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Government, Military and Veterans Affairs Committee
November 09, 2011

[LR8 LR12]

The Committee on Government, Military and Veterans Affairs met at 1:30 p.m. on Wednesday, November 9, 2011, in Room 1507 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR8 and LR12. Senators present: Bill Avery, Chairperson; Scott Price, Vice Chairperson; Lydia Brasch; Charlie Janssen; Russ Karpisek; Kate Sullivan; and Norm Wallman. Senators absent: Rich Pahls.

SENATOR AVERY: (Exhibit 1) Good afternoon. Welcome to the afternoon hearing of the Government, Military and Veterans Affairs Committee. My name is Bill Avery. I am Chair of the committee. We are going to be hearing testimony on two resolutions today. The order in which they will be taken up is LR8, introduced by Senator Loudon, and LR12, by Senator Brasch. They are posted outside the room in the order in which we will be discussing them. Before I do that, let me introduce the members of the committee who are here. Senator Lydia Brasch is here from Bancroft, and I think Senator Janssen will be coming later. Senator Janssen represents Dodge County and Fremont. Senator Scott Price sits next to him. He is Vice Chair of the committee and he is from Bellevue. On my immediate right is Christy Abraham, the legal counsel for this committee. And right next to me is Senator Russ Karpisek who is in the Retirement Committee hearing right now and he'll be here later on. He is from Wilber. Senator Kate Sullivan is next and she is from Cedar Rapids. And next to her is Norm Wallman from Cortland. He is a brand new member of the committee, just attended one session, I think, so far. And on the far left there is Sherry Shaffer, who is the committee clerk. We have one intern with us today, Katie Miller from Omaha. If you have any materials that you would like the committee to take a look at, please give that to her and she will get it distributed. I told you already about the order in which we will take these up. A couple of other items about our procedures. If you want to testify for or against either of these resolutions, we ask you to fill out a form, the beige form, that reads "for testifiers only" and we want you to fill that out in clear print so that we can make a clear record of it. And when you take the chair, please spell your name clearly for the clerk. If you wish to be recorded for or against either of these two resolutions, or both, you may fill out this form. That is to say, if you want to be recorded for or against but you don't want to testify and we will make that a part of the record as well. If you have cell phones, please turn them off or put them on vibrate so that we will not be disturbed. And I want to remind all of you that we only allow recordings in these hearings by the certified press and that's Channel 8. (Laughter) We're going to start, Senator Loudon, with you on LR8 so if you want to come forward, please do. While he is doing that, we have been collecting a large number of communications from people who want to register their opinion on this issue. I am going to read into the record the list of names of people who have contacted us on behalf of this resolution, and they are in support of the resolution, and they have specifically asked that their names be entered into the record: Kathy Andersen; Chris and Connie "deGanahl"... [LR8]

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SENATOR LOUDEN: deGanahl. [LR8]

SENATOR AVERY: deGanahl--thank you, sir--from Lakeside, Nebraska. (Laughter) It's not a common name around Nebraska is it? [LR8]

SENATOR LOUDEN: No it isn't. [LR8]

SENATOR AVERY: Nancy Klammer from Johnstown; William Lore from Alliance; Arlo Petersen from Ruskin; Kelly Peterson from Hallam; Jerrine Racek from Morse Bluff; Laura Reynoldson from O'Neill; Jean Roemer from Hooper; Becky Schelm from Johnstown; Nancy Wagner from Lincoln; and Sharon Wheelock from Hyannis. Those have asked to have their support read into the record. We have an additional 55 e-mails, letters, and phone calls that my office has received. I just want you to be aware of that and we're not going to read all of those into the record, but they did not request it. So, Senator, you have a lot of support for this resolution. Now can you get five members of the committee? [LR8]

SENATOR LOUDEN: (Exhibit 2) Well, I would hope so because, as they say out in the western end of Nebraska in some of these rural areas, that's probably the biggest thing on the burner is closing their post offices more over than some of the other things that have been brought to light in the newspapers now. With that I would say, good afternoon, Senator Avery and members of the Government, Military and Veterans Affairs Committee. My name is LeRoy Louden, and that's spelled L-o-u-d-e-n, and I represent the 49th District. I've introduced LR8 to call attention to the anticipated closings of post offices in Nebraska. I have included a list of some 90 rural area post offices that have been designated as a study list by the United States Postal Service. And the page has just handed out that copy with your names on there and it was highlighted some of the post offices that are being closed in the districts you represent. So everyone is being affected and even Senator Price, I don't know if there's one in Omaha, but I know Senator Avery, I think, has one in Lincoln. And I mean, it's amazing how deep that this bites into everybody's constituents and what the effect that has on people in Nebraska. The list does not include some major sorting centers such as Alliance and Norfolk, to name one or two, and that are going to be on the question of being closed. Those are sorting centers, and my understanding is that when those are closed, that mail instead of being sorted there will be shipped...at the present time they tell me that in Alliance it will go to Cheyenne, Wyoming. So there will be some of that mail that will probably travel, oh, 600 miles before it goes to someone that's across the street because it has to go someplace and be sorted and then back again. In this past Monday's Lincoln Journal-Star newspaper was a list of southeast Nebraska post offices scheduled to close and as you notice on there, some of them was Hallam, was some of them, Cordova, Crab Orchard, Elk Creek, to name a few. And this is the same thing that's been happening all over rural Nebraska. Rural areas rely on a local post office for delivery of small parts and medical supplies for both humans and animals. The billings

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are sent to farms and ranches by mail. They've told us that, well, a lot of this billing could be done with e-mail and you can send...pay your bills on line and a few things like that. But very few farms that I know of, and ranches, that pay their bills that way. Most of them are mailed in and they're mailed out. Part of it is that when you pay on-line, you actually cannot guarantee any account security. And when you're out in some of these rural areas, I don't care what kind of Internet service you have, it can be zipped into because a lot of it comes over cell phones and various other ways of getting it. So the security is really atrocious for anyone doing business. And usually these farms and ranches are businesses that are out in these rural areas that depend on how they handle their finances through the mailings for one thing. Mail delivery and access to Postal Service is very important to operating a business in rural Nebraska. And no doubt the Postal Service has to streamline and adopt a change. To close rural post offices with a plan underway now would disseminate any rural Postal Service. The United States Postal Service estimates that \$200 million could be saved by closing 3,700 post offices nationwide. According to Jim McAnerney of the National Association of Retired Postmasters, that \$200 million makes up three-tenths of a percent of the Postal Service's operating budget, or one day's budget. Those numbers would pale in comparison, he said, to the numbers at the root of the Postal Service current budget woes. According to a Postal Service office in Denver, the United States Postal Service is the only public agency required to refund its retirement costs 75 years into the future at an annual cost of \$5.5 billion. The Postal Service has actually overpaid into its retirement fund to the tune of about \$50 billion. Some of the reasons...I think you've seen LR1351 and there's different ideas to suck some of that money back out of there to help them operate. I don't see where that's going to help the problem at all. To me the problem is their retirement benefits, their health benefits, and that's probably where their expenses are going, so I think the whole study needs to be looked at different. I can't see that taking out and closing part of these post offices, cutting down your service, would increase your revenue that much. It might cut down your expenses but you're certainly would get rid of your revenue. It's no different than if you kill your chickens, you're not going to be able to gather eggs. And so I think we have something like that. Now last summer, Senators Hadley and Sullivan held an interim study in Kearney to address the loss of rural populations in Nebraska under...at that time it was called LR226. Well, closing post offices, which is a key to many communities for businesses, medical and general communications, to me is not an answer to stimulating the growth in rural Nebraska. Out of that hearing they were trying to find ways to give tax discounts to bring people into rural areas that would live there. Perhaps, they wouldn't have to pay any income taxes on the wages they made. There was all kinds of ideas tossed around, but it still gets back down to the fact that if you don't have Postal Service, if you don't have schools, if you don't have transportation, nobody is going to go there at all. In the early days, in fact, as working now with...my wife and the DAR they're looking up these, what they call, pioneer post offices. And I'm sure none of you around here are old enough to remember, but I'm old enough to remember my folks talking about the rural post offices back in those early days with pioneer post offices. And people would have a

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post office in their house or their building or their ranch or something, and then you would go to the railhead someplace, and someone would load the mail up and bring it to that particular post office, and then people would come to that post office and pick up their mail. So it wasn't until probably the late '20s or so that we actually had mail delivery in the Sandhills and the rural areas that we know now as...with what you call highway contract, is what they call them now. At that time they was mail carrier contracts. In fact, I spent the first 20 years of my life with my dad carrying mail, so I'm quite familiar with mail contracts. So this is what developed the country was the Postal Service that we had in and out of those areas. Because wages and benefits make up more than 80 percent of expenses, postal management and union leaders must work together to find viable ways to manage these costs. The Postal Service needs to be candid on what is eating their revenue. Any business that has a benefit package must have the package self-funded. You can't run a successful business if revenue is taken to fund benefit packages. This is what the Postal Service has to address. A study needs to be done to see where the expenses of Postal Service really is. Are the retirement and healthcare benefits out of line? An actuarial study would show if the plans are viable. Are the contributions sufficient to fund the plans? How far into the future should a plan be funded and have contributions continue on a timely manner? These are some of the questions that LR8 poses to the Postmaster General of the U.S. Postal Service. I would ask that the committee advance LR8 to the floor of the Unicameral. The closing of these post offices across Nebraska will hurt businesses and the well-being of Nebraskans and change the way rural communities do business. I would be happy to answer any questions. [LR8]

SENATOR AVERY: Thank you, Senator Louden. I think you are quite right that the closing of these post offices will have a disproportionate effect of rural areas. I mean, we can probably see some in Lincoln without a great deal of impact but if you only have one within 25 miles, for most people live in rural areas, and you close it, it makes a difference. Any questions from the committee or comments? Senator Sullivan. [LR8]

