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Transcriber's Office

Health and Human Services Committee  
April 05, 2016

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[CONFIRMATION BRIEFING]

The Committee on Health and Human Services met at 12:00 p.m. on Tuesday, April 5, 2016, in Room 2102 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on a gubernatorial appointment and a briefing. Senators present: Kathy Campbell, Chairperson; Sara Howard, Vice Chairperson; Sue Crawford; Nicole Fox; Mark Kolterman; and Merv Riepe. Senators absent: Roy Baker.

ALYSSON MUOTRI: (Exhibit 1)(Recorder malfunction)...but as well as to find ways to interfere on this process and try to correct or ameliorate the condition. So my background is actually genetics. I did a Ph.D. in human genetics and in cancer biology from the University of Sao Paulo back in Brazil. And then I moved as a post-doc to the Salk Institute. I worked with Fred "Rusty" Gage on neuroscience and neurodegenerative cell biology. And I studied with him for six years. And then I taught my lab in 2008, 2009, and since then have been having a wonderful time here at UCSD. [CONFIRMATION]

SENATOR CAMPBELL: Excellent. Thank you for that information. Give us a little idea. Is this your first appointment? It's not a reappointment, I don't believe. [CONFIRMATION]

ALLYSON MUOTRI: At UCSD, you mean? [CONFIRMATION]

SENATOR CAMPBELL: No, to the Stem Cell Research Advisory Committee. [CONFIRMATION]

ALLYSON MUOTRI: Oh. It is a first appoint, correct. [CONFIRMATION]

SENATOR CAMPBELL: Doctor, do you recall who might have approached you about serving on the committee? [CONFIRMATION]

ALLYSON MUOTRI: I'm not close to my computer. But I don't remember the name right now. But if you give me a moment, I can find you correct...that information. I just don't have it in my head. [CONFIRMATION]

SENATOR CAMPBELL: That's fine. You probably were contacted by Dr. Safranek from the Department of Health and Human Services. I just didn't know whether you knew if there was a person who had nominated you. [CONFIRMATION]

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ALLYSON MUOTRI: Yeah, no. And I don't know (inaudible). [CONFIRMATION]

SENATOR CAMPBELL: Okay. Were you familiar with the Stem Cell Research Advisory Committee before that phone call? [CONFIRMATION]

ALYSSON MUOTRI: No. I wasn't familiar. And they sent me some information about the program and what is expected, how the program would work, and it is very standard, I mean, I think, helping other stem cell committees over the years, so I'm very familiar with the process. [CONFIRMATION]

SENATOR CAMPBELL: Excellent. I'm glad that you have the information. We've been very, certainly, impressed with the credentials that you provided, in terms of publication, and your vitae. And I know that you will see similar backgrounds in the people you will serve with. We are so impressed that people who are working in this field of research are willing to give of their time and serve on the committee. So ahead of time, thank you very much. [CONFIRMATION]

ALYSSON MUOTRI: Thank you. This is an opportunity for me to grow, to learn from other people. So I always welcome this kind of opportunity. [CONFIRMATION]

SENATOR CAMPBELL: Yes. And that I am sure we can guarantee you. Questions from the senators on the confirmation? One of the questions that I had is, since you are doing research in this area, what do you...give us an idea of the future of stem cell research. What kinds of things are you seeing? [CONFIRMATION]

ALYSSON MUOTRI: Yeah. So I think there is two lines of research that are very promising. And one is the one that I am working on, which is a stem cell disease modeling, where we use the in vitro in the lab to generate, for instance, mini-brains of people we've never watched absorb it. And we can test drugs on these mini-brains to see how they react. So this allows us to test thousands and thousands of drugs before we actually go to the patient. It's something that we call personalized matching. Right now you could have, for instance, schizophrenia. You go in to the doctor, and he will prescribe a drug for you. And he will ask you to come back in a month or so and see if the drug worked or not. If it didn't work, you'd have to come back or change the dosage. In the near future, we want to be able to do that in the lab, using these mini-brain practices, and prescribe to the patient, then that's the drug that should work with the effective dose. So I mean, this is a thing that's coming, and I can see that the concept and the idea are very promising right now. And the other thing that is moving forward is the use of stem cells for transplantation purpose. We have seen great advances on treatment of eye disease. And more recently, some of the groups are taking advantage of this idea for Parkinson's disease, for the generation of dopaminergic genomes--so these are genomes that produce dopamine in the brain--

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and transplant these back into the region of the Parkinson's brain to eradicate the disease. So this is what things that ten years ago I would never imagine that we would be researching and talking about that, so very exciting time. [CONFIRMATION]

