help that problem. I think when you're talking about student loan repayment, it's a huge problem and it's a big issue. But that's more of the teachers that are entering the field. And this bill is specifically seeking to continue to help the teachers that have been in the field for a while. So I think your idea that we need to address, you know, sort of the student loan repayment makes sense. But I think that can be married with these kind of concepts which continue

to support teachers into the later parts of their career, because I want to make sure that those folks have that support, too.

LONOWSKI: Well, and, I guess-- so if we're, if we're giving them the bonus and they, and they have a student loan because of their master's degree or nontraditional student that went later in life, and that we help them address that problem before, we just say here's a bonus, go buy a steak or something.

DUNGAN: Well, I'm definitely happy to continue to look at other ideas.

LONOWSKI: Yeah.

DUNGAN: I, I just think that we--

LONOWSKI: We can talk about that.

DUNGAN: Yeah, you and I can keep talking about that. And I appreciate your interest in doing something. I just think it's, it's important that we get something done sooner than later, because this is an issue we're going to keep hearing from teachers if we don't, you know, address it sooner than later.

LONOWSKI: Thank you.

DUNGAN: Yep.

MURMAN: Any other questions? I would just like to ask a question, too, about pay based on performance. I'm, you know, all for paying teachers well, paying teachers better, but if there was some way that we could have some bonuses or extra pay performance based. And I know it's not easy to do because you can't go totally buy test scores or if you did, you'd have to start at different levels, of course, according to the demographics and so forth. But if we could figure out a way to pay more performance based, it would be easier to get me really excited about it, actually.

DUNGAN: Well, and I-- you know, just to respond to that, I know this came up a little bit with Senator Meyer. I understand how on the face of it, that can sometimes sound like an idea that makes sense or a good idea. But what we know is that from, you know, decades of studies, kind of what you alluded to, these test scores are oftentimes not indicative of the amount to which students are learning, nor are they necessarily indicative of future outcomes. So you can have students who score poorly on tests, who later on excel in life in whatever career they choose, and vice versa. You can have students who

score really highly on tests who are unsuccessful in certain career fields. I think a couple of the testifiers did a fantastic job of talking about some of the other factors that-- which, again, you kind of mentioned that go into test scores, whether that's language learning or various other special needs individuals might have. There's also, unfortunately, a lot of societal factors. I mean, if you're not eating food at home because you, you know, don't have enough money to make ends meet, it's a little bit hard to do well on test scores. There's things like undiagnosed ADHD. So I think that that's my only hesitation is I want to make sure that we're not tying a teacher's pay to, frankly, a test score that's not indicative of learning. And so I think, you know, we can continue to have conversations about ways to think outside the box to make sure that all of our students are succeeding and our schools are excelling. But I do think that reducing the amount of stress and burnout that teachers feel because they're scared that maybe the test scores won't reflect the effort they're putting in and instead saying to teachers, we support you. We know you're doing a good job. Let us help you with the other things that we can do as a state to try to raise those test scores as well. So happy to continue having those conversations, but I just am very nervous to tie it to anything that is not actually indicative of learning or effort.

MURMAN: Thank you. Any other questions? If not, thanks for bringing the--

DUNGAN: Thank you.

MURMAN: --bill. And that will close the hearing on LB411. And we will open the hearing on-- we're going to have a combined hearing up next, LB652 and LR28CA. And that is Senator Hansen.

HANSEN: Mr. Chairman, the bill you've been waiting for. The BELF bill. All right. Am I OK to start?

MURMAN: Yeah, go ahead.

HANSEN: Good afternoon, Chairman Murman and members of the Education Committee. My name is Ben Hansen, that's B-e-n H-a-n-s-e-n, and I'm here to address an issue that has recently been heard by this committee in the form of LR378 last year. While my idea for LR28CA and LB652 is a result of my own research on BELF lands and conversations with other senators, I do find it compelling that this continues to be a topic of discussion. Just because we have done something since the beginning of time doesn't mean we should use that as a reason to

continue it. The Board of Educational Lands and Funds was established by the Nebraska Constitution to serve as trustee of the lands contributed to the state in 1867 by the federal government. The board's priority is to look out for its beneficiaries, the K-12 public school children in Nebraska. They have access and control of 1.25 million acres and more than \$1 billion in trust. Around 18 employees oversee the lands and they will tell you they manage themselves and the fund themselves-- and they fund themselves. However, while BELF is in our constitution, I would contend that it is the job of the Legislature to provide direction on how they operate. BELF is mentioned in over 130 statutes under the authority of the Legislature. We do have a say in what BELF does. Selling the lands is not unheard of. There is currently land available to be bought in auction in 43 counties. Lands can be traded or sold as long as it meets the Nebraska qualifications set by the Legislature in statute, but that qualification is that the board must receive a significant benefit by any land being sold. Of the 2.9 million acres originally given to the state, about 1.65 million acres have been sold. My proposal with LR28CA is to sell all the lands and eliminate BELF in Nebraska. Of the 30 states that were given land, only 20 still have a BELF program. After further conversations, I brought AM295 to ensure that the purpose of BELF remains. And I'd like to thank Senator Hughes for her help and guidance with some of the stuff as well. With this amendment, all proceeds and continuing revenue from the investments will be distributed to public schools across the state. The requirement for the gift of land from the federal government back in 1864 was that the lands must be used for the support of common schools. My bills do this. BELF would lose their management powers, land would be sold, and all the proceeds from the sales of land will be held in the already established permanent school fund. I just got two amendments back for both, one for each one of those bills-- and they are online-- I have my staff making copies for you too if you need them, but she'll be bringing them down here a second-- that clarify a lot of language and what we're trying to accomplish. The revenue from the sale of these lands would be invested by the Nebraska Investment Council. This is what currently takes place. We are just taking out the middleman, sending at least \$15 million more to students each year because managing costs, salaries, and property taxes would no longer be needed. I wrote LB652 with AM149 to complement LR28CA. This is contingent on passing the constitutional amendment during the general election in November 2026. While further legislation will be necessary to address the 130 statutes that would be updated, LB652 gives the intent and an outline for the plan. The Department of Administrative Services would, would work to sell each parcel of land as soon as its

lease expires. The fiscal note is under the assumption that DAS would have to manage the lands for a while, but until the lease is up, the rent would pay for managing the lands. Once the lease is up, the person who is leasing the land most recently will have the right of first refusal to purchase the land. If they do not purchase the land, the department would sell the land at a public auction. The proceeds of the sales will be remitted to the State Treasurer for credit to the permanent school fund. I encourage you to take a step back and consider a new way of doing things. I know that BELF is managing lands to the best of their ability. With this new approach, investments would continue to be made so every student will still receive the proceeds from the gift given in 1864. One reason to rewrite current procedure is to respect the counties that their land is tied up with BELF. Western Nebraska carries a weight for more populated areas. For instance, of the eight senators on this committee, four live in counties that have a significant amount of land owned by BELF. Senators Murman, Hughes, Lonowski, and Meyers combined, BELF owns more than 13.5 million acres in your counties and controls what happens to that land. You receive \$4.9 million for your students of that land. Senators Hunt, Conrad, Juarez, and Sanders, your counties have only 657 acres of land tied up in BELF. Yet, your schools receive almost \$29 million. With the way these bills are written, you'd still receive the investments from the school lands given years ago, but millions of acres in rural Nebraska could be owned by Nebraskans promoting growth instead of stuck in a trust fund. I want to thank you for your time today. This is a call to evaluate and consider. I have worked with the Department of Administrative Services while exploring our options. A lot has changed since Nebraska became a state. A lot has changed since BELF was created in 1874-- 1875. Yet, we still manage school lands the same. Could we make better use of our resources? I believe we have the opportunity to do so with LR28CA, AM295, and LB652. Before I end, I was reading through some of the fiscal notes, and I mentioned that earlier about the fiscal note that was provided. I think that some of the-- the amendment clarifies a lot of that, saying that as a lease-- the land comes up for lease, then there's the option to purchase it or put it up for auction. DAS would not have to kind of take care of that land or all the other lands, which is, I think, where the fiscal note was going. I read the fiscal note by BELF, and I think they were also under the-- before I brought the amendment about the idea of what was going to happen to the land. And so this, this seems like the amendment that we brought forward clears up a lot of their concerns and the fiscal note. I would encourage all the members on here to probably take their opposition with a slight grain of salt, because their entity would be dissolved under this bill. And so the world is

not going to end. The schools will still get money, everything will be fine, and the taxpayer will benefit. There was one other the thing on the fiscal note I noticed, and I was kind of curious, and maybe if somebody from-- representing BELF could come up, I noticed some of the numbers they had in their fiscal note. The estimated expenses relating to the termination of BELF related to-- and fund for '25-26 are related to public relations and communication expense of \$65,000 to inform the public of the legislative action. I'm assuming that's just telling people who own the land that BELF will no longer be in control of the land, it will be DAS instead. Now why the \$65,000, I don't know. And also, you can see the \$709,000 that we would have to pay for vacation land, percentage of sick leave, and associated payroll benefit expenses for the employees of BELF. \$709,000 seems like quite a bit, but maybe that's what we have been paying them. That's what they've built up over time. The board also expects to accrue legal expenses of \$110,000, related to the fiduciary duties and responsibility of trust funds. I would like some clarification on that if somebody comes up from BELF to talk about the fiscal note. I want to make sure if this bill does go through, it goes to, to the citizens in Nebraska, and they do vote on it on the ballot, that they will not be using taxpayer money to fight the initiative. I don't think that's appropriate. I don't think a government entity should use taxpayer money to fight an initiative to get rid of their committee, so. Anyway, that's just a couple concerns I had with some of the fiscal notes that I saw so far, but I'll wrap it up there and answer any questions the best I can.

MURMAN: Thank you. Any questions? Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you, Senator Hansen, for bringing it. I have a couple. Can you-- I think you said it. I just missed it. How many states still have-- or, or the opposite. What states-- how many states still have a bureau that's still doing something like this or--

HANSEN: Of the 30 states that were given land, only 20 still have a BELF program.

HUGHES: OK.

HANSEN: So 20 out of the 30.

HUGHES: And then-- sorry, only 20 left-- I've heard concern that if we-- there's some counties that have, you know, as you go further west, more land than others and as leases come up-- let me back up.

When you have land for an auction, if I'm selling some ground, I can set a minimum bid. So land goes up for an auction, and, and let's say it just doesn't even come close to market value or whatever, I can have set a minimum bid so that if it doesn't get the price that, you know, I'm willing to get, it's, it's pulled. Just-- so there's been some concern that, oh, we put all this up and we're going to, you know, sell it for cheap, you know, or it might accidentally go for cheap because in an auction-- because, of course, it's right of first refusal from the farmer. But second, is there-- and I'm just wondering, should that potentially be another amendment that, that the-- that what you would set a minimum bid 5% under market, I don't know, some minimum, and then if it doesn't get met, it might get leased again for another year and we go at it again or--

HANSEN: That could definitely be something the Legislature can determine after the constitutional amendment hasn't gone through.

HUGHES: Because then we'll have to do the rules and things like that, the details.

HANSEN: Then you can start setting up a lot of the particulars. Because, yeah, there's lots of areas of statute where BELF is at and so those are just kind of the more-- the--

HUGHES: Because that's the stuff we want to make sure that if we go ahead with something like this, that we're not inadvertently selling it.

HANSEN: And you can do that-- I, I don't think there's a problem with doing that at all. You know what I mean? It--

HUGHES: No, I think that would be--

HANSEN: --setting, setting the minimum bid at whatever determines the market rate, DAS can probably determine that as well.

HUGHES: Yeah, for sure. It's common for anybody that's selling ground.

HANSEN: And there's, there's been-- there's some concern, I think, in also one of the fiscal notes, and it might have been by BELF, as well, that there might be a, quote unquote, fire sale all of a sudden when this bill goes through. It's a graduated approach. Some of these leases are 10 years long.

HUGHES: Right. You have a chart I see--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

HANSEN: So this-- they're, they're talking about the courses of over 10 years that these-- the leases are slowly going to start to come up. And so we're not going to flood the market with land. It's going to happen over the course of time which, which it should, so.

HUGHES: Thank you.

HANSEN: Um-hum.

MURMAN: Any other questions? Senator Meyer.

MEYER: Thank you, Chairman Murman. Right of first refusal, how do you propose an established value?

HANSEN: Well, that could be a market rate around, like, similar where they set other values.

MEYER: Taxpayers benefit. The taxpayers benefit now. We're paying taxes on the school land and that's going into the counties. The school is getting \$78.4 million in 2025, we're in the temporary fund for dispersal to schools around the state.

HANSEN: And we're not touching the fund.

MEYER: Pardon?

HANSEN: We're not touching the fund. That's what the amendment clarifies.

MEYER: I understand that.

HANSEN: Just want to make sure.

MEYER: But from my perspective, I don't think we need to fix something that's not broke. I think it's working just fine.

HANSEN: OK. And you can ask yourself the philosophical question of do you think it's the government's right to be a landlord? And so, and-- just so, ultimately, that's the quick, like-- I get where you're coming from. But if it's not broke, could this work better? That's another question.

MEYER: Would this work better?

HANSEN: I feel like it would.

MEYER: I don't believe it would.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

HANSEN: Well, we'd have 18 less government employees that we pay a lot of money for, for one, that saves the taxpayers quite a bit of money. If you look at how much we end up paying BELF, or actually they pay themselves from the fund, which actually doesn't go to the schools then, so the schools actually don't benefit. And then, actually, would this be invested in a different way and better? And then the sale of this land over the course of time as the fund which then grows that you can get a greater investment off of.

MEYER: Given the difficulty in, in the farm economy right now, it looks to me like if this goes to sale, even based on the termination of the leases during-- as they're written out, we're just inviting outside investors to invest in the land at the expense of our farmers and ranchers that are farming it now.

HANSEN: Yeah, which is--

MEYER: And I think that's pretty obvious based on my experience and, certainly, the experience of people in the rural community of how land has gone to investors Ted Turner, Bill Gates, to name just two. I think this is just opening up an opportunity for those folks to step in and buy some additional property at the expense of our, of our rural people in the state of Nebraska.

HANSEN: Yeah, this would be no different than any kind of land coming up for sale.

MEYER: Yeah.

HANSEN: If a farmer passes away or they put up their land for sale because they're selling the farm, you know, I mean, they can still come in and buy that as well. This is not a different than what is currently already happening. I wish I could put something in here that says only Nebraska, like first right of refusal goes to the person leasing it, second right of refusal goes to Nebraska citizens, third right of refusal goes to anybody else. But I don't think in the constitution we can do that, unfortunately. But this is actually, actually better than what is currently happening because there is a first right refusal for the current lessee. So that prevents Bill Gates and somebody else from coming in and getting it. And it's my understanding when I talked a lot of people are currently leasing this land, when we get emails, they really appreciate this approach that they get the chance to buy it first because they would like to own it.

