

Transcript Prepared By the Clerk of the Legislature  
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Appropriations Committee  
March 14, 2007

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[LB574]

The Committee on Appropriations met at 1:30 p.m. on March 14, 2007, in Room 1003 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB574. Senators present: Lavon Heidemann, Chairperson; Lowen Kruse, Vice Chairperson; L. Pat Engel; Tony Fulton; John Harms; Danielle Nantkes; John Nelson; John Synowiecki; and John Wightman. Senators absent: None. []

SENATOR HEIDEMANN: Welcome to the Appropriations Committee. We'll get started by introducing everybody. Starting over to my right, closest to you, is Senator Danielle Nantkes from Lincoln, District 46. Sitting next to her left is Senator John Wightman from Lexington, District 36. Sitting next to his left is Senator John Synowiecki from Omaha, District 7. Sitting next to his left is Senator Lowen Kruse from Omaha, District 13, who also serves as vice chair of this committee. This is Kendra, the committee clerk. My name is Senator Lavon Heidemann from Elk Creek, Nebraska, District 1. This is Phil, one of our fiscal analysts. This is Senator Pat Engel from South Sioux City, District 17. Senator Tony Fulton will be sitting next to his left when he arrives in just a little bit. He's from Lincoln, District 29. Sitting next to his left is Senator John Nelson from Omaha, District 6. And way at the end we have Senator John Harms from Scottsbluff, District 48. Our page for the today name is Bri. At this time, we'd like to remind you if you have cell phones if you could please shut them off we would sure appreciate it. Testifier sheets are on the table near the back doors. We ask that you please fill them out completely and put them in the box when you testify. At the beginning of the testimony please state and spell your name for the record and transcribers following. Non-testifier sheets are near the back door if you do not want to testify, but would like to record your support or opposition. If you have printed materials to distribute please give them to the page at the beginning of the testimony. We will hand them out. We also ask that you please keep your testimony concise and on topic. Under five minutes would be appreciated. I think everybody has some place to go that they would like to be tonight anyway, so if we can get this over with we would sure appreciate it, but we need to get all the information that you think is important to the topic. So at this time, we would open up the public hearing on LB574, Senator Kruse. [LB574]

SENATOR KRUSE: (Exhibit 1) Thank you, Mr. Chairman and colleagues. LB574 is a fairly simple bill. You don't even need to read the green copy, but it has some ins and outs. The green copy will tell you that it's to do a study of the feasibility of additional parking around the capitol building and proposes a figure that I presume would come out of the capitol construction budget if we chose to do it. That would be \$25,000. It has more available. \$25,000 would do it. Now a little bit about the ins and outs and I'll be brief on it. Others will speak to it. You have a letter before you from Loran Schmit who, as a senator, had dealt with this bill also. So it's been around quite a long time. It's been around every session since I've been here and the ins and outs of it are this. Generally, somebody wants to do this...well, we want to do a study...first, we recognize the need.

