

Transcript Prepared by Clerk of the Legislature Transcribers Office
Natural Resources Committee May 8, 2025

BRANDT: OK, this is an abbreviated hearing of the Natural Resources Committee, your Natural Resources Committee. Yep. Welcome, everybody. Today, for the Nebraska Environmental Trust Board, Jeff Kanger will be a reappointment for a six-year term, starting March '25 to March of 2031, representing District 1, and currently serves on the finance committee. Mr. Kanger was first appointed to the Environmental Trust Board by former Governor Ricketts in November of 2019, and has most recently served as chair of the grants committee. Mr. Kanger resides in Lincoln, holds a law degree from the University of Nebraska-Lincoln, and is president of First State Bank Nebraska. Welcome.

JEFF KANGER: Thank you.

BRANDT: So, if you could tell us a little bit about your, your background, experience, and what your goals are for this committee.

JEFF KANGER: Sure. Thank you, Mr. Chairman. Jeff Kanger, J-e-f-f K-a-n-g-e-r. Pleasure to be here today. I don't know where you guys do the white or black smoke, but there is an NET appointment, so I'm sure everyone's excited. Thank you all. I know you're busy. Thank-- personal privilege point; I just want to thank you all, as public servants. You got a full plate, so just thank you for sacrificing that time from your families, your hobbies, your loved ones to serve. A little bit about myself. Jeff Kanger. I'm an Omaha native. What is my interest in the Nebraska Environment-- Environmental Trust? I jokingly say the stork kind of dropped me in the wrong spot. I have a huge passion for conservation and agriculture. When I was growing up, I loved hunting, fishing, and conservation, and was really fortunate to have a neighbor down the street who shared that passion and had some ranch ground up in Ericson, Nebraska. And so, kind of an unusual thing for an Omaha kid to spend his weekends on the Vech ranch doing outdoor things and then helping with fence, and move cattle when needed. And so, that nurtured a lifelong appreciation for conservation and agriculture. As you can see in the bio, went down, ran around in circles at Northwest Missouri State University; came back, graduated from University of Nebraska College of Law, where I was really fortunate to get tied in with a community ag bank, First State Bank Nebraska, and have been generally with them, you know, ever, ever since, and some other activities along the way. When I'm not at the bank, I am out hunting and fishing with my bird dogs, but I also have a small cow-calf operation just north of Lincoln where I integrate some of the conservation practices we advocate for. And what I would just kind of wrap up by saying is I firmly believe that conservation,

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agriculture, and recreation are not all exclusive; there's a place for them all to come together, and I hope to continue the work of the Environmental Trust Board of being a place where those interests create opportunities for good public access programs, and restoration and protection of our natural resources, so.

BRANDT: OK. Thank you, Mr. Kanger. Sally, do we need to say which senators are here for the record?

SALLY SCHULTZ: Please do.

BRANDT: OK, we're going to introduce the senators. If you could just give your name so we can get it into the record, starting on my left.

CLOUSE: Stan Clouse, District 37 in Kearney, Shelton, Gibbon.

CONRAD: Danielle Conrad, north Lincoln.

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

DeKAY: Barry DeKay, District 40, representing Holt, Knox, Cedar, Antelope, northern part of Dixon, northern part of Pierce Counties.

MOSER: Mike Moser, Platte County and most of Stanton County.

RAYBOULD: Jane Raybould, Lincoln-- the center of Lincoln.

JUAREZ: Margo Juarez, District 5, south Omaha.

BRANDT: OK.

JUAREZ: An Omaha native.

BRANDT: All right. Now, let's see what questions we have from the committee. What do we have for questions? Senator Conrad.

CONRAD: I think actually Vice Chair DeKay was maybe in front of me.

BRANDT: I didn't see it. [INAUDIBLE]

CONRAD: OK. It's the province of the chair to recognize. Yes, all right, very good. Thank you, Chair. Thank you, Mr. Kanger, for being here. Very interesting personal background, and your passion is clear for this important work and for our beloved Nebraska. It's kind of a big question, but I figure we might as well just address it kind of head-on. The Environmental Trust, of course, has important function

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bestowed, established by a vote of the people, to help to bolster and steward natural resources in this state, and has done remarkable good work for-- in-- for pretty much the entirety of its existence. Very recently, it has been embroiled in controversy. In regards to a shift in policy or grant-making, many feel that the board itself and the grant-making has become hyper-politicized and has moved away from the central mission that the Trust was ordained within. Would you like to have a chance to talk about that, or respond to that? Because as a reappointment, you have experience at the center of that controversy,--

JEFF KANGER: Yeah.