SENATOR SULLIVAN: Thank you, Senator Avery and thank you, Senator Louden. I certainly identify with many of the comments because of the 40-plus towns in District 41. It's potentially possible that a quarter of them are on this list to be closed. Did you attend any of the community meetings that the post office sponsored to talk about these potential closings? [LR8]

SENATOR LOUDEN: Well, did I go to a meeting, is that...? Yeah. Yes, I went to a meeting in Lakeside here a while back and that was right after I twisted my knee so I wasn't very happy when I got there. There was 90 other people there that weren't very happy. And, of course, the people from the postal department gave their presentation and told us what a great deal it was going to be on how they could handle it. They could service our mail from a different area. You had to meet your carrier. If you had over 13 ounces, why, you had to meet the carrier face-to-face. And the question was, well, then

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if we don't meet the carrier where do we go? Well, they thought probably to Alliance. Well, you have people that are 30 miles north of Lakeside and then they're supposed to drive another 25 miles to Alliance to pick up their 13 ounce package, when whereas, you had a post office there before and you could probably pick it up at anytime of day that you want to go through there. So that was part of the problem. I also might add that one guy had a heart attack while we was there and that pretty well tied the meeting up. [LR8]

SENATOR SULLIVAN: So are they not entertaining any of these ideas, like...not the pioneer post offices, but the village post offices? Are they considering those at all? [LR8]

SENATOR LOUDEN: Okay. And that's what they pushed was, we had this little circular paper they pushed out, village post offices. And I've been around post offices for a long time. That is probably the biggest bait-and-switch deal I have ever seen in my life is to tell them how great this village post office would be. First of all, you got to have a store that's going to be open all the time. And when I was a little kid in Lakeside, the postmaster run the store at the same time. Well, when he didn't open the store, nobody got the mail. And if he didn't want to open until 8:30 in the morning, then nobody got mail. There was no way to get in to the separate area of the post office the way he had it fixed up. So this is what you go back. Then on your village post offices...and I think they had in the circular, if I've got one here, but they told what they can and can't sell at a post office. There's some things that you won't be able to get at a village post office, I think. And part of that was, you could get collection boxes and Forever stamps and a few things like that, but I don't think you can mail bigger packages out or something like on that. It's set up so that you mostly can just pick up your mail. It's just a drop-off place is what it is. You'd be further ahead to have a big box sitting out in front of your...on the road someplace and pick your mail up out of there as to have a village post office. [LR8]

SENATOR SULLIVAN: Part of the frustration and I, too, have attended some of the community meetings in my district, but because the Postal Service is sort of a quasi-governmental office, or entity, you wonder where we can impact and make a difference. So where would you suggest, aside from sending this message to the U.S. Postal Service, do we also need to register our concern with Congress or what do you suggest and where should we go with this? [LR8]

SENATOR LOUDEN: Well, as the resolution, I put it's to be sent to the Postmaster General. But I think we also need to send copies of this to our Congressional representatives because they're the ones or somebody that is going to have to address the problem with the benefits and how those benefits are paid and where the actuarial studies come in. So as far as sending it to the Postmaster General, his mind might be made up, I agree. But, no, I think this has to be sent to our Congressional people also. And my idea is, if we can get this on the floor and get it passed, we would send copies

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of it to the Congressional delegation likewise. [LR8]

SENATOR SULLIVAN: Thank you. [LR8]

SENATOR AVERY: Senator Brasch. [LR8]

SENATOR BRASCH: Thank you. Thank you, Senator Louden and thank you for bringing this resolution to our attention. I also attended a town hall meeting in Craig, Nebraska, in our district, and the community has declined in population and size since the school was consolidated. Craig has successfully consolidated with Oakland, but since that has happened, they only have one business on main street, which is a bar, and then a part-time mechanic. And when they heard that the post office was closing, their final gathering community place, that their spirit was broken. And that night, I believe there's maybe 49-50 delivery mailboxes in the community, but they had pleaded, you know, every opportunity to, let's do what it takes. The post office had a sheet of the hundreds of thousands of dollars that would be saved if they didn't have a post office in Craig. And our office, as the Senator for Craig, I also wrote a letter to the Postmaster General on behalf of Craig and the response was basically a form letter of, sorry, it's going to close, more or less, you know, reading between the lines and right there in black and white. So I'm hoping this resolution will help the business map of the U.S. Post Office to perhaps look at more economical ways. But I believe our towns like Craig and others are the Americana. It's where the pony express stopped. It's where the communities built, where people thrived, and I think that it's very important to continue that institution of, come rain, shine, snow, that you will get your mail. And that seems to be lost at this point. So thank you for this. I appreciate it. [LR8]

SENATOR LOUDEN: Yeah, very good, Senator Brasch. And what I've noticed is when they tell you how many thousands of dollars they were going to save there, and that came out at the meeting in Lakeside, they said, well, the average person gets, I don't know, one and two-tenths pieces of mail three times a week or something like that. And I said, yeah, and what are you doing? You're talking about one size fits all because I said the condo where I live here in Lincoln, there's some people only get their mail...they don't go down and get their mail probably once a week maybe. And when I'm there, the mail I get for most of the time is local advertisements. But when you get in these rural post offices, and I try to tell them, can you tell me what is the revenue that you get from that post office and if you're saving that much money, how come it's costing you that much to start with? Because many of times the stamp sales and the revenue and the amount of pieces per household, or per farm, or something, is way higher than what it is when they just try to average the whole United States over again. At the ranch at Ellsworth, when I go get the mail, I go with a sack because that's what it takes. Whereas, here in Lincoln I can haul it out in my coat pocket if I have to. But yes, I think we can't be overly optimistic but this is what I'm trying to is let's take a look at this mathematically and on a business venture and see if we can correct this. [LR8]

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SENATOR BRASCH: Thank you. [LR8]

SENATOR AVERY: Senator Price. [LR8]

SENATOR PRICE: Thank you, Senator Avery. Senator Louden, you're right, I am blessed in Bellevue. We don't seem to be on the list, but it doesn't mean I'm not aware of it, and I salute you for your effort here. A couple points, the first is the segue, which you mentioned earlier, about the mathematics of it. And I was looking at this and doing some numbers and I found it interesting that if you take the number of 3,650 and divide it by 50, that would be 73 per state and that we have 23 percent increased burden over the average state. So it would be interesting to find out what the parameters were that they used to say, we're going to disproportionately close post offices in Nebraska. Now I can understand with Hawaii, it would be a little tough to close that many down in Hawaii. But, obviously, they have some type of, you know, mysterious math that they used in the beltway to figure out how they were going to do this. But I do agree with you. I'd also make comment that you mentioned questions here in your opening testimony that need to be asked. And that's what we're asking for in our resolution. And if I heard you correctly, then I read a resolution, I don't see questions here, I just see the intent. So I just, you know, offer that to you as a part of what you've said here. There's no questions outlined in the green copy I have before me to go to the Postmaster General, just a statement of effect, so. [LR8]

SENATOR LOUDEN: Okay. Very good. Yeah, we, perhaps if we can get this on the floor, would... [LR8]

SENATOR PRICE: Add those questions. [LR8]

SENATOR LOUDEN: ...add those questions or something like that on there. They could, perhaps be amended in there or however. But mostly on the resolutions it was the "whereas" I guess is where we went to. [LR8]

SENATOR PRICE: And just be clear because this is a matter of record, it's a change in the level of service, not the ending of service, correct? People would still get their mail? I mean, when they close a post office, someone, somehow or another, there's going to be a delivery of mail. Or does this mean, no mail shall be delivered to customers? It was my understanding was that if you close a post office, a bunch of activities that take place at the post office--you don't do it at the mail box obviously--but so it would be a degradation of service but there would be a basic service? [LR8]

SENATOR LOUDEN: That's how they're selling it is that you're still going to get your mail but it won't be the same as we have before. We've went through that already with different post offices that have been closed and usually what happens, you finally didn't

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have a post office there or mail delivery there. It was either picked up by a highway contract carrier or something else. So we know that if they start shutting them down, that you're going to be farther and farther to get your mail received. And whether they'll set it up so that you got to travel a 100 miles to get your mail or who you meet, I don't know what their plan is, but... [LR8]

SENATOR PRICE: So they wouldn't have a rural route carrier bring it by your house like they do now? [LR8]

SENATOR LOUDEN: Well, at the present time, that's what they're talking about. But this rural carrier as the present time, like rural carriers will start out at Ellsworth then, and if they close that up, then they're going to have to go to Alliance or they either go to Scottsbluff or someplace to pick up the mail to start delivering in those 80-some miles of rural areas that you go out to the Sandhills. I don't think they ever thought about some of the rural areas and the amount of logistics involved with...when they were talking about closing it. Because as you say, as we look they always talk about, oh, it isn't going to change your...you're still going to get your mail. It could be but it might be two days late or a week or something else. [LR8]

SENATOR PRICE: All right. Good. Thank you. [LR8]

SENATOR AVERY: Senator Janssen. [LR8]

SENATOR JANSSEN: Thank you, Chairman Avery, Senator Louden. Is there, with this resolution, are we saying that...I'm looking at your list which I think your staff or yourself, probably your staff, so nicely outlined out all the hospitals...not hospitals, the post offices. [LR8]

SENATOR LOUDEN: Yeah, they put some of them in that was in your district. Yeah, you weren't here at the time, but that's what that is that's in there. [LR8]

