

Transcript Prepared by Clerk of the Legislature Transcribers Office
Transportation and Telecommunications Committee February 18, 2020

FRIESEN: OK. Welcome, everyone, to this afternoon's public hearing of the Transportation and Telecommunications Committee. I'm Curt Friesen from Henderson, Chairperson of the committee. I represent District 34. First, I'll ask that you silence all your cell phones and other electronic devices, and we will be hearing the confirmations in the order listed, I believe. And so those wishing to testify down the road-- we'll skip all that, there's nobody here. And if you'll be testifying, you all have your green sheet that you need to fill out and give to the page when you sit down. When you begin your testimony, it's very important that you state and spell your first and last names for the record. And if you fail to do that, I will stop you and have you do that. We are going to limit your testimony to five minutes. So if you get to talking, we'll-- four minutes, the green light; one minute, the yellow; and at the red light, you need to wrap it up. With that, the staff, to my right is Tip O'Neill, legal counsel; Sally Schultz, the committee clerk, and I have Ashton and Michaela. Ashton, Michaela, yeah, they are here for our pages, if we need anybody. And with that, I'll let everybody start introducing themselves to my right.

HUGHES: Senator Dan Hughes, District 44, Perkins, Chase, Dundy, Hayes, Hitchcock, Frontier, Red Willow, Gosper, Furnas, and Harlan Counties.

BOSTELMAN: Bruce Bostelman, District 23, Saunders, Butler, and the majority of Colfax County.

ALBRECHT: Hi. Joni Albrecht, northeast Nebraska, District 17, Wayne, Thurston, and Dakota Counties.

DeBOER: Wendy DeBoer, District 10, which is northwest Omaha and the city of Bennington.

HILGERS: Mike Hilgers, District 21, northwest Lincoln, Lancaster County.

CAVANAUGH: Machaela Cavanaugh, District 6, west central Omaha, Douglas County.

FRIESEN: And I don't know if Senator Geist will be joining us today, but senators may go and come as we-- as we have these hearings, and so they are just probably introducing a bill in some other room so bear with us. And with that, Mr. Kosiski, I think you're on the phone.

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JOSEPH KOSISKI: Yes, sir. Yes, sir.

FRIESEN: We're going to start with you if you would just, I guess, take a few minutes to tell us about yourself, and we'll see if there's any questions.

JOSEPH KOSISKI: OK. My name is Joe, J-o-e-- my real name is Joseph, J-o-s-e-p-h, Kosiski, K-o-s-i-s-k-i. I have a couple businesses. I have a salvage business, me and my brother do, in the city of Omaha. We also own a racetrack in Ca-- in Cass County in Greenwood, Nebraska, I-80 Speedway. We have a number of rental properties. I don't know what else I really need to have for you. Is there any question?

FRIESEN: OK. I'll see if the committee has any questions for you. Senator DeBoer.

DeBOER: How did you get interested in this position? What-- what made you want to apply?

JOSEPH KOSISKI: Well, I applied for it about five or six years ago because in the used car sales we have-- we also have a used car lot. I'm sorry, I did not put that in there, a used car license that we sell vehicles. The problem with a lot of the used cars having salvage titles and some of the things that's going on in the sale of salvage vehicles, because I'm headed into that side as more of my business, I felt that we needed some help and I ran for the position in order to help out with the salvage titles by the-- of the used car dealers.

DeBOER: Thank you.

FRIESEN: OK. Thank you, Senator DeBoer. Senator Albrecht.

ALBRECHT: Thank you, Chairman Friesen. And thank you for being on the phone with us today, Mr. Kosiski. Can you tell me, how long have you been serving on this board and how often do you all meet?

JOSEPH KOSISKI: We meet-- we try to meet once a month. If there's-- if there's something on the agenda, meet-- we meet once a month. I've been on the board, I believe-- is four years, I believe it is right now.

ALBRECHT: OK. Can you tell me any-- anything that you're working on right now that comes to your mind that-- have we changed some laws because of some of the things that you're all doing?

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JOSEPH KOSISKI: We haven't changed the laws, but we've had some investigations on a few of the things that we have worked on because of the-- and then I'm talking on a salvage title side or salvage-- the sales of salvaged vehicles.

ALBRECHT: OK. Thank you.

FRIESEN: Thank you, Senator Albrecht. Seeing there are no other questions, thank you for joining us via telephone. And at this point, we'll hang up. And if there's anyone wish to testify in favor of Mr. Kosiski, they can come forward. Seeing none, is there anyone who wish to testify in opposition, come forward. If anyone wish to testify in a neutral capacity, come forward. Seeing none, we'll close the hearing on Mr. Kosiski. We're going to have another call-in on-- on the phone. Welcome, Mr. Budke.