MEYER: They would.

HANSEN: Yeah.

MEYER: But the difficulty in, in a rural community as far as financing ground is more of a challenge than I think some of our urban people-- had that conversation this morning with another senator from out west, and it's, it's not as cut and dry as it would appear. I'll, I'll leave it at that. I'll leave it at that.

HANSEN: Thank you.

MURMAN: Any other questions for now? Senator Juarez.

JUAREZ: Thank you. OK. So-- and I don't know if you made, made this comment in your introduction, but I'm just curious. Assuming that the person who's leasing it doesn't want to buy it, as a member of the Legislature, would I be able to go and-- would I have the option to buy the land or am I excluded?

HANSEN: It's not, specifically, in the bill, and I don't know if legally-- well, I don't know if legally we can prevent you from buying it. I don't know, that's a, that's a little more of a legal question that I'm unfamiliar with.

JUAREZ: I'd like to find out the answer to that if you could find that out, I would appreciate it.

HANSEN: OK.

JUAREZ: And also-- and you might have commented on this, could a foreign entity come in and buy this land?

HANSEN: I'm trying to remember what current-- I think recently we have passed laws-- well, OK, so first of all, we already have in our constitution where it's a law in statute that says a foreign entity cannot buy land in state of Nebraska, from my understanding.

JUAREZ: OK.

HANSEN: But what we can't stop is a foreign entity from setting up, for instance, like an LLC or a citizen of Nebraska [INAUDIBLE] foreign entity buying land. I think that's-- again, I think it's unconstitutional or it goes against our statute. One of the two.

JUAREZ: OK, so did you just say an LLC?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

HANSEN: A business or entity, some kind of entity, right? A person or a business, I think, from a foreign-- there's different ways they could probably go around the law I assume.

JUAREZ: Right, like a foreign investor in an LLC could, could--

HANSEN: Possibly, yes. Yes.

JUAREZ: --purchase the land. Right?

HANSEN: Yeah, but currently right now a foreign entity cannot buy land.

JUAREZ: OK. And my last-- I'm sorry, can I ask one more question?

MURMAN: Yeah, go ahead, Senator Juarez.

JUAREZ: Thank you. And my last question was, you said that you're going to be putting this on the ballot for the voters, right?

HANSEN: Yes.

JUAREZ: OK. So what I'd like to know is if we're going to do something like that, who's actually going to be in charge of looking at an advertisement going out to the voters that might happen on, on television? Who would be approving the marketing aspect of letting the voters know that we're going to put something like this on the ballot?

HANSEN: I have not approached anyone or nobody has approached me about that. And so I don't know how exactly that would happen.

JUAREZ: OK. I'd like to find out more information because personally, if it gets that far and we're going to be advertising this to the voters, I want to see the message and I'm just putting it out there. Thank you.

HANSEN: Yep.

MURMAN: Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Thank you, Senator Hansen. Who's in charge of the, the board right now? Like, who's determining that they're getting these salaries?

HANSEN: I think that might be a better question for somebody behind me. I'm sure somebody from BELF will be here to answer those questions.

LONOWSKI: OK. Thank you.

MURMAN: Any other questions? Senator Sanders.

SANDERS: Thank you, Senator Hansen, for introducing this bill. I'm not sure if this is a quick question or if it's a question to ask you, but you did mention in your opening remarks that we would be saving money by not paying salaries to those that maintain the property and, and the real estate. So wouldn't we still need to keep some on salary to maintain-- any time you own any kind of piece of property, there's maintenance that has to be done and oversight?

HANSEN: That would be a question, probably, again, for the Legislature to determine if this goes through or for DAS to determine. From my understanding, this is something that DAS could handle when I've had discussions with them. It didn't seem like, it didn't seem like too much of a problem. But, again, that might be something that might have to be clarified in statute about keeping somebody on or what role that would be until this is all taken care of, because I would, I would assume be a temporary role as the land starts to get sold.

SANDERS: Um-hum. And it encompasses a big state.

HANSEN: Yep.

SANDERS: Yeah. OK. Thank you, Senator Hansen.

HANSEN: Yep.

MURMAN: Any other questions? I have some. I think it's 1.25 million approximately acres that BELF owns. And that would be mostly sold, I think, in the next 7 years, some 10 years you mentioned. How much-- do you, do you-- and if you can't answer this, maybe somebody behind you can, but how many acres is typically sold in Nebraska in a typical year? I mean, how much of a fire sale will this-- would this be?

HANSEN: From the-- if you look at the fiscal note from DAS, they actually have, like, a little graph there that shows each year and how many number of leases there are in each year and the expiration dates for each one of those that might give you an idea of the year and expiration date of those.

MURMAN: OK. And, and how does that compare with just how many acres are sold typically in a year?

HANSEN: I don't know how many acres are typically sold.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: OK. And then I do know that a significant amount, I'm not sure how much, of the land has-- doesn't have access from-- because it's surrounded by one owner. How would that be addressed? Say the, the owner that has the land surrounding the land that doesn't have access would have first right of refusal, but no one else could really buy the land without access.

HANSEN: Yeah, that would-- if he buys the land or purchases it, I'm assuming they would-- well, I'm assuming they need access, but they would already probably have access if they're already leasing it. And so now, legally then who would have access?

MURMAN: Yeah.

HANSEN: That, that might be kind of more of a local government question, you know, between the county and the person purchasing land and how they get access to it, whether through a road or some other kind of access.

MURMAN: Yeah, it just would be difficult to determine the, the real value of that land without-- you know, if, if another outside buyer wouldn't have access, I guess, is what I'm trying to say, so.

HANSEN: True, it could be.

MURMAN: OK. Thank you. Any other questions? If not, thanks for the--

HANSEN: Thank you.

MURMAN: --open. And do we have proponents for either LB652 or LR28CA or both? And are you testifying for just one or both?

TODD PADDOCK: Oh, wait a minute, I'm an opponent. I may have misunderstood.

MURMAN: Oh, proponent, we're looking for proponents right now.

TODD PADDOCK: No, that's not me.

MURMAN: OK.

TODD PADDOCK: Sorry.

MURMAN: Any proponents for either bill, LB652 for LR28CA? If not, do we have opponents for either LB652 or LR28CA?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

TODD PADDOCK: OK. I just want to say I've never testified before a hearing and here before. And I want to just tell you that I have profound--

MURMAN: Well, first of all, you have state your name and spell it.

TODD PADDOCK: Oh, yes. My name is, my name is Todd Paddock. It's--

MURMAN: And then you'll have 3 minutes, so.

TODD PADDOCK: --Todd Paddock, T-o-d-d P-a-d-d-o-c-k. Yes, I, I have not testified previously, and I want to say I have a newfound respect for the senators and great sympathy as well for having to be able to sit and listen and keep your focus for incredibly long periods of time. I was shocked to learn of this bill. I know one of them isn't a bill. I can't remember what you call it, but I'm speaking on both of them. And that is because school lands, Nebraska's school lands are not equivalent to moneys put in a fund to create moneys for, for public schools. Lands have other value that funds do not. And I'm here to testify about one of those. And that is their value of-- as wildlife habitat. This is not true of all the school lands, as I understand it, but it is true of a significant portion. And, you know, wild bird populations have plummeted, insect populations have plummeted. And those are related. Reptiles [INAUDIBLE] populations have plummeted. Plant communities are in decline, wild plant communities. These are, are real problems for us. They will be more, bigger problems for our children. Nebraska does not have much wildlife habitat. That's just the truth. As a state, we have a really large portion in private ownership and very little in public ownership. It may not seem that given the numbers that have been-- you've heard today, and I understand that, but that is the case and we can't afford to lose wildlife habitat. That's one of the key causes of the declines I just mentioned. We can't afford to lose more. So this is not a good idea. At least, at the very least, account for the loss of wildlife habitat. At the very least. Otherwise, this, this is a rash decision that, that will harm, harm the future for, for Nebraskans. And I, I just want to say, listening to the testimony by Senator Hansen, I felt like the underlying principle was disrespect for public ownership for, for the public having assets. And I, I don't think that's acceptable. Thank you.

MURMAN: Thank you. Any questions for-- is it Tom?

TODD PADDOCK: Todd, T-o-d-d.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Todd. OK. Any questions-- Maddox, Maddox, is that right?

HUGHES: Paddock.

TODD PADDOCK: Say there again?

HUGHES: Paddock.

MURMAN: Haddock?

TODD PADDOCK: Paddock, P-a-d-d-o-c-k. Yes.

MURMAN: Any questions? Senator Hughes.

HUGHES: Thank you, Chair. It's been a long day already, right, it's after five. Thanks for coming in. So I guess my question to you is, so you're saying some of the ground that's rented out, the owner is choosing to just keep it as habitat?

TODD PADDOCK: You know, I don't know all the, don't know all the details. I think that in, in some cases that is true. In other cases, they use it as income-producing land, but in a manner that is more favorable as wildlife habitat.

HUGHES: So I guess my question is if that owner would be the right of first refusal and be the first person to buy that property, how is that going to change that same owner keeping it partially for habitat?

TODD PADDOCK: It may not. I-- we don't know who will buy it. That's the question that, that--

HUGHES: Right.

TODD PADDOCK: --concerns me so much. It-- you know, that is a point, it-- that may continue in the same way. But I have much more faith in the lands remaining public and under the, under the management of the-- of, of a public board that, that is concerned about Nebraskans as a whole, then for that [INAUDIBLE].

HUGHES: So I guess, I guess my question will be, and it's not really for you, it will be for the people that, that do the management. I mean, is BELF telling the, the renter that they can only, maybe, farm a portion of it and they need to keep so many acres for habitat? I don't know if that's happening.

TODD PADDOCK: You know, I don't know, you'll, you'll-- you'd have to ask---

HUGHES: Yeah, and I'll find out from them. But then my other question would be, wouldn't it make more sense if, if it's going to be public lands that's truly for habitat that should fall under our Game and Parks? Because the, the task of BELF in our constitution is to maximize money going to our schools, it's for our public schools and our schools get-- they basically take the number of public school students by, by-- you know, the income brought in for BELF divided by the public schools and that goes out to every single school. And it's-- you know, we have this-- we're talking about property tax all the time. And, and we absolutely have to maximize the money if we have these things going to our public schools. So that-- I mean, that-- that's why I'm just curious. It's like we should be maximizing that, and if we are-- and if it's going to be for habitat-- and I, I served on Natural Resources and habitat is super important. But that should maybe fall under a different umbrella, if that makes sense?

TODD PADDOCK: I, I understand what you're saying, but, but history has brought us to this point, and the truth is that the school lands can do both. And, and, frankly, right now things don't look good for, I, I would say, for state agencies in charge of managing our natural resources in this very legislative session, and it's a proposal to basically gut Nebraska Environmental Trust, and I don't think that'll be the last, the last attempt. Bottom, bottom line is their, their dollars for managing our natural resources are declining at the same time that our natural resources are declining for other reasons. I-- anything that we can do to prevent the loss of wildlife habitat would be a positive and, and school lands just happen to be a case where they can do both.

HUGHES: Right. Yeah. And that's-- I'm going to ask BELF that. How much, how much of that property is set aside if you--

TODD PADDOCK: I, I don't know that you--

HUGHES: No, I know you don't. I'm not, I'm not-- you're off the hook.

TODD PADDOCK: But you, you should ask them. I hope, I hope someone comes up who can answer those questions--

HUGHES: Yes.

TODD PADDOCK: --because they are very good ones.

HUGHES: And I appreciate because I hadn't heard that aspect of it. So thank you for coming in.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

TODD PADDOCK: You're welcome. Any--

MURMAN: Any other-- oh, excuse me. Any other questions? If not, thank you for testifying.

TODD PADDOCK: Thank you.

MURMAN: Other opponents to either bill? Good evening.

JON ABEGGLEN: Good afternoon. I guess, evening. It's changed from afternoon to evening.

MURMAN: Getting close.

JON ABEGGLEN: Thank you for having me and appreciate all your work as a committee. It's, it's-- you're not compensated well enough for what you do, I can tell you that as a public citizen, so. My name is Jon Abegglen. I live at 3114 Eighth Avenue. That's J-o-n A-b-e-g-g-l-e-n. I'm a member of the Bureau [SIC] of Educational Lands and Funds Board. I've been a board member for approximately 1 year, maybe a little bit longer. The board is truly diverse, and the members come from various areas of expertise related to ag services, producers, and financial services. I'm here today to speak about the importance of BELF to public education in our state, and what a very well-run, managed organization BELF is. The team at BELF is the best. They know the ag management business, proper conservation of land and how to work with tenants to maximize the use of the farmland assets that benefit both parties. I'm currently retired from 44 years in commercial banking and investments, and 7 years with the University of Nebraska Foundation. I currently own and manage, and manage and develop commercial real estate. I'm here to tell you that BELF serves a valuable purpose. It was part of the criteria for, for Nebraska being granted statehood by Abraham Lincoln. It was established for a specific purpose, supporting and underwriting public education, and was established with great vision by our forefathers. BELF is essentially an endowment. This was done for a reason, to ensure that the original intended purpose of the trust would be in perpetuity, and that BELF would not be at risk of for-- of forced liquidation and the assets used for different purposes. We need to respect the intention and the caveat to be-- to becoming a state. Our children benefit from the trust. The trustees of the land trust are fiduciaries and are charged with managing, protecting, growing, and preserving the assets of the trust. We do this very effectively and very efficient and in a very efficient manner. The board and BELF manages-- management oversees 1,250,000, 1,250,000 acres of crop and pasture land in the state of Nebraska. The

rate of return on this land is approximately 3.86%. The rate of return from nonfarm BELF assets, which are held in the Nebraska Investment Council last year, was approximately 3.2%. Our fund with the Nebraska Investment Council has a value of approximately \$1.9 billion. A conservative approach to investing non-ag land assets is followed for obviously-- for obvious risk-related reasons. The original-- the acres originally granted to BELF under statehood were significantly more when the state-- when statehood was granted. Many years ago, most of the top-quality farm ground in eastern Nebraska was sold as a result of suspicious circumstances, political pressure from unscrupulous lawmakers were exerted to sell land to individuals, cronies, and friends of the politicians. Fortunately, this was stopped. Can you imagine how much more support we would have available and benefit our children in education in Nebraska today had that not happened? We must ensure that the land that BELF owns remains with BELF and managed as intended. It is important to note that all net operating income from managing the ag land assets and earnings from the investment fund go to support public education. This income is distributed equally to students across the state school districts--

MURMAN: You have the red light, but go ahead--

JON ABEGGLEN: --and, and vitally used.

MURMAN: --keep, keep going.

JON ABEGGLEN: OK. I'm sorry.

MURMAN: I think it's about done.

JON ABEGGLEN: I apologize.

MURMAN: Oh, no problem.

