

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee February 13, 2020

STINNER: Good afternoon and welcome to the Appropriations Committee hearing. My name is John Stinner, I'm from Gering, and I represent the 48th Legislative District. I serve as chair of this committee. I'd like to start off by having members do self-introductions, starting with Senator Hilkemann.

HILKEMANN: I'm Robert Hilkemann, I represent District 4, which is west Omaha.

STINNER: John Stinner, District 48, all of Scotts Bluff County.

BOLZ: Senator Kate Bolz, District 29.

WISHART: Anna Wishart, District 27, west Lincoln.

DORN: I'm Myron Dorn, District 30, Gage County and southeastern Lancaster.

STINNER: I have great hopes that other members will be joining us, but we never know. Assisting the committee today is Brittany Bohlmeier, our committee Clerk. To my left is our fiscal analyst, Jeanne Glenn. Our page today is Hallett Moomey. On the cabinet to-- on the cabinet to your right, you will find green testifier sheets. If you are planning to testify, testifying 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 record as having a position on a bill being heard today, there are 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 hearings. To better facilitate today's proceedings, I ask that you abide by the following procedures. Please silence or turn off your cell phone. Order of testimony will be introducer, proponents, opponents, neutral, closing. When we hear testimony regarding agencies, we will first hear from a representative of the agency. We will then hear testimony from anyone who wishes to speak on the agency budget request. We ask that you, when you come up to testify, you 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 testimony is being offered. 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 have 12 copies, please raise your hand now so the

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page can make copies for you. With that, we will begin today's hearing with LB780, Senator Stinner. And I'll turn it over to Senator Bolz.

BOLZ: Good afternoon.

STINNER: Good afternoon, Senator Bolz and members of the Appropriations Committee. For the record, my name is John, J-o-h-n, Stinner, S-t-i-n-n-e-r, and I represent District 48, which is all of Scotts Bluff County. LB780 authorizes Nebraska Arts Council to use a half a percent of the balance of the Nebraska Cultural Preservation Endowment Fund to defray administrative costs beginning in fiscal year 2020-21. Currently, that amount is capped at \$30,000 annually. There's an annual calculation of what the administrative limit will be based on the fund balance as it exists on June 30th of the previous year. In order to provide some accountability to the process, the Arts Council will be required to develop the calculus in conjunction with the Budget Division of the Department of Administrative Services. The due date is September 10th each year. I would just like to highlight that only those expenditures designated as administrative costs directly related to Section 82-330 through 83-333 would be eligible for coverage under the methods in the bill. Also, this bill would maintain that administrative-- administrative costs not be subject to private matching requirements, as it already is statute, already in statute. There is a representative from the Arts Council here to testify, so they can answer some more detailed questions on the operations. But I would be happy to answer any questions. This just actually balances the cost-- because the endowment is growing fast, there is additional administrative costs associate that. Sending out thank yous, sending out pledge cards, those types of things. So trying to keep it in some kind of proportionality to the fund, I think is a prudent way as opposed to capping it at \$30,000. With that, I'll turn it over to questions.

BOLZ: Thank you, Senator. Questions from the committee? Seeing none. Thank you, Senator.

STINNER: Thank you.

BOLZ: Do I have proponents?

SUZANNE WISE: Good afternoon, Senator Bolz and members of the committee. My name is Suzanne Wise, S-u-z-a-n-n-e W-i-s-e, I am the director of the Nebraska Arts Council. I've distributed to you an accounting of the actual cost of administering Program 329, which is

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the silo where this goes, during the current fiscal year. The provisions outlined in state statute for providing a private match in order to draw down earnings from the Cultural Preservation Endowment Fund are complex. As is true with the private sector, the cost of doing business annually rises incrementally. We feel it is sound management strategy to anticipate that the cost of doing business will not remain static. So coupling administrative costs to a percentage rather than a set dollar amount will allow for future cost increases. I want to stress that the Nebraska Arts Council will request funds only as necessary to perform our administrative functions, rather than requesting up to the amount allowable. As outlined in this bill, we will submit an annual budget for review and part of the request process. Any questions?

BOLZ: Senator mor-- Dorn.

DORN: Tell me a little bit how-- a little bit more about the fund that we're basing this off of now.

