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**STINNER** [00:00:01] [RECORDER MALFUNCTION] represent the 48 Legislative District. I serve as Chairman of this committee. I'd like to start off by having members do self-introductions starting with Senator Erdman.

**ERDMAN** [00:00:11] Thank you, Senator Stinner. Steve Erdman, I represent District 47; that's 10 counties in the Panhandle [INAUDIBLE]

**HILKEMANN** [00:00:18] Robert Hilkemann, District 4, west Omaha.

**STINNER** [00:00:21] John Stinner, District 48, all of Scotts Bluff County.

**BOLZ** [00:00:26] Senator Kate Bolz, District 29.

**WISHART** [00:00:27] Anna Wishart, District 27, west Lincoln.

**DORN** [00:00:30] Myron Dorn, District 30, Gage County and the southeast fourth of Lancaster.

**STINNER** [00:00:33] Assisting the committee today is Brittany Bohlmeier, our committee clerk. Our page today is Cadet Fowler. He's studying film studies at the University of Nebraska-Lincoln. On the cabinet to your right, you'll find green testifier sheets. If you are planning to testify today, please fill out a sign-in sheet and hand it to the page when you come up to testify. If you will not be testifying at the microphone but want to go on the record as having a position on a bill being heard today, there is white sign-in sheets on the cabinet where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record at the end of today's hearing. To better facilitate today's hearings, I ask that you abide by the following procedures. Please silence or turn off your cell phone. Order of testimony will be introducers, proponents, opponents, neutral, closing. When we hear testimony regarding agencies, we'll first hear from the representative of the agency. We will then hear testimony for anybody who wishes to speak on the agency's budget request. We ask that when you come up you-- to spell your first and last name for the record before you testify. Be concise. It is my request that you limit your testimony to five minutes. Written materials may be distributed to the committee members as exhibits only while testifying. Hand them to the page for distribution to the committee and staff when you come up to testify; we need 12 copies. If you have written testimony but do not want to have 12 copies-- you don't have twelve copies, please raise your hand so the page-- page you can make copies for you. With that, we will begin today's hearing with Agency 31, Military.

[BREAK]

**STINNER** [01:13:49] Any additional proponents? Seeing none, any opponents? Seeing none, anyone in the neutral capacity? Seeing none, that concludes our hearing on Agency 27. We'll now open up with LB129, Senator Wayne. Afternoon.

**WAYNE** [01:14:36] Good afternoon.

**STINNER** [01:14:36] And thank you for being patient.

**WAYNE** [01:14:39] No problem. Can I start?

**STINNER** [01:14:53] Absolutely.

**WAYNE** [01:14:55] My name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e, and I represent the "Mighty" 13, which is north Omaha and northeast Douglas County. Today I am-- today I am presenting to you what will fundamentally change north Omaha, my community. This-- at the beginning of this year, I joked with Senator Stinner, Chairman Stinner, that this might be my mountain lion issue because I feel that strongly about it; now with the floods and everything going on, maybe not so much, but maybe so. Now that I heard that everything's working pretty good, I think this will go back to my mountain lion moment. And here's why I say that. I'm asking for a study to look at, really, two old studies, one from Iowa and it was a joint study on-- on a port called the Gateway Port, and then one for north Omaha which is the North Omaha Industrial Park, which is before you, and both studies are in front of you. They were both done around 2010-- 2000-- 2008 to 2010. What I'll say is that last year I introduced a bill called the Port Authority, and I wanted to create one. Omaha used to have one in the 1960s and '70s. And actually, barge traffic is back up and there's an article that I have attached in the handouts showing you that it's back up. But after having discussions with colleagues on Urban Affairs and others' committees, there's-- there's just a need for more data, and that's what this study is that I'm proposing. If you look at the vision that I have for north Omaha and around the airport, it's clear that we can do it and we have the land to do it. What we don't have is the transportation outlet and in-- inlet, I guess you would call it, to move people in or out of north Omaha. If you'll turn to page 3, where it's just kind of a map of what we have here, what you'll see is around by the airport, my district. And in this map there is approximately 1,100 semis that leave that area by the airport and they go either downtown or straight up through 30th Street, and 30th Street is a neighborhood. So if you want to ever sit down and see all the trucks going through my neighborhood, you can go to Harold's cafe and you can count them. And the fact of the matter, it's a safety issue. We have multiple houses, single-family homes, apartments. And it's also just the time from studies have been done showing that we can increase traffic to the downtown airport because right now if you live north of Maple, in Senator Lindstrom's district, Senator Hilkemann's district, the only way to get to the airport is to travel all the way around back through downtown and the south side. By opening up the north side, you actually will decrease approximately three to four minutes. That as a study back in 2011. What this-- different studies have concluded that roughly between