SENATOR CAMPBELL: You indicated your undergraduate work, or perhaps your graduate work, in cancer biology, I thought you said. [CONFIRMATION]

ALYSSON MUOTRI: That's correct. Yeah, at (inaudible), the cancer biology. [CONFIRMATION]

SENATOR CAMPBELL: What do you see coming in the future in that area? [CONFIRMATION]

ALYSSON MUOTRI: Yeah. So one thing that I found that's very exciting is they are beginning to genetic engineer stem cells to fight cancer. So this is (inaudible) to the enzyme that's called CRISPRs. And they can fortify the genome of stem cells to actually fight cancer cells. So this, I mean the data has been working wonderfully in mouse models. The challenge now is to adapt that to the human biology. But it's just a matter of time. And the science, it's strong; it's robust. There's lots of caveats that we still need to work out: how to make it more specific, more efficient. But the pathway was revealed, so I think this is very exciting. [CONFIRMATION]

SENATOR CAMPBELL: Excellent. Any other comments? Senator Riepe. [CONFIRMATION]

SENATOR RIEPE: Thank you, Senator Campbell. Thank you for joining us today. One of the questions I have is, do you have an existing stem cell line that you work off of? [CONFIRMATION]

SENATOR CAMPBELL: Did you hear the question, Doctor? [CONFIRMATION]

ALYSSON MUOTRI: I did, yes. And then I said, repeat again, repeat correctly. I have a stem cell (inaudible) that I (inaudible)? [CONFIRMATION]

SENATOR CAMPBELL: Yes, yes. I think that's the... [CONFIRMATION]

SENATOR RIEPE: Okay. The second and my last question would be the...where is your source of new stem cell lines? I think, in a conservative state like Nebraska, people might ask that question. [CONFIRMATION]

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ALYSSON MUOTRI: Yeah. So most of the stem cells that we have now, we derive from the skin of patients. So this is a technology that was developed by a researcher in Japan called Shinya Yamanaka. He actually got the Nobel Prize for that. And he can...he showed us that we can reprogram any cell from the body back into the stem cell pluripotent state that resembles an embryonic stem cell line. So we don't actually use embryos to generate the stem cell lines that we use. We actually take them from the skin cells or even dental probes or hair cells from the patient, and we reprogram these cells back in the lab. So it's what we call induced pluripotent stem cells. [CONFIRMATION]

SENATOR RIEPE: Okay. Thank you very much. [CONFIRMATION]

ALLYSON MUOTRI: Welcome. [CONFIRMATION]

SENATOR CAMPBELL: Any other questions, Senators? Doctor, we don't have any other questions today for you. Again, we want to thank you for your service on the Stem Cell Research Advisory Committee and wish you the very best in the research you're conducting in your laboratory. [CONFIRMATION]

ALYSSON MUOTRI: Thank you so much for the opportunity; looking forward to interact more with people in Nebraska. [CONFIRMATION]

SENATOR CAMPBELL: Absolutely. Have a great day, and goodbye. [CONFIRMATION]

ALLYSON MUOTRI: Thank you, bye bye. [CONFIRMATION]

SENATOR CAMPBELL: Okay. We will move to the second part of our hearing today. And we are having the DHHS Community Services Block Grant briefing. And this is required by the federal government in order for us to receive the grant. So Mr. Busch, thank you so much for coming today. I don't know. Are you the one that always gives the briefing? I can't remember. [BRIEFING]

NATHAN BUSCH: I am not the one that always gives the briefing. [BRIEFING]

SENATOR CAMPBELL: Aah. [BRIEFING]

NATHAN BUSCH: And I'm just the lucky one today. [BRIEFING]

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SENATOR CAMPBELL: Well, we're glad to have you. [BRIEFING]

NATHAN BUSCH: Well, thank you. [BRIEFING]

SENATOR CAMPBELL: So you go right ahead. [BRIEFING]