SUZANNE WISE: Sure. The Cultural Preservation Endowment Fund is a statutorily set-aside amount of money that sits in the state treasury. And we are allowed to draw the earnings from that amount if they're matched from the private sector. So the private sector has to say, we've raised this amount from the private sector, therefore, we can draw down this amount from that fund.

DORN: OK, so you won't be drawing necessarily out of the fund itself. I mean, you're going to be using just earnings.

SUZANNE WISE: No. We would be, we would be drawing from the fund itself. The earnings go between the Nebraska Arts Council and Humanities Nebraska. So we want those earnings to go out 100 percent.

BOLZ: In other words, a static number doesn't provide you the same flexibility as a percentage, which in good years you'll be able to spend more because you'll have more demands. In less good years--

SUZANNE WISE: That's correct, Senator Bolz. And that's why I wanted to show you an accounting. Our board asked us to do this, they wanted to know how much time and energy and expense goes into managing the Cultural Preservation Endowment Fund. And quite honestly, we were a little surprised that once we did that, that we were spending more than the \$30,000 that is allocated.

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BOLZ: Very good. Thank you.

SUZANNE WISE: Thank you.

BOLZ: Further proponents? Do I have any opponents? Do I have any testifiers in a neutral capacity? Senator Stinner, would you like to close?

STINNER: I'll waive.

BOLZ: Senator Stinner waives closing? I think that closes the hearing on LB780. Do we have any letters for the record?

STINNER: We will now open the hearing, the hearing on LB1154, Senator Hansen. Afternoon.

M. HANSEN: Afternoon. Good afternoon, Chairman Stinner and members of the Appropriations Committee. For the record, my name is Matt Hansen, M-a-t-t H-a-n-s-e-n, and I represent Legislative District 26 in northeast Lincoln. I'm here to introduce LB1154, which would increase funding to the Nebraska Department of Education for high school equivalency programs and adult basic education. In researching this bill, I found that there are two types of funding that currently go to this purpose. This appropriation would double both streams of funding. One would double state aid to institutions that offer high school equivalency programs, often called GED programs. This aid is based on the number of students enrolled in high school equivalency programs and the number of students taking an examination. So the primary recipients of these funds are the community colleges, the corrections, and some public schools. The other fund is for adult basic education more generally. It allows adult education programs across the state to hire volunteer coordinators to recruit, train, and evaluate volunteers to assist in adult basic education programs. The funds are allocated to eligible programs that have an existing adult education program similar to other funds. Community colleges, again, the state correctional facilities, and public schools. Although Nebraska has a high graduation rate and consistently low unemployment, nearly 10 percent of our population is still without a high school diploma or equivalent. They are often left to work multiple minimum wage jobs with little potential for upward mobility. At the same time, you know, we have a severe worker shortage. The Nebraska Department of Labor reports that over half of employees-- employers had positions go unfilled in the past year that required at least a high school diploma. Compared to other states, Nebraska ranks 47th in the nation

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in funding it dedicates to adult basic education to those without high school diplomas. This increase in funding would be a small, targeted investment in a population of our workforce that holds great potential to increase their skills and income. More Nebraskans earning their high school diploma would support Nebraska's workforce, reduce the use of public benefits, and improve Nebraska's economy. The intent of this bill is to increase existing funding to current programs under the department, allowing for the flexibility to the department to see where these funds are most needed. We cannot continue to suffer a workforce shortage, yet consistently have 1 in 10 Nebraskans without a high school diploma or equivalent. And this is just a basic first step in starting out your career. With that, I would close and be happy to take any questions from the committee.

STINNER: Questions? Senator Clements.

CLEMENTS: Thank you, Mr. Chairman. Thank you, Senator Hansen. This is the first time I've seen this bill. The funding, is it going to public high schools or colleges?

M. HANSEN: Primarily, community colleges are some of the biggest ones. I believe there are a few public high schools that do it. But it's an optional program that some do and some do not.

CLEMENTS: And would-- do they charge, right now, a fee for a GED program?

M. HANSEN: I'll let the, I'll let the individuals behind me, if that's OK, maybe share a little bit more information. I know the GED isn't free to participants, but I'm not 100 percent sure where the fees go to what organizations.

CLEMENTS: All right. Thank you.

M. HANSEN: Thank you.

STINNER: Additional questions. Seeing none, thank you.

M. HANSEN: Thank you.

STINNER: Afternoon.