SENATOR JANSSEN: And that's...I represent seven different communities that have post offices and three of them are listed here, so obviously this is an impact to me and my District 15. In your opinion, and I don't say this as opposed to this at all because I'm not, but there is a sense that we all as Americans, not just Nebraskans, need to do something about the spending, and unnecessary spending in some cases. Is it your contention that every post office on here should not be closed? And I'll preface this and I'll even maybe make myself sound bad, but I look at one community in my district, Winslow, which is only probably two to three miles away from Hooper, another community that has a post office, I think that was probably taken into consideration when it was put on the list that one or the other, I'm just wondering if this resolution says that none of these should be closed? Is that what we're saying, or...I guess that's my question, none of these should be closed because we're taking a huge burden on

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ourselves? Or should we do something to help out as with the rest of the United States?
[LR8]

SENATOR LOUDEN: Here's...and in my testimony I said there's no doubt the Postal Service has to streamline and adapt to change. I mean, I agree change always comes. What my concern is, they're using this closing to close these...well, 3,700 of them across the whole United States and 90-some here in Nebraska as a way to show that they're going to cut their expenses. My contention is, that isn't where their cost is. Their cost is in there probably their health benefits and some of the other operating expenses. And I think that's where the focus should be to start with, is what is really costing them to operate. I agree, those post offices, they close them all the time. Many times, and I'm not familiar with your Winslow, but as my experience over the years has been that whoever the postmaster/mistress is at that post office, when they retire they probably won't hire anybody to put back there. We've had that happen many times. Antioch has happened when they kept the lady there until she retired, and when she retired, that was the end of it. This is what we're talking about. Now we have a post office like Ashby, Nebraska, that the Postal Service came in there and put in a post office, brought in a modular post office about, oh, 15 years ago. Set it down and built it all up, handicapped accessible and the whole bit. And now they're talking about closing that. Well, I can't see where the amount of people that circulate out of that town of Ashby, I mean, the roads go 40 miles each way, north and south from the Highway 2, why closing that would probably save them a bunch of money. What are you going to do with that building that you put and bought there all those years? Because there are people, mail routes that come in there and there's stamp sales. There's mailing gone out of there. And we know that you can make money doing that because several years ago the Postal Service decided they didn't want to do much with parcel post, so what happened, United Parcel. We have United Parcel runs all over the Sandhills up there. They make money by doing it. Evidently you can drive around the Sandhills and make money because any of you familiar with Schwan's frozen food, they drive all over the Sandhills and sell stuff and make money at it. So there are better ways of doing it than just to blanket, go out there and say, well, we're going to cut them all, you know. [LR8]

SENATOR JANSSEN: I actually agree with you and am glad you brought that up and I put the question in such a way that I hoped you did bring it up. Maybe that's because I sat in front of you for the last three years that I figured out how you were thinking on this. But in my particular district that we have, and Senator Brasch is very familiar with it, a little town of Snyder, which almost triples in population or maybe more during the day, and it's a huge economic boon for that particular area. And that would be, for that particular community, devastating to them and there are parts that are shipped out around Winslow and whatnot that can't be done now because of what you just talked about, with the parcel post situation. So once again I appreciate your bringing this. I just wanted to ask that question because it comes up to me a lot that a lot of these post offices are clustered together and perhaps there should be a consolidation of services.

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But I do agree with you that the benefits is a huge issue and the ongoing benefits has been the real problem and they seem to be ignoring that, so. Thank you. [LR8]

SENATOR LOUDEN: Thank you. [LR8]

SENATOR PRICE: Senator Wallman. [LR8]

SENATOR WALLMAN: Thank you, Senator Price. Yeah, thanks for coming here, Senator. I think they go by revenue on this, don't they, how much the post office brings in for the revenue? And do you know if they count postal machines as revenue? I was told they didn't. I went to some of this stuff too. And some of these post offices they had actually made money and they're still going to be closed because they sold these postal machines. You know, they fill them up with...the automatic machines, whatever you want to call them, and they claim they didn't count that as revenue. But if you counted that as revenue like a big co-op or something, you know, for instance, in one of these towns, they send out a lot of mail all the time. That was their beef. [LR8]

SENATOR LOUDEN: Well, Senator Wallman, I visited with some of our local postmasters and I don't...I'm not an expert on it or what was it you say, I probably know just about enough to be dangerous. And what I've been told that these smaller post offices, some of the packages and stuff that they sell, that they mail out, they don't get to count as part of their revenue. All they get to count is the stamp sales and the stamp sales that go out on the mail routes. So I'm not familiar but I know there is some issues in there that some of these post offices don't get to count some of that revenue. Now I've tried to find out and the Postal Service won't tell me, because I've said, all right, what is the average...Ellsworth has 78 boxes, say, and they take in probably \$15,000 a year in postal, in stamp sales, and you figure that out so much per postal. Now what is the average per post office box, per postal patron in the city of Lincoln? Do they take that same amount average per deal? And as near as we can find out, in the rural areas, they take in more money per patron than they do in these towns and stuff. Because a lot of these towns, I don't know anything is hardly sold at all. So there's a problem there when they go in there. I mean, what is it, I always think of an old cattle buyer always used to say that figures don't lie, but liars will figure. So that's where I feel that the Postal Service, they use numbers that enhance their line of thinking. They don't use numbers that are going to go against their thinking. So there's some of the problems I've had with it and it gets back, as we've talked with Senator Janssen, that I think the math, and that's the businesslike operation, needs to be addressed rather than this knee-jerk attitude that we have at the present time. [LR8]

SENATOR WALLMAN: Thank you. [LR8]

SENATOR PRICE: Thank you, Senator Wallman. Are there any other questions? Seeing no further questions, we'll move along. [LR8]

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SENATOR LOUDEN: Thank you. [LR8]

SENATOR PRICE: Those, now those wishing to speak on the LR, we don't really have a format here but please feel free to come forward and state your position. Anybody like to speak on this LR at all? Thank you. Welcome, sir. [LR8]

JACK ANDERSEN: Welcome or thank you. Senator Avery and members of the committee, my name is Jack Andersen, A-n-d-e-r-s-e-n. I'm here today to testify in support of LR8. During the past 37 years I've been fortunate to have my mail delivery point as a box office box. If I receive a delivery requiring a signature, I can sign for it and pick it up when I get my mail. When I receive something requiring immediate attention, I can return it to my post office and get it on its way. For several years I ran a business in our small town. On several occasions a piece of equipment broke down and the part I needed was in Rapid City. I think the parts man would cringe when I told him who I was from past experience. The conversation went something like this: Yes, we have that part in stock. Can you get it to the post office in time to get it shipped today? We can ship it overnight FedEx or UPS. Can you get it to the post office in time to get it out today? I think I had to pay extra as I recall it. It seems to me like they would call a cab to pick up my package and take it to the post office, but finally he would give in and say yes, and I would say, please do that. I was willing to pay extra to have it sent to my post office box because I could go to my post office box at 8:30 in the morning and pick up my part and get my equipment running. The Postal Service always came through for me, but if for some reason it wasn't there, I would have been able to implement plan B. Parts shipped by the other carriers might be delivered in the morning but often their delivery time was later in the day, too late to get the part installed. If a component needed repaired, I could take it to the post office and get it on its way for repair. The nearest pickup point for UPS was 23 miles away. Now it seems that it's almost impossible to order anything and have it shipped to a post office box. Maybe the Postal Service should look into that. But that's another story for another time. Today we're discussing LR8. I don't believe that the passage of LR8 will save our rural post offices, but it may help, and it sure can't hurt. Over the years I've seen the closing of the Antioch post office where residents were promised that they would retain their Antioch address. Now those residents are told that Antioch is no longer a valid address, they must say that their address is Ellsworth that's 15 miles up the road from Antioch. A few years back the office in Bingham was closed. They were told there would be a metro box placed there so that they could mail packages after the mail carrier went by...or not packages but letters, packages can't be mailed in those. That didn't happen. They were told they would get daily mail delivery to a box near their home. It's my understanding they now get their mail delivered three days a week. As you can see by the redistricting of the legislative boundaries, rural Nebraska is losing population. We need to find ways to bring small business back to rural Nebraska. To do that, we need our small town post offices. Thank you for hearing my testimony. I urge that you support LR8, and I will be glad to

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try to answer any questions. [LR8]

SENATOR PRICE: Thank you, Mr. Andersen. Are there any comments or questions from the committee? Seeing none, I do want to say I appreciate you coming out to testify and can tell you I appreciate your testimony that will validate that sometimes were promised one thing and a different thing is delivered in this area. So thank you very much for coming forward, sir. [LR8]

JACK ANDERSEN: Thank you. [LR8]

SENATOR AVERY: Thank you, Senator Price. Any more proponent testimony? Any opponent testimony? Anybody wish to testify in a neutral position? Senator Louden, do you want to close? [LR8]

SENATOR LOUDEN: Thank you, Senator Avery. Just a short comment to say that I appreciate if you...committee could move this out on to the floor and see if we can have some more discussion on the floor. With that, I appreciate your hearing this LR today and wish you all (inaudible). Thank you. [LR8]

SENATOR AVERY: Thank you. With that, we end the hearing on LR8 and we will now move to LR12 and invite Senator Brasch to come forward. Welcome, Senator. [LR8]

SENATOR BRASCH: Thank you, and good afternoon, Senator Avery and members of the Government, Military and Veterans Affairs Committee. My name is Lydia Brasch, L-y-d-i-a B-r-a-s-c-h, and I represent Legislative District 16. Thank you for the opportunity to come before you on a public hearing on LR12. I introduced LR12 as the State Senator representing some of the most flood stricken areas of the state, Burt and Washington Counties. With so many other issues that have taken the spotlight here, I believe it is important to understand how significant this single flood is and the damages that have been done and continue. That a real threat of its return is forbearing and ever present. Things are being done but is it enough? For those unaware, the Missouri River flood imperiled so many people, endangering, damaging, displacing so much and so many, not for hours or day or weeks, but for three months leaving behind a desert of sand by the ton. Debris that includes highly dangerous materials and objects such as propane tanks, not the small kind that light your gas grills but large tanks that heat buildings and homes. Many of these homes will never be able to have people return to them. This flood destroyed crops and the soil for planting last year, next year, perhaps the next year after that. This flood wiped out roads. It damaged businesses. It goes on and on. Today the waters have receded. Some remain but the reminders of the flood are everywhere as clean up work is ongoing. This daunting task requires heavy equipment, physical and skilled labor, and it will cost major dollars to try to restore homes, businesses, land, and the infrastructure. Because the land is so saturated and vulnerable right now, we don't know what next year's weather will bring. And it is

