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Transcriber's Office

Appropriations Committee
March 10, 2009

[LB608]

The Committee on Appropriations met at 1:30 p.m. on Tuesday, March, 10, 2009, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB608. Senators present: Lavon Heidemann, Chairperson; John Harms, Vice Chairperson; Tony Fulton; Tom Hansen; Heath Mello; Danielle Nantkes; John Nelson; Jeremy Nordquist; and John Wightman. Senators absent: None []

SENATOR HEIDEMANN: I think we're going to go ahead and get started here. We're going to start by doing some introductions. And we normally...I normally introduce, but this year...today we're going to start from this side and do some self-introductions. []

SENATOR NORDQUIST: I'm Jeremy Nordquist and I represent District 7, which covers downtown and south Omaha. []

SENATOR HANSEN: I'm Tom Hansen, I represent District 42, which is Lincoln County. []

SENATOR NANTKES: Hi, my name is Danielle Nantkes, I represent north Lincoln "Fightin'" 46th Legislative District. []

SENATOR WIGHTMAN: I'm John Wightman, District 36, represent...I live in Lexington, represent most of Dawson County and geographically most of Buffalo County. []

SENATOR HEIDEMANN: Senator Lavon Heidemann, District 1, southeast Nebraska. Also today, the fiscal analyst, at the present time, name is Doug; pages for the day are Andy and Justin; and the committee clerk over on the end is Anne Fargen. []

SENATOR HARMS: My name is John Harms, I represent the 48th Legislative District, that's in the Scottsbluff area, western Nebraska. []

SENATOR NELSON: My name is John Nelson, I represent District 6, which is central Omaha. []

SENATOR FULTON: Tony Fulton, District 29, southeast and south central Lincoln. []

SENATOR MELLO: Heath Mello, District 5, I represent south Omaha and north Bellevue. []

SENATOR HEIDEMANN: With that, at this time we would like to remind you, if you have cell phones to please shut them off or put them on silent, vibrate as not to be disruptive later on. Also want to remind you that testifier sheets are on the table or near the back doors. We ask that you please fill them out completely and put them in the box on the

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table when you are testifying. You do not have to fill out this form if you aren't publicly testifying. At the beginning of the testimony, please spell...state and spell your name. Nontestifier sheets are near the back doors. If you do not want to testify but would like to record your support or opposition, you only need to fill this out if you won't be publicly testifying. If you have printed materials to distribute, please give them to the page at the beginning of the testimony. We need 12 copies if you have that many. We also, in the matter of time, ask you to please keep your testimony concise and on topic and under five minutes would be appreciated. With that, we are going to open up the public hearing on Agency 5...no, excuse me. We have a bill before that. Sorry, Heath. We're going to open up the public hearing on LB608. Senator Mello. I tried. (Laugh) [LB608]

SENATOR MELLO: (Exhibits 1 and 2) Good afternoon, Chairman Heidemann and fellow members of the Appropriations Committee. My name is Heath Mello, H-e-a-t-h M-e-l-l-o, and I represent the 5th Legislative District. Today I bring you LB608 before you for your consideration. LB608 calls for the Legislature to appropriate funds in the amount equal to an additional 2 percent to the employees of the Supreme Court who are employees of the individual county courts throughout the state. We've already funded these salaries at a rate of 2.5 percent in each year of the biennium. We have funded these salaries and benefits outside of the Supreme Court's budgetary constraints. The goal of LB608 is simple, to increase salaries for the approximately 390 county court employees across the state of Nebraska. For those unfamiliar with the county court system, it has been described as the frontline of the court system. County court is in fact the lowest court in Nebraska's judicial system. Our county courts are available to every citizen across the state with a county court in each courthouse. Though it has the status of being the lowest court, it still processes over 426,000 cases each year including traffic, criminal, civil probate, adoption and juvenile cases. County court employees must be educated in overall court procedures including and perhaps most importantly in Nebraska's statewide computer system, known as JUSTICE which, as the committee knows, makes almost every court filing available to the public. This data includes conviction information, warrant information, driving information, and garnishment information on citizens who have been involved in court proceedings in the state. Data entry must be accurate and complete. This information is available to the public and is used in assessing, among other things, potential employment and credit. County court employees are responsible for monitoring thousands of cases and ensuring that cases progress in a timely manner. They are responsible for collecting millions of dollars in court costs, fines, and inheritance tax. During 2007-2008 fiscal years, county court collected a total of \$42,446,489 in inheritance tax for the counties across the state. During the same period, the state court system collected a total of \$60,020,653 in fines, costs and fees. Our county court employees are an arm of support for county judges, attorneys and other governmental agencies. Many of these employees have dedicated a large portion of their lives to this system. In 2008, the 76 judicial administrators and magistrates totaled approximately 1,540 years of service, this averages to 20.26 years of service per clerk magistrate. The service of employees in