ERIC SAVAIANO: Good afternoon. Chairperson Stinner and members of the Appropriations, Appropriations Committee my name is Eric Savaiano, E-r-i-c S-a-v-a-i-a-n-o, and I am the senior program coordinator in

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the Economic Justice Program at Nebraska Appleseed. Nebraska Appleseed is a nonprofit law and policy organization that fights for justice and opportunity for all Nebraskans. I'm here today to testify in support of LB1154. It's in Nebraska's interest to have an educated workforce. Higher levels of education mean Nebraska can attract higher-paying jobs, help more workers get living wage positions, and have a stronger economy. The high school diploma is the fundamental building block for that education, and it's critical, a critical credential when seeking entrance into trade schools, higher education, the military, and most higher-paying jobs. For Nebraskans who do not graduate from high school, taking a high school equivalency exam for, like the GED, is the only option to receive a diploma. In this way, making our HSE, or high school equivalency, system as strong as possible through investments and programming only supports our Nebraska workforce. Over the course of 2018, Nebraska Appleseed hosted interviews and focus groups with Nebraska state administrators, high school equivalency providers, and students to better understand how high school equivalency worked in our state. We produced a report that found challenges and opportunities for a program. That's being handed out now, I believe. The Nebraska Department of Education's Adult Education Division is responsible for administering the high school equivalency testing sites, offering adult education classes through contracted service providers throughout the state. Senator Hansen mentioned the contracted service providers. Those are the not-- the community colleges in our state, as well as to public districts in our state. And they are funded through these dollars that we're talking about today, along with the Department of Corrections. Part of adult education's purview is to provide classes in preparation for the high school equivalency exams. So this is some data from these, this report. In 2016, our state-supported high school equivalency education program served only 434 students. However, 105,000 Nebraskans aged 18 to 64 don't have their diploma or high school equivalency. Although we have a very high graduation rate and we should be commending the department for that, there is still one dropout for every 11.5 graduates. So demand for high school graduates is also high. A recent Department of Labor survey found that 52 percent of employers surveyed reported a job that went unfilled that required a high school diploma and less than an associate's degree. We provide relatively little funding for adult education. Although the federal government allocates around to \$2 million annually to these programs, Nebraska contributes only around \$950,000. More stats. Nebraska spent only \$8.48 cents per resident aged 18 to 64 without a diploma in 2015, ranking us 47th in the nation for this measure. The chart below is the difference between

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K-12 spending and adult education expenditure, and the ranking for both of those is included in the testimony as well. LB1154 would improve our support to high school equivalency by doubling our state investment. Based on our interviews with administrators and students, there are some barriers that could be brought-- could be eliminated with this funding. The \$120 cost of taking the exam was a barrier that we heard about from students. Additionally, the new \$6 fees for practice tests for the GED in our state makes it harder for low-income students to prepare and while balancing family jobs and finances. Additionally, only four of the 27 full-time teachers in Nebraska's adult education program work outside of the Department of Corrections. That's four of 27. This creates an overreliance on volunteers and part-time teachers in the rest of the state, which makes it difficult to keep well-trained and engaged instructors. Most adult education directors as well. Of the nine community colleges and school districts share their positions that are split between competing priorities. Very few have funding to fill out their full-time role, and this could support filling those out. Finally, from our-- yes. Finally, promoting and marketing the high school equivalency education opportunities to students and employers would support more students participating. A marketing campaign could support, could be very useful after the 2014 drop in participation that resulted from major changes to the GED test. We have an opportunity with LB1154. I have included a letter from Alix Aletietla [PHONETIC], and she is a former participant-- sorry, a former coordinator for El Centro de las Americas, who saw her participation in her program drop significantly with LB-- or sorry, with the 2014 change in the GED as well. And I wanted to make sure that was included for the record. For these reasons, we urge the committee to advance LB1154. Thank you.

STINNER: Questions? Are the school districts that you're talking about that have these programs, are these alternative schools? Is that what they're called?

ERIC SAVAIANO: They are not. They are just general school districts that have applied for and received funding through the Nebraska Department of Education to provide these, these education opportunities to their community.

STINNER: Do-- is there a limitation as to how many students can be taught at one time by one instructor? And is it, what I'm trying to do is get to the demand side of this thing. Are they oversubscribed? How

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many people in a class? Is that a limiting factor? Those type of things.