NATHAN BUSCH: (Exhibit 1) Thank you, Senator. Good afternoon, Senator Campbell and members of the Health and Human Services Committee. My name is Nathan Busch, N-a-t-h-a-n B-u-s-c-h. I am the administrator of legislative coordination of project development in the Division of Children and Family Services in the Department of Health and Human Services. I am here today concerning Nebraska's state plan for Community Service Block Grant, CSBG funds for federal fiscal years 2017 and 2018. Nebraska submits a plan every two years to the Office of Community Services in the United States Department of Health and Human Services, establishing what the state of Nebraska and community action agencies will do with the funding during the specified period. The CSBG act requires a legislative hearing once every two years. CSBG funds are federal funds distributed to the states and earmarked by federal law for distribution to eligible entities which, in Nebraska, are community action agencies. A formula based on each state's poverty population, determines each state's grant amount. Nebraska receives approximately \$4.7 millions annually. CSBG funding provides a range of services and activities to assist the needs of low-income individuals. Community action agencies are required to provide the funded services and activities addressing these needs in Nebraska. The services and activities are determined locally through needs assessments and other community-based assessment tools. Agencies report outcomes and activities twice a year and send an annual report to the Office of Community Services with the Administration for Children and Families every February. Nebraska recognizes nine community action agencies serving all 93 counties. The board of each agency is comprised of one-third low-income representatives, one-third elected officials or their representative, and one-third private-sector representatives, all who live in the agency's service area. Community action agency board members are responsible for planning, overall direction, and management of the agency. And the state is responsible for monitoring and oversight of the agencies to ensure compliance with federal and state laws and regulations. Nebraska's community action agencies conduct an in-depth community needs assessment at least once every three years. The community needs assessment provides a picture of the services and programs needed, strengths and opportunities in the community to address low-income issues, poverty, and helping individuals achieve self-sufficiency. Agencies continue to focus on holistic approaches to alleviating poverty. Much of their efforts are around in-depth case management for their clients. While each agency is diverse and offers a variety of services based on their communities, several programs are similar, including Head Start, Early Head Start, and adult education programs, job training and direct employment of low-income individuals, AmeriCorps, housing services, childcare, homeless shelter and other homeless assistance, and migrant services. Emergency assistance is also a key program area for community action

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agencies. These services provide rental assistance, utility deposits and payment of past-due bills with a shut-off notice, food and transportation, alcohol and drug counseling, mental health services, and food pantries, food banks and the commodity foods program. Agencies also collaborate with other state entities, such as the Division of Public Health's WIC Maternal Child Health, and immunizations programs, as well as Nebraska Energy Office's low-income weatherization program. They work with local organizations to operate programs such as senior centers and other senior programs, including home-delivered meals and transportation and youth-mentoring projects. In federal fiscal year 2014, community action agencies in Nebraska provided services to more than 81,000 individuals from more than 31,000 families facing a variety of barriers to self-sufficiency. More than 25,000 of these were children, and more than 13,000 were senior citizens. The agencies continue to serve mostly families at or below 125 percent of poverty. Guidance on the federal fiscal year 2017 and 2018 state plan will come out in July 2016. We will submit our state plan to the federal Office of Community Services by September 1, 2016, via their online system. Copies of the plan will be available for public comment prior to submission, as required by the CSBG act. Per federal law, 90 percent of the funds go to Nebraska's nine community action agencies. The state may use up to 5 percent of the funds for state administration of the grant. And the remaining 5 percent of funds are discretionary funds used to provide training and technical assistance to the agencies. The CSBG is only one funding source for community action activities. It is the base funding to allow agencies to leverage additional private and public dollars for their programs. Last year agencies leveraged more than \$70 million or \$174.56 per CSBG dollar in other federal state and local dollars. Thank you for allowing me to present Nebraska's intention to submit the CSBG state plan and to provide you a small sampling of what community action does in our state. If you're not familiar with the community action agency in your district, I invite you to visit those agencies. I have included a list of the nine community action agencies in Nebraska. And I'll be happy to answer any questions you may have. [BRIEFING]

SENATOR CAMPBELL: Any questions for Mr. Busch? Senator Riepe. [BRIEFING]

SENATOR RIEPE: Thank you, Senator Campbell. Thank you for being with us. One of the questions I have is, do we have a complete inventory? When you're talking about a lot of these agencies, you know, my, I guess my mind runs along towards both state and government, in terms of what it was in, maybe, 2005, almost on a grid chart, 2010, 2015, by dollar amounts? Do want it to be by community? I mean, to me, when I see something like that, without some inventory that's not just a balance sheet, one-day picture. I'm looking for some trend lines and (inaudible). [BRIEFING]

NATHAN BUSCH: Sure. [BRIEFING]

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SENATOR RIEPE: Do we do that? I mean, I am kind of (inaudible). [BRIEFING]

NATHAN BUSCH: What we could do is, we could look at each individual community action agency and what funding they have received. And then compare that up with the community assessments on what needs need to take place in the community. And then you can look at that over the different biyearly submission of the report. And we could probably figure out some trend lines in that way. [BRIEFING]

SENATOR RIEPE: To me...I don't know how others feel...it gives you a visual picture then if you're trending right or , and I would be encouraging to...that you'd give some editorial comments. And since this is... [BRIEFING]