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the county courts truly runs across the spectrum. Recently, a clerk magistrate from Greeley County retired, having served in the county court system for 48 years. At the opposite end of the spectrum, courts in Douglas and Lancaster Counties, although they too have a share of longtime employees, they are experiencing difficulty in hiring and retaining employees due to more competitive salaries offered by private and other governmental entities. In smaller courts with one or two employees, personnel must know how to process all case types and understand every aspect of the job. They are not specialized in one area, such as traffic, criminal, civil, juvenile, or probate as employees in the larger courts are, but must know how to process all case types. They are responsible for the daily and monthly financial operations of the office, entering daily filings on JUSTICE, preparing and presenting courts annual operating budgets, providing judicial duties such as arraignments, bond hearings, signing detention orders, and issuing search warrants, and if a judge is unavailable signing garnishment and execution orders, and they may even perform weddings. Court personnel helped facilitate the implementation of new technology in the system and employees must learn the JUSTICE computer system through which all cases are processed. Courts are now imaging cases so that filings can be viewed on-line. E-filing is also being implemented in the courts. Court employees participate in judicial branch education to stay on top of new procedures. They also attend classes to learn how to use the JUSTICE system. I believe that many of the individuals on this committee have been around for the consideration of similar issues. And I believe the committee has received a handout that I've just provided on the history of the salary issue. I would like to highlight one portion of that handout in the highlighted portion. In June 2006, the NCSC collected comparative data from the states of Colorado, Iowa, Missouri, Kansas, and South Dakota. The memorandum detailing the findings on the NCSC states that, quote, the findings affirmed what had been suspected for some time. Since 2000, Nebraska courts and probation personnel have been losing ground to inflation by providing wage increases lower than the increase in the Consumer Price Index. The study determined that county court salaries were 13 percent below neighboring states, a combination of unfunded step increases and providing annual increases less than the cost of living has caused the employees of judicial branch to fall further and further behind. It also says that the Supreme Court has been unable to adequately compensate its employees and consequently, is not in a position to compete with county or city positions. The memo goes on to say that, and please recall this claim was published prior to the 2000 legislative session, quote, the budget request for a 10 percent salary adjustment and a 2.5 percent step increase was deemed necessary simply to restore court personnel to the salary plan approved by the Nebraska Legislature in 2001. A copy of the administrative memo, 0701, is attached. Two, the Supreme Court requested this be part of their 2007 budget request for the 2007-2008...2009...2008-2009 budget, and the committee funded a portion of that request, and the Governor ultimately vetoed that down. However, the need for additional funding continues. And I hope this committee will see it fit that a modest increase to begin the process of moving the salaries of our county court employees is considered. I appreciate your time and attention to this

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matter. Mr. Chairman and members, I would entertain any question you may have. Quickly, I'd like to pass out, unfortunately it's a large document, a copy of that comprehensive report that details some of the cost-benefit analysis and planning that was involved with the court employees. [LB608]

SENATOR HEIDEMANN: Thank you, Senator Mello. Are there any questions? Seeing none, thank you. Is there anyone else wishing to testify in favor of LB608? Welcome. [LB608]