ERIC SAVAIANO: That's a good question, Senator. In the conversations we've had with adult education directors, we've heard that, that there are enough teachers who are-- they fill out the classes that they offer, generally, with students and make adjustments based on the demand when people are available to apply. Some of the funding, like we suggest, could be related to breaking down some barriers that keep more students from attending, such as the \$120 fee for the test or the \$6 cost of test, practice tests. We think that would increase demand and justify more teachers as well.

STINNER: In my part of the world, distance is a problem. Do you have computer-based distance learning capabilities?

ERIC SAVAIANO: Yeah. Yes, it's my understanding that the distance education portion of the adult education population is growing in Nebraska year over year. I believe the report has some numbers on that. Actually, page 8 of the report shows, shows a graph of the adult education population from 2011 to 2016 and it's growth. Sorry about making you look far.

STINNER: OK.

ERIC SAVAIANO: But there are requirements that students appear in person at some of these locations where they're doing the training for GED. And so travel is a major issue, computer-based learning is something Nebraska adult education is adapting to. So yes--

STINNER: Adapting to, but not, not really, not there yet. So you have to be there physically participating?

ERIC SAVAIANO: It's my understanding they do have to be to partici-- there to participate at least once a month.

STINNER: OK.

ERIC SAVAIANO: And then they can do the rest of their requirements on a computer.

STINNER: OK. Additional questions? Seeing none. Thank you.

ERIC SAVAIANO: Thank you.

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BRIAN HALSTEAD: Good afternoon.

STINNER: Good afternoon.

BRIAN HALSTEAD: Chairman Stinner, members of the Appropriations Committee, for the record, my name is Brian Halstead, B-r-i-a-n H-a-l-s-t-e-a-d, I'm the deputy commissioner of education for the Nebraska Department of Education. We thank Senator Hansen for bringing the bill. I think you've clearly heard the demand of people who do not have high school diplomas is greater than the current capacity to serve all of them. Any additional funding, and maybe we need to talk with the Education Committee of the Legislature. Senator Vargas isn't here, but he had a bill this last Monday or Tuesday about this, the test itself. We are well-aware of the cost that students have to pay to take the test is a barrier, and whether any of these additional funds could be utilized to help pay the cost. Many of the individuals who are in our adult ed programs are also working and they are working at jobs that are not our high-paid, high-skill jobs. So their ability not to go to work is a challenge for them, their employers, and everything else. But we thank Senator Hansen for bringing it forward. As I think it was indicated, there is some federal funds that are made available. And I think this committee is well aware when there is federal funds available, there's sometimes strings, ropes, or chains attached to how you have to operate the program if you're going to have federal funds. So I'll stop there. I'll take any questions.

STINNER: Additional questions? Seeing none, thank you. Additional proponents? Any opponents? Anyone in the neutral capacity? Seeing none, would you like to close, Senator?

M. HANSEN: Yes, I would. Thank you to our two proponents and thank you to the committee for considering this. Just as a little bit of background, we in the Business and Labor Committee, actually, Senator Vargas had an interim study last fall to put barriers of people that--barriers for employment for people who were at risk and primarily at risk of being homeless. And one of the issues that just really jumped off the page in that hearing was our high school equivalency, our GED programs, adult basic education, kind of that category is something that we have more demand than we have the capacity for at the moment. And I think it is an investment to increase the capacity would really help more people get their high school diplomas, which as we all know is just kind of a fundamental barrier to getting better and better-paying jobs and being able to kind of grow your career and grow your income potential. So that's how this bill got on my radar. I'm

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appreciative for Senator Vargas co-sponsoring it, and hopefully we can work with the committee. Thank you.

STINNER: Thank you. Questions? Seeing none, thank you.