Omaha and Iowa, there'll be \$1.7 billion of economic impact if we were to build this-- these two areas out. But again, these are based off of 2008, 2011 studies, and we are looking to do a study with MAPA and the city of Omaha and Council Bluffs, everybody around the area to develop a new study. Why is this important and why is it relevant and why is that relevant today? We had Toyota Mazda come into this area and look at maybe doing a site. Omaha World-Herald reported on October 22, 2017, that we do not have a megasite, and that's one of our weakest draws in drawing people to Nebraska, the lack of a megasite around a population that can support the workforce. What you'll see in the graphs before you is across the street, or across the river in Iowa, there's approximately 2,200 acres. Now unfortunately, a lot of that is flooded today, which was part of what this study would figure out, the cost to really build that site. And I will tell you, from north Omaha being landlocked, it's a lot easier to cross a bridge down in north Omaha than it is to get to south Sarpy to go work at Facebook right now. So this is truly a way to open up economic development in north Omaha. It can also change the aspects of our airport. We can truly become a hub around logistics and transportation to grow our airport. There's multiple benefits that can happen from a simple study, and I would submit to you that \$200,000 to do a study for a \$1.7 billion impact is well money spent or well worth the money we will spend. So while I know it's \$200,000, and while I know there are budget crunches that we have to deal with, the fact of the matter is it's also time to invest in the growth of not just the city of Omaha but around that area. And with that, I'll answer any questions.

**STINNER** [01:19:49] Questions? Senator McDonnell.

**McDONNELL** [01:19:52] Thank you, Senator Wayne. The total cost of the study would be?

**WAYNE** [01:19:56] Well, we would just appropriate \$200,000. MAPA would come up with some additional funds either through federal grants or through the city. City of Omaha is interested. The chamber has looked at raising private dollars to help with this. But I think also the-- the state needs to put in something.

**McDONNELL** [01:20:11] But do you have that? Is it a \$500,000 study, \$600,000?

**WAYNE** [01:20:16] [INAUDIBLE] right now.

**McDONNELL** [01:20:16] OK.

**WAYNE** [01:20:17] Oh, it's-- they vary anywhere. It depends on the detail they want to get into, and that's part of why I want to do \$200,000. I want to get into at least a \$600,000 maybe a million-dollar study. But we can probably do it-- we were looking at \$500,000 studies, which the previous study that was done was around \$500,000. But we were looking to raise that, and we believe the city should be a part, and the state should be a part of it.

**McDONNELL** [01:20:37] But the study would be a partnership, private-public--

**WAYNE** [01:20:40] Right, yeah.

**McDONNELL** [01:20:41] --city-state now?

**WAYNE** [01:20:41] Yes. Yes, sir. And MAPA would coordinate all of that like they did before because that would-- that would include-- the county region, including Iowa, would be a part of that. We've met with the Army Corps of Engineers multiple times. We met with state senators from Iowa multiple times. We met with Council Bluffs and Pottawattamie County commissioners. Everybody is on board and everybody is looking to figure out how to grow this area. It's an untapped area for Council Bluffs. They can only grow south unless we figure out what to do with this. And the area I'm talking about, if you ever drove on 680, once you cross the Mormon Bridge Road, there's literally an exit to nowhere. And you get off and there's a bridge that goes over the interstate, but when you get off both sides it's dirt road because 100 years ago they still believed that this would be a good exit. It's just that we-- nobody's ever funded it. So the exits are there and there's dirt roads that line up perfectly with 16th Street, although the Army Corps of Engineers, being the great Army Corps of Engineers, wants the-- the bridge to run perpendicular to the-- to the river, which will slightly change it a little bit. But everybody is on board as far as we got to start this conversation, and this is my way of boosting up the priority of this conversation.

**McDONNELL** [01:21:51] Do you have an idea of the time frame of the study once the funding is there?

**WAYNE** [01:21:54] A year.

**STINNER** [01:21:57] Senator Hilkemann.

**HILKEMANN** [01:21:58] Actually, Senator McDonnell covered it.

**STINNER** [01:21:59] OK.

**HILKEMANN** [01:21:59] When you said \$200,000, it seemed to me to be awfully low for the project. Now, I would say, all of this land that you would develop would all be in Iowa.

**WAYNE** [01:22:09] No. So if you look at the first couple of pages, there's a north side business development district north of the airport. That's on the first couple pages of the handout.

**HILKEMANN** [01:22:19] OK.

**WAYNE** [01:22:20] But even that can't be developed because our 30th Street can't handle another 200 or 300 semis running up and down. And the reason they can't go along the river is

because we have MUD. If you're ever familiar with by down in Florence, you have MUD that has a wastewater treatment plant and that's-- that street is not cannot hold the load with all the pipes running through there for the semis to run up and down it. So they literally have to turn off left right before OPPD or right at OPPD power-- power plant, and then go up to 30th Street and run up stoplights all the way back to the interstate. So it's not convenient at all for truckers or for anybody.