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There's a waiting list of 200 persons waiting for our parking availability. Almost all those are staff. We have persons that come to this building from long distances and can't find parking. And I have the last one was just before noon, some vets came down from my district to testify and watch a bill in another committee this afternoon and they said how come is it we can't get parking? And so I said well, what did you find? Well, we drove around the place two, three times and there wasn't any so we parked two blocks away. And this one fellow is quite elderly and having a hard time walking, and he says oh, I come two blocks. Well, I'm getting old enough. I'm getting to what we call transparent. I just tell them. I said well, it won't help your feelings any, but I'll tell you what the problem is is that my staff is out there and everybody else's staff is out there moving their cars around on the parking spots right around the building, so that's why you can't get into the building. They have to go move their cars every two hours. At any rate, we've got a problem. When it's come up before there's always the assumption that we can deal with the lot. We've got a square block on the south side of the building that we own. We can deal with that. Then the next thing is well, let's get a private firm. Let's get a private developer to do that. And we've chased down that road several times and we've always found it expensive. Our staff persons that park out there pay about \$1 a day, \$24 a month. And if you put it over to private parties it will be about \$5, \$6 a day. Now that wouldn't be a bad fee for visitors, but it really becomes a problem for staff. But it's also been said that it would be feasible for us to do it on our own and there's way for us to bond it and so on. We can take care of it and stretch it out and do everybody a favor. But it really needs a study, because we've got a lot of parking around here. We have our lot and the lot across the street. We're approaching a purchase agreement on a building over here that has some parking with it. There's some parking across from it. We have purchased some of the land going down the east runway up to the capitol. Who knows what we're going to do with that? We have 50 covered lots across the street over here. Fifty covered--not lots--parking places with an underground tunnel to the capitol building. Somebody has slyly suggested that that might be equivalent to the number of senators we have in the state and why don't we put the senators in some covered parking over here? I suppose some of the people that are there now might object to it, which raises another question. Are they paying that same fee? They may be for an agency, but it's our parking. At any rate we could free something up over there. So there's just a lot of questions. We need to chase down the right answers for them. We need somebody to tell us what can be done and get on with it. It is not going to get better. It's going to get worse if we don't do it. That's it, Mr. Chairman. [LB574]

SENATOR HEIDEMANN: Thank you for your testimony. Senator Wightman. [LB574]

SENATOR WIGHTMAN: You said something about \$25,000. I see the appropriations for this here is \$100,000. [LB574]

SENATOR KRUSE: \$25,000 would do the study. Others will speak to that. [LB574]

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SENATOR WIGHTMAN: Do you know what else is included in the appropriation for the general fund for this year? [LB574]

SENATOR KRUSE: They just want to make sure...no, it's just for the study. [LB574]

SENATOR WIGHTMAN: So about \$75,000 for reserve? [LB574]

SENATOR KRUSE: Yeah that's right. (Laughter) Well, you know, there have been suggestions. There have been suggestions that we should spend \$100,000 on it and so on and part of it is to develop the concept of the building that you're going to put in if we build it, and that could vary some. But for \$25,000 I've been assured, and others will speaking to it, that we can find out what we need to know. [LB574]

SENATOR WIGHTMAN: The second year I see it at \$1 million, so...and that's for plans and specifications as well or... [LB574]

SENATOR KRUSE: That would be assuming we're going to take that route. My thought on this is that we need to get a plan. [LB574]

SENATOR WIGHTMAN: Thank you. [LB574]

SENATOR HEIDEMANN: Any other questions? Seeing none, thank you. Is there any other testimony in the proponent capacity? [LB574]

JIM PAPPAS: Mr. Chairman, committee members, my name is Jim Pappas, P-a-p-p-a-s, representing myself. I'll apologize, committee members. I was going to try to be here earlier and be able to visit with you a little more about this bill, but I couldn't find a parking spot around here close enough. So I had to park so far away, so I got here late and couldn't do the job. (Laughter) Twenty-five years ago I came to Lincoln and 25 years ago there was a parking problem around the capitol. And over the years it has not gotten any better. The state government has grown. There's been more and more agency people added and the problem has gotten worse. The senator alluded to the fact there's always over 200 staff people from the capitol on a waiting list for the parking lot across the street. And around 22 years ago that used to be a dirt lot across the street and there was a proposal to do a study 22 years ago. Well, the same summer that the study was to be done that lot was blacktopped, which took care of the study. I think it was like \$400,000-some dollars. And because of that, nothing was done. I've been kind of promoting this off and on for a long time, because if you could do a survey of your constituents, I'm quite sure from your file that everyone of them that's came here would complain about the availability of parking. Now the senator alluded to in the past there's been people...and there's another bill being heard at the same time today about having a private developer develop a parking garage across there. I have talked to private owners of private parking garages in Omaha and Lincoln and for them to do it,