M. HANSEN: Thank you.

STINNER: That concludes our hearing on LB1154. We will now open with our hearing on the LB762, Senator Dorn. Hall of Fame

DORN: Hall of fame. Yes. Good afternoon, Chairman Stinner and members of the Appropriations Committee. My name is Myron Dorn, M-y-r-o-n D-o-r-n, and I represent District 30. I am here to present LB762 today. The bill would provide a yearly appropriation of \$10,000 to the Hall of Fame Trust Fund, which would be used to help pay for the Hall of Fame designees' bust and pedestal. The bust of the Hall of Fame recipients line the great halls and other hallways of our Capitol. A nominee for the Hall of Fame must be deceased for 35 years prior to their nomination. If a person is selected, the cost of the bust and pedestal are the responsibility of the family or maybe an organization the person was involved with. I think an example would be useful to put this into perspective. Senator Jerome Warner represented District 25 in the Legislature for 35 years. He died in office in April, 1997. He would not be eligible to be nominated until 2032. At that time, if he were selected as an inductee into the Hall of Fame, the cost would fall to his family. Some families could afford the cost, others may not be able to. We do not want the Hall of Fame to be only for those who can afford it. If the person is truly noteworthy and deserving of the honor, let the state provide the bust and the pedestal to honor our great Nebraskans. Representatives of the Hall of Fame Commission are here and can go into more details for you. Thank you.

STINNER: Thank you. Questions? Seeing none, thank you.

RON HULL: Chairman Stinner and the members of the Appropriations Committee, thank you for this opportunity. My name is Ron Hull, H-u-l-l, I'm representing-- I'm chairman of the Nebraska Hall of Fame Commission. Been on the board long enough now that I've been one vote in the last three bronze busts, busts that we've been able to put up here. But I want to relate something to you. Back in the 90s, I was teaching international broadcasting at a university in Taipei, Taiwan. And one of my students one day said, Mr. Hull, you're always using the expression, well, "we have to be fair" or "that wouldn't be fair." He said, are all Americans, do they feel that way? And I thought about

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that. And I remember when I was all children on the playground thinking, that's not fair, if somebody gets chosen because of that or that or that. And I said to the young, young man, I said, yeah. I think Americans, that's a trait, a cultural trait that we all share. And that to me is what Senator, Senator Dorn's legislation is about, is making that selection of people. It's perhaps the highest honor the state ever gives an individual. To make that a level playing field and not ask recipients of that or relatives or whatever friends of that nominee to have to put up sizable amounts of money to put those brass-- not brass, bronze busts in the Capitol. That is one part of being fair. But I think another aspect is not many people have those kinds of resources. And I, I can't prove this, but I suspect some people are inhibited to go out on a limb and nominate somebody and come and make a case knowing full-well that they really aren't equipped to be a part of a process that requires that. So for that reason, I felt this now for my 12 or 13 years on the commission. And I think this is an important commission. It's an educational device for people. Standards are important in this country. And this is an opportunity for all of us, I think, to create-- help create a level playing field in this particular competitive honor that we give people. Thank you. Any questions?

STINNER: I'm gonna ask you a question. How many people are inducted into the Hall of Fame annually or is it one periodically?

RON HULL: How many people-- I'm sorry, Senator?

STINNER: In the Hall of Fame, how many people annually get elected into the Hall of Fame? Or is it an annual? Do we--

RON HULL: No, it's every five years we nominate and elect one person.

STINNER: So when you get elected into the Hall of Fame, how much is your bust going to cost? The statue?

RON HULL: How many what?

STINNER: What's it gonna cost us to put a statue of you in the Hall of Fame?

RON HULL: Well--

STINNER: It's a serious question.

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RON HULL: Well, I happen to be chair of a committee for Trevor back here on the Hall of Fame Commission. And if you're going to get a statue of me, I can tell you wonderful sculptors in Omaha. And it's \$100,000, about \$150,000. Now we're talking about busts for the Rotunda of the Capitol building. And the prices do vary, but that's more in the \$35 to \$40,000 range.

STINNER: OK. That's what I wanted to get to. So we're gonna put \$10,000 in every year for five years.

RON HULL: For five years.

STINNER: It would be \$50,000.

RON HULL: Yes.

STINNER: It costs \$35,000 to do the bust.

RON HULL: Yes.

STINNER: Somehow there's an accumulation that happens over a period of time. But far be it for me to bring it up. Anyhow, that's all I have. Any additional questions? Thank you.

RON HULL: Thank you.