JON ABEGGLEN: Also worthy of mentioning is BELF pays real estate taxes on the land it owns under the trust. BELF is not exempt, and the land BELF owns and manages provides opportunity for young farmers needing more acres to farm, an opportunity to lease and farm BELF-owned ground is available. BELF has an ongoing program to market and sell less desirable land and improve its ag land assets. I'm always very amazed by the foresight, vision, and understanding our forefathers had when they created the foundation and principles that America was built on, how these principles have stood the test of time. They protect and provide the basis for our citizens to have opportunity for success. When a program is working and doing what it was intended to do, no matter how old the program, would destroying it be a wise thing to do?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

I don't believe it would. And is it really our call to, to, to do-- to make that decision? I don't think it is. With that, I would conclude my remarks and ask any questions that anybody would have of the board or my position on the board.

MURMAN: Thank you. Well, I have a question, first of all. The Nebraska Investment Council investments yield approximately 3.2%, you testified, and the land 3.86%. Do you know how many years that's figured over?

JON ABEGGLEN: That was just recently, in the last 12 months. Yeah, 15 months.

MURMAN: OK.

JON ABEGGLEN: I mean, you know, that's-- obviously, the, the, the money that we have with the investment fund, that's going to, you know, that's going to fluctuate annually. You know, when, when interest rates were higher, it gives probably a better rate of return. The thing that I think about as a board member is that how much risk do we want to take with those assets that are, that are housed in the investment fund? Because along with reward goes risk and you have to risk-- you have to have more risk to get a better rate of return. And 3.2 doesn't sound good, but I am of the opinion that we need to maintain low risk, because otherwise it jeopardizes the amount of money that could, ultimately, be transferred to public education. Because if the, if the market-- if we hit a bad spot in the market and all of our-- or the majority of our money is in the market, in equities in the market, and the market goes down dramatically, then we're not going to have those-- the, the income from those assets to transfer to education. So I'm a little conservative because I come from 44 years of banking. But, you know, when I look at our investments, I think our investments should be in, in things that are, are pretty much guaranteed, governments, government bonds, you know, bank secured CDs, those sorts of things. But it's very difficult with the amount of money we have to do that. So they placed a lot of it in funds that are, are geared or-- towards those sort of guaranteed investments, but not all the funds they have, because I think they have like 19 different funds that they work with, fund companies that they work with. Not all of those funds are strictly guaranteed funds, you know, in other words, they're not government-backed funds or guaranteed funds and the rates of returns.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: And could you remind me, again, about how much of the-- how much is invested in the Nebraska Investment Council compared to the value of the land?

JON ABEGGLEN: Well, the land value is about \$1.88 million or \$1.8 billion in land value. And the amount that's at the investment fund is \$1.9 billion.

MURMAN: OK. So close to 50/50 anyway.

JON ABEGGLEN: Pretty close. So tell me what's [INAUDIBLE].

MURMAN: Well, we, we can--

JON ABEGGLEN: 1.1--

MURMAN: --we can get it clarified later.

JON ABEGGLEN: 1.1, sorry.

MURMAN: OK. 1.1 into--

JON ABEGGLEN: I'm looking to my--

MURMAN: --Investment Council?

JON ABEGGLEN: Yeah. Yes.

MURMAN: OK. So it's about--

JON ABEGGLEN: And you're talking about the value of the land that we have.

MURMAN: Yeah.

JON ABEGGLEN: Not the acres.

MURMAN: Yeah, the value. But, but I'm asking these questions so maybe future testifiers can, can answer them if, if you can't exactly, but.

JON ABEGGLEN: Yeah, they might, they might clarify that.

MURMAN: Yeah, it can be clarified. I suspect that at least the, the portion that's in the Nebraska Investment Council-- well, maybe it wouldn't have to be invested there. I think by the constitution, maybe it does. I'm not sure. But we should expect a better return on that investment because we have the safe investment in the land. You see

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

what I'm saying? We have, we have 60% or more in a safe investment and maybe 40% or something like that--

JON ABEGGLEN: It's probably--

MURMAN: --could be more aggressive.

MURMAN: It probably speaks to the comfort level you have with the amount of risk you want to take with those-- the money that's invested in the investment fund and the risk associated with the lack of, of, of appreciation and earnings out of that fund that would-- that, ultimately, get transferred to, to, to education. I mean, you know, when school districts invest their money, their excess funds, and they go to a bank and they get bids on CDs, each individual school district in the state, it's probably not going to differ a whole lot from what the return that we're getting at the investment fund. So, as a banker, we used to get school districts that would call and want short-term rates on CDs, you know, and they have excess funds that they invest. And it, it seemed to mirror pretty much what the rate of return has been at the investment fund. So, you know, if you're, if you're comfortable with a lot more risk, you'll probably get a better return.

MURMAN: Well, with-- I'm thinking with, with 60% in a very safe investment in land,--

JON ABEGGLEN: Yeah.

MURMAN: --maybe it could be-- it should be more aggressive with the rest of the investment.

JON ABEGGLEN: Something that could be looked at, I'm, I'm sure, Senator.

MURMAN: Senator Hughes.

HUGHES: Thank you, Chairman Murman. I'm going down the same path as Senator Murman. As a board member, do you oversee the Investment Council fund or is that a whole separate group?

JON ABEGGLEN: No, we do not.

HUGHES: Does your board have any say in that? So they just say we made 3.2% this year, that's what it is.

JON ABEGGLEN: Right.

HUGHES: Because I would argue-- like the NPERS last year made over 5%. And that's a retirement account for Nebraska. It would have to be very safely managed. You know what I'm saying? It could be very safely managed. I'm disappointed in the amount that, that Investment Council is getting. And that-- I'm going to-- I think I'm having meetings with some other people on that. But we've got to maximize the money from this, all of it for our schools. So I guess one of my questions to you is where-- you guys are selling ground sometimes, and, and it goes into that Investment Council. How-- like, why is it, why is it not OK to just do that as leases come up? Like, I guess, why are you stating that we really have to keep the land piece of it? If we could capture money from that and pay schools out better or more, I should say, by doing this, tell me the argument for not.

JON ABEGGLEN: Well, I think diversification in the assets that you own, everybody should think about that when they look at their own personal balance sheets and their investments, you know, diversification of your assets and what they're in creates safety. And, and, and to have, as Senator Murman said, to have some of your assets in land, which has been very good to BELF, which has been very good to a lot of people in this room over the last 30 years because of, of, of inflation and, and land valuations going up. If, if we didn't have the money in land, our assets wouldn't be worth that much today. And I'm not sure that that's something that you, that you want to do. I don't think you want to put all your eggs in one basket, if that makes sense?

HUGHES: Right. That does make sense, but you can diversify within an account, too. I mean, just like you were saying, you can have-- you have some in CDs. You have some-- you can diversify that way. I mean, just like-- I just did kind of pencil napkin math, and if we could have an account that's getting 5% on average-- by my numbers, I, I thought we could give out to our schools double, maybe triple what we're giving today.

JON ABEGGLEN: Right.

HUGHES: So that-- I guess that's where I'm coming from. I am just insistent that we maximize the benefit to our schools. We have a property tax issue that people can, you know, fight for. And it's like this is something that potentially could help that. Then there's another piece to it is, is it the state's? Why should the state own ground when Nebraskans could or farming-- you know, people can. Well, I mean, that's like another separate argument.

JON ABEGGLEN: Well, the trust owns the ground. The state of Nebraska doesn't own it, it's a trust for the benefit of education.

HUGHES: But it's through the-- yeah. Yeah.

JON ABEGGLEN: I mean--

HUGHES: But I just want to benefit education.

JON ABEGGLEN: Yes. And I-- back to your question, I just think that it's prudent to not-- even though you, you could liquidate the land and put all the money with the Nebraska Investment Fund.

HUGHES: Which could still be in the trust, you know, in a trust.

JON ABEGGLEN: Right. Right. You could do that, but you're still in the market. You're still subject-- you don't have diversification in your assets. You don't have some in real estate, which if it's in real estate, the income we derive from leasing the land is probably going to be pretty stable, even in, in, in probably not great economic times. But on the other side of the equation, in the equity market, with businesses that drives value in the market and ability to pay dividends and throw off cash, that changes, that-- you know, this is pretty solid over here. Real estate, if you look at-- if you would look at a chart and you would look at real estate--

HUGHES: I, I would argue you could still do the same in--

JON ABEGGLEN: --over the-- yeah, over the last--

HUGHES: Yes.

JON ABEGGLEN: Yeah.

HUGHES: I got you.

JON ABEGGLEN: I think it's--

MURMAN: Any other questions? Senator Meyer.

MEYER: Thank you, Chair Murman. Would you say from the perspective of our, our rural, our farmers and ranchers, this is a great benefit to their business, especially starting out young farmers and ranchers having the availability to rent this land?

JON ABEGGLEN: Right. I, I think that, I think that it helps, I think it helps the farming operation because they, they don't, they don't

have capital tied up in, in land, but yet they're producers and they can use or lease our land to produce, to, to, to produce a crop and, and create profitability. I think there is a real value to, to a lot of, a lot of ranchers and farmers to be able to lease additional ground. Obviously, they-- you know, they would-- you know, they're owners, probably, and this supplements what they need for their operation, so.

MEYER: If I may?

MURMAN: Yeah.

MEYER: So this would be an opportunity for a farmer or rancher that would like to have a, a son or daughter in their family come back to the ranch or farm an opportunity to provide an income for, for someone coming back to the farm without having the unnecessary expense and probably prohibitive expense of purchasing land in order to grow the operation. So this is a benefit, certainly, to our rural farmers and ranchers, our rural citizens.

JON ABEGGLEN: It is. I, I would agree with you, Senator Meyer.

MEYER: And, and by the same token, you're paying land taxes on it. So, essentially, that's not a benefit to sell it to generate land taxes going to the county, so.

JON ABEGGLEN: Right.

MEYER: You're already paying taxes on it so that's a-- that's not a, that's not a wash, actually. Well, it's a wash, it's not a, it's not a benefit to sell it to generate taxes, so.

JON ABEGGLEN: Yeah. And, and, here again, you know, all of our net operating income that, that we generate from, from the land leases accrues to the, to the school districts. And I think it's a pretty well-run program and serves a great purpose.

MURMAN: Any other questions? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. Thank you for, for speaking on behalf of this. Is there a salary for the board members that's associated with this?

JON ABEGGLEN: Maybe \$100. What do we get, do you know? \$100 a meeting, I think, isn't it? \$50 a meeting.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

LONOWSKI: Is there, is there any salaried positions along with this?

JON ABEGGLEN: Not, not, not for any board member. No. But there is at, at the-- the people that-- for Kelly's people. Kelly's paid and he has, you know, farm managers and district managers.

LONOWSKI: OK.

JON ABEGGLEN: Yeah, there, there's, there's salary overhead. Yes.

LONOWSKI: OK. Thank you.

MURMAN: Any other questions? If not, thanks for your testimony.

JON ABEGGLEN: Thank you.

KEITH RUNGE: Hello.

MURMAN: Hello.

KEITH RUNGE: Thank you for everything you guys all do. I'm Keith Runge, K-e-i-t-h R-u-n-g-e. I've been on the school board at Lakeview Community Schools for 19 years. We also-- my son and I in the last couple of years have rented some school ground. He-- that's first time he was able to rent ground. And I just wanted to come down and I'm representing Lakeview and NASB. I think this program has helped young farmers in several ways get started. You know, you talk about somebody buying the ground. There's only certain members of every community in every county that can afford ground. If this would go up for sale, you know, for 12 years, there's going to be like \$150,000-- 150,000 acres every year come up for sale. There's only so many investors or people that can afford that. I mean, they'll piece it out or however they do it. But, you know, a lot of that ground won't stay in the hands of the young farmers because right now they're paying rent. If they-- if they got to pay the taxes, the rent and the principal payment, most of them couldn't financially do that. With the rent payment, it'll cash flow a lot easier than a land payment. And to our school district, we get the tax dollars of the school land that's in our district, plus the kickback from the investment. And I just think that's going to make a-- it makes a big difference. Like in our school, it's, like, 1.5 cents of levy, which don't seem like much, but when you go to like a \$17 million budget, it adds up. And I just think there's a lot of-- like my dad always said, God only made so much land and so many things there will never be more of. And if the states like Iowa and Kansas have been two of the states that sold all theirs. And I know we've had some teachers apply from Kansas, and past administrators, and they're

not able to pay near what we pay. And we're all talking about dropping property taxes, but nobody can figure out the best way to do it. If this would change, I know the original bill, it wouldn't be-- you know, it gives the local boards what to spend it on. You know, in the general, we put it in our general account and it goes to pay teachers, utilities, and all that. And we heard from a lot of great teachers today, they all want more money. But just like a lot of people say, there's only so many dollars. So--

MURMAN: Thank you.

KEITH RUNGE: --I appreciate the opportunity to be here.

MURMAN: Thank you. Any questions for Mr. Runge? Senator Hughes.

HUGHES: First of all, thank you for coming. And thank you for being a school board member, a not paid job at all, so.

KEITH RUNGE: Yeah, you can always double my salary.

HUGHES: That's right. Zero times zero.

KEITH RUNGE: And I got a board meeting, a board meeting at seven, that's why I could come up here, so I got to get back to Columbus.

HUGHES: I think this is a quick question. If we could potentially double or triple the amount you're getting from BELF, would that benefit Columbus Lakeview?

KEITH RUNGE: Anytime you can double or triple, you know, the money, there's always places to spend it, you know. But I know a lot of places-- you guys might all have the best intentions to keep it all in there. But if you don't lock that in where it can never go, any pet projects or anything else, it won't be there in the future. And-- I mean, that's just like the program that Governor Pillen started where we get so much a student and then every year it gets less, you know, for, you know, if it's \$1,500 a student. And every year what we get is-- well, you got to come up with that money someplace once you spend it. And it's just, you know, if it's locked in for the long term, double or triple would be great. I mean, sitting here listening to the investments and all that, I think what they should do and everybody that did, you know, you got that money and you're talking about how to invest it and everything. I think a great place to put that would be-- all schools tried to pass bonds and stuff, how to pay for buildings. Well, find a way to use that money to lend it back to the schools, what a safer place, too, because we're always going to pay it back

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

because it comes from the taxpayers. And what a safer place to get the interest and principal payment back and start over and, and give it to more schools.

HUGHES: Thank you.

MURMAN: Any other questions?

JUAREZ: I--

MURMAN: Senator Juarez.

JUAREZ: --I have just a quick question. Did you say that you were from Lakeview?

KEITH RUNGE: Yes.

JUAREZ: Where is that?

KEITH RUNGE: It's Columbus Lakeview. It's just 7 miles north of Columbus, Nebraska.

JUAREZ: OK. Thank you.

KEITH RUNGE: It started out as a country school in, like, 1970. And we've got, like, since last May till right now, we got 80 more students we had last year. We're up to like 1,050 so.