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imperative that every effort is made to prevent another flooding disaster. Before going any further, it's important that we acknowledge the enormous and selfless efforts of the many flood volunteers who assisted with so many. They gave them a place to stay. They provided meals. They helped clean up. Many were generous with donations. Among other things, they gave of their hearts. Also local, state, and federal officials stepped up, they stepped forward and efficiently responded and helped others answering questions and concerns as there were many. I do believe there are individuals in this room who came to testify on LR12 and the impact of this flooding. With this resolution it is important their voices be heard. I'm happy to answer any questions. Thank you. [LR12]

SENATOR AVERY: Thank you, Senator. Any questions from the committee? Senator Sullivan. [LR12]

SENATOR SULLIVAN: Thank you, Senator Avery. Thank you, Senator Brasch. Your resolution is really two part, one to extend gratitude to all the people that helped with this recovery effort, but then also to send a message to government officials on some preemptive measures. Do you have some ideas in mind what those measures could or should be? [LR12]

SENATOR BRASCH: Thank you, Senator Sullivan. I believe there were many lessons learned during this flood. Experiences, we...a group from the district came up and we were talking about the early days of the flood. People responding, the first responders, they were told to call 211, the Nebraska help line. Those responders really did not know where help was. So they would forward it to a Washington County group called Washington County Recovery. So one thing is, we need to be better prepared as government, as entities, as organizations on where...clearly where help is. How to facilitate help quickly. Also the 800 pound gorilla in the room is our dam system. In the '50s we designed a series of six dams across the country, latest of technology, science, engineered, the Corps of Engineers. We have a whole entity designed to monitor so that we would never have a flood of the '50s that lasted for weeks. Oh, my gosh, we had a flood that lasted for months and it's not done. So, yes, we need to be preemptive. Absolutely. We need to look at the extensive damages. It looks like a desert if you walk through there. I know they brought photographs. The photographs tell a story but walking through some of these areas is surreal, to say the least. You can see vacuum cleaners, you can see golf carts that came from who knows where. I'm not talking about houses along the river that were once resorts. These people, most affected, were the people, the working poor, who at the end of the month were happy to make their budgets balance and they lost everything. So what can we do? Let's work with, you know, the scientists, the Corps of Engineers, you know, accountability, agencies to respond, preemptive measures, looking at land, looking at the "waterologists," (laugh) "riverologists." There is a real name for them, I'm just... [LR12]

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SENATOR AVERY: Hydrologists. [LR12]

SENATOR BRASCH: Hydrologists. Thank you. Thank you. There is so much we need to do to be better prepared. We didn't have a 100 year flood. You know, it's unprecedented. We saw water coming in May. A group of us senators along the river were called in to see what may happen. Well, we've seen exactly what happened and it's not over, and the water table is so high and the threat is so real. And what do we tell these families? How do we, you know, there needs to be a better plan from the phone ringing, you know, at 211 to the insurance company, the insurance group to the FSA offices to...you know, there are probably at least 50 agencies we worked with from economic development to HHS to DEQ to...you know, the acronyms go on and on. The Coast Guard. There are so many levels of bureaucracy that maybe taking a look at it and seeing what, you know, what we've done, where did we go wrong, live up to that, be accountable for that, and to be preventive. Some of these crops will not be able to be planted. I...we were out looking at the farm areas on Sunday after church and we could see the bulldozers out there and there's sinkholes, sand. It's illegal to put the sand back in the river. What are we going to do with all this sand? But, yes the volunteerism was phenomenal. Nebraskans are good people with great hearts, strong backs. We did not sit and wait, you know, for handouts. They gave handouts to people, so thank you. [LR12]

SENATOR AVERY: Any other questions or comments? I don't see any. Thank you. Anyone wish to testify in support of LR12? Welcome, sir. [LR12]

PHIL GREEN: (Exhibit 1) Thank you, Senator Avery. My name is Phil Green, P-h-i-l G-r-e-e-n. I'm the assistant city administrator for the city of Blair, Nebraska. Again, thank you, Senator Avery and to all the committee members for the opportunity to express support for LR12. The tragic events of this summer's Missouri River flooding will never be forgotten, and hopefully will never occur again. I want to especially thank Senator Lydia Brasch, who because of redistricting, began representing a united Washington County only days before the flood began. Senator Brasch, your tireless efforts on behalf of flood victims, your willingness to move in and live with flood evacuees for several days on the Dana Campus, and your support for state assistance and state involvement, is greatly appreciated. You have become a dear friend and a partner in this fight and we thank you very much. Like many cities along the Missouri River, the city of Blair faced several critical issues because of the flooding. The city's water treatment plant and wastewater plants are both located along the river. Because of the hard work of city employees, local contractors, assistance from local companies such as Cargill, and with guidance from the Corps of Engineers, the city was able to do the following: Construct a temporary berm around both our plants and along the only access road into the plants to ensure safe operation and the delivery of chemicals and supplies needed to keep both facilities running. As any municipality would tell you, to lose your water plant and to lose your wastewater plant is a terrible thing. And then

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number two, to help us construct, test, and get approval from state officials for alternative ways of pumping water into our water treatment plant in case the water rose high enough to cause a shut down of our primary pumping station. In the end, the water came within six inches of flooding our pumping station. Thankfully, that did not occur. Now that the flood waters have receded, the city is working closely with FEMA to ensure the safe cleanup and reconstruction of critical infrastructure damaged by the flood. Our current estimates are the total bills for emergency work already done, cleanup, reconstruction, and some mitigation work, will be approximately \$6 million just for the city of Blair. We expect that FEMA will reimburse the city approximately 75 percent of that cost, but that still leaves the 8,000 citizens of Blair paying for \$1.5 million of damages and repairs. Budgets are tight for all levels of government, but we strongly encourage the Legislature to fund the Governor's Emergency Fund to such an extent that the state of Nebraska could partner 50-50 with local governments on expenses incurred in federally declared disasters. The city of Blair also was greatly concerned about the impact of the flood on our local economy and on our business community. Many of those who work in Blair at the various companies located on the Cargill bio-refinery campus, Ft. Calhoun nuclear plant, and in other companies, live in western Iowa. Keeping Highway 30 between Blair and Missouri Valley, Iowa, open during the flood was very important, and we greatly appreciate the hard work of the Iowa Department of Transportation in keeping Highway 30 open. Finally, I would like to publicly express my deep gratitude and appreciation to the hundreds of volunteers who helped provide temporary housing and meals for flood victims on the former Dana campus in Blair. In early July, when Highway 30 was temporarily closed, 115 people--83 adults, 32 children--were staying at Holling Hall. Approximately 8,500 meals were served to those individuals; 1,200 hours were donated by volunteers making meals, cleaning common areas, checking in flood victims, and caring for those who were driven from their residences. And the work continues to go on today. The Washington County Long-Term Recovery Committee is working to ensure that flood related unmet needs by federal assistance are, as best we can, taken care of at the local level. As Senator Brasch indicated, Nebraskans are hardy people, willing to roll up their sleeves and get to work when disaster strikes. Nebraskans are also hearty people, willing to give and to sacrifice their own time and their own resources for the sake of those impacted by the disasters. So I want to thank Senator Brasch again. I want to thank you for consideration of LR12 and encourage your support. Thank you. [LR12]

SENATOR AVERY: Thank you, Mr. Green. Questions? Senator Price. [LR12]

SENATOR PRICE: Thank you, Senator Avery. Thank you, Mr. Green, and I'm going to ask a question here that I hope you can help me develop, maybe, even. [LR12]

PHIL GREEN: Sure. [LR12]

SENATOR PRICE: Did you find that when the city made a request to the next level of

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authority in this response that...you were...request was acted on and that you were able to track that request throughout the life cycle of that request? So if you put in a request that you needed something, it went to your county, I believe. [LR12]

PHIL GREEN: Yes. Correct. [LR12]

SENATOR PRICE: Go to the county. And then from the county it would go to an agent and eventually to the state disaster response center? [LR12]

PHIL GREEN: Yeah, generally speaking. I mean, obviously, depending upon exactly what kind of request it might be, Bill Pook who is the director of Region 5/6 Emergency Management based out of Fremont...Bill and I have known each other for years. One of the many hats I wear for the city of Blair is the emergency management director for the city, so the lines of communication were excellent both between the county, between our regional emergency management, between NEMA's office, the Nebraska Emergency Management Agency, and FEMA has been relatively very responsive to all of our needs. Corps of Engineers was always there willing to answer questions, to come and meet when we had public meetings. So I feel like everyone has been very responsible, very willing to help, generally speaking, understanding how things are in the middle of a disaster, very responsive, and very forthcoming with information. The one great request, I guess I would continue to have as I said in my testimony, was that in the way the federal system is laid out with FEMA stepping in to try to cover any costs that could be covered up to just 75 percent, that it would be nice to see that remaining 25 percent split between a state and local officials. The way it is right now, if the state has any funds of their own to contribute, they will, but if not, the whole 25 percent falls back to the local community. [LR12]