NATHAN BUSCH: Sure. [BRIEFING]

SENATOR RIEPE: We think we're doing okay? Or we think we need to do more? And if we need to do more, how much more? And I'm just trying to...you know, we sit here today. It's kind of like, boom, and... [BRIEFING]

NATHAN BUSCH: Yeah. [BRIEFING]

SENATOR RIEPE: And that's hard for me to do. [BRIEFING]

NATHAN BUSCH: Yeah, we would love to demonstrate for you the effectiveness and the outcomes of what's being achieved with these dollars. [BRIEFING]

SENATOR RIEPE: Personally, that would be very helpful. Thank you. [BRIEFING]

NATHAN BUSCH: Yeah, you bet. [BRIEFING]

SENATOR RIEPE: Thank you, Senator. [BRIEFING]

SENATOR CAMPBELL: Other questions, Senator Kolterman. [BRIEFING]

SENATOR KOLTERMAN: Thank you, Senator Campbell. I have a question, and it's more for my own. I had the pleasure of serving on Blue Valley Community Action of Fairbury. [BRIEFING]

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NATHAN BUSCH: Um-hum. [BRIEFING]

SENATOR KOLTERMAN: I guess this says they're out of Humboldt, but can you tell me...part of their work is in the area of weatherization. [BRIEFING]

NATHAN BUSCH: Um-hum. [BRIEFING]

SENATOR KOLTERMAN: I assume that's for low-income people, where they come in and insulate a house or put in new storm doors and things of that nature. [BRIEFING]

NATHAN BUSCH: Yeah. Correct. [BRIEFING]

SENATOR KOLTERMAN: I also served on a board, Southeast Nebraska Development District. [BRIEFING]

NATHAN BUSCH: Um-hum. [BRIEFING]

SENATOR KOLTERMAN: And they did the same thing. Are there two programs that overlap in that arena, because they both, they're both dealing with the same area pretty much? [BRIEFING]

NATHAN BUSCH: Sure. [BRIEFING]

SENATOR KOLTERMAN: And they're also both dealing with the same process. [BRIEFING]

NATHAN BUSCH: Sure. There may be multiple agencies that deal with the same causal factors...weatherization and what we may need to be looking at there. But they generally tend to have different eligibility requirements, while ours that...the three of the action groups follows the federal eligibility requirements for this grant. Other agencies may use separate eligibility determinations. But, if anything, it allows for the widest net to be cast, in terms of helping folks...low-income folks or poverty folks...to be able to make sure they're in good shape. [BRIEFING]

SENATOR KOLTERMAN: You know, in a way, so in essence what you're telling me is like Blue Valley Community Action, that's all federal monies? [BRIEFING]

NATHAN BUSCH: Most of it, yes. [BRIEFING]



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SENATOR KOLTERMAN: Okay. And I think the other one...stand as a...they use state monies...  
[BRIEFING]

NATHAN BUSCH: Um-hum. [BRIEFING]

SENATOR KOLTERMAN: ...from the Department of Energy. That's probably the difference.  
[BRIEFING]

NATHAN BUSCH: Yeah. That would make sense. That would make sense. [BRIEFING]

SENATOR KOLTERMAN: Thank you. [BRIEFING]

NATHAN BUSCH: You're welcome. [BRIEFING]

SENATOR CAMPBELL: Any other questions, Senators? Mr. Busch, I have a question for you.  
[BRIEFING]

NATHAN BUSCH: Yes, Senator. [BRIEFING]

SENATOR CAMPBELL: Does the committee need to formally adopt the report in order for you  
to report to the federal government, or does the hearing suffice? [BRIEFING]

NATHAN BUSCH: I believe the hearing suffices, but I'll double-check and be in touch with  
Joselyn if I need to be. [BRIEFING]

SENATOR CAMPBELL: Okay, that would be great... [BRIEFING]

NATHAN BUSCH: Yeah. [BRIEFING]

SENATOR CAMPBELL: ...because we obviously want to take whatever action is appropriate to  
bring down those federal dollars; that would be terrific. [BRIEFING]

NATHAN BUSCH: Absolutely. [BRIEFING]

SENATOR CAMPBELL: And my recollection is that we generally just had to have the hearing.  
[BRIEFING]

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NATHAN BUSCH: I believe so, Senator, but I'll double-check. [BRIEFING]

SENATOR CAMPBELL: Okay, that would be terrific. [BRIEFING]

NATHAN BUSCH: Okay. [BRIEFING]

SENATOR CAMPBELL: With that, it concludes our hearing for today, and we are adjourned.  
[BRIEFING]