JUAREZ: Cool.

KEITH RUNGE: So we're a building school and that financially, with all the tough times, that's hard, so.

JUAREZ: Thank you for coming.

MURMAN: Thank you.

KEITH RUNGE: You bet.

MURMAN: Any other questions?

KEITH RUNGE: OK.

MURMAN: If not, appreciate you testifying.

KEITH RUNGE: Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Other opponents for LB652 or LR28CA? How many more opponents do we have? OK. OK. Go ahead.

BRUCE JOHNSON: Good afternoon, and a long afternoon. You have been very patient. My name is Bruce Johnson, B-r-u-c-e J-o-h-n-s-o-n. Before retiring, I was professor of ag economics at the University of Nebraska and had quite a bit of interaction with the Board of Educational Lands and Funds over the course of 30-plus years because they used the data that we were-- and analysis that we were doing. I started and, and maintained the Nebraska real estate market survey and analysis series back in 1978. And that continues on to today. And with that, we have a pretty solid basis of understanding our agricultural land market. And so I'm addressing primarily the focus of the, the lands-- the Board of Lands and Funds in terms of its agricultural component. And I've found over the years working with this group--

MURMAN: It shouldn't be red. I'm not sure why it is.

BRUCE JOHNSON: Oh, well, that's where it starts.

DIANE JOHNSON: Oh, I'm sorry.

BRUCE JOHNSON: OK. Do I get an extra 2 minutes? No. The, the board and the staff are a very competent organization, very conscious-- conscientious about fulfilling their fiduciary responsibilities. And that means managing in a, in a sustainable way, as well as working towards a, basically, a market competitive rate of return, if not better. And so I find it that our, our real estate market serving analysis series is a pretty good correlation of the-- of how this board has operated over the years, and so I've attached some excerpts from the, the last year's market highlights, as well as historical data on that. Annual gross rates of return, 2 to 3% is pretty typical for the state of Nebraska when you think of today's historical market, much lower than 5 to 6% 20, 30 years ago. But I would want you to look at particularly the bullet in terms of on page 9 of my handout there. A statement that says this from the last year's report: Inflationary pressures in the U.S. have sparked renewed interest in acquiring tangible assets to hedge against erosion of purchasing power. The annual historical appreciation and the market value of land makes this investment class a competitive alternative to hedging asset value during inflationary periods. That is what we're talking about here in terms of the previous comments about a stable asset, and certainly the, the agricultural land that is under the jurisdiction and, and management of the board and of lands and funds is, is really, I think, reflective of that. So, yes, the cash rents have gone up and, and the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

lease rates negotiated go up each year. But with that comes a huge amount of appreciation that we've had, averaging 7 to 8% over the course of the last 35 years. Every year, a 7-plus appreciation rate. That is--

MURMAN: You have the red light, but keep-- you can--

BRUCE JOHNSON: Yes, sir.

MURMAN: --finish up.

BRUCE JOHNSON: I will. And with that-- so you think of a 3% return annually, but an appreciation of your asset in this 8% range since 1990 every year, that's huge in terms of a good strategy forward as I see it. And 10 to 12% return every year is, is, is pretty phenomenal. In sum, I don't see any evidence that in today's market dynamic, we could have as much well-functioning management and oversight system as we do. And selling and putting it into the Department of Administrative Services in charge of enhancing financial performance, I don't see it happening. Thank you.

MURMAN: Thank you. Any questions for Mr. Johnson?

BRUCE JOHNSON: Thank you.

MURMAN: I, I, I got one quick one. On your front page there, second from the bottom.

BRUCE JOHNSON: Yeah.

MURMAN: So the return has been to 10 to 12% annually over--

BRUCE JOHNSON: Yes, sir.

MURMAN: --some period of time, I assume. What-- do you know what period of time that is?

BRUCE JOHNSON: Well, actually, since 1990, the, the bullet up above from the year 2000, it has averaged 8% a year appreciation for the Nebraska holdings. And if you go all the way back to 1990 and for a 34-year period, it's more like 7%.

MURMAN: OK.

BRUCE JOHNSON: So that's the doubling about every decade.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: That's the land and the funds together or is that just the lands?

BRUCE JOHNSON: Well, in other words, the, the, the, the, the lands and funds asset that we still have has appreciated and valued at that rate.

MURMAN: 10 to 12% since 1990?

BRUCE JOHNSON: Well, 7 to 8%, but I've added in the 3% annual rate of return. So you have that combined factor.

MURMAN: OK. OK. Thank you. Any other questions? If not, thank you.

BRUCE JOHNSON: Thank you.

JUAREZ: I'm glad to have this.

CASEY SHERLOCK: Good afternoon, Chair Murman and the members of the Education Committee. My name is Casey Sherlock, C-a-s-e-y S-h-e-r-l-o-c-k. I'm the current Nebraska State Surveyor, and I'm here to testify in opposition to LB652 and LR28CA. This is going to change gears a little bit on you. We're going to shift more into the casualty of war, so to speak. So you may not be aware of this, but the Nebraska State Surveyor is appointed by the Nebraska Board of Educational Lands and Funds. My office, my staff, everything is approved by the board. So I'm just going to run through a brief summary of what the office of the Nebraska State Surveyor does for the state. The State Surveyor, through the Board of Educational Lands and Funds, is approved-- approves applications for surveys by the State Surveyor for land owners petitioning for the settlement of disputes of land boundaries. So if there's owners that have disputes between themselves, or if they're surveyors that have disputes of boundaries, they can apply to the Board of Ed Lands and Funds and appoint the State Surveyor to settle and arbitrate those. So the State Surveyor is arbitrator for the settlement of those boundary disputes. The State Surveyor issues the advice, instruction, and opinion on all questions or inquiries related to surveys, grievances, or disputes growing out of conflicts of lands or lots. The State Surveyor is a member of the Nebraska Boundary Commission, and responsible for the survey or resurvey of the boundaries of the State of Nebraska, including the boundary between South Dakota and Nebraska along the Missouri River. Statutes of the states of Nebraska and South Dakota both reference the State Surveyor as being in responsible charge of the survey of the boundary between two states. The State Surveyor approves a Deputy State Surveyor that's

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

appointed by the Board of Ed Lands and Funds for the Nebraska Department of Transportation, who is then in responsible charge of the survey of the controlling section corners for all transportation projects for the state; that authority is derived through the State Surveyor's authority. The State Surveyor is in charge of the field notes, maps, charts, and records of the original United States surveys. Those records are right here in the basement of the State Capitol in a secure location. I provide technical assistance and support and advice to all the various counties, cities, government bodies in the state of Nebraska. I get calls daily, if not weekly for sure with questions regarding lands. State Surveyor under the direction of the Board of Ed Lands and Funds maintains and operates the Nebraska Survey Record Repository. The Repository receives somewhere in the neighborhood of 10,000 surveys throughout the state of Nebraska every year that are microfilmed, imaged, cataloged, and indexed into a database of over a quarter million, a quarter million records throughout-- of records available for the public. The Repository website, I just checked this earlier today, had over 60,000 hits in 2024. So we are a vital asset for the, the general public, bankers, title agents, real estate agents, surveyors, real estate developers, city officials, planning, zoning, you name it. We maintain the official land record abstract of all school trust lands. And so we have books dating back to the beginning of time. And I maintain all of those abstracts for all land sales.

MURMAN: You have the red light, but--

CASEY SHERLOCK: Yes, sir.

MURMAN: --finish up quickly if you can.

CASEY SHERLOCK: OK. I know I'm running into a whole new area here. So I maintain all of the, the land records for all the school trust lands, all land sales that take place. I review all the legal descriptions. Any land boundary issues, I review the land boundary issues, any surveys that need to be taken-- that need to take place. Any time land is, is traded, sold, purchased, anything of BELF that has to do with land, I'm, I'm involved in the legal descriptions in the survey of those lands, so. I'll end there.

MURMAN: Thank you.

CASEY SHERLOCK: If you have any questions, if anybody wants to talk about surveying or the Surveyor's Office.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Any questions? Senator Hughes.

HUGHES: Sorry. Thank you, Chairman Murman. Thanks for coming in. Could-- if, if BELF would be dissolved, couldn't you fall under a different-- like Department of Roads or-- I mean, some-- Department of Transportation, something else?

CASEY SHERLOCK: I would hope that the Legislature would find a home for me somewhere.

HUGHES: Because you do more-- what percent of your work is just because of BELF land? I mean, you named many other things you do, so.

CASEY SHERLOCK: Well, personally-- so we, we try to break it down annually of what we do for that agency. And, personally, the State Surveyor myself, I think I'm probably around 15 to 20%. I have other staff. I have a staff member that's a geographic information specialist that is dedicated strictly to the GIS of all BELF properties. So sometimes when you see the big colorful maps, that's generated by somebody from my office, so.

HUGHES: OK. But, yeah, I just think, you know, we would shift you somewhere else.

CASEY SHERLOCK: Yeah. And I think, you know, it's-- as Senator Hansen mentioned, there's 450 billion statutes that mention BELF or whatever it is. And we're, we're in that, we're in that mix somewhere. And so without-- I don't like to come testify. I haven't been in front of the Ed Committee. I've been in front of some of you in the Government, Military and Veterans Affairs. And so it when we're not mentioned and talked about, I have to assume the worst. I have to assume if the, the board that appoints me is dissolved and evaporated, then there's no board to appoint me, then I have to do-- I have to make sure you're aware at least that this is.

HUGHES: Sure. Yep. Thank you. Thanks for coming.

CASEY SHERLOCK: You're welcome.

MURMAN: Any other questions? If not, thanks for your testimony.

CONRAD: All right. Thanks. Good to see you.

CASEY SHERLOCK: Thank you. Good to see you again.

MURMAN: Other opponents?

TIM ROYERS: Hello again, everyone. My-- for the record, my name is Tim, T-i-m, Royers, R-o-y-e-r-s. I'm the President of the Nebraska State Education Association. I'm here in opposition to LR28CA and LB652 on behalf of not only our members, but also on behalf of the Greater Nebraska Schools Association, the Nebraska Rural Community Schools Association, and the Nebraska Council of School Administrators. We are, we are all united in our common need to express significant concerns regarding the proposal to sell land managed by the Board of Educational Lands and Funds for short-term revenue gains. The land managed by BELF historically served as a vital, stable source of income for our public education system. Each year, revenue generated from these lands contributes directly to funding schools across Nebraska, providing consistent support that helps districts plan and budget more effectively, especially during times of economic fluctuation. While we appreciate Senator Hansen specifying that the proceeds from any land sales would go to support public education, our organizations want to make it clear to the Education Committee that we do not wish to sacrifice a consistent source of income in every school year for the sake of a one-time lump sum infusion of funding. Maintaining steady revenue from BELF-managed land supports the economic resilience of school districts. Unlike the more variable sources of funding tied to economic cycles, the income generated from these lands is relatively predictable. This stability is essential for effective long-term budgeting and education planning, and the current fiscal concerns that the state budget offer very current evidence that this revenue stream for schools is essential. I think it's important to point out that since this legislative body had a hearing on this topic in November, the payout to schools from BELF-managed lands has increased to roughly \$120 million, and when you break it down, Holdrege nearly \$400,000, Adams Central \$348,000, South Sioux \$1.3 million, Seward \$600,000, Bellevue \$3.1 million, Lincoln \$15.8 million, OPS \$21.3 million. So we urge this committee to consider the broader implications of such a sale, weighing the temporary benefits against the substantial risk to future school funding. Maintaining a balanced, stable source of funding ensures that Nebraska schools can continue to meet the educational needs of our students and support the dedicated teachers and staff who contribute to their development. I think we had lengthy discussion in the preceding bill about a limited amount of resources. And sacrificing a consistent revenue stream for school districts at this time, I think we would all agree would be impractical. And, finally, we would say our opposition is because, as also discussed, not only would there have to be a vote by the people, you also heard about a number of statutory changes just to get our foot in the door to make what

Senator Hansen is proposing even possible. We would also discourage the committee from advancing this bill and CA, because it is an impractical and cumbersome way to potentially generate one-time funds. No matter which way you look at it, we do not feel this is prudent policy. It will take too long to implement. It sacrifices a stable year-over-year nine-figure source of resources for our schools, for the possibility of a one-time addition of resources. We cannot claim to support fiscal responsibility and support this proposal. We strongly urge you to oppose, and I'm happy to answer any questions.

MURMAN: Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you for coming, Mr. Royers. I don't see this as a one-time infusion. I see it slowly getting put into the educational fund, which will be protected by the constitution solely for public schools. If-- I'm going to ask same question as before, if we could double, triple the amount of money that the schools are getting, you name my numbers for the school district, you name their numbers for the school district, if we could triple that, should we not do that even if it's cumbersome to get it changed in statute and all these things?

TIM ROYERS: I think the concerns that you've expressed, both here and at the LR hearing we had in November, I think are more with how the Nebraska Investment Council is choosing to utilize the funds versus necessarily the legal existence of BELF would be my position. And I guess I would also push back, given that the market lost 1,000 points today, I think the conservative investment strategy of BELF is proving pretty prudent given current events.

HUGHES: Fair. Thank you.

MURMAN: Any other questions? You picked the right day to testify.

TIM ROYERS: I did. Well, unfortunately, if I could have come in on any day in the last 2 months it would have been true. But, yes, thank you.

MURMAN: Yep. Thank you.

KELLY SUDBECK: Good afternoon, Chairman Murman, members of the Education Committee. My name is Kelly Sudbeck, K-e-l-l-y S-u-d-b-e-c-k, and I am the CEO, Executive Secretary of the Board of Educational Lands and Funds, commonly known as the school land trust. 158 years ago, the United States and the state of Nebraska entered into a solemn compact known as the Enabling Clause, wherein Nebraska was gifted 2.8 million acres in trust for the support of the Nebraska

Public Schools. The U.S. Supreme Court said that the enabling acts created trusts similar to private charitable trusts that must remain inviolate, which the state cannot abridge. It is a binding and perpetual obligation. So Nebraska, and anyone who deals with the school lands, has the duty of a trustee. This is a fiduciary duty and undivided loyalty, and all acts as trustee must only be in the interest of the trust and no one else. Any violation of this fiduciary duty would be a violation of the constitution itself. The Nebraska Constitution vested the management of these funds in the Nebraska Board of Educational Lands and Funds, and we all act in a fiduciary capacity to protect the land and income for the beneficiaries of Nebraska school kids. So the questions are is LB652 and LR28CA in the best interest of the beneficiaries? We believe that answer is no. LR28CA is a breach of the solemn compact between the state and federal government. And LB652 is a breach of the state's fiduciary duty. And because of this, we believe it is unconstitutional. LB652 would cause a fire sale, disposal of the land timed only by the expiration of the leases, not market conditions, with no concern or protection or guarantee that the sale will be at fair market value, no pause of the sales due to negative market conditions, and does not require that all sales be held pursuant to public auction. No prudent landowner would sell land this way. They would sell only after consideration as to the income potential, the timing of the sale, maximum interested buyers, and maximum value. And that is exactly what the Board of Educational Lands and Funds is doing today. What if the land doesn't sell? The bill itself does-- gives no authority to DAS to provide further leases. And they would have to keep holding auctions until the land went cheap enough. Over the first 5 years, LB652 would force the sale of over 800,000 acres and over 1,933 separate parcels, more than one auction per day every year. What would this do to real estate land values in ranchers' and farmers' collateral? And any loss in the sale price of the land will cause a resulting reduction in the potential income generated, costing Nebraska schools and real estate taxpayers billions of dollars of lost income forever. And so at this time, there is no reason to sell the land. The land generates more income than the funds, and that gap is increasing. We've had record agricultural income for, for the last years. The value of land is increasing faster than the funds. I'm sorry.