CONRAD: --and I think that some of the-- my constituents who are concerned about the direction of the trust are trying to grapple with that.

JEFF KANGER: Thank you, Senator. I do appreciate the question and the opportunity to speak to that. As you mentioned the legacy of the Trust, just an anecdote. My great uncle, Senator Dan Lynch--

CONRAD: Yeah.

JEFF KANGER: --from Omaha--

CONRAD: Right?

JEFF KANGER: --was an early advocate--

CONRAD: OK, yeah.

JEFF KANGER: --on a very infantile level, and seeing the Trust has evolved quite a bit from what, what he initially advocated for. With respect to evolutions in the last six years, I would really try and desensitize, and what I've heard from a lot of people in the first district is their appreciation for the importance on the process. And while people may disagree with subjective scoring, the work within the Trust to have a rubric, to have a ranking system, has really helped bring the process to light, and that's the feedback I received. And I, I-- what I would give you as a data point to maybe help back that up-- in our last grant cycle, we had almost a record number of new applicants. And so, I'm-- I am a big believer in diversity within that applicant pool, and I am very proud of the fact that there are a lot of new groups, new organizations, and even new individuals coming in to participate in a process that historically-- don't know why-- maybe didn't feel like there was an opportunity, or perhaps were just simply

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unaware. And so, yes, I've, I've read some of the similar things in the news as well, but I would really invite people to look into-- what is the process an applicant goes through? Are the conditions and the scoring items clearly articulated? Are those hearings done in the open? And while people may disagree on outcome, it's very important that everyone understands the process and has an opportunity to participate, and I am proud of the process improvement we've done.

CONRAD: I, I appreciate that. That's a very helpful answer. And then, just one quick follow-up there. So, in addition to having the benefit of increased awareness about your important work and getting more grant applicants in and more diverse applications in-- which is a healthy sign, a good sign-- there's also been discussions in recent years about perhaps shifting state obligations onto trust funds due to our financial constraints and precariousness in our budget. What is your vision in terms of trust resources? Should those be diverted to General Fund purposes? Should the Trust never supplant state funding? Should it complement state funding? Does it-- do you take it on a case-by-case basis? Do you want to just speak to that kind of relationship kind of component that goes into maybe recent shifts in our politics or our fiscal landscape?

JEFF KANGER: I would maybe-- well, I would offer that my interest as a member of the board--

CONRAD: Yeah.

JEFF KANGER: --outside of other branches of government is the qualitative components of the grants we fund. So, my, my lens is on what is in our process; are they quality projects that deliver high value to the public within this state? What pool of money is available that's-- to policymakers and, and others? My, my focal point is with the resources we have, is the public getting a good ROI and getting access to the work that those dollars fund?

CONRAD: Thank you.

JEFF KANGER: Yep.

CONRAD: Thank you, Chair. Thanks.

BRANDT: Senator DeKay.

DeKAY: Stan had a question, didn't you?

CLOUSE: You don't want to ask him. Thank you, Senator.

CONRAD: [INAUDIBLE] clean-up.

CLOUSE: Yeah, yeah. No, my question was-- I started out with one, and it shifted. Talking about Ericson, Lake Ericson has gone-- undergone a lot of changes over the years, and we're glad to see that. But when you talk about the grants, did you fundamentally change any of the rules or the scoring, or is it-- has it all stayed the same in yours-- they're all falling within that context?

JEFF KANGER: So, we-- what we do flows through a statute and Title 137. And so, through our process improvement, we looked at what that means. And as we interpreted it and then went through rulemaking and the PRO and AG's office to-- in our effort to bring clarity that-- then that's a hard-- I'm learning with conservation, everyone has a different interpretation of what the words mean. And so, as a member of the board, when I was a part of the process improvement, I wanted to do everything we could to bring clarity to applicants without hamstringing public policy concerns of board members. Maybe you all can empathize with that, but putting the words into practice in clear ways is really what we tried to do. I, I hope that's not a dodge, but we really wanted to flesh out,--

CLOUSE: No.