GLENN CAMERER: Good afternoon, everyone. Senator Heidemann, our home Senator, Senator Harms. I'm Glenn Camerer, that's G-l-e-n-n and C-a-m-e-r-e-r. I'm from Scottsbluff, Nebraska. I am a county judge for the 12th Judicial District, and I've actually...I'm on my 36th year. So it's either me or Jerry Rouse is sort of the dean of the county court bar these days. So I tell him that he's got the title and he can keep it. But at any rate, I tell you that because I've been at it a long time. Served in a lot of different capacities as a judge, but have worked in a lot of different areas for the state through our group. And I want to come and speak on behalf of the county court employees. I'm not going to be, as you might well imagine, here too many more years. And so I'm doing this because I earnestly believe it, not that I'm going to be around so many more years when the employees might benefit from this. And so it is a heartfelt trip for me. So I did come from Scottsbluff for that reason. I am speaking on behalf of the...my support for LB608. I'm not speaking for the entire county judges association. Others may do that. But I am speaking on behalf of the group of judges in the 12th Judicial District. I also support Senator Mello's analysis of that situation. I think our employees are badly underpaid for what we expect of them. And I was not surprised when the study showed that they are well behind our other surrounding and comparable states. One of the things I think that...I hope that you'll all keep in mind is that, you know, how the job has changed, how the job has changed so much for these employees. One of the things that has dramatically affected it is the IT change in what we expect our employees to do. Now a county court employee is expected to be very computer literate and be able to be able to work with the system. Everything is done, you know, with IT-wise anymore it seems. And the salaries we're paying, we virtually can never hire somebody who is computer literate to the point we need them when we have a vacancy simply because somebody that comes equipped with those skills they can get more money someplace else. They don't have to be an employee of ours. We've also had employees leave for the same reason. Once you acquire those IT skills, you can go someplace else and get more money. It's not as bad in Scotts Bluff County as it is in places like Lincoln and Omaha where there's a lot more jobs readily available. But those people they have a desperate job keeping adequate staff available to them simply because they can move on as soon as you get them trained. And I don't have to, I guess,...I don't want to preach about the problem that it's not cheap to be hiring and training new employees all the time. It's expensive and it's difficult. As far as being a judge I can tell you, I can assure you that having a well trained staff is vital to me. I couldn't work the way that I do without

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the support of some excellent staff people. And as the Senator mentioned, the county courts are the face of justice for Nebraska citizens, most of them. A few get into district court. A few have appeals, but the big majority of people that see any judge, they're going to see a county judge. And along with that they're going to see a member of their staff. And so that's the face of justice in Nebraska to most citizens is the county court judges and their staff. And it's important that they be people that we can rely on, people that can represent not only the judges well but represent the state well. I think that the lack of appropriate compensation does affect the quality of the people that we can attract to these positions. I don't think there's any question about it. I feel right now that the dedication we have from our employees is pretty amazing, given their level of compensation. I would just point out that it does create some morale issues. The...I hear a few years ago we had...health insurance went up and a small raise was instituted, but the net result was a negative for the employees. And some of you senators probably that have been here a while know how difficult that is, it presents some morale issues for the employees. But I think that...I think the gap that we have here, this is a tough year, we know that fiscally speaking. You only have to read the newspapers to know that. But I think we need to start on some improvement. That's what I would request. That's why I support this bill. So I want to thank you for your attention. And I would try to answer any questions you may have. [LB608]

SENATOR HEIDEMANN: Thanks for coming and testifying today. Are there any questions? Seeing none, thank you. [LB608]

GLENN CAMERER: Thank you very much. [LB608]

SENATOR HEIDEMANN: Welcome. [LB608]

ROBERT IDE: (Exhibits 3-5) Senator Heidemann, senators, I am I suppose the technical name is Robert Ide, everybody calls me Bob. It's on my appointment certificates. No one would know who you were talking about. Senator Wightman, of course, would know. I'm a county judge in the 10th Judicial District. We cover nine counties from Geneva to Holdrege and down to the Kansas line. We... [LB608]

SENATOR HEIDEMANN: Could you state your last name and spell it for us, please. [LB608]

ROBERT IDE: Ide, I-d-e, that's so I was able to spell it by the third grade, folks. (Laugh) Now I...Senator Mello, I want to thank you for being so thorough. One of the nice things about not speaking first, everyone has covered most of it. And I don't want you hating me for covering the same thing on your tight schedule. I'm here currently as a judge and also as a current president of the County Judges Association. Now this is not pursuant to some resolution but the general observation of the feelings of the county judges and the blessings of the executive committee that we are very concerned. I'm sure you