STEPHAN BUDKE: Thank you, Senator.

FRIESEN: OK. We'll open the hearing for Stephan Budke. Mr. Budke, would you just tell us a little bit about yourself and what you expect to do on the board, kind of fill the committee on, I guess, what you-- what you do.

STEPHAN BUDKE: Thank you. My name is Stephan Budke. I'm from North Platte, Nebraska. I've been reappointed for a second three-year period on the board. Previously, approximately 12 years ago I also served two three-year terms. I-- I'm in the motorcycle business here in North Platte, Nebraska, selling a variety of brands, Harley-Davidson, Honda, Yamaha, Polaris, and Can-Am. Our family's been in the business since 1963. I've personally been the owner and operator for about a 28-year period. I-- I'm always interested in our industry and the well-being of our industry, and I know it has to be well run and-- and make sure we have the right operators that take care of the consumers and that-- that we're-- we represent our industry in a fair and ethical manner. And so that's-- that's the interest I have. That's why I-- I like being on the board. I-- I've learned quite a bit. I've observed a couple of different directors over the years and a number of other employees that work for the Motor Vehicle Dealers Licensing Board. And I've always been impressed with their efficiency and how well they work within that organization.

FRIESEN: OK. Thank you, Mr. Budke. And are there any questions from the committee? Senator Bostelman.

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BOSTELMAN: Thank you for your willingness to serve-- to be reappointed to continue your service. My question to you, Mr. Budke, is-- I see you represent the motorcycle industry. Is that correct?

STEPHAN BUDKE: That is correct.

BOSTELMAN: Are you the only one on the board who represents the motorcycle industry?

STEPHAN BUDKE: That is correct.

BOSTELMAN: And do you-- what other industries are represented, do you know right off?

STEPHAN BUDKE: Yes, I do. It's the-- new automobile dealers, used automobile dealers, the trucking retail business for the trucking world, the manufacturing industry, which could be mobile homes. There's not too many manufacturing groups within the state of Nebraska, but that is the segment they're on, and it can be either-- well, I guess Kawasaki there in Lincoln, if they had an employee there that wanted-- or an executive that wanted to serve on the board. Then there's also a consumer-- there's a consumer represent-- representative on the board.

BOSTELMAN: OK. Thank you. Are there specific areas that, I guess, the-- the-- that within the motorcycle industry, that comes before the commissioner or the board?

STEPHAN BUDKE: Yes. In general, regardless of the category of the-- of the motor vehicle dealer, motor vehicle meaning trailers, heavy-duty trucks, medium-duty trucks, automobiles, motorcycles, typically what comes in front of the board is a-- a-- a salesperson. We-- we-- we dropped the sales license last year so we don't have the salespeople appearing anymore that have felonies in the background. So it would be dealers or owners that have violated the statutes of the state of Nebraska regarding multiple use In Transits and-- and unethical business practices. Those are typically the reason why they're in front of the board. The other general area-- so-- so the board tech-- tech-- typically is governing or protecting the relationship between the consumer and the dealer, and then protecting the dealer from-- from predatory practices of a manufacturer. And-- and so, it-- its-- it's a-- it's a two-way thing that we look at, how to-- how to make sure the consumers are getting properly taken care of by a dealer or someone who is not a dealer pretending to be a dealer. We have that

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every once in a while. And then, of course, if a-- a factory named the vendor, you know, the major car manufacturer who is being unfair or conducting illegal practices against a particular dealer.

BOSTELMAN: OK. All right. Thank you.

STEPHAN BUDKE: You are welcome.

FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing no other questions, so thank you for calling in, and we'll take it from here. If you want to hang up, that will be fine.

STEPHAN BUDKE: All right. Thank you, Senator.

FRIESEN: Thank you.

STEPHAN BUDKE: All right. Take care.

FRIESEN: Anyone wish to testify in favor of Mr. Budke's appointment? Seeing none, anyone wish to testify in opposition? Seeing none, anyone wish to testify in a neutral capacity? Seeing none, we'll close the hearing on Stephen-- Stephan Budke. Next, Dennis Cloninger. Welcome.

DENNIS CLONINGER: It's great to be here. Thank you.

FRIESEN: Go ahead and just kind of fill us in a little bit about yourself, what you do, and why you want to be on the board.