**HILKEMANN** [01:23:03] Thank you.

**STINNER** [01:23:04] Additional questions? Senator Dorn.

**DORN** [01:23:04] Help in an area I'm not that familiar with, but you almost talk like it-- this has been a discussion for years. Or was there ever a bridge proposed there or update that-- some of them I'm sure are all aware of it.

**WAYNE** [01:23:16] So when Jim Suttle was mayor, it started gaining ground, but then the recession hit. So everybody took a step back and budgets were cut and it never really went anywhere since then. It started a conversation last year. In fact, Chairman Friesen went to a meeting in Omaha, and there's been a lot of discussion around it, and then it came back up again with the-- the negative points we got for the lack of megasite with the Toyota Mazda. And so there's just been conversations about it. And I'm taking the approach that, you know, kind of like the permitting process you just talked about, let's stop talking about it, let's do something about it, and it's time for us to get a comprehensive study to see what it actually cost and the economic impact it will have for our area. Otherwise, quite frankly, north Omaha is going to stay landlocked and it's not going to develop. The only place we can develop is around the airport. That's the only place that we have vacant lots and the ability to develop. But we can't develop when there's not easy in and access-- in and out roads and access. So if you're a transportation company, you have to remember, ten days out of the year you can't go through the downtown corridor. When you leave the airport, it's physically impossible with a semi, because of College World Series, to go downtown. So you have to run everything up through a neighborhood. Now imagine 1,100 trucks going through a neighborhood. It's not very well-- it doesn't go very well over with our community.

**STINNER** [01:24:45] Additional questions? Senator Erdman.

**ERDMAN** [01:24:48] Thank you, Senator Stinner. Your comment about 1,100 trucks going through a neighborhood, I have that for five months a year past my house with these trucks. You may be as familiar with my district as I am with yours. Tell me where the nearest bridge is on this picture.

**WAYNE** [01:25:06] Just north of there. So if you go north of what you're looking at, where that pink line is, you-- there are-- see these-- that one white-- dark-- it goes blue, black, white little spheres?

**ERDMAN** [01:25:20] Yeah, I do.

**WAYNE** [01:25:21] Right up-- right-- right where that ends would be the Mormon Bridge.

**ERDMAN** [01:25:24] OK. Is that the only bridge?

**WAYNE** [01:25:25] That's the only bridge north. The other one south is downtown. The one after that is off of L Street. And so if you-- maybe I have a better map. Oh, I do, If you go to the last page, last, last page, this is the current interstate up top. The last, last page you'll see the current Interstate 680 and you'll see where this bridge design would go across and run up. And these are-- these are different renders and this is from a 2011 study that was done on the Council Bluffs side of a feasibility study for a port, and they all came back and showed about a \$1.7 billion economic development. The-- the other one at the beginning is a different study from 2008 that shows the north Omaha airport development, which is another about billion dollars, so-- so \$2.7 billion of economic impact that they believe they-- you can build out. So that's the issue and if you were to transpose this with south Omaha, Senator McDonnell's district, there's a bridge right off of L Street-- Q Street-- L Street-- L Street that goes right across and you'll see a UPS, a lot of the people who are right down there, because it's easier transportation to get on and off the interstate.

**ERDMAN** [01:26:36] OK. So the north one is there; there's a bridge to the north for the [INAUDIBLE]

**WAYNE** [01:26:38] Correct.

**ERDMAN** [01:26:39] And there's not one here?

**WAYNE** [01:26:40] No.

**ERDMAN** [01:26:40] OK.

**WAYNE** [01:26:40] That's the one I'm proposing.

**ERDMAN** [01:26:42] All right. Thank you.

**WAYNE** [01:26:43] Well--

**ERDMAN** [01:26:42] I understand it.

**WAYNE** [01:26:43] --if the study comes back how-- the way I think it should.

**STINNER** [01:26:46] Senator Wishart.

**ERDMAN** [01:26:46] I see it. Thank you.

**WISHART** [01:26:47] The-- the airport has significant reserves. Why aren't they involved in investing in this area?

**WAYNE** [01:26:56] They are-- they have just launched a \$1.3 billion reconstruction project--

**WISHART** [01:27:04] OK.

**WAYNE** [01:27:04] --within the terminal, so they were-- and they just got done spending about \$100 million on new parking. So they are looking to grow but they are first fixing in-house how to make it run smoothly.

**WISHART** [01:27:20] OK.

**STINNER** [01:27:21] Additional questions? Senator McDonnell.

**McDONNELL** [01:27:22] So for a \$200,000 investment into a study, potentially, we're looking at a \$1.7 billion return impact.