MURMAN: Well, keep, keep going.

KELLY SUDBECK: Thank you. The cash return on the land is higher than the funds, and the total return on the land is higher than the funds. We've been here before. In the late 1800s, when the Legislature forced the sale of almost one-half of the total acres of the school land

trust. These lands were sold for pennies on the dollar. The \$26 million received at the time represented 80% of the total value of the school land trust, but now only represents 40% of the value. The land remaining, representing 20% back in 1900, now represents 60% of the total value of the trust. And those lands contribute anywhere from 70 to 75% of the total annual support to the schools. The funds contribute about 30%. From-- the land out performs the funds in every way. LB652 would result in lower income and lower proceeds for the Nebraska Public Schools, and the real estate taxpayers would be required to make up that difference. And, finally, selling all of this land would deprive future generations of beginning farmers and ranchers of the opportunity to start or expand their operations. Thank you.

MURMAN: Thank you. Any questions for Mr. Sudbeck? Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you for coming in, Mr. Sudbeck. So you ended with a question I wanted to ask. You said we're depriving beginning farmers of possible leases. Do you have the average age of your lessee offhand? The people I know are older than I am, so.

KELLY SUDBECK: Sure. We don't collect that information--

HUGHES: OK.

KELLY SUDBECK: --from our lessees. It seems a little too private to us. I can tell you that every auction I've attended and our field representatives, there are always young people there. They don't always get the lease. But we get phone calls all the time with individuals saying, when does this lease terminate? Because my son or daughter is coming home from college, and we need something for them to, to farm or ranch, so. We-- I don't have statistics on the ages of our tenants. Some of course, as you know, are kind of legacy tenants, they've had this, this land--

HUGHES: For 30-plus years.

KELLY SUDBECK: Absolutely.

HUGHES: Yep. Because you do kind of a right of first refusal, too, right? If you've carried a lease, do you-- that the person has the chance to renew at said amount?

KELLY SUDBECK: Well, actually, many years ago there was a, a statute that said we had to reissue the leases to those tenants.

HUGHES: So it's open for--

KELLY SUDBECK: Right. And that was found to be unconstitutional. And so it is a public auction.

HUGHES: OK.

KELLY SUDBECK: What we do, though, is the tenant is the one who gets to bid the amount in first.

HUGHES: Yep.

KELLY SUDBECK: So the amount of the rent, we say, you know, Ms. Hughes, would you bid the first year rent? You would say yes, and then it's an open auction after that.

HUGHES: And then let me piggyback on something you said that it was a fire sale ground. Do you have offhand what the average lease size acre is? Because, like, the first year, there'd be 443 leases up. Do you know what the average acre size is for--

KELLY SUDBECK: Yes, that would be about 160,000 acres.

HUGHES: So I can take 160,000, divide by 443, and get the average?

KELLY SUDBECK: Right.

HUGHES: OK. And then I can do the math for the rest. If and when you're selling the ground, you're saying, you know, we're going to flood the market, things are going to go below the market, I mentioned, I think when I was talking to Senator Hansen earlier, that typically when you do, if I'm going to sell my own ground, I'm going to set a minimum bid. If something like that is in there and then the lease, wouldn't that protect from that happening?

KELLY SUDBECK: That's true. I don't know how you're establishing that minimum bid if you're getting an appraisal of the property. If you're getting a certified appraiser and selling this much property, there's no way you'll ever get it all sold in time. And, anyway, our experience with trying to get appraisals, it takes a while. So do you have-- does DAS have the personnel who can determine that value? I don't know that. My personnel can, certainly. That's part of our job. We know what the market is. But setting that minimum, who's going to determine if that's reasonable? I don't know how you determine that.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

HUGHES: I, I would imagine we could figure something out for that. And then one more question that popped up because of the first, I think it was Mr. Paddock, claiming that the BELF land was for habitat. Do you set parameters when I-- when you give somebody a, a lease that, you know, maybe 5 acres of that has to be set aside for conservation or anything like that?

KELLY SUDBECK: We do not. We do have some--

HUGHES: So is there any-- like to-- you heard his testimony. Can you tell me why that maybe would have come about, or how that would change if the, the guy that's leasing now owns it? I don't see why there would be a difference.

KELLY SUDBECK: Sure. We don't have any requirements like that. We do have some properties that are leased specifically for recreation.

HUGHES: Sure.

KELLY SUDBECK: And, of course, those would be set aside for that.

HUGHES: But you could argue, somebody could buy that from the agent, too, and keep it.

KELLY SUDBECK: Sure.

HUGHES: Yeah. OK. So there's really no-- I'm just curious if there was a true argument to that point, if you will.

KELLY SUDBECK: Well, I would say some things that BELF does-- some of our grass and habitat areas have not been changed into, like, dryland farming or irrigated, whereas a private owner might do that.

HUGHES: But do you, do you tell the private owner you have to keep it grassland?

KELLY SUDBECK: Well, they have to get our permission if they want to convert it from grass to something else.

HUGHES: Have you ever not given permission?

KELLY SUDBECK: Yes.

HUGHES: OK.

KELLY SUDBECK: Typically, that's when the ground is not suitable to be farmed, or at least we believe there's--

HUGHES: In your opinion, it shouldn't. I mean--

KELLY SUDBECK: Yes.

HUGHES: Right.

KELLY SUDBECK: We are the managers.

HUGHES: Right, but--

KELLY SUDBECK: And so some of it is erodible. And so we don't-- you know, the issue we have is you start plowing up that questionable ground, is your tenant someone who will manage that appropriately so as erode-- wind erosion, that kind of thing. So we do have some land that probably should never have been tilled, and we're dealing with those issues, so.

HUGHES: Thank you.

KELLY SUDBECK: Yeah.

HUGHES: That, that helps.

KELLY SUDBECK: Um-hum.

MURMAN: Senator Meyer.

MEYER: If I may just for a moment?

MURMAN: Yeah.

MEYER: Not really a question, but I want to, I want to add something to for Mr. Sudbeck's testimony when you mentioned about irrigating some of this land. Mr. Sudbeck had made the comment that some of it should never have been broken up. And that's absolutely true. And I don't know how it is in the Seward area, but given our groundwater situations, we are limited on drilling wells and things of that nature and so much of the grassland to the west absolutely should never have a plow put to it. So the ability to enhance the value by irrigating and farming it is probably a nonstarter in those cases when you get to our grassland, so. And from the standpoint of the, of the recreational land, some of it is-- some of the school land is already recreational for hunting and things of that nature because of the nature of being perhaps along the river, trees, canyons, grass, you can run cows on it, but it has a great deal of value from a recreational standpoint. And so you don't have to add anything to it to be recreational, it

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

already is from that standpoint, so. Just from my personal experience of having dealt in that for some time, that I just wanted to flush that out just a little bit, so.

KELLY SUDBECK: And, and one reason-- to that point, one reason we do have some of the recreational ground was, of course, 150 years ago that was considered junk.

MEYER: Yeah.

KELLY SUDBECK: And so we were left with it. And now it, of course, isn't considered junk anymore.

MEYER: It's quite valuable.

KELLY SUDBECK: Yes, it can be. Yes. And we have maximized the value of that on, on various occasions.

MURMAN: Senator Sanders.

SANDERS: Thank you. Thank you, Mr. Sudbeck, for being here. I do have a question. There seems to be some concerns that education, the BELF have 22 full-time employees and \$15 million in preliminary cash funded budget. Can you just say what those full-time employees do so we have an idea?

KELLY SUDBECK: Sure.

SANDERS: OK.

KELLY SUDBECK: We actually have 18--

SANDERS: OK.

KELLY SUDBECK: --full-time employees, 9 of them are out in the field. They are the boots on the ground managing the properties. And one of them is our weed superintendent, who covers the entire state. We always compare ourselves with the private market as far as like a private land manager, to see if we're actually being efficient. The areas that our field representatives manage are very large. The, the manager in the eastern part of the state actually can have a 7-hour round trip to get to some of his properties. He has the least amount of leases in acres, but he has the largest physical or, or territorial area in Nebraska. Your typical private land manager will have anywhere, 50 to 60 leases, maybe 20,000 acres. Our field representatives have at least 300 leases each, and they manage-- some

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

of them manage over 200,000 acres each. And so we are-- as far as our field representatives, our field operations, we are extremely lean. The office, since I've been here, we've actually gotten rid of about 1.25 employees. We share one with the, with the Surveyor's Office right now. So I'm the CEO, my position was combined a few years ago from CEO, and we used to have an independent attorney who-- a full-time attorney. I am now both of those. I have an executive assistant. And then there is an individual who is in charge of advertising the lease sales, that kind of thing, assignments, subleases. We have essentially an accounting individual who is our-- takes care of any kind of accounting issues we have. We have accounts payable, accounts receivable, and then we have an IT individual. And then we have one individual who is in charge of the minerals, oil and gas, gravel, things like that, and wind, solar leases.

SANDERS: Thank you. And how much of all the land is leased and not leased?

KELLY SUDBECK: 100% of the land is leased.

SANDERS: Is leased. OK. Thank you very much.

KELLY SUDBECK: Yes. Thank you.

MURMAN: Senator Juarez.

JUAREZ: I just have a quick question, please? So I wanted to know if we would actually go to begin auctioning this land, how does that actually happen? Is it something that, like, you submit a sealed bid or how does it work?

KELLY SUDBECK: Well, as far as LB652 is concerned, I don't know. It doesn't say. Now I will tell you, right now, we are selling the school land. We have a system of selling them that we believe is fiduciarily responsible. We currently have 158,000 acres that are for sale for fair market value today. The way we would do it is an individual would approach us with an offer, and if we determine it's fair market value, that individual would sign essentially a nonrevocable bid. We would advertise the property for auction, and we would go to public auction and that individual would show up and bid in the amount that they had offered to purchase the property. That way, we know we will have a successful auction and we're not wasting money on advertising. We can also, as I think somebody mentioned, we can also trade land where somebody can come in with property and just swap us properties. We've done that on numerous occasions. It's a great benefit to the, to the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

trust. As far as LB652, I don't know how they would decide which property gets auctioned. Well, they would decide by the termination of the leases, every time a lease to terminate, they would go to auction in that year [INAUDIBLE]. Whether DAS could continue to lease those properties if they don't auction, I guess they could, they could try that, but I don't know exactly how they would auction them off. And that's one of our concerns, is right now we are selling lower performing properties in a responsible manner. We're concerned that, that type of an auction with over, you know, 160,000, 170,000 acres hitting the market every year would depress the land market and would not realize full potential sale price of our lands.

JUAREZ: One more question, please?

MURMAN: Sure.

JUAREZ: So could you tell me, how do you advertise about your auctions?

KELLY SUDBECK: So statute requires us to advertise for 3 weeks in a local newspaper. Sometimes, if it's a specialized property, we may do a little bit wider advertising.

JUAREZ: You don't put it on a website that you got this?

KELLY SUDBECK: Yeah, it's on our website. Yep.

JUAREZ: OK.

KELLY SUDBECK: And our-- you can go to our website today and there's a button you can click that shows you every property that is for sale right now. And so any auction will advertise on the website. We'll advertise in the newspaper. Typically, we'll maybe buy a, a radio ad in that area, in that market area, to also advertise that auction.

JUAREZ: OK. Thank you.

KELLY SUDBECK: Um-hum.

MURMAN: And I have a question. You'd be selling about 800,000 acres in 5 years if you're forced to sell by when the leases are due. What-- how does that compare to the number of acres that are typically sold in Nebraska? Do you know what--

KELLY SUDBECK: So my understanding is a rule of thumb is you can count on 1% of the total acres in Nebraska being sold every year, which is a little over 400,000.

MURMAN: OK.

KELLY SUDBECK: I think Nebraska has, like, 45 million, 48 million acres, I believe. And so, you know, it would be what, a fifth?

MURMAN: Be approximately three times wouldn't it, the--

KELLY SUDBECK: Yeah.

MURMAN: --average, a little more than three times the average was sold in a year. And then my other question is the land that has no access. About what percent-- do you know about what percent that is?

KELLY SUDBECK: That's a really good question that I did not look at. I would say probably, you know, with most of our land out west, it's maybe 20 to 25%. And a lot of those properties are for sale right now. The-- we, of course, have the right to access those properties because we've been doing it for 150 years. But that does not mean that the owner of that property won't shut the gate and lock the gate if a new buyer comes in and they don't particularly like that person.

MURMAN: So if that's-- if that being the case, you know, a fourth or whatever, quite a bit of land out west, how could you get fair market value for that land?

KELLY SUDBECK: Great question. I'm not sure. And that's why some of our land, of course, hasn't sold. The individual who surrounds it is better off renting it than buying it, because they know nobody else will bid against them at the lease auction. And, of course, when-- if they talk about buying the land, they want a really good price because they don't think we have access. Like I said, we always have access, so those lands are being leased for full market value. But, yeah, obtaining full market value sale proceeds would be very difficult. I'll give you an example of one we recently sold that had access over 2 miles of private property and the land around it sold and we determined who that buyer was, contacted him, and he was willing to buy our section also for more than we thought for market value. And so that's our job is to when you have one of those properties that's tough to sell, we go to work and we try to get those sold for full market value. You auction those off, I don't think you'll get near that.

MURMAN: Yeah, even, even to get a fair lease is difficult in that situation I'm sure, too.

KELLY SUDBECK: Right. We believe our leases in those situations are full market value. Once in a while our tenant will say if we raise rent, they'll say, well, who else are you going to lease this to? And we say, you know, come on now, we're, you know, we get along. Our-- 98% of our lessees are really good people. And they understand this money goes to the schools. So while they believe our rent is probably maybe a little high, they, they understand.

MURMAN: OK. Thank you. Any other questions? Senator Meyer.