DENNIS CLONINGER: All right. Again, thank you for the invitation. My name is Dennis Michael Cloninger, D-e-n-n-i-s C-l-o-n-i-n-g-e-r, and I go by Mike. My hometown is York, Nebraska. I've lived out there for about four years. I'm part of the Champion Home Builder organization out in York, Nebraska. We build modular manufactured houses and park models out there. In fact, Champion has recently become the largest publicly held-- their corporate structure-- largest publicly held housing manufacturer in the country. And I'm proud to be associated with the folks out in York. We are the oldest operating Champion facility. We've had a presence here in Nebraska, specifically York, Nebraska, for 60 years this year. And so it's great to be associated with that team out there. I will be representing, I guess, the manufacturing side of this thing. Again, we do manufactured houses, HUD homes, as well as park models. Why am I here? I got a phone call. I'm on the board of directors for the Nebraska Manufactured Housing Association. I got a phone call one-- a few months back from the director of the association that indicated that there may be an

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opportunity to serve on the board here. I told him I'd be delighted to be a part of the team here. And I've gone through the process so far that brought me to-- to here. Well, why do I want to do it? Quite frankly, there are not very many-- I don't want to get too overly patriotic out there. But there aren't very many ways that an old guy like me can serve his country anymore, and going to jury duty, which I don't like, and paying taxes, which I don't like [LAUGHTER], two of those deals. But having the opportunity to serve on a board like this is-- is one of those, one of those opportunities. So that's what motivated me to be a part of the-- part of the team here. So I'm-- I'm glad to be here.

FRIESEN: Thank you, Mr. Cloninger. I do appreciate your willingness to serve. We need more people to keep doing that. Any questions from the board? Seeing none, looks like you're good to go.

DENNIS CLONINGER: Very good. Thank you.

FRIESEN: Is there anyone who wishes to testify in opposition? Seeing none, anyone wish to testify in support? Seeing none, anyone wish to testify in a neutral capacity? Seeing none, that will close the hearing on Dennis--

DENNIS CLONINGER: Yielding.

FRIESEN: Thank you. Next, Brad Jacobs. Welcome.

BRAD JACOBS: Thank you, Senator.

FRIESEN: Go ahead and kind of tell us about yourself and who you are.

BRAD JACOBS: I'm Brad Jacobs, B-r-a-d J-a-c-o-b-s. I'm from St. Paul, Nebraska. I'm a fourth-generation Ford dealer and RV dealer. My family's been out there for about 93 years. And the reason I'm sitting here today is I was asked to serve on this board and I think that we were put on this earth to serve. And I thought that with my experience, maybe I could help a little bit in this capacity.

FRIESEN: OK. Thank you. Are there any questions from-- Senator Bostelman.

BOSTELMAN: Sure. Thank you for driving over today, Mr. Jacobs. Appreciate it. So are you representing more of the--

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BRAD JACOBS: Trailers.

BOSTELMAN: --trailers section? So what type of areas or what issues do you know that the-- that the board may deal with? Have you been on long enough to kind of get a flavor for that?

BRAD JACOBS: That one [LAUGHTER]. So I've only been to one meeting. I don't-- I don't really have an agenda. I don't see things that are broken at this time. And-- but I can shed some light just in dealing with new and used trailers and the relationship they have with automobiles as well. So I can't comment too much more on that.

BOSTELMAN: That's fine, I mean, the trailers being--

BRAD JACOBS: Recreational vehicles.

BOSTELMAN: --recreation.

BRAD JACOBS: Yeah.

BOSTELMAN: OK. Thank you.

BRAD JACOBS: Yeah.

FRIESEN: Thank you, Senator Bostelman. Any other questions? Seeing none, thank you for your willingness to serve.

BRAD JACOBS: Thank you.

FRIESEN: Anyone wish to testify as a proponent? Seeing none, anyone wish to testify in opposition? Seeing none, anyone wish to testify in a neutral capacity? Seeing none, we'll close the hearing on Brad Jacobs. Next, we'll open the hearing on Clint Jones.

CLINT JONES: Good afternoon.

FRIESEN: Welcome, Mr. Jones.