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which a lot of them would gladly do it, especially if you could get the ground free from the state, but the cost would be so high most of the employees that work in the capitol or other state agencies around here could not afford to park there. The problem is getting worse. It's not going to get better. We talked to several engineering firms last year. They said \$25,000--\$50,000 at the max--\$25,000 could do a feasibility study. A study needs to be determined to see how much parking space we do need and also what would it cost and the various designs. Bob Ripley, the head of the historical preservations of the capitol here, when I talked to him last year he suggested that the state build a three-story underground parking garage with a tunnel coming across. And his theory on it was to build it strong enough that then you could eventually build a building on top of it without any modifications, because he said you should be looking not 10 years down the road, but 30-50 years down the road, because he said in 30-50 years down the road there will probably be a 8-10 story office building across the street because state government is not going to get any smaller. It's just, you know, there. The city of Lincoln and Creighton University, I might add, have gotten federal money to help build parking garages. So it's not beyond the realm of possibility if a study is done, which needs to be done first to see what the cost could be and what could be built, and then there's a possibility that the state could receive federal money from the federal government to help alleviate the parking situation across the street. I kind of made myself a little vow this year that if you guys weren't going to do anything this year that I was going to give up on the idea after a 25 year crusade, but there's enough new faces on here and there's enough people that said you know, we may have a problem here and it's not going to go away, that you may do it. In fact, I kiddingly told myself I said what I should do before I come down here is go around all these other hearing rooms that are having hearings today and just ask people as they walk inside if they got a minute they could come down here and testify. And I'm quite sure about everyone of them that even the people that live in Lincoln would gladly come down and say I think it's a good idea at least to do the study. You know, you can disregard the second part or third part of the bill. My suggestion would be what the senator alluded to is put \$25,000-\$50,000 in the capitol construction budget and to do the study and see what could be done, what could be built, and how much it costs, and what the needs could be. There's been talk and everything from a one-story underground to one surface, one-story underground, one surface, and one above so it wouldn't interfere with any of the dimensions of the Governor's mansion or anything else around here, but we don't know until we know what the need would be now and maybe five, ten years or like Ripley said if you'd like to look 30-50 years in the future look that far ahead. I will say from talking to engineering people if you're going to go with three floors underground with a tunnel coming over it would be rather expensive. But I think the public and the senators themselves deserve something a little bit better than what is offered now. There's been talk and it'll probably be brought up in your exec session about some of the other buildings that have been bought around here and some of the other parking spots that have been bought. The building across the street when all the agencies move into that their parking lot they'll have over there will be taken up by the employees that

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are presently working someplace else with other rental properties in the city of Lincoln. So it's not going to alleviate any parking problems with what you're going to buy across the street or anything you bought over here from Windstream, I guess it is now. It used to be Alltel. It's not going to go away. Government is not going to get any smaller. People aren't going to quit coming to Lincoln. You can go outside now. You can see school busses parked around the front and around the back. There's really no place for them to park while they wait for their students here. Hopefully the committee will see fit to squeeze out just a little bit of money to do a study. [LB574]

SENATOR HEIDEMANN: Are there any questions? [LB574]

SENATOR WIGHTMAN: I just have one. You disillusioned me, because us freshmen came in thinking we could shrink government. (Laughter) [LB574]

JIM PAPPAS: Believe me, sir. It's a great idea. It won't help. There was one person that said they did shrink government one year. The number of employees went down, but they didn't allude to the fact that they hired more private outside people to do the same work. So the numbers went down, but actually the total dollars did not. [LB574]

SENATOR WIGHTMAN: I don't think we realistically thought we'd shrink it too much. [LB574]

JIM PAPPAS: Good try though. [LB574]

SENATOR HEIDEMANN: I don't think it's the cost of the study that scares this committee. It's the cost that the study is going to tell us what we need to do. [LB574]