**WAYNE** [01:27:31] Correct. That what the-- the 2011 study showed, and 2008 study showed about the same amount.

**McDONNELL** [01:27:35] Thank you.

**STINNER** [01:27:36] Senator Bolz.

**BOLZ** [01:27:40] I-- I wavered on whether or not to ask you this question, but I-- I think I'll give you the shot to give me your-- your answer. Can you help me understand? I appreciate what you're saying is that a study could lead to a very significant economic impact; valid point, and something I'll consider. What I'm trying to figure out is what justifies the state's investment in this study and what justifies the state's investment in this study as compared to any other community who's going to-- who may come to us and say, you should invest with us in a study around a transportation or infrastructure projects. So what is unique about this that-- that make-- that would persuade me to say that this is deserving of state dollars beyond the economic impact?

**WAYNE** [01:28:26] You have to look no further than the past of what we've already done as a state, including the South Belt highway-- new highway development that was just talked about a little bit ago, including Highway 34, which built a bridge approximately about 12 years ago, which was both state funding and Iowa funding and federal funding, and it all started out with a study.

**BOLZ** [01:28:47] OK.

**WAYNE** [01:28:48] So we have a history of doing that.

**BOLZ** [01:28:48] Um-hum, there's-- there's precedent related to the South Beltway and to-- what was the other one you said?

**WAYNE** [01:28:51] Highway 34, Senator Clements' district.

**CLEMENTS** [01:28:53] Sarpy County.

**WAYNE** [01:29:00] Sarpy County.

**BOLZ** [01:29:00] OK that's help--

**WAYNE** [01:29:01] That was, what, 12 years ago?

**CLEMENTS** [01:29:04] Yes.

**BOLZ** [01:29:05] That's helpful to know that both of those started with a study that was in part state funded.

**WAYNE** [01:29:10] Yes.

**BOLZ** [01:29:10] OK. Thank you.

**STINNER** [01:29:13] Additional questions? Seeing none, thank you.

**WAYNE** [01:29:17] Thank you.

**STINNER** [01:29:26] Are there any proponents? Are there any opponents? Seeing none, are there anybody in the neutral capacity? Seeing none, you're welcome to close, Senator.

**WAYNE** [01:29:49] I don't know how it works in Appropriations, but that would be consent calendar in my committee. [LAUGHTER] With that, I will just answer any questions.



**STINNER** [01:29:59] Senator Dorn.

**DORN** [01:30:02] Thank you, Chairman Stinner. And I-- I-- like I said, I'm not familiar with this area and not knowing it and-- and the issues we're having today. What-- I-- I know in Omaha there's only certain areas you can cross. What type of-- what's the ground like or what-- what-- would this bridge, assuming it ever got built, would it be out of the floodplain, another avenue to cross when we have a flood?

**WAYNE** [01:30:23] So in our-- in-- well, actually, with most of the issues on our side-- we don't have any issues on our side of the river. If you look back on that last page, where the flooding actually occurred is on the Iowa side.

**DORN** [01:30:37] OK.

**WAYNE** [01:30:37] And so part of the issue and part of the study is, if we were to build a road that would-- on-- on the other side, that would be Iowa's portion. If that study that I'm referencing where that came from said the road needs to be 11 foot high, and that would actually open back up right now-- 680 is closed on that side, but if we raised all of the roads 11 foot high, it would have-- they wouldn't have been impacted like they are today. So again, it would-- it would help, but the biggest thing is moving traffic in and out of that area to let it grow.

**STINNER** [01:31:11] Senator Erdman.

**ERDMAN** [01:31:12] Thank you, Senator Stinner. Senator Wayne, on-- following up on that question that Senator Dorn just asked you, if you force that water to be in a smaller or narrower channel, it'll raise the level on your side as well.

**WAYNE** [01:31:27] Yes, that's part of the conversation we had with the Army Corps of Engineers and part of the reason why Council Bluffs doesn't have the same levees that we have on our side is for that particular reason. That's why it has to be a study done to show how far, if you go back to where the exit is and you build it there, what the impact is on our levees. And the Army Corps of Engineers has had some estimates already, but we've had multiple conversations with them and that's why there needs to be a just-- an overall bigger study done to find out all those impacts.

**ERDMAN** [01:31:57] Because I probably don't have now-- you may have, you know, an 11-foot road.

**WAYNE** [01:32:01] Maybe--

**ERDMAN** [01:32:03] Yeah.

**WAYNE** [01:32:03] --because it isn't-- it isn't flooded all the way back that far, so that's-- that's the issue is where is-- the road is and where that is, and I'll leave it to the engineers to figure that out.

**ERDMAN** [01:32:11] OK.

**STINNER** [01:32:12] Senator Clements.

**CLEMENTS** [01:32:12] Thank you. Thank you, Senator Wayne. Regarding the \$1.7 billion development, you know what percentage is on Nebraska's side and percentage is Iowa?