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understand there's a difference between our court and the district court. Generally speaking, the clerks and personnel in charge there are county employees. And as I'm sure your statistics show, we frequently lose our people to county positions. We're not in a very competitive position. What I did want to talk about specifically is this is not making sure we're doing apples and apples and not apples and oranges. This is not...a clerk in a magistrates position is much different than someone working as a general secretary or clerk in some other job. As you will hear, the court system is currently trying to do everything in its power to make the system more efficient, the use of e-mail, the JUSTICE system. We are currently considering methods of trying to use teleconferencing and video conferencing to expedite hearings, cut down the expenses. We have people using computer programs to facilitate interpreters so we cut out the expense of the traveling. So the system is very active. Other things have changed besides our people having to learn these things, other things have changed. For instance, I'm sure you've all heard of the Eyes of the Child Program. This has been going on, started by our then Chief Justice and Chief Justice Heavican has continued to back this and support it. One of the things it does, it increases the number of contacts. In other words, years ago we were to have a review hearing on especially the three (inaudible) of the kids to be protected, the endangered children, every six months. We have accelerated that to every three months and it does have a good affect. We are able to keep the people better accountable. But it also means that our people are handling more actual hearings, more paperwork than they did in the past. Our people are, as I am sure you will hear, there are processes going on right now where those counties that may be getting behind on filings are able to transfer the information to one of our rural courts. And those people are assisting them to get this information into the system. So everyone is trying to carry their load and help in the overall effort. What they're asking is that there be some appreciation to their effort. This...I think one of the things we don't fully understand is, for instance, I may appear in four different courts in a week. And on any given day, for instance in Minden or Alma, whatever the case may be, you will catch me there one day a week. The rest of the time you walk in it's going to be the magistrate, it's going to be a clerk. And if that person has a problem with the system, you know who's going to hear about it. They have to deal with people as politely and professionally as they can. And sometimes, folks, it is extremely difficult, you would not believe some of the abuse my clerks and magistrates take from people that wouldn't dare say anything during a proceeding seem to feel entitled to denigrate, insult, whatever, my people over the phone, and some of these are civil. And you're dealing with people that have difficulties solving problems dealing with life. So it is not your average job. This is a difficult situation. And I'm simply asking you to kindly consider at least taking the first steps to getting them back to some sort of equality. I want to thank you for your time. I'll answer any questions you have. And we've submitted some letters. [LB608]

SENATOR HEIDEMANN: Thank you for your testimony. Is there anyone have any...Senator Hansen. [LB608]

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SENATOR HANSEN: Judge Ide, appreciate you being here today. And I do appreciate what the county judges have done with the Through the Eyes of a Child Program. And that list of questions that Judge Gendler, for one, came up with to ask the foster parents and I think that has been helpful in getting some children to permanency. So appreciate that. [LB608]

ROBERT IDE: Yeah. I've been doing something like this since 1972 as prosecutor, defense counsel, I used to handle as many as 45 to 50 kids as their DAL at a time. And, folks, the solution by and large to our problems is getting families and kids services early and keeping the system accountable. And speaking for the rest of the judges, we're willing to work as hard as we can to make it work, folks. Thank you. Thank you for your efforts. [LB608]

SENATOR HEIDEMANN: Welcome. [LB608]