JIM PAPPAS: Yeah. The most optimistic thing I have going is I said earlier that the city of Lincoln has received federal money to help build some of their parking garages around town. Probably the most encouraging thing, and Senator Engel can probably elaborate on this a little more because it's more his territory, but Creighton University got federal money to build a parking garage that kind of serves not only Creighton University, but also the city of Omaha and that particular area of town for different things, different functions. But we don't know whether or not we can even go try to go to the federal government to get money to pay for it or pay for most of it until we know what the need is and what it costs to build. And you know, like I said, if you don't believe me, which I think most of you do, you know, get a hold of your constituents. Just ask them, the ones that's written to you, and say how many people do you think we ought to at least study a public parking garage around the capitol? And you know, I've been coming around here for 25 years and it's not gotten any better. And most of you have been around here for awhile can see there's a shift time twice a day where you'll see staff members and pages leave to go out and move their cars, play this little roulette system. One will move, one will pull back in so they don't get a \$10 ticket to the city of

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Lincoln. The city of Lincoln is probably the only people that wouldn't want to see you build a public parking garage, because they get \$10 a pop now. That's pretty good money you drive around this block, and particularly for people out of town. [LB574]

SENATOR HEIDEMANN: Senator Engel. [LB574]

SENATOR ENGEL: I read the same article you did as far as my (inaudible). [LB574]

SENATOR HEIDEMANN: Senator Fulton. [LB574]

SENATOR FULTON: The cost of the study pegged at about \$25,000-\$50,000... [LB574]

JIM PAPPAS: I talked to several engineering firms last year and they said \$25,000-\$50,000 max would do a preliminary study for construction costs and feasibility. [LB574]

SENATOR FULTON: So the study wouldn't just be rendering getting an idea of what kind of need exists. There's also going to be a study into the structural value of... [LB574]

JIM PAPPAS: Oh yeah. [LB574]

SENATOR FULTON: ...so this is all encompassing. [LB574]

JIM PAPPAS: They'd have to go over there and, you know, look at the soil structure and everything else. You know, see what utilities run through that property, what would have to be moved. You know, get a rough idea on the cost, because you just can't go in there blind and all the sudden decide if you're going to build something say, oh my gosh, we've got some major fiber-optic, the sewer lines and water lines, and telephone lines run through there and the soil won't support any type of structure. [LB574]

SENATOR FULTON: I guess I didn't quite follow. What's the \$100,000? If we appropriate \$100,000... [LB574]

JIM PAPPAS: That was a layover bill. This is drafted last minute. The original bill from last year was \$100,000, a million appropriate and that's why he said and I said just forget that part. We're looking at \$25,000-\$50,000 max to do the study and to...probably the lower level we could probably find somebody to do a very efficient job for the capitol for that, because they would always think that there's a good chance they might get the final job when more money is available. But I said when the city of Lincoln get federal money to build a parking garage and the federal government will give Creighton University money to build a parking garage, I think \$6 million or \$8 million...there's no reason in the world why we couldn't ask the federal government for some money to help

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build a parking garage, but we don't know what to ask for because we don't know what we need. [LB574]

SENATOR HEIDEMANN: Senator Wightman. [LB574]

SENATOR WIGHTMAN: I guess just one more question. Would this study also determine anything with regard to what the probable cost would be of different types of work? [LB574]

JIM PAPPAS: Yes. [LB574]

SENATOR WIGHTMAN: And you talked about underground... [LB574]

JIM PAPPAS: Yes. [LB574]

SENATOR WIGHTMAN: So it would give us a ballpark estimate of what kind of figures we were looking at. [LB574]

JIM PAPPAS: The first part we need for the study would be to determine how many spaces would be needed to adequately serve the public and employees here. And probably they would look in a five to ten year range. Look into the growth of government and everything else over the last, you know, 10, 20 years. And then once it's determined, it may be determined that you only need two stories, one above, one above or just one surface and one above, which would be cheaper than going one down. And then the option is going to be up to you people to finally make the decision if you want to take Ripley's advice and look at going three down and leaving the top blank to build 30-50 years from now a eight or ten story deal or forget about that for 30-50 years and let some other Legislature a long time from now determine to do it. There's also been talk about what would happen to employees that park over there now during construction time. That was looked into last couple years and there's enough city lots further away that you could potentially deal the construction season to start during a short session when there would be a little more parking available around here and utilize some city lots with some shuttle service for state employees to alleviate any hardship brought upon them. [LB574]