SENATOR PRICE: Did you...were you able, and do you feel that you accurately captured the volunteer hours? I filled some sandbags, I served as a liaison to the Lieutenant Governor's Committee on these things so I was in a lot of different emergency centers along the way. And one of the things that seemed to be coming up was a challenge to accurately capture from the very beginning all the volunteer because those go in towards your total hours that you get to submit for compensation back. So one of the things that concerned me was sometimes people would just show up, like you spoke of. The spirit of volunteerism being so strong in Nebraska, people would show up but they wouldn't be assigned (inaudible) and then the next thing you know, you say, we had all these people but you didn't have them signed in. So it gets kind of tough to track that event. [LR12]

PHIL GREEN: Yeah, exactly. Well, and Senator as we all know, in any kind of situation, 20-20, you know, hindsight is much better. Anyone who has gone through one of these emergencies realizes how important some of those sign-in stations are. We probably did not do as good a job as we could have up-front to take care of that. Senator

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Sullivan, one of the things you had asked Senator Brasch was about some suggestions for moving forward. And I think one of the suggestions that should ultimately find its way back to the Nebraska Emergency Management Agency is that they do an excellent job of requiring local officials to go through some training in preparation for disasters in just kind of understanding how the national, you know, the NEMS, the National Emergency Management System works. They probably don't do as good a job, though, talking about in the middle of a disaster what kind of paperwork should you really be filling out and how does the process work at the end, so that if it is federally declared and there is some assistance that's going to come through FEMA, here's what they're going to expect from you so that you can know up-front exactly what to do. [LR12]

SENATOR PRICE: I'll tell you and I'll let it go, but one thing I would like to see with our new drivers's license that when we had a hearing...bill for about using them in bars to see if you're of age, then you should just be able to swipe your drivers license, clock in and clock out. Swipe your driver's license and I have it done. And I'd be looking for a central database because one issue when you make a requisition, the life cycle of that requisition, you should be able to pull it out of its life cycle at anytime and follow it in case it gets bottlenecked. And I don't know that the process is there right now that you would always know. We had to have three (inaudible) and I don't know where those are because we have people in some type of situations and needs, but I do appreciate all your hard effort and work and well done. Thank you. [LR12]

PHIL GREEN: Thanks, Senator. [LR12]

SENATOR AVERY: Senator Janssen. [LR12]

SENATOR JANSSEN: Thank you, Chairman Avery. Thanks for coming today, Mr. Green. I don't know if you can answer this or not, but first I'd like to predicate it with being a neighbor to Washington County and also happy that it's a unified legislative district now. I hope that the help you found from Dodge County is helpful. I know that we had several drives there for immediate, the day-to-day things, toothpaste, toiletries, whatnot, and we were, hopefully, key in helping with that. Also I echo Senator Price, I'm not certain those were captured as well. The question that I'm not sure if you can answer and don't worry about it if you can't, because I can probably find out, is based on your...you strongly encourage the Legislature to fund the Governor's Emergency Fund to such an extent the state would partner, could partner 50-50 with the FEMA...or federal match on that. Do you have any idea with...in relation to this particular flood what that number would be either on the total federal level, or...you don't have to do the math to the state level. It's just something that as I'm sitting here with the budgetary hat on wondering what that number would be or could be. [LR12]

PHIL GREEN: Yeah, and unfortunately, I really don't have it for much beyond Blair's immediate situation... [LR12]

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SENATOR JANSSEN: Was \$6 million, so. [LR12]

PHIL GREEN: ...which was approximately \$6 million and the 25 percent of that would be \$1.5 million. But again, that's just for Blair. [LR12]

SENATOR JANSSEN: Right. [LR12]

PHIL GREEN: And you move up and down the river in South Sioux City and Plattsmouth and, you know, lots of other places, Nebraska City, have all been severely impacted and faced many of the same challenges that we did with protecting a lot of their critical infrastructure. [LR12]

SENATOR JANSSEN: So just on your local level with the state burden on that and the scenario would be \$750,000 in Blair. [LR12]

PHIL GREEN: Correct. [LR12]

SENATOR JANSSEN: Okay. So I can do math at least. (Laughter) So I can extrapolate perhaps when we get the rest of those numbers, so. [LR12]

PHIL GREEN: Yeah, Yeah. [LR12]

SENATOR JANSSEN: Thank you for showing up today. [LR12]

PHIL GREEN: Yeah, thank you. [LR12]

SENATOR AVERY: Senator Sullivan. [LR12]

SENATOR SULLIVAN: Thank you, Senator Avery. Thank you, Mr. Green. Aside from the financial challenges of meeting your 25 percent of the cleanup, are there some circumstances or situations that you're going to find it really hard to solve or some long-ranging circumstances that are going to be impacted by this flood? [LR12]

PHIL GREEN: Excellent question, Senator. I think from the city of Blair's perspective, we were very fortunate on the limited aspects of the community itself that were impacted. We had two residential areas that faced some minor flooding. People have moved back in both of those areas and the structures were not so severely damaged that they couldn't do that. In Blair's two-mile jurisdiction, we had a handful, maybe ten or twelve other homes that were minorly impacted. The rest of Washington County is a totally different issue. And there were several communities, and again some of the people that are going to get up after me, have some pictures to share with you. And it's what Senator Brasch was alluding to of those areas that were immediately adjacent to

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the river, and several of those housing areas have been completely destroyed. Some of them were kind of in a grandfathered condition anyway because they were already either in the floodway or at least in the flood plain, so many of those structures cannot be rebuilt. And that is a real challenge that faces, obviously, the local level and especially the county level. And I really empathize with them and feel sorry for them because you hate to tell a homeowner that loved being out by the river, and loved to be taking care of themselves and being independent, that you just can't go back. But that is the tough reality of that situation. Some FEMA money has been made available through NEMA to the local level for some buyouts of some properties, but it gets more complicated in some of those areas because you may have one single landowner who had individual leases for, say, lots, house lots almost, and normally the buyouts are for the land only and oftentimes don't affect the structure or don't affect the structure in an equitable way of what the landowner might get. So those are some of the challenges, at least the county is facing. [LR12]

SENATOR SULLIVAN: Thank you. [LR12]

SENATOR AVERY: Any other questions? I don't see any. Thank you, Mr. Green. [LR12]

PHIL GREEN: Thank you. [LR12]

SENATOR AVERY: Any other proponent testimony on LR12? Welcome. [LR12]

HARRIET WAITE: (Exhibit 2) Good afternoon. My name is Harriet Waite, H-a-r-r-i-e-t W-a-i-t-e. Thank you for allowing me to speak today. I apologize. I have a cold so I'm going to try to do the best I can, but I am the executive director of the Chamber of Commerce in Blair. Today, I am here wearing my volunteer Washington County Cares, Washington County Long-Term Recovery Committee hat. When I heard from Senator Brasch that she was going to have this hearing today, I felt it was important for us to share some photos with you that were taken by one of our committee members, Kristina Churchill. And you can look at the pictures and see the devastation, and I can tell you that those pictures do no justice to what it really is like out there. This whole process started in early June and a few people came together to start the process of, oh, my goodness, here comes this flood, what are we going to do for our people? And out of that came this Washington County Cares Committee, and within a matter of days we had secured Holling Hall at Dana College to house people that needed to be moved from their home. We had about 200 people that were willing to go up and clean the dorm and get it ready for people. And within the first week we had a number of families that were anxious to move in. Some of the folks that moved into Holling Hall looked at it like it was a really nice hotel. Other people looked at it like it was a dorm and they were dreading every minute of it. Common bathrooms on the floor and, you know, a small room with a little refrigerator and bunk beds and we were moving families into these rooms. We had one family that had six children and we gave them four rooms so they

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could, you know, sleep a little bit, you know, in quieter parts, and have a playroom for the kids and just be able to get away from each other. So that was the early start of this whole thing. We got to know these families. I learned about Blair in a way I never thought I would. I moved to Blair in 1970 to go to college at Dana College. I left Brooklyn, New York, and came to Nebraska, haven't left. I must like it. But I didn't realize the different economic levels of people that lived in Blair, Nebraska. I've been kind of sheltered, I guess. But it was...what shocked me most, I've always known Blair has been a wonderful community to volunteer, and the amount of volunteering that came out of this whole thing, we cared for about 100 people, on average, up at the campus. They were fed every day. We had companies that donated supplies, toilet paper, paper towels, paper products, forks, knives, spoons, you name it. Dish soap, laundry soap, cleaning supplies. The people never had to worry about what was there. We never had to spend any money to buy those things. It was given to us. We had communities such as Fremont, Omaha, send carloads of baked goods and products, paper products. And Walmart donated sheets and pillow cases and I can't even tell you how grateful and surprised I was at the outpouring of people. We kept them in the dorm until the end of August. And as of September 1st the dorm has been cleaned and turned back over to the receiver of the campus and folks have found new places to live or been able to go back home. And now the process is, we've gotten to know these people, now how can we help them move on with their life? And life has changed greatly for a lot of those people. And most of the people that we dealt with lived from paycheck to paycheck, and are making their mortgage payments, and at the end of the month there's not a whole lot left, and now they're faced with all of these challenges. They need new electrical boards. They need a new furnace. They need new water heaters. They have mold they have to deal with. So there's so many expenses that have happened and this is what our Long-Term Recovery Committee is trying to help with. But as you see from those pictures, one of the things that I'm mainly concerned about at this point is, how are we ever going to clean that up? We've done things with volunteers all summer long. This is not a volunteer project anymore. This is...we need help to move propane tanks. There's one home...and I don't think you can see them in the picture. The home is in one of the pictures, but there are six full propane tanks sitting slammed up against this gentleman's house. One is underneath the golf cart that he used to drive around his neighborhood. It's not a project that volunteers can do. We need equipment. We need manpower. We need strong people that can go out there and help. A lot of these people, they're being told, well, you have to clean it up. I mean, it's going to be thousands of dollars to clean it up for them that they don't have, and they can't go back there and build, so they're now facing, well, I'm done, I'll just walk away. And we just can't really have that because it is an environmental disaster out there right now with all the debris. And so that's a concern I have. And then the other concern, the chamber office served, at the very beginning, as the hot line headquarters where we had our Washington County hot line. We staffed it with volunteers from 8 to 5 every day, and people would call and say, I need this, I need this, who can I call? I'm handicapped. I have to get out of my apartment. I can't live at Holling Hall because it was not