JEAN LOVELL: Good afternoon, Chairman Heidemann and members of the committee. I'm Jean Lovell, J-e-a-n L-o-v-e-l-l and I'm a county judge in Lancaster County. I'm here on behalf of all of the Lancaster County judges to testify in support of LB608. Our district, judicial district, covers only one county. And we have six judges in our district and we currently have 48 employees. In 1985, the municipal courts and county courts were combined to form the Lancaster County Court. At that time, in 1985, we had 44,500 cases filed and we had six judges and 50 employees. So we have two fewer employees than we had more than 20 years ago. And last year we had 73,143 cases filed. So we have more 12,000 cases per judge, and there is absolutely no way we can handle that caseload without the help of some very dedicated staff. Technology has increased the efficiency of our office but it can't make up for the expanded duties incurred by our employees as a result of this increased caseload. In some areas our caseload has doubled in the last 20 years, for example, in civil filings. As a result of this caseload, some of our staff take work home over the weekends, they work late at night, they come in early in the morning. I came in early today which was about seven o'clock, and there were already people there working and working hard. And these people do this without any additional compensation. These are supervisors who have to get the job done, and they do it without additional compensation. We have employees that work two or more jobs, work other jobs besides the jobs they have in county court. Just a couple of weekends ago I was at the grocery store and ran into one of our new bailiffs who has to work over the weekend so he can support his family. And we lose, constantly lose our employees to other, better paying jobs. Just in the last couple of years we've had employees leave our office to join the staff of the county attorneys office, the public defenders office, the juvenile court, these are all within the area that we work. Juvenile court staff and district court staff are paid by the county and they get paid much higher wages than the county court staff. And so we lose people to that. We also lose people to private law firms and we've lost people to other state agencies. We

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recently had someone leave to go to the Regional Center to work, and someone just went to the Department of Roads. This turnover in our staff results in supervisors continually training new people. And then as a result of that they're delaying other action on important duties. As other people have mentioned, the county court is often the first and only contact that people have with the court system. And we feel that we have the responsibility to ensure that people know their rights and are treated fairly, but we fall short of that very often. And I know Senator Nantkes was in the county court about 18 months ago and had a picture of what goes on, on a typical day and our caseload has increased 13 percent since then. So it's very...it's very important that we have good employees and that we pay them well. In the past there have been several...since I have been a judge there have been several legislative proposals to combine the district courts and the county courts for the purposes of administration. And I can tell you the county court employees always think that's a great idea because it's a chance for them to get paid better. But the district court employees that I've talked to are very much against that because they think our salaries are going to be frozen until these county court employees catch up with us. And so we're not in favor of any kind of coordinated or any kind of legislation that would combine the administration. We appreciate the fact that there are already salary increases in the budget for our employees. But we ask you to consider making a step, a very small step in getting them up to the salaries that they deserve. So I'm going to ask you, as you deliberate to please consider this group of dedicated and under appreciated state employees and do what you can for them. I really appreciate the difficulties that you're in right now. But I hope...hopefully you can do something for these employees. I'd be happy to answer any questions. [LB608]

SENATOR HEIDEMANN: Senator Nantkes. [LB608]

SENATOR NANTKES: Thank you, Judge Lovell. I guess, a comment rather than a question. I did have a chance to tour the county court. Thank you very much for providing me that opportunity here in Lancaster County. And then, of course, I had the opportunity to interact with the court, the local court in my position as an attorney as well. And I think it's difficult for people who don't have a chance to see that either from a legislative tour perspective or practicing in the courtroom. It's hard to really grasp the gravity and the volume that we're talking about. I was, frankly, shocked and astounded walking into the county courthouse to see full courtrooms with not a seat open, and litigants and attorneys and other interested parties literally just packed the hallways during your docket days. And I just...I take so seriously the fact that the county courts, I think, really, truly are the face of the court system for so many of our citizens. And I wonder how a system like that can truly inspire confidence or trust in the citizenry and how you as judges have time to give appropriate reflection and consideration to each of those many, many cases before you. It's definitely been my experience that the judges take that time to ensure that they're...that each case is given full consideration. But I just really feel we're at a critical point. And if we don't make some changes in terms of staffing and judgeships and infusing resources into the separate and distinct branch of

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government that is our court system that we're going to find ourselves really in trouble as a state. And so I want to thank you again for the opportunity to take that tour and for your service, [LB608]

JEAN LOVELL: Thanks so much. Any other questions? [LB608]

SENATOR HEIDEMANN: Senator Nelson [LB608]

SENATOR NELSON: Thank you, Judge Lovell, for coming in. It's always confusing to walk into the courthouse and try to figure out who works for whom or who are state employees and who are county employees. And so my question is, who pays the district court employees? [LB608]

JEAN LOVELL: The county, Lancaster County or the counties pay for the district court employees and also for the juvenile court employees. [LB608]

SENATOR NELSON: And the county... [LB608]

JEAN LOVELL: ...the separate juvenile courts. [LB608]