SENATOR WIGHTMAN: The million dollars that's in for the second year, is that for... [LB574]

JIM PAPPAS: That was for the bill from last year. [LB574]

SENATOR WIGHTMAN: You'd really be quite satisfied if you got \$25,000-\$30,000 next year. [LB574]

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JIM PAPPAS: I would love to just see a study being done so we could get some idea of what it would cost, you know? Throw away the million dollar deal. Unless you really feel spend thrift... [LB574]

SENATOR WIGHTMAN: I think we can rest assured we don't. [LB574]

JIM PAPPAS: That's true. I can tell that from the tone of the committee. When I can't even get a Greek to smile at me anymore I know things aren't going real well. [LB574]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thank you for your testimony. [LB574]

JIM PAPPAS: Thank you. [LB574]

SENATOR HEIDEMANN: Is there any other testimony in the proponent capacity on this bill? Seeing none, is there any testimony on the opponent capacity of this bill? Seeing none, is there any testimony in the neutral capacity from this bill? Seeing none, would Senator Kruse like to close? [LB574]

SENATOR KRUSE: Yes, I would, Mr. Chairman. And Mr. Pappas brought in something that--two items--that I should've mentioned in opening. One is that Senator Rogert has a comparable bill, which is being heard before the Government Committee and the wonderful system of distributing bills we got companion bills, but they went to two different committees. I'm not too drawn to his bill though I haven't studied it carefully, because it seems to me it gets into the project of seeing who out there in the private community would want to do this. And I, from past studies and from past reactions here, I just think that's a lost cause. But let me press a little harder and let me change my figure. You know, as the \$25,000 is to do the study and see what we really need. And I guess as I'm listening to Jim and as I'm thinking about it, another piece that I should've mentioned, the \$50,000 would be better, because it would bring to us a specific proposal rather than kind of the gamut, this is what you need. You need 500 more parking places. In previous discussions and a study, it has been said well, you've got an off season and so on and that really doesn't make it feasible. Well, the 200 that's waiting for some parking place is year around and the places they have to reserve for the senators is year around, so it's just the visitors that's seasonal and that...but the more important thing that I would end on is I am convinced there is good money out there to do it if we do it ourselves. He mentioned Creighton and, you know, that kind of money is not available if we're going to farm it out to somebody, but we can get federal money for this kind of thing. Many groups have and it's been like 75 percent something. It's huge bucks. It's obviously no promise at this time. Federal government is shifting and so on, but that's been done and that's why we should have a plan that lifts out one good option. And you know I really like the option of going underground, because we're going to have to build a building out in that lot and if that's the place where we put up a



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parking structure we're going to have to tear it down after awhile. We're in government doing that altogether too much of the time. So we need to figure out what it takes for the long range and then do it, but if we are patient in this, this is not going to happen in the next year or two, if we're patient in this we can get some real money so that it will look feasible to us. Any other questions or comments or... [LB574]

SENATOR HEIDEMANN: I'm just thinking if they do away with the senators parking lot and we had to find parking, we'd probably do this a little sooner. (Laughter) [LB574]

SENATOR KRUSE: That's an idea. Or if we decided to claim this covered parking across the street and they really got nasty about it, we could probably stir things up. [LB574]

SENATOR HEIDEMANN: Senator Harms. [LB574]

SENATOR HARMS: I don't think you can do this study for \$50,000 or \$75,000. I think it's going to cost you right around (inaudible). If you really do an honest study and review of this whole thing, in my experiences on these, and I've done plenty of them over the years, cost has going up and it will cost you close to \$100,000. I might be wrong, but I don't think so. [LB574]

SENATOR HEIDEMANN: Any other questions? Seeing none, thank you for coming in and bringing this before us today. [LB574]

SENATOR KRUSE: Thank you. [LB574]

SENATOR HEIDEMANN: With that, we'll close up the public hearing on LB574 and we will open up the public hearing on agency 19, the Department of Banking. [LB574]

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Disposition of Bills:

LB574 - Held in committee.

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Chairperson

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Committee Clerk