MEYER: I, I just want to point out just having some familiarity with, with leasing some of the farmland in that-- or I'm familiar with when they do it. In many cases, especially good farm ground, perhaps irrigated, this is out west, the lease will bring fair market value and then there's a bonus structured on top of that. So, actually, much of this land is bringing a premium to what you could these other farm ground around simply to get a tract of land. So there is a bonus factor. I, I-- I'm not familiar with much of the grass out west, but on a farming basis, along with the fair market value on lease value there is a bonus value that goes on top of that. So that's a definite plus for the funds going into the-- into that, into that restricted fund, so.

KELLY SUDBECK: So the, the record bonus I believe we've ever gotten was on 4 pivots, \$750,000.

MEYER: The bonus?

KELLY SUDBECK: Just the bonus.

MEYER: On a 5 year-- probably 5 years?

KELLY SUDBECK: It was probably a 7-year lease.

MEYER: 7-year, 7-year lease or something.

MURMAN: Senator Hughes.

HUGHES: All right, just one more quick question that came to mind. On the land-- so we know last year, and I, I can't remember who had it in their testimony, last year, the investment account made 3.2-ish percent, the, the fund, and the land rent and lease made 3.8?

KELLY SUDBECK: 3.89.

HUGHES: 3.89. OK. And then when you say real-- when we-- when you're bumping those numbers up, that's just the value of the land, but the actual money made is the 3.2 and 3.89?

KELLY SUDBECK: Yeah, and I, I believe Ms. Hung is here from the Investment Council. She plans on testifying to that.

HUGHES: OK.

KELLY SUDBECK: And I don't know, you know apples to apples is kind of difficult when you're talking about the investments that the Investment Council holds. Our total return with value and cash is 10% on the land.

HUGHES: But I-- to me, though, it's the cash to schools that [INAUDIBLE]--

KELLY SUDBECK: Right. And I think that's--

HUGHES: That I use on paper, so.

KELLY SUDBECK: Yeah, because I think the Nebraska Investment Council, my understanding and I may be wrong, but I thought from our last conversation, their total return is 7. But-- so that's my understanding, and Ms. Hung may, may tell you differently. I-- I'm not sure, but I, I will tell you that, again, our land is 60% of the total value of the trust, but contributes 70% of the money to the schools, and the funds are 40% of the value of the trust and contribute about 30.

HUGHES: And then do you break out the class appropriately, like proportionately when you-- because you're-- I mean, you're removing the salaries and all, like, your operational costs?

KELLY SUDBECK: Yes, this is net.

HUGHES: Yeah.

KELLY SUDBECK: Yep. This is-- these are net figures. Yes, and so--

HUGHES: Yep, that's what I figured. OK.

KELLY SUDBECK: Right. And so you look at-- yes, I'm sorry. Yeah.

HUGHES: No, we're good.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: Any other questions? OK. Thanks for your testimony.

KELLY SUDBECK: Thank you.

MURMAN: Other opponents?

RICHARD ENDACOTT: I'm Richard Endacott, spelled E-n-d-a-c-o-t-t, and I served as the CEO of the board from 2009 to 2016, when I retired at the age of 78. I've had a lot of experience with the people on this board and, and, and, and the people-- the employees mainly. And we have 18 employees, many are located around the state and report back to me, and then we have a fantastic staff of, of women who have been there for many years and my wife assured me that I should say what a tragedy it would be for those 18 employees to be fired for no reason whatsoever related to their, to their job. I think that the presentations that you've just heard show that the performance of the Board of Education over a long period of time, not just this year, a few years, has been impressive, and it will continue to be impressive if, if the land is not sold. I'd like to focus briefly-- and, and I'm going to finish this within 5 minutes, it's my goal for you. I'm gonna focus briefly on the history of the Nebraska school land, the federal government, early on, was concerned about education, and rightly so, but they didn't have any money. So the answer was give land to the states, which they did, and that land was supposed to be used exclusively for production of money for the schools. And when they gave that land, they didn't just say, we're just here's, here's your land, do whatever, it was, it was for the schools and it was a-- given in trust. And that's a significant word in, in legal terms. I'm a lawyer, as well, and basically what they said was this is a sac-- given in a sacred-- in a state form of a sacred trust. And that is very important because it raises, in my mind as a lawyer, the possibility that if a constitutional amendment is, is presented or some other method is, is presented to try to root this out of, out of the hands of the school lands, and that could very well be subject to attack in the courts. And, and, in fact, I'm, I'm pretty confident it would because there's-- when it was expected-- accepted by the state, it was, it was clear this was coming in trust.

MURMAN: You have the red light, but you can finish up quickly.

RICHARD ENDACOTT: What?

MURMAN: You have the red light, but you can finish up quickly.

RICHARD ENDACOTT: Yes, I do.

MURMAN: Actually, you only have 3 minutes. Sorry about that.

RICHARD ENDACOTT: I'll finish it, although, I'm, I'm going to be shorter than most people.

MURMAN: OK. Go ahead.

RICHARD ENDACOTT: Again, the financial performance of the, of the board, from my experience sitting there and subsequent, has been fantastic. The performance has been plus, plus, plus and you wouldn't have ever guessed that it could be that, that good for so long and that really militates against taking this money and go on and on the market for ultra wealthy people to buy as opposed to the, the ranchers who are releasing this land on a smaller output basis. So I'll, I'll conclude by saying, basing my opinion on the testimony of the two gentlemen that appeared before, that my, my granddad used to say, Dickie, if it ain't broke, don't fix it. If it ain't broke, don't fix it. It ain't broke, don't fix it. Thank you very much.

MURMAN: Thank you. What-- did your-- you said your dad or your grandpa? Did he--

RICHARD ENDACOTT: Grandpa.

MURMAN: --did he say it that emphatically?

RICHARD ENDACOTT: Well, he said it frequently.

MURMAN: OK.

RICHARD ENDACOTT: He said it when I needed it.

MURMAN: Any questions for Mr. Endacott? Senator Hughes.

HUGHES: Thank you, Chairman Murman. Thank you for coming in, Mr. Endacott. You say on one hand you can't sell it, it's unconstitutional, but BELF already does sell land and they have sold land. So I guess I get a little bit confused at that. And also, I guess if it ain't broke, don't fix it, I am all about maximizing money for our public schools, that's 100% of my goal with any of this. I'm a property tax person. I want funding for schools. If we could get this done and potentially double or triple the money going for schools, how is that not a good thing? And if as long as it's, as long as it's, you know, constitutionally protected, that you couldn't have a governor come in and sweep the money or things like that, why would that be a bad thing?

RICHARD ENDACOTT: Well, if-- I think the, the words that, that really resonated with me is if we can get this done. And I submit that the experience, the history over the years is that doing it this way is a much better way of doing it. And there's so many things that could happen if you sold all this land and put it on the, put it on the market and sold it. It could go down in value very easily. And, and they have no, they have no track record to prove it.

HUGHES: Who is they?

RICHARD ENDACOTT: School lands has a track record.

HUGHES: Oh, going under DAS.

RICHARD ENDACOTT: They have shown that they can produce in excess of, of the state funds. And so, you know--

HUGHES: So let me throw this out. What if you said, OK, we'll keep the bureau, but they have to sell the land then, then they sell it over the next 10 years? Is that better?

RICHARD ENDACOTT: Some of the land is sold-- and, and some of the land is sold because it, it needs to be sold. And that's been done over, over history.

HUGHES: Right.

RICHARD ENDACOTT: So it's not like they're clinging on to, to that stuff, they're constantly looking at what's the best thing for the, for the school lands. And, and they have produced an enormous amount of money for schools, billions and billions of money for schools and it's hard to argue with.

HUGHES: Thank you.

MURMAN: Any other questions? If not, thank you very much.

RICHARD ENDACOTT: OK. Thank you.

MURMAN: Other opponents for LB652 or LR28CA? Got opponents, yep. Are you opponent or neutral?

ELLEN HUNG: Neutral.

MURMAN: Oh, OK. Any other opponents? I don't think there was. Are you an opponent or neutral? OK.

AVERY YENDRA: Opponent.

MURMAN: If there's any other opponents, come right up here, get ready.

AVERY YENDRA: Hi, guys. Thanks for having me here today, and it's been interesting listening into the thoughts and opinions of different people. My name is Avery Yendra, A-v-e-r-y Y-e-n-d-r-a, and I'd like to kind of discuss a point that Senator Hughes had just brought up there is that why not just double, triple the account? Like, that sounds great. But, for me, looking at it as somebody who's now 25 and really thinking about the future, if there's no education lands, say I have a kid someday, the market crashes, there's nothing. There's no funds for schools. This doesn't think about the future at all. It only thinks about the here and now. And I think that's incredibly shortsighted. And it's going to rob people of my age group and future generations of, but my our founding fathers were pretty adamant about the pursuit of life, liberty, and the pursuit of happiness. This stifles that by selling off these lands. And I think that's really all I've got. So thank you for your time.

MURMAN: Thank you. Any, any questions for Avery? If not, thanks for testifying. Any other opponents? If not, neutral testifiers?

ELLEN HUNG: Good evening, Senator Murman, members of the Education Committee. My name is Ellen Hung, spelled E-l-l-e-n H-u-n-g. I'm the State Investment Officer. I just want to clarify a few things that were said this afternoon. We-- the, the Nebraska Investment Council, we are responsible for the investment of the permanent school fund, and those assets are invested in the-- in what we call the general endowment pool. And as of December 31, 2024, it returned-- the net return since inception was 7%. And for the one year ending December 20-- December 2024, it earned 6.2%. So I'm not sure where the 3% number came from that was presented earlier. That could be a-- just the interest that they earned, or it could be the return on the, on the cash that they have in our operating investment pool. But that's not the asset, the \$1.1 billion that they have in the Nebraska Investment Council. So I just want to clarify that amount. And we-- it's constitutionally and statutorily required that we preserve the principal of the fund. So that is what's required. So when we generate the income, what is distributed to the fund, it's only what's earned that's considered interest and dividends. The principal is always kept behind, and that we continue to manage. And as since-- so for example since 2020-- from-- since 2004 to 2024, we distributed a total of \$367 million to them.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

MURMAN: OK. Thank you. Any, any questions? Yeah, yeah, there's seems to be a little discrepancy in the return from--

ELLEN HUNG: Yes.

MURMAN: --what we heard earlier.

ELLEN HUNG: I would say since it is my portfolio, the numbers that I present would be accurate.

MURMAN: OK. So I, I don't understand the asset allocation. What does the allocation--

ELLEN HUNG: So out of the \$1.1 billion, 50% of that is invested in fixed income, 41.5% of that is invested in public equity. So you think of company stocks,--

MURMAN: OK.

ELLEN HUNG: --and it's U.S. stocks, international stocks, and private markets. 7.9% of that is invested in private markets. So you think of that as private equity, private real estate.

MURMAN: OK. And would that--

ELLEN HUNG: So that's how the assets are--

MURMAN: --allocation-- that that's been pretty constant over, I guess, 10 years or since inception or whatever?

ELLEN HUNG: Yes. That's--

MURMAN: OK.

ELLEN HUNG: --that's why we call it a 50/50 endowment. It's--

MURMAN: OK. And since inception, so how long has that been since inception?

ELLEN HUNG: Since 1996.

MURMAN: 1996. OK. Thank you. Any other questions? If not, thanks for the testimony. Any other neutral testifiers for LB652 or LR28CA? If not, Senator Hansen, you're welcome to close. And while he's coming up, let's see, on LB652, we had 4 proponents, 24 opponents, zero neutral. And on LR28CA, we had 2 proponents, 7 opponents, and zero neutral.

HANSEN: All right. Thank you. Just want to discuss a little bit about some of the testimony that we heard today. And, again, I always appreciate people coming out to testify, whether for or against something. I think that's how we build something better. First testifier, Todd Paddock, he mentioned he has a great concern about wildlife management, which I think a lot of us do. I think this would be a perfect opportunity for wildlife organizations such as Pheasants Forever, Ducks Unlimited to actually purchase some of this land where they have maybe not had the opportunity before, and then to encourage wildlife management. So this might be an excellent time for them to get more involved, especially in western Nebraska. Mr. Endacott and Mr. Abegglen both, they, they, they have a great understanding of the land, and they laid out a good history lesson about BELF, especially at the beginning when BELF was formed. I'm curious, when BELF was formed in Nebraska, how many employees they had? How much organizational cost they had, how many administration costs they had, how much travel expenses they had? I'm assuming it's exponentially higher than when it was first started, which is one of my concerns and where some of the savings we can see in the Legislature, in our budget, and the taxpayers. I didn't know we have \$1.8 billion. I think it was \$1.8 billion in land value still somebody mentioned. And so that on top of what we currently have invested appropriately, I think, would, would, would give us some pretty stunning results, I think. And just imagine that without administrators anymore or, you know, more government expense. I think almost \$3.5 billion invested for our kids is a good thing. And so when I heard the term denying future farmers of possible leases, I, like many others here, probably want to see future farmers get started in an affordable way, but that goes against the very grain of what this whole thing was about. They all say it's about making sure we get the most money we can for the kids in the schools. So when they say we, we have to make sure we have future farmers get possible leases, that goes against the, the whole point of BELF. And I didn't get a chance to ask, and I was hoping somebody maybe did, and I should have said something to that, I don't know if anybody who leases this land can develop it. I'm pretty sure they can't. And so we got millions of acres of land that nobody can develop in western Nebraska especially. And so we're denying people the ingenuity, the entrepreneurs of the world, a chance to take some of this land that some people even called bad land that nobody's going to do anything with, we're denying people the opportunity to maybe develop that and do something with it that we can't think of. And we want people to kind of move more west, give them the opportunity. Mr. Royers-- I think Senator Hughes mentioned this one-time lump sum. But, again, like I go back to it being over the course of time, it's not

just one big pot of money that is going to be dumped somewhere. It's going to be done responsibly. And, again, got to remind everybody the amendment that we have, the constitutional amendment, is making sure that the, the fund is protected and the money goes into that. So the concern that we as legislators are going to take that money and use it for various purposes or the governor is going to sweep it, would not-- is not-- it cannot happen because it is in the constitution unless it goes back to the people again. And I think they stated also, we really don't know how many young farmers are actually leasing this land right now. I'm glad Mr. Sherlock came out from the Nebraska Surveyors, and we actually sent him quite a few emails to try to meet with him to discuss this, and we didn't get any response back because we had some ideas about maybe the direction where the land surveyors might possibly go. And we had Nebraska Board of Examiners for Land Surveyors, we have that. That'd be a perfect place. And I think even DAS had a couple recommendations, but we were unable to share those with them until we got the notice today that they're coming in opposition. We're hoping they would come neutral and kind of just share their concerns, which we could have alleviated. Mr. Royers mentioned that there's just too much government and all this stuff that's in statute, it's hard to change. That's exactly why we need to change it, in my opinion. Just maybe start off small, but like any other bureaucracy, it tends to get bloated in the state of Nebraska and it's time that we need to kind of maybe take a closer look at it. And I'll, and I'll always go back to my philosophy that Mr. Sudbeck, when he mentioned we are the managers, I believe, the citizens of Nebraska who have the opportunity to purchase that will always be a better manager, a better owner, a better operator of that land than the government ever will be. So I'd rather at least give them a shot to buy it, and they be the managers like I, I feel like philosophically we should be doing as a government. So with that, I'll take any questions. Thank you, Mr. Chair.