CLINT JONES: So-- I am an independent car dealer. My dealership is in Columbus. I reside--

FRIESEN: Just spell your--

CLINT JONES: C-l-i-n-t J-o-n-e-s. I apologize. My car dealership is in Columbus. I've been a car dealer for about 10 years, coming on 10 years. Prior to that, I was a CFO for a car dealer group for about 20

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years. I reside actually in your district. I live northeast of Genoa. So it's about 15 miles from-- from my business. I was called and asked to serve on the board. I've been to one meeting. So I'm just kind of learning a little bit about what's going on. As--as Brad mentioned, I don't know that I really see a lot of things that are broken in this system, but some of that is probably because I'm just learning. I see it from-- from my perspective only. I'm-- I'm 10 years removed from the franchise side, so I maybe don't see as big a picture as-- as I'm going to, I believe, in the next year. And like others have said, I think when-- when we get that call, I think if we would all step forward, we wouldn't have to do it forever. I mean, I'm on multiple boards, I'm the vice president of Independent Auto Dealers Association, bank boards. And-- and sometimes I feel like we-- we volunteer to step forward and try to help the process, and it becomes a-- a sentence of eternity [LAUGH]. Fifteen years later, you're still on this board, saying, are you sure you guys don't, maybe--? And it's hard to get people to do it. And I just feel like we all need to step forward and do it, so-- and that brings me here [LAUGHTER].

FRIESEN: Thank you, Mr. Jones. Any questions from the committee? Senator Albrecht.

ALBRECHT: Thank you, Chairman Friesen. Thank you for being here and-- and willing-- your willingness to serve. There are a lot of new appointments, so I wonder if it's just the time for everything to flip, because we probably haven't-- we have six new ones and three that have been on the board, I believe, on this sheet. So your previous experience, was it in new car sales or used or--?

CLINT JONES: I was-- I was the accountant for a car dealer group.

ALBRECHT: Was it in Nebraska?

CLINT JONES: It was.

ALBRECHT: OK.

CLINT JONES: Yeah. They were-- I called my headquarters Columbus, because they had a dealership there. And I actually traveled three states.

ALBRECHT: OK.

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CLINT JONES: And so I spent most of my time in-- in Columbus. But yeah, I have a lot of franchise experience. I-- I worked in sales. I was a finance director. So I had--

ALBRECHT: That will help us if--

CLINT JONES: [INAUDIBLE].

ALBRECHT: --you have-- you can-- you can kind of draw from the other states then, too, on what they're doing, if we're doing something different.

CLINT JONES: I can.

ALBRECHT: And that's why I'm asking the question, so--

CLINT JONES: I think that-- our--our state, Nebraska, has-- has brought in a new computer system for the DMV. And I think that that's going to be a very positive thing. There's a learning curve for the-- the county treasurers. And I can speak firsthand. They're getting-- it's getting better. It's getting better every week. And I think when it's all said and done, it's going to be a positive move. And I think that there's a lot of-- there's a lot of potential moving forward. They're pilot testing some things that will-- will lay some of their administrative stuff onto the dealer, which is a positive thing. And it's a positive thing, not because it's getting them off the hook. It's a positive thing for the consumer.

ALBRECHT: Exactly.

CLINT JONES: And that's the idea, is turnaround time. And I think that that's what we're all moving toward--

ALBRECHT: Good.

CLINT JONES: --as it relates to that.

ALBRECHT: Thank you.

FRIESEN: Thank you, Senator Albrecht. So you're not worried that-- maybe taking this job leads to other jobs? [LAUGHTER]

ALBRECHT: It's a gateway.

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CLINT JONES: Yeah. Well [LAUGH], I guess we'll just see what happens [LAUGH].

FRIESEN: Thanks-- thanks for taking time to come in and-- and visit with us, Mr. Jones.

CLINT JONES: You're welcome.

FRIESEN: With that, seeing no other questions, thank you. Anyone wish to testify in support of Mr. Jones? Anyone wish to testify in opposition? Anyone wish to testify in a neutral capacity? Seeing none, we'll close the hearing on Clint Jones. Thomas McCaslin. Welcome, Mr. McCaslin.

THOMAS McCASLIN: Thank you. Thomas McCaslin, T-h-o-m-a-s M-c-C-a-s-l-i-n. Broken Bow, Nebraska. First generation car dealer. We've got the Chevrolet dealership in Broken Bow and we added the Chrysler franchise in Arnold two years ago.

FRIESEN: Tell us a little bit more about yourself and your-- how long you've been in the business?

THOMAS McCASLIN: I've been in the business for almost 15 years, and I guess I'm here because I like to be supportive of the industry.

FRIESEN: You know, Senator Williams is your state senator.

THOMAS McCASLIN: Yup.

FRIESEN: We won't hold that against you [LAUGHTER]. Anybody else have any other questions?

DeBOER: All right, I'll ask.

FRIESEN: Senator DeBoer.

DeBOER: What made you interested in this particular-- I mean, you said you want to be supportive of the industry. What-- what do you think you can, you know, what do you hope to accomplish?

THOMAS McCASLIN: You know, anytime I can help and volunteer and-- I, like everybody else has said, I don't see that there's a lot of problems. But this-- I've been to one meeting, so I just hope to be supportive, and if there are problems that come about, that we can come to an agreement together.