SENATOR NELSON: And the county employees are paid by the state. [LB608]

JEAN LOVELL: That is correct. [LB608]

SENATOR NELSON: All right. [LB608]

SENATOR HEIDEMANN: Any other questions? Senator Fulton. [LB608]

SENATOR FULTON: Thank you, Judge Lovell, for coming in. I think that we talked about this last year, but it's escaped me and I think it would be informative for us. What kind of difference percentagewise are we talking about when we are comparing those positions paid for by the state and those paid for by the county? So if you have a position X and the other corresponding position X, county and state, would be your guesstimate on the percentage difference? [LB608]

JEAN LOVELL: I can't tell you the percentage. I know that one time a couple of years ago, when we were pursuing increases or step increases for the county court employees, the clerk of the district court could offer a starting person \$3 more an hour than we could. But I can't tell you the percentage. And there may be information about that. If there is, I'll get back to you on it. [LB608]

SENATOR FULTON: Thank you. [LB608]

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JEAN LOVELL: All right. [LB608]

SENATOR HEIDEMANN: Senator Wightman. [LB608]

SENATOR WIGHTMAN: Thank you, Judge, for being here. I'm wondering about the benefits that are provided through the county as opposed to benefits provided through the state. I know that the state provides 79 percent of all its employees health insurance or healthcare costs. And I think traditionally, maybe counties provide a lower amount. But I'm wondering if you know the answer to that. [LB608]

JEAN LOVELL: That's not true in Lancaster County. I can't speak for other counties. I know in Lancaster County the employees get, for example, on retirement they get a \$2 per \$1 match by the county. So for every dollar that they put in, an employee puts in for retirement, the county matches it by \$2. [LB608]

SENATOR WIGHTMAN: And I was addressing health insurance more than I was the retirement. [LB608]

JEAN LOVELL: Well, the health insurance, in Lancaster County the health insurance is competitive if not better than what the state employees get. [LB608]

SENATOR WIGHTMAN: Are all county employees treated the same? Are the court employees treated the same as employees in every other office or... [LB608]

JEAN LOVELL: That's right, in Lancaster County that's true. [LB608]

SENATOR WIGHTMAN: In Lancaster County. And that's probably true throughout the state, but... [LB608]

JEAN LOVELL: I would guess it's true throughout the state. [LB608]

SENATOR WIGHTMAN: But I think it varies from county to county probably. [LB608]

JEAN LOVELL: And I can also try to get some information about the benefits, but I can only tell you what happens in Lancaster County. I know they get a much larger contribution towards retirement if they're a county employee than if they're a state employee. [LB608]

SENATOR WIGHTMAN: Thank you. [LB608]

JEAN LOVELL: All right. [LB608]

SENATOR HEIDEMANN: Any other questions? Seeing none, thank you. [LB608]

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JEAN LOVELL: Thank you. [LB608]

SENATOR HEIDEMANN: Welcome. [LB608]

JANICE WALKER: Good afternoon, Senator Heidemann and senators. I'm Janice Walker. I'm the state court administrator and I am here to testify in behalf of the legislation that Senator Mello was good enough to bring on behalf of our court employees. Let me not repeat what others have said but let me just give you one little piece of background. In 2000, the Legislature allowed us to institute a step plan for court employees which would have given them, in addition to the across the board salary increase, it would have given them one step increase each year. That plan was funded for three years and then the state hit kind of a difficult budget time and the step plan has not been funded since 2003. This has resulted in our employees having a plan in place unfunded, and they have fallen behind in salaries. And you have heard a lot about that. In the budget request two years ago, as one of the judges mentioned, the Supreme Court included in our budget request additional funding to make up for the years that the step plan had not been funded. That received very good support from the Appropriations Committee, and some of you were here on the Appropriations Committee at that time, however, we did run into a little veto problem later when we were on the floor of the Legislature and we did not overcome that. So here we are. This year as we put our budget request together, and you're going to be hearing our budget presentation next on your agenda, our employees were in no better condition than they were two years ago. But we looked at the economic situation that the state was going into and determined that we would only ask for the same across the board increase as other state employees this year. And in response to that our county court employees thought perhaps we should do a little bit better. So that's how we are here today. And what I'm simply wanting to say is that we have a very fine court system in Nebraska and it's due to the fact that we have 1,100 people across the state, about 400 of them in county court who make this a very good court system, judges and employees who are dedicated. We have employees 10-, 20-, 30-, 35-year employees. And as their administrator it's very disheartening to me that I'm not able to adequately compensate people who do very valuable work. I know this is a tough year. But I'm just asking you to look at the county court employees and to think about the jobs that they do. In hard times, hard economic times the work of the court doesn't diminish, in fact it increases. And we need to maintain excellent government services for our citizens during hard times as well as good times. So I just thank you for your consideration. And if there's any information that our office can provide you, we most certainly will. [LB608]