MURMAN: Thank you. Any questions for Senator Hansen? Senator Juarez.

JUAREZ: Yes. So I just want to get some clarification on why you think that, that the governor couldn't take the funds in the future because you say it's in the constitution, right?

HANSEN: Correct.

JUAREZ: OK.

HANSEN: Like it is, like it is currently.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

JUAREZ: But we can change the constitution, can't we?

HANSEN: The people can. It'd have to, it'd have to go on a ballot initiative like we're currently trying to do now.

JUAREZ: So it's not-- it is possible that it could be changed if it went to the voters. Right?

HANSEN: Yes. If there's a constitutional change, but that is probably the ultimate protection that we can give I think in law is having something on the constitution because it's the most difficult to change. So in one year, a government can't come and just sweep the money away. You have to, you have to do a constitutional amendment first, which takes time and all of that other kind of stuff.

JUAREZ: OK. Thank you.

HANSEN: Um-hum.

MURMAN: Any other questions? If not, thank you.

HANSEN: All right. Thank you.

MURMAN: And that'll close the hearing on LB652 and LR28CA. And we'll open the hearing on LB49. Senator McKinney is patiently waiting.

HUGHES: Good evening.

McKINNEY: Good evening.

MURMAN: Go ahead and start.

McKINNEY: Oh, OK. Good evening, Chairman Murman and members of the Education Committee. I am Senator Terrell McKinney, T-e-r-r-e-l-l M-c-K-i-n-n-e-y. I represent District 11 in the Legislature, which is in north Omaha. We're here today to discuss LB49, which will require schools to develop a policy for banning and barring individuals from school properties and school activities. Access to education is a basic right, and parents should be involved in their school-- in, in their child's schooling. But right now, some parents and family members are being banned from schools without clear reasons or fair process. This has caused frustration, separation, and unnecessary barriers to student, student success. LB49 aims to fix this problem by creating clear and fair rules about when and how schools can ban people. This committee should support LB49 to make sure fair-- make sure every family is treated fairly and given a chance to be involved

in their child's education. LB49 was created because many Nebraskans have been unfairly banned from school property. In some cases, parents were banned simply because they disagreed with a school administrator. Some of these bans lasted years and there's no way to challenge them. Right now, there is no standard for rules for schools-- for how schools use them, which means some people face unfair treatment. This bill isn't about blaming school officials, it's about making sure there are fair rules that protect families. Parents and their-- parents and families play a big role in schools-- in the, in the kids' success in school. Research shows that when parents are involved, kids do better in school, behave better, and are more likely to graduate. But repairs are unfairly banned, it cuts them off from their child's education and hurts, hurts the student. LB49 makes sure the bans are only used when there is a real serious safety threat, not just because of disagreement. One of the most important parts to LB49 is it gives people the right to due process. This means that if someone is banned, they must get a written notice explaining why, along with proof of what happened. The person should also have the right to appeal and go before a school board to challenge their decision. This is important because it stops unfair bans and makes sure everyone gets a chance to be heard. LB49 also makes sure that bans are not used in a way that discriminates against people based on race, disability, or background. In the past, some school policies have been fairly-- unfairly used against certain groups of people. This bill ensures that all families are treated equally and fairly. To make sure every school follows the same rules, LB49 requires the State Board of Education to create a model policy by January 1, 2026. Schools must then adopt this policy and create a similar one by July 1, 2026. This way, all schools will have clear guidelines to follow, making sure no family is unfairly banned. Passing LB49 isn't just about school policies, it's about fairness, justice, and keeping parents involved in their kids' education. No parent should be blocked from their child's, child's school without a good reason. And no student should suffer because of unclear and unfair rules. This bill, this bill will assure that schools use bans only when necessary and give families a fair process to challenge them. And with that, I'll take any questions.

MURMAN: Any questions for Senator McKinney at this time? Senator Juarez.

JUAREZ: Thank you, Senator McKinney, for bringing this bill forward. I just have a question as far as, you know, what happens at a school, you know, at that level. So, for example, if there is a ban that's been put in place, I'm assuming that the principal is the one who's making the final decision and then that's it or can there be-- is

there a discussion that goes on with the family? Does that even happen at the school level?

McKINNEY: Rarely. Sometimes it happens, but not all the time. Not at all, not at all schools.

JUAREZ: OK. So in your bill, does it make any suggestion that at the school they're-- I'm trying to think of the right word here. Could there be, like, even a third party or some kind of advocacy that could happen at the school level first before going to the elevation of the school board level?

McKINNEY: No, not that I think of, it just creates them-- it just requires the State Board of Education to create the model policy. So maybe when they create the model policy they can put that in.

JUAREZ: Yeah, I guess I would suggest to try to, you know, getting another third party involved still at the, at the school level that could be an advocate for the student just as-- how should I say it-- like one more try before it goes up to the hearing before the school board, you know? It's just an idea.

McKINNEY: Yeah.

JUAREZ: I mean, what you've brought forth is good. And I agree with you that it's needed. I-- but it's just like, if we could just try to alleviate and, you know, who knows, maybe a principal would learn some skills and find out from somebody else who's come from the outside what they didn't look at, what they didn't think about, you know?

McKINNEY: Yep.

JUAREZ: I think that, you know, the administration definitely could be pointing out something that they didn't think about either before, before it gets elevated. That's my only comment. Thank you.

McKINNEY: OK. No problem. Thank you.

MURMAN: Senator Hughes.

HUGHES: Thank you, Chair Murman. Thanks for bringing this, Senator McKinney. So this is a concern that the different, different school districts have different policies in place, and you want more consistency among all 245 school districts or--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

McKINNEY: It's that, but it's also just the-- just unclear of what the policies are anyway, and just the need for, like, a real policy because some parents--

HUGHES: Like, was there an exam-- I guess, maybe I need an example. And, you know, you always come from what you know.

McKINNEY: Yeah. So we, we had an LR on this, and it's slipping my mind because I've, I've had a headache today,--

HUGHES: OK.

McKINNEY: --but there's been situations where parents were banned, but there was no clear way on how to get unbanned.

HUGHES: So like that school-- OK, so they had-- it was, like, indefinite or whatever?

McKINNEY: Yeah, essentially.

HUGHES: OK. So just more-- probably more consistency and a little bit more framework for it?

McKINNEY: Yep.

HUGHES: OK. Thank you.

McKINNEY: No problem.

MURMAN: Any other questions? If not-- oh, Senator Conrad.

CONRAD: Yeah, I was just going to say, and I can pull up the number here, too, but I appreciated Senator McKinney had an interim study on this last-- over the, the fall-- in the fall, and I remember the returning members of the committee, I think, we all had a chance to participate in that. And there was a lot of examples that were brought forward about how it works kind of in practice, and how it seemed like there was maybe overriding two maybe policy goals. One, a lot of confusion about what the policies were or were not. And a lot of schools didn't even actually have policies. They were just issuing ban and bars and then that's it. And parents didn't know why they were being banned and barred, and they didn't know if there was a right to appeal, and they didn't know how they were supposed to continue to guide their child's education upon receipt of that. And then the other piece was that there was just no kind of uniformity across the districts as well, if memory serves.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

McKINNEY: Yeah, and also to take that, because I think sometimes, and I know parents disagree with administrators and--

CONRAD: Yeah.

McKINNEY: --some-- like some of these situations do get heated. And--

CONRAD: Of course.

McKINNEY: --I think without a policy, somebody could get just upset and some things might get said that probably don't need to get said. But without a policy, somebody could just get banned and then you're, like, hold on, like, I can't go to my, my, my kid's school anymore because I had this argument--

CONRAD: Right.

McKINNEY: --and there's no process to resolve it necessarily all the time.

MURMAN: Any other questions? If, if not, thank you.

McKINNEY: Yep.

MURMAN: And you'll stay for close, I assume?

McKINNEY: Yeah, I'm here.

MURMAN: OK. Thank you. Proponents for LB49?

ELIZABETH EYNON-KOKRDA: Good evening, members of the committee, Chair Murman and members of the Education Committee. My name is Elizabeth Eynon-Kokrda, spelled E-l-i-z-a-b-e-t-h E-y-n-o-n-K-o-k-r-d-a, and I'm General Counsel of Education Rights Counsel, which is a nonprofit that advocates for children's education rights and seeks to ensure legal accountability. Education Rights Counsel is a proponent of LB49 because it's long overdue and ensures just basic fairness for families and children. In November 2024, as Senator Conrad mentioned, Senator McKinney introduced an interim study to determine the scope and use by school districts of this ban and bar action, in part focusing on how schools ban parents from schools. We learned from that study that school districts don't have an express right to ban and bar. When you think about a school district, it's a creature of statute. So, generally, it only has rights that are given by statute. There's no express right for this. But instead there is a statute that says districts are bodies corporate and schools have private corporate

practices to prevent individuals from entering school grounds the way private companies prohibit trespassing. So, basically, all of this arises under private corporation trespassing rights. And while it does make perfect sense that certain individuals, for example, with a history of violence or a sexual predator would be prevented from entering school property, we learned that it is not the most common use schools make of this ostensible no trespass authority. Instead, what we found is that schools regularly ban and bar parents of students with whom they have had disagreements, and that there's no process or limits or appeal of any ban and bar. It can be whatever the school wants, for whatever reason the school wants, for as long as the school wants. And ERC has some very specific experiences representing people who've been banned and barred and I want to share a couple of them with you. First, a parent was banned and barred for 4 years because she yelled at her son's basketball coach because he hadn't supervised a locker room where her son had been videoed in a state of undress. Did she need to yell at him? No. But she was banned for 4 full years. Couldn't go to any events, couldn't go to any sporting with no recourse. Another parent was banned and barred indefinitely because the school would not release his disabled son to him. So he asked the sheriffs to come. The sheriffs came, the school-- the student was released. A month later, he complained about his son's IEP and the school banned and barred him because they said they were intimidated by the sheriff a month ago. The last one I want to share with you is a white teacher on an IEP team who said she was threatened and asked for ban and bar of a black parent whose mother was on a cellphone in the meeting, she was only on speakerphone, she was rude, she was dismissive of staff, but they tried to ban the parent for the rudeness of somebody on a cell phone. As you can see, there's no guardrails to this process. It can devolve into a situation where a school that doesn't want to address a parental concern has a superpower called ban and bar. So we support this bill because it creates an equitable process where schools still retain the right to ban and bar, but have to adopt a policy so that ban and bar applies to serious threats, ensures that even parents to whom it's applied to can continue to participate in their child's education, and put some guardrails in place around notice and appeal. I see my time's up.

MURMAN: Thank you. I'm not sure if you were finished or not but you can finish up quickly if you're not.

ELIZABETH EYNON-KOKRDA: Thank you so much. I will just one thing. I want to point out two things. One, this act says you can't use it against students, but that's because the Student Discipline Act already allows you to do it. So we're not saying students get to come

on. And, secondly, I think that based on the evidence, we do need that equity across districts, because right now there's no coherence whatsoever because there are no rules and there may be no policy-- policies whatsoever. So with that, I'm happy to take any questions.

MURMAN: Any questions? Senator Conrad.

CONRAD: Thank, thank you Chair. Thank you, Elizabeth, good to see you. So kind of to follow up on where Senator Juarez was heading here, what, what is kind of your thinking on the appropriate kind of structure for due process? Because conceivably it's the school or the principal or the leader of that school who is, I'm guessing, issuing the ban and bar in this instance. Right? Or maybe a teacher or--

ELIZABETH EYNON-KOKRDA: It can-- because there's different policies, it can be different people. Right?

CONRAD: OK.

ELIZABETH EYNON-KOKRDA: So sometimes a dean of students may have authority, sometimes it could be the principal, sometimes-- it depends probably on the school district. They may be--

CONRAD: OK.

ELIZABETH EYNON-KOKRDA: --very different school-- district to district. I, I would say that if-- the question is do you want to create a more-- a due process looks more like, say, a student discipline due process, where it goes to an internal hearing officer first to make a decision, and then if that decision is still adverse to the parent, the parent could then take it to the school board. That's fine. Right now, I think what it just says is if a parent isn't happy, they could appeal it to the school board, and then the school board has the final say. You could always ask-- add another step in that process if you felt it were appropriate. That would be again, as Senator McKinney said, this is just please create a model policy and then please either adopt this model policy or adopt something substantially similar. My guess is that even if the, say, the Department of Ed created a policy that was you have to go to the school board, and they say you could go to the hearing officer first and then go to the school board, it probably would still comply from the substantially similar perspective. So it gives some leeway to schools.

CONRAD: Right. So there's probably a lot of options we could consider or the state board could consider either modeling after some existing

structures for this in the student discipline code, or looking at other areas of law, but just trying to figure out maybe there is a way to-- for informal resolution, perhaps, before it rises to the school board level, but also trying to think through, like, the equities of is the issue-- whoever is issuing the, the ban and bar [INAUDIBLE], we don't want to make them judge, jury, and executioner so to speak. So I'm trying to just kind of think through that. So if I remember right from the interim study hearing, I think opponents or people raised concerns around a couple of areas. One, those really tricky kind of family law situations where there is a contested custody case or parents do not get along well, kid is stuck in the middle, school is stuck in the middle. And so that sometimes they have to utilize tools like this to help the custodial parent be empowered to exercise their rights to guide the child's education, while perhaps the other parent who doesn't have those, those rights is trying to interfere in the education. So I wanted to see if you had any experience with that in your practice, and because you won't get a chance to, to visit after the opponents, wanted to lift that up. And then the second area was really more around issues of staff safety that may pop-up and how, how that can come into play, and whether or not there's some wiggle room that Senator McKinney can work on with, with other parties who might be concerned about that. We all want staff to be safe, right?

ELIZABETH EYNON-KOKRDA: Absolutely.

CONRAD: But we also want to make sure that parents aren't treated in an arbitrary fashion when they have a fundamental right to guide their child's education. So two threads if you'd like to share any ideas with the committee about that.

ELIZABETH EYNON-KOKRDA: So I think the first threat is what-- thread is what about basically court situations.

CONRAD: Yeah.

ELIZABETH EYNON-KOKRDA: And this law, as I'm reading it, very specifically says that, of course, if there is something that's issued by a court that says, you know, this-- then you would comply with that court order. That would be separate and apart from any ban and bar whatsoever.

CONRAD: Right.