**WAYNE** [01:32:24] Yeah, so there was roughly \$500-- \$560 million on Nebraska's side and around \$600 million on the Iowa side. And that fluctuated between the 2008 study and 2011 study. And again, these were separate studies so they didn't talk to each other. What I want them to do is talk to each other and have a full study. But the reason it was different had to do with actually the river, how much they had-- how much construction cost would it be to build up on the Iowa side. So that was a difference in the amount. But as far as the jobs and the economic impact, they are both roughly the same.

**CLEMENTS** [01:32:59] Thank you.

**WAYNE** [01:33:00] Thank you.

**STINNER** [01:33:01] Maybe Missouri will, now that it's flooded, will add to the Nebraska side-- I'm just kidding--

**WAYNE** [01:33:08] I--- I could--

**STINNER** [01:33:10] --movement of the Missouri over.

**WAYNE** [01:33:09] Hey, we can take over Carter Lake anytime we want to. I'm all for that.

**STINNER** [01:33:18] [LAUGH] Yeah.

**WAYNE** [01:33:18] It's a-- I-- I-- I know. I mean, on the record, Justin Wayne. [LAUGHTER]

**STINNER** [01:33:21] Oh, boy. Any additional questions? Seeing none, thank you, Senator.

**WAYNE** [01:33:30] Thank you.

**STINNER** [01:33:31] That concludes our hearing of LB129. We will open now with LB494, Senator Wayne.

**WAYNE** [01:33:38] Unlike my last bill-- my name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e. I represent District 13, which is north Omaha and northeast Douglas County. Unlike my other bill, I don't believe this bill will go anywhere, nor should it go anywhere. This is a result of multiple months of e-mails back and forth between the city and state and county officials on who actually owns the green wall you're looking at and who can actually change it. This is-- property taxes are number one in Florence. We have one of our historic, oldest parts of the city with a lot of retirees. The second issue when I go door-to-door is this green wall. So if you want to get me re-elected, just help me with the green wall. But, no, this was a bill introduced to force a conversation; that conversation has started. We are looking for funding if the state wants to do it, but the city and the county and the Department-- and DOT are now working together on the issue, so there's probably no need for this bill. And with that, I'll waive my closing.

**STINNER** [01:34:39] OK. With that, any questions?

**CLEMENTS** [01:34:46] Well, what street are we looking at here?

**STINNER** [01:34:47] Senator Clements.

**WAYNE** [01:34:47] This is actually on 30th Street right before you get to the Mormon Bridge where Senator Erdman was talking about. This wall was put up in the '50s. Over the years, it's changed colors and now it's this green. It's still functional-- that's the issue-- but nobody likes it. And when you get off the Mormon Bridge and you come into Omaha, the first thing you see is this green wall, not really inviting. But the issue is, because 30th Street is a highway, who owns the right of way and who can build on the right of way. And so we kept going back and forth on who could fund it, who could do it, who couldn't, and we now have some resolution to where we can move this forward and-- and get it done. But sometimes you have to put a bill in to force a conversation.

**CLEMENTS** [01:35:31] Is 30th Street actually Highway 75?

**WAYNE** [01:35:34] Yes.

**CLEMENTS** [01:35:36] OK.

**WAYNE** [01:35:37] Yes. So-- so the highway stops and you get that little Storz Parkway down to the-- to the airport, and then you go up through Florence, through my district. But technically, Florence, 30th Street, is still Highway 75, so that's where all the trucks go because they get back on the highway because their GPS takes them back there because it's a highway.

**STINNER** [01:35:58] Senator Erdman.

**ERDMAN** [01:35:58] Thank you, Senator Stinner. Senator Wayne, just a point of reference, I have a little experience in painting things yellow. I may be able to help you with this.

**WAYNE** [01:36:08] I do appreciate you painting the numbers on my-- on the parking spots.

**DORN** [01:36:13] And he can get state paint that no-- they don't know about.

**ERDMAN** [01:36:15] I have a little-- I have a little paint leftover.

**STINNER** [01:36:20] Must be getting late.

**WAYNE** [01:36:21] Sorry. I took your Appropriations away and left. I do apologize, but I do appreciate it.

**STINNER** [01:36:25] There any proponents?

**CLEMENTS** [01:36:27] Senator Wayne, it's that one, right?

**DORN** [01:36:29] Justin-- oh, nevermind.

**STINNER** [01:36:30] Any opponents? Seeing none, anybody in the neutral capacity? Senator Wayne waives his closing so we'll now close the hearing on LB494. I would like to say that there is one letter of support from Greg Youell, Omaha-Council Bluffs Metropolitan Area Planning Agency. We'll now open on LB-- the hearing on LB394, Senator Wishart.