TIM HELLER: Good afternoon, Senator Stinner and members of the committee. My name is Tim Heller, T-i-m H-e-l-l-e-r, and I'm in Omaha. I was appointed to the Hall of Fame Commission in 2017. When I was appointed, one of the things that I was surprised to learn is that there was not resources to cover the, the busts that are put into the Hall of Fame, that the individuals nominating the nominees would be responsible for that process. As you probably know, the Hall of Fame was originally established in an emergency bill back in-- recommended by Governor Morrison back in 1961. Creating the Hall of Fame Trust to be administered by the Hall of Fame Commission for the purpose of the creation, design, size, and configuration, and placement of busts or other appropriate objects as authorized under Section 72-729. Deposits to the fund shall include money received from public donation and funds appropriated specifically for such purpose by the Legislature. So that's part of the statute. At the time of the honoree's induction, if no suitable bust exists for an individual, the Hall of Fame Commission authorizes the commissioner-- the commission of one by a professional sculptor, which is presently unfunded. So our reasons for requesting a budget allocation are pretty simple. First, we should

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have been doing this all along. There's no reason this should not have been part of the budget. Second, and most importantly, as Ron mentioned, with the requirement to the nominee being deceased by 35 years, we run into situations where well-qualified nominees drop out due to the cost of the budget and the pedestal, which is part of that cost. It's not just to bust, the pedestal must also be [INAUDIBLE] when that other money comes in. By providing this for the nominee, we broaden the scope and prevent special interest groups or individuals from simply buying their way into the Hall of Fame. We're leveling that playing field. I don't want to disparage any of our nominees, but our recent inductee, Thomas Kimball, had the backing of the American Association of Architects behind him. And several of the other nominees have had other major organizations behind them. Whether it was university or other things. Mr. Kimball, along with the other nominees, are all well-deserving of the honor, and this financial backing does not typically make it-- would not make an impact on our decision. With that being said, this last round we had two high school students who as part of a project nominated a sculptor from Fremont who has great historical significance and would have been unable to fund his bust. So those are a couple examples. There are other, other nominees who have withdrawn, from what I understand, when they were informed of the costs. This is shameful. It shouldn't be, shouldn't happen that we have worthy nominees that have to drop out for that reason. And an ind-- an individual's wealth or the wealth of their supporters should not impact their ability to be honored by a Nebraska Hall of Fame. So as such, I urge you to approve this small appropriation of \$10,000 a year. Any questions?

STINNER: Questions? Senator Clements.

CLEMENTS: Thank you, Mr. Chairman. Thank you, Mr. Heller. There is already a trust fund established. What it, what is it being used for?

TIM HELLER: I'll let Trever answer that one. He actually handles those, those funds.

CLEMENTS: That'll be fine.

STINNER: But the trust fund initially was set up, as you said, and by the Governor to be able to accept contributions. Is that accurate?

TIM HELLER: The Legislature. Governor Morrison--

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STINNER: Yes.

TIM HELLER: --and it was LB693 in 1961. Senator Bowen from District 32 introduced the legislation.

STINNER: So is the trust fund people, the board that you sit on, are you geared to do fundraising or just nominating?

TIM HELLER: We're in charge of nominating, we're not really in charge of fundraising.

STINNER: That would fall in the lap of the historical society that oversees your--

TIM HELLER: Or the individual, the nominators.

STINNER: Well, yeah, it does now. But it could be expanded or even tasked to raise, to actually have fundraisers? Anyhow, that's-- any additional question? Thank you.

TIM HELLER: Thank you.

STINNER: Good afternoon.

TREVOR JONES: Good afternoon, Chairman Stinner and members of the committee, I'm Trevor Jones, T-r-e-v-o-r J-o-n-e-s, I'm director and CEO of History Nebraska, the Nebraska State Historical Society. And by virtue of my office, I am also secretary of the Hall of Fame Commission. We are in favor of this proposal, as well for the reasons that the other two proponents have stated. This is one of my favorite programs, actually, that Nebraska does because it is so democratic. We do not choose who is important to be nominated. These come from the people of Nebraska. So anyone can nominate someone who fits this criteria. And they've got a basically a year to do it and, and have their case for why this person is important to Nebraska history. And it's a great democratic exercise. We hold hearings all across the state to discuss these issues and debate, you know, what makes a great Nebraskan? And it's just a great, wonderful program. But the problem that we've run into with it is every year we have some folks that just drop out completely, that do not submit because they're worried about being on the hook for this money. And every year we have people that do put proposals in that are very concerned about their ability to help raise that money. To address some of their earlier questions, I think there could potentially be fundraising for this. But the problem is that issue of acknowledgment and sponsorship, and I don't think

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anybody really wants to see a bust that's in the hall of this building that has a corporate logo down below it as the sponsor. And I think that's the issue that we've run into again and again is what is, you know, what is the state really want to acknowledge in terms of those private, if there are private donations or corporate donations for that? You know, what is that role with really the highest honor that the state can convey? So I think that's one of the been-- big obstacles to that. Because normally when I fundraise for things, we give people credit because that's what they want. And so where does that fit? So that's been a big, a big challenge for us with this.