ELIZABETH EYNON-KOKRDA: Second, I think that-- often, I have seen school districts deal with situations where what we're trying to do is

maybe keep squabbling parents apart is have two different, two different meetings, two different parent-teacher conferences. Usually there's one parent that has education decision-making, so that parent would have education decision making, say for an IEP. And the other parent wouldn't have that already, they don't already have it. This is really going to when a school says, Elizabeth, you may no longer come on any school property, come to any school event or engage in any way because we're banning and barring you, you're done. OK. So from the teacher safety perspective, I think that absolutely don't want a teacher hurt. So if a teacher is, like, feeling immediately threatened, you can have a ban and bar. But what this law says is follow your processes, have some definitions about what constitutes a threat, and make it for a period of time. If I've done something, that teacher that I told-- not teacher-- I'm sorry-- the, the woman that yelled at the coach, she was out of bounds, but I'm not sure she was a threat for 4 years. That's the issue, which is what should the policy look like? So the-- yes, teacher-- the teacher is feeling threatened. But we also-- I think Senator McKinney alluded to it, and it's one of my examples. A teacher was feeling threatened because a woman that was invisible on a cell phone was saying inappropriate things. It's hard for me to feel that that would be justifiable to ban and bar the daughter of the woman who's being rude on the cell phone. So having some guardrails where people from different cultures may feel different ideas of what a threat is and perceive it differently, this would create some structure, so people actually have to evaluate it. And if I think there's something unfair, I think you have misconstrued me, I have an opportunity to appeal that somewhere, appeal it to the school and say, this is what happened, this is what I did. I was maybe out of bounds or this is what I meant, please don't ban and bar me. And then the school district and say, you know what, Elizabeth, you were way out of bounds and you did threaten people. So we're sorry the ban in bar stands. There's nothing stopping that. It's just what is the process so I have an opportunity to tell my side of the story.

CONRAD: Right, right. You know, and the other thing, I know that there's a measure pending before the Judiciary Committee right now that seeks to maybe look at parents or spectators that lose their temper or get out of bounds when it comes to interacting with youth referees or youth sports. And we know that pops-up in the school context sometimes as well. You know the remedy there in that instance is to essentially create a felony, a felony enhancement, which is a pretty significant policy choice. But I wonder if the measure that Senator McKinney has before us could actually help schools, in particular-- I know it wouldn't help youth sports outside of the

school context, perhaps, but if this would help to provide some guardrails and clear guidelines for parents and spectators at the school basketball game who might become overzealous and rude or inappropriate, and we know that there have been some cases that have really crossed a line at school sports in Nebraska, maybe this would be a better way to give all the stakeholders some clarity about, about consequences before we start with a felony or, or move up from a misdemeanor to a felony. I don't know, that just occurred to me as you were talking here.

ELIZABETH EYNON-KOKRDA: The one thing I would say is, not only does this give a pretty good framework for families to know what's in and what's out, right? And so you, you realize when you're losing it, that maybe you're also going to lose a right. But it also gives teachers, teachers then have a real good understanding of-- I mean, in a way, it provides some protection for teachers because they know what the rules are, too. When everybody knows what the rules are and plays by the rules, because there are some, that's always a-- that's what we call fairness. And that's really why I think this bill is so important is because there's just nothing.

CONRAD: Yeah, it's so arbitrary is the point right now. In your practice, have you experienced ban and bars being issued outside of the familial context for just other people, aunts, uncles, or folks in the community?

ELIZABETH EYNON-KOKRDA: Yes.

CONRAD: OK.

ELIZABETH EYNON-KOKRDA: Yes. And sometimes, perhaps, appropriately. And sometimes it's because-- I mean, let's use an extreme. I'm a father who's lost custody because I've assaulted my daughter. The school is going to say you're not welcome on our campus.

CONRAD: Right.

ELIZABETH EYNON-KOKRDA: There's nothing wrong with that. There's a rationale for it. It makes sense. If the father wants to appeal it, he can take it to the board. He can talk about why this should or shouldn't be in place. That's all this does. All this does is create the framework. So if somebody feels that they have been inappropriately banned and barred, they have an opportunity to make an argument.

CONRAD: OK. I think-- thanks. Thanks.

MURMAN: Senator Sanders.

SANDERS: Thank you, Chairman Murman. I'll try to articulate this question or thought. With your expertise, do you see this policy perhaps evolving into more of a proactive role with a parent advocate-- which would cause probably a fiscal note, which would cause an unfunded mandate. But to do this right, how do you see this playing out for parents having guidelines and knowing someone is responsible for those guidelines at the school?

ELIZABETH EYNON-KOKRDA: If-- I'm not sure I understand your question, but if you're saying how does a parent also have an advocate to assist them in this process? Is that sort of the question or--

SANDERS: Right, both, both-- like, yes, parent, you were wrong. Here are the rules for games. Here's the rules for interacting with a student. Because, you know, who, who from the campus or the school will be that person that would step-in and guide that parent of that step and/or next steps?

ELIZABETH EYNON-KOKRDA: Well, right now it's happening. Right?

SANDERS: Um-hum.

ELIZABETH EYNON-KOKRDA: So what's happening now is I'm the school district, I come to you and I say, I'm issuing you a ban and bar letter. It's because you did X. If they're-- I mean, let's assume that's happening. It doesn't always happen that way. Sometimes something just shows up in the mail and that's it. But assuming there is a conversation, I would assume that that same person-- each school district could say, OK, the person in charge of student discipline or the person in charge of what community services is going to be the person that issues this ban and bar or it could be-- I think, again, the interstices of how the school chooses to, like, go through the functions would be probably school. What would be common is that everybody plays by the same rules. So I don't know that there's a need to create a policy that says you have to have a-- an overseer of this particular policy and it has to be additional person or anything like that. I just see it as what would happen is a parent does something. The school district believes that it threatened a teacher or was somehow inappropriate. The school district has guidance in this policy about when it's appropriate to offer a ban and bar. And the guidance in the policy says you would do it if there's a threat, the things that Senator McKinney laid out, and then if the parent disagreed, they

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

would have some sort of due process to say, but that's not what happened. That's not even what happened or etcetera.

SANDERS: Yeah, and I see it as I want the child as well as the parent to be successful. And sometimes the parents just don't know process or behavior or the correct way to move forward.

ELIZABETH EYNON-KOKRDA: Well, I could give you a self-serving answer, which is that's part of what Education Rights Counsel does, so the parent could call us.

SANDERS: Thank you.

MURMAN: Any other questions? If not, thank you for your testimony.

ELIZABETH EYNON-KOKRDA: Thank you so much.

MURMAN: Other proponents for LB49? Good evening.

JOY KATHURIMA: Good evening, Chair Murman and members of the Education Committee. My name is Joy Kathurima, spelled J-o-y K-a-t-h-u-r-i-m-a, and I am Policy Counsel at the ACLU of Nebraska, and I'm testifying on behalf of the ACLU in support of LB49. The ACLU of Nebraska protects the constitutional rights of all students to equal educational opportunity. We focus on ensuring that the public education system provides the right to an equal education to all students, including, including those who have been historically marginalized and under resourced by the public school system, such as students of color, LGBTQ youth, and low-income youth, and that all decisions are centered on student need and success. LB49 creates a policy for an individual subjected to a school's ban and bar policy to be provided written notice, a description of the conduct that gave rise to that ban and bar action, and the evidence the school district has of that alleged conduct, as well as instructions on how to appeal the ban and bar action, and ensuring that a ban and bar action does not exceed one calendar year. The establishment of such a standard can help eliminate the possibility that a person is banned and barred from a school without their knowledge, and without the ability to appeal the ban and bar. And explicitly stating that the ban and bar policy must be limited in scope and duration to accommodate the right of parents and family members to be involved in their child's education, can help ensure that those parents are able to participate, whether that be with parent-teacher conferences or their child's activities. We thank Senator McKinney for introducing LB49 and we urge the committee to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

advance it to General File. Thank you, and I'd be happy to answer any questions.

MURMAN: Thank you. Any questions for Joy? If not, thank you for testifying.

JOY KATHURIMA: Thank you.

MURMAN: Other proponents for LB49? Any other-- any opponents for LB49?

TIM ROYERS: Hello again for one last time today, Chair Murman, members of the Education Committee. For the record, my name is Tim, T-i-m, Royers, R-o-y-e-r-s, and I'm the President of the Nebraska State Education Association. I'm here on behalf of our members to speak in opposition to LB49. I do want to start by making it very clear that there are several elements of LB49 that we do support because they uphold the fair, transparent practices that we've-- that you just discussed during the proponent testimony. For example, we take no issue and fully support LB49's nondiscrimination requirement and always support language that ensures no one is treated differently based on an element of their identity. We also support the suggested model language for elements like written notice and rights of appeal, things that are already operationalized in many districts but, candidly, should be established as the standard for navigating a ban and bar decision in any district. So I wanted to start out by pointing those things out to make it clear to both Senator McKinney and the Education Committee that there is a workable framework for compromise, and we are happy to have continued conversations around that compromise. That being said, what compels us to speak in opposition is what we feel the incredibly narrow scope that LB49 sets that would permit a district to issue an order in the first place. LB49 states that a ban and bar order can only be issued, quote, in response to an immediate and significant threat of harm. That word immediate is important because when the members reached out with their stories, a lot of times it was about persistent and repeated actions where other interventions failed to resolve them. So, for example, we heard about a teacher whose tires were slashed by an angry parent after prolonged conflict. We heard from a teacher who, after multiple preceding incidents, was screamed at and shoved by a parent while class was in session, and students were present and required law enforcement intervention to remove. We also heard from a teacher who had to be reassigned to coach in another building after persistent stalking and a malicious campaign of libel and slander by a parent because they were upset about their child not getting placed at the level they wanted in a certain extracurricular activity. And the fact that the

district was willing to reassign the staff member to coaching another building before they pursued the ban and bar should speak to what we feel should be happening. And I wish I could go into greater detail, but privacy obviously is paramount in those situations. But I hope those examples help demonstrate why we feel the language in that particular part of the bill should be modified. I want to reiterate the point that was made in the hearing on this topic back in the fall. A ban and bar action generally is and should be very rare. During my career, I myself experienced a serious incident with a parent that required administrator intervention, and a ban and bar was never considered in that moment. The threshold is exceptionally high, at least in my experiences, and it should be exceptionally high in all circumstances. I'm going to close by reiterating something that was repeated multiple times during proponent testimony. The rights of a parent to be involved in the education of their children is paramount, and LB49 rightly acknowledges that. However, that right must be balanced with the need to ensure the ongoing safety of our students and staff, and we feel that, as currently written, that element is missing from the bill. We absolutely support the strict standards for use and guarantees of transparency and due process, and we are committed to and look forward to working with both you as the committee and Senator McKinney to address our concerns and find a workable solution. Thank you, and I'm happy to answer any questions that you may have.

MURMAN: Thank you. Any questions for Mr. Royers? Senator Juarez.

JUAREZ: Yes, Mr. Royers, you brought up a good point, which was the point that I was trying to make in my interactions with Senator McKinney that, you know, the incident that you had in your own experience where there wasn't a ban and bar is as high level, like you said. Right? But that doesn't mean at another school, you know, in a different school district, that they're going to be following the same thing. I honestly don't have that confidence of the consistency. And that's why I think it's good that Senator McKinney has brought this forward, because I feel that it is so important that it be consistent. I agree that it should be at a high level, but is that what everybody does? I'm not confident of that at all.

TIM ROYERS: For sure. And, again, that's why we certainly support the overall goals of LB49 in terms of making sure there's consistent policy, there's right of appeal, and there's transparency. We just-- if we can fix that issue of what qualifies for a ban and bar, we think we can get there. But, yes, certainly making sure that the experiences I spoke to is universally true, I think is something that in terms of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

using all-- utilizing all other measures before a ban and bar, making sure that's consistent is important. And I would agree with you on that.

JUAREZ: Thank you.

MURMAN: Any other questions? Senator Lonowski.

LONOWSKI: Thank you, Chair Murman. And thank you again, Mr. Royers. I guess I see this-- the job that we're talking about here is a job for a school board. Do you not think that that's the case?

TIM ROYERS: Well, and that's-- and in the model that we're seeing, a lot of this would be governed by both board policy and the board to handle appeal issues when they come up. So I would agree with you.

LONOWSKI: OK. Thank you.

MURMAN: Any other questions? If not, thanks for your testimony.

TIM ROYERS: Appreciate it, everybody. Thank you so much.

MURMAN: Any other opponents for LB49? If not,--

CONRAD: Neutral?

MURMAN: --Senator, you're welcome to come up and close.

CONRAD: Do you want call neutral?

MURMAN: Oh, any neutral testifiers?

CONRAD: We're all tired.

MURMAN: Yeah. And while he's coming up, there were nine proponents, five opponents, and one neutral online.

McKINNEY: Thank you. I think LB49, as currently written, is a good bill. And I think it should be passed to make sure that we do have a model policy for our school districts across the state. I mean, as I read the language, I think even what he described in his opposition fits immediate and significant threat to harm, significant threat to harm. I don't understand why that wouldn't fit in none of those situations that was described. But if we need to clean it up, I'm open to doing that, but I feel as though those situations that were described fit. So it's kind of confusing why that would be opposition. So other than that, I'm ready to go home, so.

CONRAD: Right, no, just if I could one point?

MURMAN: Yeah. Senator Conrad.

CONRAD: Yeah. Thank you, Senator McKinney. And I was just going to point that out. So I'm glad that you did. Your measure is a garden variety policy directive bill. It does not say that schools can never do this. It does not say that there aren't appropriate instances when a parent or other community member may be banned or barred from school property for good, legitimate reasons. This just says, let's get a policy to get everybody on the same page, so that we can make sure those reasons aren't arbitrary, so that we can make sure we strike the right balance with protecting parental rights and due process kind of thing.

McKINNEY: Yeah, for sure.

CONRAD: Is that your understanding?

McKINNEY: And I don't want to, you know, put nobody's safety at risk,--

CONRAD: Of course.

McKINNEY: --whether it's a student or school officials. And I just want to make sure that there are some protections in place for everybody and we have clear processes when we use these type of things.

CONRAD: Yeah. Very good. Thanks so much.

MURMAN: Any other questions? Senator Juarez.

JUAREZ: Senator McKinney, the only other thing that I guess I wanted to suggest, and, again, just from my school board experience, is that I would suggest about including it in the student handbook, because, again, it's something that gets communicated to everyone, you know, in the community so that we, we don't have parents saying, well, I've never even heard of this process. I didn't even know it existed, you know, because there could be those parents who have no clue about that, right? I mean, I know about it just because I was on the school board. And the other reason why I want to suggest about putting it in the student handbook is because the student handbook could also be printed in another language, which is also another reason why it's important for it to be communicated so that more of the student population does learn about it. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Education Committee March 10, 2025

McKINNEY: No problem. I would agree with that 100%. Thanks.

MURMAN: Any other questions? If not, thank you for bringing the bill, Senator McKinney.

McKINNEY: No problem.

MURMAN: And that'll close the hearing on LB49 and our hearings for the day.