JEFF KANGER: --"OK, what do these words mean?" so someone can craft an application that gets a fair shake.

CLOUSE: I think we did the same thing on the Natural Resources Commission; we're always looking at the rules and how do we have to change those. And, and those rules are not just something you pulled off the shelf. I mean, they were, they were very targeted. And then, we changed our scoring a little bit. But that was just a continual process. I don't know that it added anything to the Natural Resource Commission, but, but yeah. I appreciate your interest, and thank you for doing that.

JEFF KANGER: Thanks.

BRANDT: OK. Senator DeKay.

DeKAY: So, when it comes to your grant process, do you-- how do you prioritize different projects in order? Needs versus wants, monetary obligations, or how does that work for you?

JEFF KANGER: One of-- the first step of our process, and this is a result of the-- what we learned going through a process and in the

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financial audit in my early stages on the board. We voluntarily went into that and said hey, we want an outside look. What are we doing, and how are we doing it? So, Senator, to your question, the first level of analysis is eligibility. We learned from the report that previously, we were commingling eligibility and scoring, and so the first step is "is this grant eligible for scoring?" That is a determination-- that's a recommendation that comes from our executive director that is-- then goes through the grants committee and the board, and then once the board has identified eligibility, the grants committee comes back and has a scoring rubric that, I think is getting to the meat of your question, that factors in public benefit, that factors in environmental impact, that factors in sustainability. Is this seed money to get a self-sufficient program off the ground? And then those are scored blindly by members of the committee with an average, and then that average then comes back to the grants committee for a recommendation to the board.

DeKAY: OK. On a lighter note, you said in your opening at, at Northwest Missouri State, you run around in circles. Was that talking about your schooling, or were you on the track team?

JEFF KANGER: No comment.

BRANDT: Any other questions?

HUGHES: I just have one real quick [INAUDIBLE].

BRANDT: Senator Hughes.

HUGHES: Thank you. It's-- you spurred the question when you said this past sess-- this past round, you had more people apply than ever before. Was there a concerted effort to get information out to different groups, or how-- why do you think that happened?

JEFF KANGER: And, and I'm sorry if I misspoke. It, it might not be total applications, but we had a huge influx of new or first-time applicants.

HUGHES: Newer entities doing it.

JEFF KANGER: Yeah.

HUGHES: Yeah, so I guess same question to that. Why-- what do you think happened that-- how was awareness, you know, spread? Or--

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JEFF KANGER: Yep. There was a lot of feedback from the board to staff to look at additional ways to get messaging and--

HUGHES: To get word out?

JEFF KANGER: --education out there. And in addition, given some of the evolutions in our process that Senator Conrad alluded to earlier, we actually held several listening sessions prior to the application process that said hey, here's staff; call in and kind of get a walk through of what this could look like. And I-- I don't have a specific sense, but from the public, that kind of removes the mystery and someone walks your hand through it. So, I, I-- those would be some things I hope were helpful.

HUGHES: OK. And then, random; you'd mentioned that you guys kind of redid your rubric and whatever. Is that-- I'm looking at the website now. Is there a-- can, can I see-- can we see that? Or can that-- could that be shared with the committee? Or is it--

JEFF KANGER: That's accessible publicly. When--

HUGHES: Is it on here somewhere? I probably just need to find it.

JEFF KANGER: I couldn't tell you on the website, I'm sorry.

HUGHES: Oh, that's OK.

JEFF KANGER: One thing I would pause-- it is a good reference point, but historically, in the summer is when the board then revisits that. So, I just wouldn't want to give you the impression that's set for this upcoming cycle.

HUGHES: Oh, yeah. It might change still. Sure.

JEFF KANGER: The board may, may, may re-look at weightings and key components, so then applicants have sufficient time to apply that to a request.

HUGHES: OK. Thank you. Thanks for coming in today.

JEFF KANGER: Yep. You bet.

BRANDT: I see no other questions. Sit tight. Any proponents? Seeing none. Any opponents? Seeing none. Anyone to testify in the neutral capacity? Seeing none. Thank you. We are going to go into a quick exec session, so you guys will have to leave here.

JEFF KANGER: OK.

BRANDT: But thank you. We'll be in touch.

JEFF KANGER: Yep. Thank you.

BRANDT: Yes.

CLOUSE: Thank you.

JEFF KANGER: You're welcome. Thanks.

CONRAD: Thank you.