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handicapped accessible. Who can I call? And we would give them the 211 number and within five minutes we would get a call back, they told us to call you. And we were like, well, we don't know what these answers are. So I would hope that...we've learned a lot of lessons just by making mistakes and I never expected in my wildest dreams that someday I would sit here and talk about the flood of 2011. I just never dreamt anything like that would happen, but I think we need to put ideas together that have come out of this from the communities and what worked and what didn't work, and how we can have agencies be on the ready to help volunteers to move forward. Give us the correct information on who to call, where to go. And Senator Brasch has been wonderful to make phone calls for us because most of us were just plain ol' people that wanted to help someone and didn't have a lot of the answers or the ability to get ahold of some people, which she did. So those are my concerns and as you can see from the picture, there's a lot of cleanup to be done. Thank you for letting me speak today. [LR12]

SENATOR AVERY: Thank you, Ms. Waite. Let me ask you, were most of the homes in these photos on the riverbank? [LR12]

HARRIET WAITE: Quite a few of the ones that are in the pictures were. One of the areas down in Ft. Calhoun, it was called Desoto Estates. A number of those homes sat about 300 yards back from the river. They are now halfway in the river because that 300 yards of ground is gone. It carved it away. So...but yes, they were riverfront properties, a lot of them. We've had a group of volunteers from the Southern Baptist Church and from our local LDS Church that have gone out to an area that had some flooding, but a number of the residents are able to move in. They were in the flood plain, not in the floodway. And we've had people out there helping them. The trees are all dying because they've sat in water for three to four months. So we have people up there helping them clean up and stuff. But the ones that...most of the ones that are in the pictures there, were near the river. [LR12]

SENATOR AVERY: And you came here to attend Dana College? [LR12]

HARRIET WAITE: Dana College. [LR12]

SENATOR AVERY: And you decided to stay? [LR12]

HARRIET WAITE: I did. I met my husband. He was a western Iowa young man and I knew that Nebraska had something that I didn't have in New York and that was a place where I wanted to raise a family. And I raised two sons in Blair and now they both live in Lincoln and have blessed me with five, and six on the way, grandchildren. (Laughter) [LR12]

SENATOR AVERY: The good life. [LR12]

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HARRIET WAITE: It's the good life. It really is and I'm so proud of Nebraskans from this summer from all the communities around us. One more thing. We had a fund-raiser for some money that was done through Thrivent, which is a Lutheran financial services organization. And we had donations from all over the state that came to our Long-Term Recovery Committee to help us with the needs that we're trying to help with people that...the unmet needs that FEMA and others are not helping with. I had a phone call from a lady from a nursing home out in, I believe it was Kearney, and she said, I saw your name in the paper and I had to call you. She said, I want to give you a \$100. I know that's not a lot of money but I'm in a nursing home and that's what I can give you. And I said, a \$100 is a great sum of money and it will be used to help someone. And so that's the kind of thing we've dealt with all summer. [LR12]

SENATOR AVERY: Senator Wallman. [LR12]

SENATOR WALLMAN: Thank you, Chairman Avery. Yeah, thanks for coming. I'd rather went to Dana...and cousins, so. It's sad to see it close. [LR12]

HARRIET WAITE: It is very sad. [LR12]

SENATOR WALLMAN: Now the city own that, or is it private individual, or? [LR12]

HARRIET WAITE: There's...it's in the hands of a receiver right now, the bond holders. There are some...there is some activity of groups looking at the campus for various entities. The city...our mayor has a committee that has been meeting to talk about, you know, if something doesn't come forward, what's our vision for the campus and if the city would have to maybe look into buying it. We certainly don't want it to sit empty very much longer because it deteriorates a little bit every day. And it's a beautiful campus and she served her people well this summer, so. [LR12]

SENATOR WALLMAN: And in regards to the houses that have flooded, I have good friends in the Mississippi River Delta Area and also the Missouri River. And in Missouri the local counties gave you the opportunity to make your house literally flood proof. You built it up literally on stilts so you still have your riverfront view. Now is Washington County looking into something like that, or...you know, if they condemn your house and you still have the property, what can you do with it? [LR12]

HARRIET WAITE: I know that they have been doing that. There are some areas where if they are going to build, they have to do it, they have to raise it and I think anybody that builds now in the...help me...in the flood plain, they have to raise a certain level. The problem is, there's a lot of people that have 100 percent damage to their homes and they live in the floodway and they probably will not be allowed to rebuild. [LR12]

SENATOR WALLMAN: NEMA, would they reimburse you for that then, or FEMA or

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NEMA? Missouri...I think the state of Missouri did it. [LR12]

HARRIET WAITE: That's a really good question for Mr. Green. (Laughter) [LR12]

SENATOR WALLMAN: Sorry. (Laughter) [LR12]

PHIL GREEN: Yeah, based on... [LR12]

SENATOR AVERY: No, no, no wait. We can only have people at the witness table to answer questions. [LR12]

SENATOR WALLMAN: Thank you. [LR12]

HARRIET WAITE: Okay. I will defer that. I'm not a government person at all so, but I am proud. I...Carol Allman (phonetic) in the brown sweater, and Kristina Churchill have both been on the committee all summer long and have done some tremendous work and have huge hearts, and we hope that we can be better prepared if this ever would happen again by having some things in place that would help us. [LR12]

SENATOR AVERY: I don't see any more questions. Thank you. [LR12]

HARRIET WAITE: Okay. Thank you. [LR12]

SENATOR AVERY: Any other proponent testimony? Welcome, sir. [LR12]

JAY REMPE: (Exhibits 3 and 4) Thank you, Senator. Senator Avery, my name is Jay Rempe. Members of the committee, Jay Rempe, vice president of governmental relations for Nebraska Farm Bureau and here today to offer support of Nebraska Farm Bureau in support of LR12. And appreciate Senator Brasch for introducing it. What I wanted to share with you today, very briefly, is a study that was conducted by Nebraska Farm Bureau, or we contracted with a firm to conduct it for us. As we got towards the end of the growing year and were discussing the flooding along the Missouri River and all the factors and issues revolving around that, one of the things that we thought might be helpful, and when we were looking at the number of acres that were flooded, to try to get a handle of the impact of that in terms of the local economies and the state's economy from the flooding of the acres. And so we contracted with a firm, Decision Innovation Solutions, and they, using some satellite imagery and some USDA data and some...they're out of Iowa so they use some crop budgets out of Iowa, estimated for us what the impacts were both to the farmers and then those impacts of having those lost crop sales circulate through the economy, what that meant for the total economy of the state of Nebraska and in the local counties. And what I have handed to you is basically the same report. There's just two different ways that we're presenting the information and I'll share this with you very quickly. But the first document I'd ask you to look at is

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the one that has in brackets below the 14-county region. On the back of that document you will see that the total...the first table, table 1, has three different ways of kind of measuring the total impact to the state's economy from the flooding this summer. And I'll direct you to the column that says, output, because I think that's the most relevant. But the...it shows the total economic impact to the state of \$188.8 million, roughly \$189 million. That's total economic activity that was lost to the state from these floods. Of that amount, the direct effect, almost \$106 million was the lost crop sales to the farmers. And so that's the direct measurement of the losses experienced by the farmers because of their inability to sell the crops. Many times these farmers had already gone out and planted the crops, planted the acres, had the costs already sunk in and incurred in the crop, but were unable to go harvest. The next two, the indirect and induced effect are kind of the measurements using a model of what the impact of those lost sales was circulating through the economy. The indirect effect measures kind of the...because they were unable to be harvested, you know, there wasn't fuel purchased, there made the transportation costs, the lack of processing, those kind of things directly related. The induced effect is kind of what you call the household multiplier, it's because that money was not available to the farming operation and household. It's the expenditures that were lost due to that. So that's where you get the total of \$189 million. Table 2 kind of tries to take that a little step further then and look at the lost income then. First measurement was total economic activity. The second measurement is lost income. And I'll just point out the bottom line there at the very bottom is \$41.1 million. That's the lost income to farmers along the river that were flooded out this summer so that...and that is an estimate. And, obviously, this is modeling, but it is an estimate but it gives you an idea of the loss that was experienced. The second document then presents the same information but if you look on...there's a couple of different tables. It's broken down by county. And so not only did we look at it from a statewide advantage point, but then we broke it down and said, okay, what is the losses in each county. And if you look at the list there on Table 1, it has the total 14-county region and then it lists the individual counties. Not surprisingly, if you think back to the news of the flooding and where a lot of reports were coming, Burt, unfortunately, experienced the most losses according to this analysis with about \$29 million lost economic activity. Washington County was close behind with about \$28.3 million and then it goes down from there. So it kind of gives you an idea of where the losses were experienced. And as the people that testified from Washington County earlier, they were on the top of the list, so to speak, unfortunately, for this. I will note this only measures the lost crop sales. This doesn't measure the damage to buildings, to homes, that kind of thing. It doesn't measure the cost of trying to rehabilitate the land, trying to rebuild, and all of those kind of costs that are going. This is just the lost crop sales and lost economic activities. In the last table, I will point out to you is the same counties and it's that net farm income figure again. And again, Burt and Washington County topped the list. Burt suffered \$8 million worth of net farm income losses and Washington County \$7.1. So it was just...we wanted to kind of get a little better handle and we're trying to share this with as many different policymakers and decision makers as we can. We're sharing this with the