SENATOR HEIDEMANN: Thank you for coming and testifying today. Are there any questions? Seeing none, thank you. [LB608]

JANICE WALKER: Thank you. [LB608]

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SENATOR HEIDEMANN: Welcome. [LB608]

LESLIE DOUGLAS: (Exhibits 6 and 7) Senator Heidemann and senators, my name is Leslie Douglas and that is L-e-s-l-i-e D-o-u-g-l-a-s. And I am the Douglas County Court judicial administrator. As the administrator, I have the responsibility of monitoring a staff of 75 employees representing the Douglas County Court within three different divisions: the criminal traffic division, the civil division, small claims and the probate division. We also have bailiffs who assist our 12 county court judges in the courtroom, and court personnel doing transcription duties. In the past two years, the monthly insurance premium paid by a court employee has increased 16.14 percent. The cost of living increase that has been given to the employees is 3.25 percent for the same time period. One of our employees who works in our accounting department and has been with the state for three years, a single mom with three children, recently enrolled her children in Kids Connection, which is a healthcare coverage for qualified children through the state of Nebraska. While she was enrolling, she found out that she additionally qualified for food stamps. This is a person working for the state of Nebraska and qualifying for state aid. In an anonymous survey taken in November of 2008 within the Douglas County Court it was revealed that 46 percent of the employees have second jobs, and another 29 percent were looking for a second job, 25 percent get federal, state or county aid such as Section VIII Housing, Early Learning Childhood day care assistance and food stamps. Some receive reduced school lunch prices, utility assistance and even visit food pantries, 50 percent have gone through legal proceedings such as bankruptcy, default judgment or garnishment of wages directly relating to not being able to make ends meet. I would like to read a letter from Marty Conboy, who is the Omaha city prosecutor, that he asked me to share with you. You have a copy of this. "Dear Leslie, Thank you for the information on the upcoming hearing for LB608. I did some research to check the status of our new employees and existing employees compared to the staff of the county court employees. Our average clerk starts at a rate approximately \$3 an hour higher than the rate that you indicate is the beginning salary for a clerk in your court. In addition, we have regularly scheduled pay increases which automatically increase the salary in 6 months, and then again annually thereafter. The gap between the salary of our clerks and the clerks in your court widens with time. Our insurance costs are, at this time, 5 percent of the monthly premium but will rise to 8 percent with the new contract that the clerks recently entered into. Even at that, the cost of living in the local area and the increased cost of working downtown make it difficult to hire employees even at the rate we offer. I have watched over the years as many fine employees of the Douglas County Court have left for other jobs, many here in the building which pay better and offer better benefits. I know it is difficult to keep good employees and with salaries and benefits that are not competitive even within the building it is doubly difficult. You have an excellent staff and they do an important job well, and I wish you luck in trying to secure a more livable wage for your employees. Sincerely, Martin J. Conboy, City Prosecutor." As Mr. Conboy noted, a city employee