**WISHART** [01:37:02] Well, good afternoon, Chairman Stinner and members of the Appropriations Committee. My name is Anna Wishart, A-n-n-a W-i-s-h-a-r-t. I represent the great 27th District in west Lincoln. I'm here today to introduce LB394, which seeks to appropriate funds to municipalities with a focus on innovation and transportation that improve safety, efficiency, and mobility. Before I get into the details of this legislation, I first want to thank the first responders, volunteers in the state's Department of Transportation, for their countless hours of work to address the devastating flooding across the state and acknowledge the long road-- road ahead to recovery. In light of the most immediate needs for our Nebraska roads and bridges, I want to be clear with this committee that I view this bill now as more of a discussion and something that I want our state to look at in future years. With that said, a big part of my legislative agenda has been focused on innovation and looking into the future. I think the state's NDOT team has done a really good job of being innovative in their approach. My goal with this bill is to encourage municipalities to think innovatively and work with the NDOT in doing so. I had originally planned a number of cities to come up and share potential projects that could be accomplished with transportation innovation funding, which is why we put in such a large appropriation is I really wanted you to see what municipalities would do if they were truly given the kind of resources needed to be innovative. But in order to save our committee's time, I have

just asked the cities of Lincoln and Omaha to testify, Some ideas that I want to see cities pursue in the future, just from my own thought process, surprise, surprise: driverless technology; smart parking options, there's some really, really innovative ways that cities are addressing parking shortages that I think you'll hear about today; using technology to better serve the aging and disabled populations; more citizen engagement through app-based technology, and the list goes on. In other cities that I have traveled to across the world and in this country, they are using this kind of innovation that helps attract new residents, both young and old. And as you know, in Nebraska, we need to be in the business of retaining and attracting warm bodies to our state. Using emerging technology and innovation in transportation has also been a catalyst for other cities and states to attract new companies, and I really want to see that for our state as well. In drafting this bill, I left the criteria intentionally very broad for NDOT. I think it's best suited for them to draft the specific criteria around the grants, the rules and reg-- regs, as well, when administrating this program. As you all know, I love this topic so I'm happy to answer any questions or speak more specifically about potential project. To be clear, I am not going to be seriously pursuing this appropriation request for this year because of the significant transportation needs we have with repairing due to our natural disaster, but I do want to have this discussion today. Thank you.

**STINNER** [01:40:17] OK. Questions? Seeing none, thank you. Good afternoon.

**KEVIN ANDERSEN** [01:40:31] Thank you, Mr. Chair, members of the committee. My name is Kevin Anderson, K-e-v-i-n A-n-d-e-r-s-e-n, here representing the city of Omaha where I serve as deputy chief of staff for economic development and development services within the mayor's office. I'll keep my-- keep my comments very brief. We're happy to add to the discussion where we can. Mayor Stothert cochairs a regional effort known as the Omaha Metro Smart Cities coalition. This coalition is a collaboration of civic and business leaders, philanthropy, and education with representation from across the metro area, including Council Bluffs and Bellevue. This group started as a component of Omaha's participation in the Smart Cities Lab, a national coalition of cities collaborating to identify and tackle common issues through the use of technology and civic infrastructure and operations. The primary focus has been transportation, but the effort relates to all elements of economic development and quality of life. The lab has catalyzed the local discussion regarding smart cities. With a focus on transportation, four problem statements have been identified by our-- by our local coalition as guiding principles for the group's efforts: one, to improve access to employment among the unemployed and underemployed; to promote community engagement and awareness of how transportation benefits our region; to encourage mobility in its various forms across the metro; and to revitalize the urban core. To address these issues, the Smart Cities steering committee has elected to take on three approaches to transportation innovation. First, the group has prioritized pilot projects to benefit the region. These include, but are not limited to, protected mobility corridors-- corridors, a transportation engagement dashboard, a unified mobility payment system, and an autonomous vehicle shuttle. These pilots will allow Omaha and its partners to establish best practices from data-driven concepts and in some cases, to steal a term from the startup

community, to fail fast and fail efficiently. Secondly, the Smart Cities group will establish a smart city district concept to define a geography where cities, their partners, and potential vendors can participate and provide proof of concept for smart city ideas and to see how these opportunities interact with each other and with the public. Finally, a unified regional transportation and transit plan is already underway. Led by the committee and the Greater Omaha Chamber of Commerce, this planning effort will capitalize on the link between transportation, economic development, and quality of life for the entire metropolitan area and provide a pathway for transformative and sustainable growth. In summation, the-- the capacity that comes with this coalition and the individuals and organized-- organizations represented around the table, would put Omaha in a great position to take advantage of the Nebraska innovation and transportation and technology program. Appropriated funding will be well leveraged and yield impactful results that can be scaled across the state. So again, I'm happy to participate and add to the discussion. I'll take any questions you might have.