STINNER: Very good. Questions? Senator Bolz.

BOLZ: Can you tell me how the members of the Hall of Fame Commission are selected?

TREVOR JONES: Well, except for me, they were appointed by the Governor.

BOLZ: It seems to me that, that some fundraising component shows that it's not just the choice of an appointed commission, but that there is stakeholder engagement, that there is broader support than just a vote of a commission. That people have engaged and played a part. Do you think a matching fund requirement could be appropriate?

TREVOR JONES: Well, I see that maybe. But I see the problem with that is that when you bring, when you have somebody who's the, who's bringing somebody up, because individuals sort of carry this nomination through the process. And they come and they testify and they have, you know, submission and a packet. If they don't have the ability to, to sort of raise that money themselves, who does? Because the commission is there to vote on basically who gets selected. So are they-- where did they fit in that, in that process? And sometimes we have, like last time we had some really very wonderful high school students who had done this as a high school history project, and they carried it the entire way through. But they had absolutely no capacity.

BOLZ: We have a number of very laudable projects that require matching funds.

TREVOR JONES: Right.

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BOLZ: Whether it's arts projects or research projects. There are all kinds of people who want to do good things for the state who take that responsibility on. It just seems to me that with crowdfunding and with the public notoriety that might come with a nomination for the Hall of Fame, that that, that asking the people of Nebraska to also contribute to show their support that this choice is a good one doesn't seem unreasonable. Would you disagree?

TREVOR JONES: I would have to defer to the commission on what they thought was possible on that. We just provide that support.

BOLZ: Last question is, are there other projects that the Historical Society does that you fundraise for?

TREVOR JONES: Yes.

BOLZ: OK. And do those projects-- is it a necessity that those get a corporate logo recognition? Is that a requirement by statute?

TREVOR JONES: No.

BOLZ: Is that something that's necessary?

TREVOR JONES: No. But I mean, when I work with private donors or corporate donors, they, they want to see public acknowledgment. That's part of the reason, I mean, there are-- believe me, there are altruistic donors who don't want to be acknowledged. But that's not the vast majority of private donors, and corporate donors certainly donate because they want the acknowledgment.

BOLZ: Yeah. Both things are true is my, is my point there. Some people who are small dollar donors who do it because they believe in a cause or anonymous donors because they want to accomplish something good. There, there's more than one way to fundraise and more than one way to show the value of a philanthropic contribution.

TREVOR JONES: Right.

BOLZ: Right. Thank you.

STINNER: Thank you. Additional questions? Senator Clements.

CLEMENTS: Thank you. The trust fund, my other question was how is the fund being used now?

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TREVOR JONES: That's where we, that's the mechanisms that we take the money in to pay the sculptor and do the, do the bust. So, so from the last one with the Kimball one, the, the supporters for that brought that, wrote a check over, came into the state side, and then we used that to pay the, pay the sculptor and get the bust done.

CLEMENTS: So it's mostly been a pass-through fund.

TREVOR JONES: Pass-through. Yeah. It's a--

CLEMENTS: It's not accumulating.

TREVOR JONES: It has not been an accumulation fund, it's been a pass-through fund.

CLEMENTS: All right. And the bill does not require any match as it's written, is that what you're saying?

TREVOR JONES: I do not believe so. But I would defer to Senator Dorn to make sure that I am correct.

CLEMENTS: All right. Well, I see him shaking his head. I might support that proposal also, as I'd like to see proponents have some willingness to contribute if they're going to nominate someone, but I do understand that, I would-- probably wouldn't necessarily require it one for one. But it's something to discuss. Thank you

TREVOR JONES: Thank you.

STINNER: Thank you. Additional proponents? Any opponents? Anyone in the neutral capacity? Seeing none, would you like to close, Senator Dorn? Senator Dorn waives closing. That ends our hearing on LB762. We will now open with the hearing on Agency 69, Nebraska Arts Council. Welcome back.