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pays 5 to 8 percent of the total insurance premium, a county court employee right now pay 21 percent of their total insurance premium. I'm sure you can understand the difficulty in hiring and keeping good employees when within the same building you encounter such wage disparities. Our civil division has encountered a 51 percent increase in caseload from 2002, that was 21,708 cases, to 2008, 32,692 cases. We have not been allowed to hire any additional employees because of budget constraints. Additionally, our turnover ratio the past two years in this division has been 25 percent. We are constantly training new employees, which I believe must be a huge cost to the state. The large majority of county court employees make a starting hourly wage of between \$10.45 an hour and \$14.71. Let me highlight some of the job duties of a records clerk in the county court, that would be the starting position of \$10.45. They can enter a warrant in the computer system for a defendant's arrest after a judge has ordered it, they enter information notifying the Department of Motor Vehicles that a license has been suspended, they enter a garnishment of an individual's wages, enter default judgment which can affect a person's credit report, and enter executions to take away an individual's property. I say this to illustrate that if these job duties are not done correctly, they can be critical to the life, credit history and income of an individual that has been in our court. We can understand the situation the state is in with the economic crisis it is facing and we understand that all agencies are asked to make sacrifices. Unfortunately, the problems the courts face during a down economic climate is adverse. We see more garnishments of wages, more bankruptcies, more domestic assaults because of frustration due to loss of jobs and not being able to make ends meet. We see more individuals driving on suspended licenses because they are unable to pay their court costs and fines. In closing, we feel as county court employees that we have stuck with the state more faithfully than the state has stuck with us. I thank you and all of the county court employees thank you for your consideration and supporting LB608 and would welcome any questions you might have. [LB608]

SENATOR HEIDEMANN: Thank you for coming and testifying today. Are there any questions? Seeing none, thank you. Is anyone else wishing to testify in favor of LB608? [LB608]

ROBERT HILLIS: Good afternoon. My name is Robert Hillis and I'm an attorney in Fremont, Nebraska. I'm in private practice but I appear in front of you today as president of the Nebraska State Bar Association. By the way, my name is spelled H-i-l-l-i-s. As you may know, all practicing lawyers in the state of Nebraska must belong to our bar association, and we have more than 6,000 active members. I'm here on their behalf to inform you that the bar association supports this bill. And I don't intend to take a lot of your time. And I didn't bring a lot statistics. But I think it's a fact that these employees, these county court employees have fallen behind their colleagues in the district court and fallen behind the private sector when it comes to their pay and benefits. We think the county court employees are very important to our justice system and that it can't possibly run well and can't possibly serve the people of Nebraska without good

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employees. As an anecdote, I will tell you that shortly after I was made president of the Bar Association the Dodge County Court employees called me over and asked to meet with me to express their concerns and hopes that I might be able to help them. And they were quite concerned not only with their current situation but with the long-term trend which had not been very favorable. And then as another anecdote, I will say that my firm, within the last 30 days, has hired a county court employee largely for reasons of pay. So while it may work to the detriment of the county court employees, I guess it worked to our benefit in this case. But in reality we ask that you take a very close look at this issue. The State Bar Association believes that it is very important to the administration of justice in Nebraska. And I'd be happy to take any questions. [LB608]

SENATOR HEIDEMANN: Are there any questions? Senator Nantkes. [LB608]

SENATOR NANTKES: Thank you, Mr. Hillis. Your testimony was quite insightful and I want to commend you for taking time out of your busy schedule to come here on behalf of the bar association and offer your thoughts in support of this legislation. As you well know, the bar association is well represented within the halls of this building. But I think it's always critically important when you as president and a frontline practitioner can come forward and share personal experience, that's really quite valuable. So thank you. [LB608]

ROBERT HILLIS: All right, thank you. [LB608]

SENATOR HEIDEMANN: Any other questions? Seeing none, thank you. Is there anyone else wishing to testify in favor of LB608? Is there anyone wishing to testify in opposition of LB608? Is anyone wishing to testify in the neutral position on LB608? Seeing none, would Senator Mello like to close? [LB608]

SENATOR MELLO: Very quickly. I'd like to thank the members of the Appropriations Committee for hearing LB608 and look forward to working with you to find possible compromises in these tough economic times to help, dealing with this issue. So with that, I'll take any questions. [LB608]

SENATOR HEIDEMANN: Seeing none, thank you. [LB608]

SENATOR MELLO: Thank you. [LB608]

SENATOR HEIDEMANN: With that, we will close the public hearing on LB608 and open up the public hearing on Agency 5, the Supreme Court. [LB608]

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Disposition of Bills:

LB608 - Held in committee.

Chairperson

Committee Clerk