**STINNER** [01:43:34] Questions? Seeing none, thank you.

**KEVIN ANDERSEN** [01:43:36] Thank you.

**MIKI ESPOSITO** [01:43:45] Good afternoon, Senator Stinner--

**STINNER** [01:43:50] Good afternoon.

**MIKI ESPOSITO** [01:43:50] --and members of the Appropriations Committee. My name is Miki Esposito, M-i-k-i E-s-p-o-s-i-t-o, director of transportation and utilities for the city of Lincoln. I'm here today in support of this bill which seeks to appropriate funds for municipal innovation projects that improve transportation safety, efficiency, and mobility. Thank you for the opportunity to testify. As you can probably imagine, my focus this past week has been on critical water infrastructure, rather than transportation innovation, and I am so happy and relieved that our water production capability now exceeds the consumption rates in Lincoln. We have reduced water restrictions from a mandatory status to a voluntary basis by stabilizing our water resources flowing-- following the flood. As Senator Wishart shared, we fully recognize and appreciate the funding priorities for this committee and will shift-- and that those priorities will shift to address the historic flooding event that devastated our state over the past week, and rightly so. The impacts to our people, our infrastructure, and our state of mind will certainly take some time to recover from. That's why today is not the time to request funds for innovation. Rather, I would like to use this as an opportunity to share examples of innovative transportation projects that we are interested in pursuing, as well as Lincoln's desire to become a smart city. A smart city uses IOT technology, or the "internet of things," to connect components, information, and data across a city in order to significantly improve the lives of its citizens and visitors. Autonomous vehicle technology is one example where a rider can make a direct request from their smart phone for the AV shuttle through a demand-responsive system located on the vehicle. En route, that vehicle can then connect to traffic signals, short-range radio systems,

global positioning systems, cameras and sensors, traffic operation centers, or other nearby vehicles and assets to obtain real-time data in order to safely drive itself. For people who cannot drive, AV technology can increase their mobility, providing access to good jobs, quality healthcare, and education, as well as make local public transit systems even more flexible for patrons. Today it is estimated that 94 percent of crash-- traffic crashes are caused by human error. IOT technology seeks to vastly improve safety on our road system as annual crash data in the United States still reflect alarming fatality rates, For vehicles, it is estimated that almost 40,000 deaths occur per year, that's approximately 100 deaths per day; bicycles, over 700 fatalities; pedestrians, over 4,700 fatalities; motorcycles, over 5,000 fatalities; and trains, over 600 fatalities. Imagine if we lived in a world where all of these instruments connected to and communicated with one another through IOT technology. Imagine the lives we could save if a train spoke directly to an approaching vehicle through the dashboard in your car. What if vehicles gave a driver advance notice of a nearby motorcycle, pedestrian, or cyclist? At the same time that we are improving safety and reducing crash rates, we can also enhance efficiency and environmental quality. Smart cities technology will reduce fuel reliance and consumption, traffic congestion, and greenhouse gas emissions through efficient operations. Imagine a smart-parking platform around the Capitol where, rather than circling around and around, searching for your parking space and burning fuel, wireless sensors would detect the availability of a space, informing the driver or senator through their smart phone about the direction of that space and how to pay for it. These are just a few examples of the innovation projects the city of Lincoln hopes to pursue. And again, we understand there are higher priorities for funding at this time and appreciate your consideration of this issue for the future. Thank you, and I'd be happy to answer any questions you might have.

**STINNER** [01:48:37] Thank you. Questions? Senator Dorn.

**DORN** [01:48:38] Thank you, Chairman Stinner. Thank you for coming. I-- I just have a question. I don't know if this is part of this bill or not, or what do-- or what are some people telling you that our traffic-- how much is it going to increase in the next X number of years or whatever? What-- what percent? Or are we looking at a growth for Lincoln, Omaha? Where would it be?

**MIKI ESPOSITO** [01:48:54] Well, I would tell you that Lincoln's growth is going to-- by 2040, we will add 120,000 people to the city of Lincoln. There are areas of town, such as the southwest portion, where traffic volumes will double because of the South Beltway coming on. So we are really seeking not to expand lanes and-- and make expensive investments in lane expansion but, rather, find more efficient ways of traveling around our city. Great question.