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Corps of Engineers and our Congressional delegation and asking them to do everything possible to avoid this for next year. And that's one of the concerns we hear more now is a fear of the repeat of this happening next year. And so with that, Senator Avery, I will be quiet and I'd be happy to answer any questions. [LR12]

SENATOR AVERY: Okay. I see here a figure, \$47.1 million and it looks like indemnity insurance. That's general government provided crop insurance? [LR12]

JAY REMPE: Yes. [LR12]

SENATOR AVERY: And so that's all that was insured of all the damage? Just \$47.1? [LR12]

JAY REMPE: Yes. That's their estimate of how much the crop insurance will indemnify the losses that were experienced. Yes. [LR12]

SENATOR AVERY: Not very much, is it? [LR12]

JAY REMPE: No. No, not if the total... [LR12]

SENATOR AVERY: Is that because farmers tend generally not to think about crop insurance until you get a flood or a tornado go through? [LR12]

JAY REMPE: No, I think it's more...it's just a reflection of the crop insurance program. It's my sense, Senator, that most farmers purchase crop insurance now. Generally, when they're working with a banker, and Senator Sullivan can probably attest to this better than I can, the banker will insist that they purchase crop insurance, so. Yep, so most farmers.... [LR12]

SENATOR AVERY: Yeah. I know in a lot of storm prone areas, homeowners don't start thinking about flood insurance and wind and damage like that to a hurricane or tornado until one is on the way. [LR12]

JAY REMPE: Right. Yeah. No, I think crop insurance over the last five to ten years has very much become a part of the farmers' risk management strategies and them working with their financial partners and it's very much so. [LR12]

SENATOR AVERY: Yeah, thank you. Senator Wallman. [LR12]

SENATOR WALLMAN: Thank you, Chairman Avery. Thanks for coming, Jay. [LR12]

JAY REMPE: I appreciate it. [LR12]

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SENATOR WALLMAN: And most people don't like to pay premiums, as you know. But in regards to this crop insurance thing, are the insurance companies going to zero this year out so it doesn't affect the yields? You know this is a tremendous hit on average yields. And so as you pay your premiums on this basis, are the companies going to just forgive this year, you think? [LR12]

JAY REMPE: You know, that's a good question, Senator. [LR12]

SENATOR WALLMAN: Please. [LR12]

JAY REMPE: Yeah, and I don't know. I'll have to find out. That's a good question and I'll do a little digging on that. [LR12]

SENATOR WALLMAN: Okay. I know that river people would appreciate. Thank you. [LR12]

SENATOR AVERY: If they do forgive, who pays for that? (Laughter) [LR12]

JAY REMPE: It would be reflected, I think...well, I'm going to get myself in trouble because I'm not a crop insurance expert so I'd better stop and be quiet. (Laughter) [LR12]

SENATOR AVERY: Senator Price. [LR12]

SENATOR PRICE: Thanks, Senator Avery. Thank you, Jay. My question lies in the...when you look at the magnitude of this and we look at the time scale provided this next year, and from what we've heard, you're not going to make that, you're not going to return...well, let me ask this question. Predicated on what we've done so far, can you extrapolate how much land will be returned back to ability to be (inaudible) cropland and then if not, what is the prognosis for returning...how much will come back, and of that, in what schedule? Regardless of what happens next year or this winter, are we looking at keeping 50 percent of the lost ag land out of production for three years, two years? Do you have a sense for that? [LR12]

JAY REMPE: You know, I don't. And we've been talking to people trying to get a little bit of a sense and I really don't. It depends on each person's...each farmer's unique situation. I've heard anecdotally of some farmers that their land has been so destroyed that the cost of trying to rehabilitate it and get it back in production exceed the value of the land now. And so, obviously, there's some land out there that I don't think will ever come back into production. And even that, that is able to come into production next year, it's my understanding that it will be several years before it's back to its productive capacity where it was at prior to the flooding. So I don't have a good answer to your question. but I think it will vary. And we need to be cognizant that this is just a snapshot

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of a one year in time, and these losses for some of these areas will continue for a number of years. [LR12]

SENATOR PRICE: Are there any common...are there any common actions that will have to take place on each of these properties that are under the guise that the government can do something? I mean, if an individual landowner chooses not to do something, that's it. That's the end of it. That's the whole way. But there are actions, if we have get...if someone is going to do something for to bring it about, the large land and earth moving machines and things of that nature, I mean, if you choose to do it, you're going to have to go through some basic steps. And where we can cause for these things to be brought together and identified and costs out, I think that helps. But outside of that is, what are the extended costs to the agricultural community when we don't have lands come back? I mean, we know what happened this year. Next year they have nothing. They're not going to plant the seed, they're not going to turn a furrow, they're not going to get any yield, but they have to put food on their tables, and they have taxes. I mean, is there anything about how they're going to pay the taxes on this land when there's no ability? What are the county commissioners and what are the county assessors going to do, and how they go about assessing this land? I mean, any inputs you can provide to that, and we can review, would be great. Because when do those start hitting? [LR12]

JAY REMPE: Yeah, and they will start hitting and you've hit on a lot of questions that people are starting to ask right now, and we're starting to investigate that a little bit. And we had some of these similar issues come up back a few years when we had the drought in the southwest part of the state and western part of the state. There was some ground there that was unable to be planted for a couple of years because there was just lack of moisture. And so what does that mean in terms of ramifications for taxes and all that? And those are some questions we're starting to ask and look into now a little bit. [LR12]

SENATOR PRICE: All right. Thank you. [LR12]

SENATOR AVERY: Senator Sullivan. [LR12]

SENATOR SULLIVAN: Thank you, Senator Avery. You just answered some of the thoughts that I had. But in addition, do you know if FEMA and NEMA funds help with anything in terms of recovery on farmsteads? [LR12]

JAY REMPE: You know, I was just thinking that earlier, listening to the earlier testimony, and I don't know. There might be somebody following me that could answer that question, but I don't. [LR12]

SENATOR SULLIVAN: Okay. [LR12]

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SENATOR AVERY: Any other questions or comments? Thank you, Mr. Rempe. We're still on proponent testimony. Welcome, sir. [LR12]

CLIFF MORROW: Good afternoon, Senator Avery, and Senators all. My name is Cliff Morrow, C-l-i-f-f M-o-r-r-o-w. I'd like to thank all of you for hearing me, and Senator Brasch for bringing this resolution forward. My name is Cliff Morrow. I'm chairman of the Burt County Board of Supervisors. I reside about nine miles southeast of Tekamah. And for those of you who are familiar with the lay of the land in eastern Burt County, you might say, well, Cliff, that just about puts you in the Missouri River, and as of now, I am. We had 600 acres inundated by flood waters all season. We sustained significant and permanent damage to about 70 acres, and then we have five to seven foot deep sand deposits on land that's been permanently cut off from civilization by the river cutting a new channel for itself. That ground will never be farmed again. The rest of the heavily damaged farm will go under the work of a bulldozer later this week in an attempt to get it back into what, most assuredly, will be a limited production capacity. In spite of this, I assure you my wife and I can be counted among the most fortunate. Our home and that of our daughter barely escaped the water but we have a family and many friends and acquaintances that have lost everything. Homes have been ruined and turned black with a gooey, moldy, slime that cannot be dealt with. We have retired folks trying to start over because their lifelong home was ruined. One couple told me they were in their '70s and for the first time having to learn how to get a mortgage on some new property in a location that they never intended on having to live. One farmer in our community has lost 300 acres of prime farm ground to sand deposits so deep as to make the land permanently useless. Burt County and its residents have sustained a devaluation of property value that will take years to realize and account for. The stories are countless of volunteers who have helped neighbors and friends try to rescue personal belongings and livestock before the waters got high enough to wash them away. On a county level, we had employees working tirelessly to aid and assist the unfortunate ones in the path of this flood and our rebuilding efforts on farm to market roads is ongoing and it's turned out to be an incredibly expensive proposition for our county. Our emergency manager that was...has already been mentioned from Fremont, Bill Pook, was a wealth of knowledge and assistance. We so very much appreciate his efforts. He really is an outstanding emergency manager. The sad thing is, this event was probably preventable, and at the very least, didn't need to be this extensive. The lost revenue and jobs from this flood has been devastating. The town of Decatur lost the services of its bridge across to Iowa, and that alone made a turmoil out the...of countless lives. Some had to drive more than two hours morning and again at night, their jobs, a trip that should have taken 15 minutes. And this went on for months. It is, indeed, appropriate that you pass LR12 on to the floor recognizing the efforts of volunteers and emergency responders who have been selfless in their service and public officials who have performed tirelessly. And that the Governor and the Legislature request that the Army Corps of Engineers take action to see that this flood becomes a faint memory and a

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one-time event. Thank you. [LR12]

SENATOR AVERY: Thank you, Mr. Morrow. Questions from the committee? Senator Sullivan. [LR12]

SENATOR SULLIVAN: Thank you, Senator Avery. What role is the Corps taking right now in the reclamation efforts? [LR12]

CLIFF MORROW: (Laugh) You know, you could lose your life mentioning the Corps of Engineers along the river, there's some really, really angry people. And, you know, they held their meetings up and down the river and I understand that they have relented some on their plans to pretty much shut down their...you know, they had planned to pretty much shut their flow clear down, and now they have agreed to ramp that up a little bit all winter long to try to get us away from...last January 1st we were at 59 million acre feed and a storage above Gavins Point and their plans were to be near that again. But now after the meetings, they've decided that maybe they should try to get that drained down a little bit. So that's what they're doing. I don't think that they're involved in any of the efforts to correct this. FEMA is pretty involved and as far as the farm ground we had a question a while ago. The FSA office, they have an emergency...I can't say the name of the program, but it's emergency program and they will cost-share with the landowners. This land that I farm, I've farmed all my life, is owned by a lady from Chicago, so we're beginning the reclamation of that with bulldozers and we've filled out all the paperwork. But there is no guarantee that there will ever be funds. The FSA has made that very clear that... [LR12]