**STINNER** [01:49:28] Additional questions? Seeing none, thank you.

**MIKI ESPOSITO** [01:49:33] Thank you.

**STINNER** [01:49:43] Afternoon.

**LASH CHAFFIN** [01:49:44] Thank you. Good afternoon. My name is Lash, L-a-s-h, Chaffin, C-h-a-f-f-i-n. I'm a staff member at the League of Nebraska Municipalities and I also would like to offer the league's support for LB394. But first I guess I'd like to express, going back to the Military Department, the Department of Roads hearings-- I'm going to go off topic a little-- appreciate the-- the concern that so many of you showed for the impact on local budgets of the flooding. And-- and as you correctly surmise, it's going to be dramatic in some cases. You know, an \$800,000 match in a village that has a total tax asking of \$190,000 is a lot-- is a-- that's a-- that's a dramatic, dramatic thing, and, you know, and we-- we're Nebraska so we'll try to make it work. But-- but I will definitely let our members know that-- we often hear, you know, nobody in Lincoln listens to us, nobody in Washington listens to us. You know, I'm sure you're all familiar with that and-- and I-- I would-- I'll make sure that our organization lets them know that so many members did seem to have a grasp of this is a-- this is going to have a big impact on local governments. And it's-- you know, this-- this-- the impact will last for many, many years. But the-- I-- I will say that hopefully, as Senator Erdman indicated, we've gotten smarter over the years, and much of it is a result of state government coordination over time. Going back to the mid-'90s floods, literally, state agencies would call our office and say, who's the go-to person in-- you name the village or the town-- and is there a chance they would have a computer map? You know, and now, you know, through NIMS systems and some things like this, much of which has been funded by the state, that system of command and control is far more established. To be honest, we didn't-- we didn't take any calls. And literally, I think was the '96 Platte River flooding, or it was the '94-- I can't remember-- but literally, our office was-- was busy all the time. I remember Dayle Williamson called me 20 times a day with just very simplistic questions of just kind of coordination: Who do I need to talk to, to coordinate this? And-- and that's a relief and I think it'll help with federal paperwork; it'll help with-- with a lot of these things. We get smarter every time, Senator, and hopefully we'll get smarter with this one as well. But-- but as far as LB394, the-- you know, the world is changing fast. And I-- I remember, with the prior two testifiers, it was about 15 years ago, Federal Highway Administration drug a whole bunch of us from four or five states up to Sioux Falls, which is a very pretty city-- I mean, I had never been there and-- but they wanted to talk about some innovative project that was going on and they were going to try to do in Minneapolis and St. Paul. And what the-- what the plan of the project was, and this was not this long ago-- I mean it was more than a decade but it was not two decades back-- they were going to try to-- as people were driving into the Twin Cities, they were going to try to put up electronic board-- scoreboards, essentially, at each interchange saying how many public parking stalls-- stalls were available off each interchange. Cool project. OK, literally, at the time, people argued that that couldn't be done. I mean, they were, oh, that's crazy talk, you know, you can never-- there's no way that would ever work. You know, I mean, you know, and at the time, I mean, I had a big phone that you had to unzip and, you know, and [LAUGHTER] and-- and, you know, I remember thinking, oh, that'll never work. You know, now nobody has any problem imagining those type of projects. And sure enough, it went off in the Twin Cities and-- and I suspect now it happens in so many places you don't even think about it.



But I mean literally there were-- there were people at that big meeting, and there were probably 120 people at the meeting, who just were arguing that that could never be done and it was dangerous and we shouldn't give people the idea that that was going to happen. And, you know, innovation, you know, driverless vehicles, those-- you know, I've-- I've got a-- I've got a 70-- or an 80-year-old now-- he's-- his birthday was this last week-- 80-year-old dad and, you know what, he-- he can't drive but, you know what, he's curious. He likes to go places. He's an old rancher. He's used to driving around. He likes to look at stuff and, you know, there's not enough hours in the day for me to drive him around. You know, there's-- there's-- there's-- there's a lot of opportunities for driverless vehicles just, you know, not only the essentials but quality of life and things like this. And I think, you know, obviously, this is, you know, a-- a moot issue perhaps at this point, but it's something that I-- I hope Nebraska continues to-- to aspire to.

**STINNER** [01:54:09] Thank you. Questions? I presume 5G will help the-- move us forward, right? Aren't you the 5G expert?

**LASH CHAFFIN** [01:54:16] Well, do-- do-- do you want the long explanation, Senator, or-- or do you-- do you want the short explanation?

**STINNER** [01:54:20] Not right now, I don't. [LAUGH] OK. Anybody-- any additional proponents? I do have a support letter from Greg Youell from Omaha-Council Bluffs Metropolitan Area Planning Agency. There any opponents? Seeing none, anyone in the neutral capacity? Seeing none, would you like to close? Senator Wishart waives closing. I have one letter against, or an opponent of LB394, Rocky Weber from the Nebraska Co-op Council. That concludes our hearing on LB394. We'll now open on Agency 36, Nebraska Racing Commissioner.

**ERDMAN** [01:55:19] Was that letter from Weber, was that in support?

**STINNER** [01:55:21] Against.

\_\_\_\_\_ [01:55:22] Opposed.

**STINNER** [01:55:22] Against.

**WISHART** [01:55:22] Why?

**STINNER** [01:55:31] NCC.

**ERDMAN** [01:55:32] I didn't hear what he said. All I heard him say is, "Rocky Weber."

**STINNER** [01:56:08] Next time yell at me.

**WISHART** [01:56:08] Oh, he just wants to be--

**ERDMAN** [01:56:08] I turned them off. I turned them down while that was on. Thirty-six.

**STINNER** [01:56:08] Good afternoon.