SENATOR SULLIVAN: Does the Corps get involved when the river changes and makes a new channel? [LR12]

CLIFF MORROW: To my knowledge,,, they...no they...I have a neighbor that lost his roadway out to his...he lived on a high bank on the river and his house is fine. But his road has completely been washed away. There's a river current through his road now and the Corps came out and told him, well, we can't do anything. And this farm that I talked about has a new current running through it now. It comes from that same road that's washed out and so that everything on the other side of that current will be gone. Like I said, I was very fortunate compared to so many people I know. Just some amazing damage. I'm sure some of you got e-mail when this flood started about from the Delta Region where it looked like land, moonscape, that's what I've got about 40 acres that looked like that. And again, I'm fortunate because I don't have the sand built up that some do. That five feet of sand is just devastating to a farm. [LR12]

SENATOR SULLIVAN: Thank you. [LR12]

SENATOR AVERY: Senator Wallman. [LR12]

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SENATOR WALLMAN: Thank you, Chairman Avery. Yeah, in regards to that I have friends, they got dump trucks to take care of that. It takes a lot of money. But you can't get your property devalued, can you? [LR12]

CLIFF MORROW: Oh, that's a real problem. [LR12]

SENATOR WALLMAN: Through the county assessor. [LR12]

CLIFF MORROW: We've been talking with our county assessor. She's having trouble getting any direction from the state assessor's office because some of this ground needs to have...to be, at least temporarily, devalued. And they need to be able to go out and say, yes, this was the most productive ground in the country and now it's worth half that much, at least until you get it back into condition, and we're not getting any, on a county level, getting any direction on. [LR12]

SENATOR WALLMAN: I was going to say, good luck. [LR12]

CLIFF MORROW: No, you know...well, you know, I really...we do our own tax protest to the county board and I'm not looking forward to next year. You know, we have to work very hard to get this straightened out because there's some land that... [LR12]

SENATOR WALLMAN: Yeah. [LR12]

CLIFF MORROW: ...that has really devalued and as it stands right now it's taxed as high as any in the county, so. [LR12]

SENATOR WALLMAN: Thank you. [LR12]

SENATOR AVERY: Thank you. Any other questions? I don't see any. Thank you, sir. [LR12]

CLIFF MORROW: Thank you, Senators. [LR12]

SENATOR AVERY: We're still on proponent testimony. Anyone else wish to speak in support of LR12? Welcome, Senator. [LR12]

SENATOR BLOOMFIELD: Thank you, Senator Avery and colleagues. Give me a moment here. I come before you to support this resolution. I think maybe there's some wording in it that Senator Sullivan alluded to that makes it more of a two-parter. My idea on that would be, we need to encourage the Governor to do considerably more of what he's doing. He has taken the river states to task on this. He is...had several go-arounds with the Governor of Montana who wants to keep the water in the reservoirs so they can

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fish and water-ski. Originally, when these dams were put in, we were told they were there for flood prevention. That has morphed over the years into not only flood prevention but recreation, conservation, saving wildlife, endangered species. We have got to convince the people upstream that Nebraska food, land, lives are more important than the Pallid Sturgeon and the Piping Plover. But that is going to be an ongoing battle. The Governor, I think, is doing a fantastic job on it. And as far as what we should do there, I think we should encourage the Governor to continue down the path he has started. And I want to go back to a few of the thank-you's that start this resolution. And Senator Price you asked about, did we manage to gather all the hours that were volunteered? No. We didn't get near. When you've got Affiliated Foods, which is a large food warehouse, let me take one of their semi trucks and go to Minnesota to get the big seed bags that seed dealers up there said we could have. They gathered them up. They helped me load them on the truck. I hauled them into South Sioux. When we had all the bags South Sioux needed, Affiliated again furnished the truck and this time the driver, we took sand bags down to Kansas and Missouri and anyplace else we could find that needed them. We gathered those same bags from farmers throughout Nebraska, Iowa, Minnesota, the Dakotas. Did we gather any of those hours in those guys put forth or the money that they could have gotten with their refunds on those bags? No, that's gone. I want to encourage you to adjust the wording in this a little bit if we want to. But the resolution needs to go forward thanking people for their volunteer service and for their actual giving. There was no limit to what people would do up there. And we, through this, I think we're going to develop a new industry in Nebraska. The industry was there as light form cement. You'll see them put them around when they pour foundation. They set up the Styrofoam walls and fill it with cement. One of our people up in Dakota County decided that might work if we filled them up full of sand. Well, they had to make some adjustments to them, but when they were done, they could put a mile and a half, five foot high, in half a day. You can't do that with sand bags. You can do it with light form. And they're now studying that to see if we can't go nationwide with it. And I guess I probably should have stated my name and spelled it. [LR12]

SENATOR AVERY: We know who you are. (Laughter) [LR12]

SENATOR BLOOMFIELD: Okay. That's really all I have to say. I would encourage you to do what you need to with this. [LR12]

SENATOR AVERY: Thank you. Thank you, Senator. Any questions or comments? [LR12]

SENATOR BLOOMFIELD: Thank you. [LR12]

SENATOR AVERY: Thank you. Any other proponents? Anyone wish to speak in opposition to LR12? Any neutral? Senator, your turn. [LR12]

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SENATOR BRASCH: Thank you, Senator Avery and members of the committee. I do have an answer that I will read to you from Phil Green, city administrator of Blair, that Senator Wallman asked. I will read it and then if you have any questions, please ask Phil. (Laughter) Okay. Regarding construction: Based upon Nebraska and Washington County flood regulations--first, property and structures in the floodway with damages of 50 percent or less can be repaired but not expanded. Fifty-one percent or more damage is considered a full loss and cannot be repaired. Property and structures in the flood plain: One percent chance or less each year with damages of 50 percent or less can be repaired or raised and expanded. Fifty-one percent or more damage can be repaired or expanded if raised. Final: Height requirement is one foot above the base flood elevation as indicated on FEMA flood maps. So that's in response to your question and Phil would be... [LR12]

SENATOR WALLMAN: Thank you. [LR12]

SENATOR AVERY: Now we know why Ms. Waite passed that to Mr. Green. (Laughter) [LR12]

SENATOR BRASCH: Exactly. There was one today...or was catching up on some of my readings and I noticed Lt. Colonel Sankey from the State Patrol had in his newsletter. I was hoping I had copied it. I'm sure you have it in your boxes. But basically the thing I forgot to mention is, at the onset of all of this flooding, we knew the waters were coming. The State Patrol, our troopers, our sheriffs, our law enforcement had to work long hours around the clock. Roads were already being flooded. We were now using gravel roads that had never seen a significant amount of traffic on them. It was a freeway off the highways. You know, I had been on the roads, farmers were scurrying to empty their grain bins. They had to get them out or a whole crop would be lost. You saw from the pictures, you know, what's left behind. To go there it's surreal. It does not seem like it could be Nebraska. The topography has changed, the geography has changed. Those people who had lived there...well, you see they are not vacation homes. About 60 percent were resident homes. The other 40 had been there. Again, I thank all of the volunteers; all of the people who responded so quickly, so thoughtfully, so generously, in a time of need. I hope the Legislature as a whole will realize the impact on taxes. I've also met with the tax commissioner. I've met with county assessors. The cities need their infrastructure. They need their schools. They need their hospitals and everything. Property tax was highly, highly a source of that. However, what was once irrigated land, those pivots are laying in the sand. It's become wasteland. Something is going to change and it's not going to be pretty. So we should prepare, I believe, to be responsive just as our good citizens have been as a legislative body. Be resourceful, be creative to move forward whether it's an area of taxes, support for civilians, offering skilled labor to these most devastated areas because they can't afford it at this point. So thank you for your time. Thank you to everyone who came here today. Thank you. [LR12]

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SENATOR AVERY: Thank you, Senator. We have one more question if you don't mind. Senator Sullivan. [LR12]

SENATOR SULLIVAN: Thank you, Senator Avery, and thank you, Senator Brasch. But if we talk about preemptive measures in terms of the big scheme of things, do you know...and there's been mention that there's not being much help being given by the state tax administrator. Is there something in our tax rules and regs that indicate some guidance when we're revaluing land because of flooding? [LR12]

SENATOR BRASCH: I have met and talked with county assessors. They are looking at valuation. We're also researching legislation that we could propose from other states at this point and are trying to put something together on the tax side. We're not sure what it will look like. You know, on one hand you have the cities and counties and the infrastructure that's essential. And on the other side...you know, our economy is ag economy. And you could hear from the testimony of Farm Bureau and Jay Rempe that we took a big hit this summer. And there's a good chance that it's going to happen again unless things are done. I know I had concluded but I just remembered, soil testing will take place in the spring. We don't know what it's going to take to rebuild. You know, in places we can plant again. There's Webinars between Iowa, the county extension agencies, the universities, that I've monitored that there's things, you know, ground cover. It's very...yes, taxes, the universities, you know, Innovation Campus. Perhaps we need a flooding, you know, we addressed routes. We also need water management. You know, there's many areas. We've seen something that's...it's not done, it's not over. Many hours of work remain and we're racing against the clock right now. We're looking, you know, it could snow anytime. Thank you. [LR12]

SENATOR SULLIVAN: Thank you. [LR12]

SENATOR AVERY: Not until after the weekend. [LR12]

SENATOR BRASCH: Right. (Laughter) [LR12]

SENATOR AVERY: All right. Thank you. [LR12]

SENATOR BRASCH: Thank you. [LR12]

SENATOR AVERY: That ends the hearing on LR12 and the hearings for today. I thank all of you for coming. I'm going to ask the committee to stay for a brief Executive Session. [LR12]