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DeBOER: OK.

FRIESEN: Thank you, Senator DeBoer. So in your-- in the business that you're in, have you noticed any problems from the business side of it that-- that would cause some concerns for you?

THOMAS McCASLIN: Nothing that we can control today. You know, our biggest problems in central Nebraska are commodity prices. So until that changes, you know, that's just going to be something that we always fight, no matter what year it is, so--

FRIESEN: There's also cycles, I--

THOMAS McCASLIN: It all cycles. Yes.

FRIESEN: --get that. All right. Seeing no other questions, thank you for making the trek in here--

THOMAS McCASLIN: Thank you.

FRIESEN: --and visiting with us. With that, anyone wish to testify in support of Mr. McCaslin? Seeing none, anyone wish to testify in opposition? Seeing none, anyone wish to testify in a neutral capacity? Seeing none, we'll close the hearing on Thomas McCaslin. Next is Matthew O'Daniel. Welcome.

MATTHEW O'DANIEL: Thank you, Senator. Matthew O'Daniel, M-a-t-t-h-e-w O'-D-a-n-i-e-l. I go by Matt. I'm from Arlington, Nebraska. I am a-- Omaha-area guy my entire life. I graduated from the university right up the road, went to work for my father at O'Daniel Honda in 1997, and have-- have worked there since so-- coming up on 25 years. I'm currently the dealer principal of our store. It's a family-owned store. It's been in my family since the mid-1950s. My wife and our two kids live in Arlington, Nebraska, where I also sit on our school board for the last eight years and running again for reelection this fall. I really get a lot of enjoyment out of working with the school district and the-- the supers there. And we have a great system and would like to keep it that way.

FRIESEN: Thank you, Mr. O'Daniel.

MATTHEW O'DANIEL: Yeah.

FRIESEN: Any questions from the committee? Senator Bostelman.

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BOSTELMAN: Thank you for being here today--

MATTHEW O'DANIEL: You bet.

BOSTELMAN: --and for your willingness to serve. What position is it that you'll be taking on the board-- what are you filling?

MATTHEW O'DANIEL: Right. So as I understand it, I represent the new car dealers from the Omaha or the eastern Nebraska area.

BOSTELMAN: And are there any areas, anything within that realm of work, the new car dealers that you've heard of, good or bad, that-- that you think may benefit you or you should be considering sitting on that board?

MATTHEW O'DANIEL: Yeah. You know, those-- those kind of come at us as they occur right now. You know, I-- I enjoy sitting on these boards as a small business owner. This-- this-- one, you know-- as you guys are probably aware there's a lot of consolidation going on in our industry. I think our dealership models work best when they're owned privately by local owners. There's a faster chain of accountability to the top to take care of the consumers and-- and make the right decisions and, you know, support the right actions for our industry.

BOSTELMAN: Thank you.

MATTHEW O'DANIEL: You're welcome.

FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing none, well, thank you for serving on a school board also. I know that's a-- probably a tougher job than this one.

MATTHEW O'DANIEL: It can be. Well, we'll see [LAUGHTER] but-- it gets interesting, right?

FRIESEN: I like the way you put that [LAUGHTER].

MATTHEW O'DANIEL: Uh-huh. Yeah.

FRIESEN: Thank you for coming in and-- and visiting with us.

MATTHEW O'DANIEL: You're welcome. Thank you.

FRIESEN: Is there anyone wish to testify in support of Matthew O'Daniel? Seeing none, anyone wish to testify in opposition? Seeing none, anyone wish to testify in a neutral capacity? Seeing none, we'll

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close the hearing on Matthew O'Daniel. Next is Curt Prohaska. And you even spell your first name correctly.

CURT PROHASKA: Good afternoon. Name is Curt Prohaska, C-u-r-t P-r-o-h-a-s-k-a. Again, it's Curt Prohaska. My hometown is from Prague, Nebraska. Why have I become interested in this board? I received a phone call-- wait. Let me back up a little bit, a little bit about me, so-- I joined the Marine Corps back in 1988, served four years in the United States Marine Corps, got out of the Marine Corps in 1992, and I've got 26 years of law enforcement under my belt. I just retired from the Nebraska State Patrol after 21 years in 2018. So if my face looks a little familiar to you, Senators, you probably have seen it before. I had the honor and privilege to protect two governors, Governor Heineman and Governor Ricketts. And so, again, if my face looks familiar, that's probably why. You're probably asking, why does this guy want to be here? The reason I'm here in this position is, received a phone call to see if I'd apply for this position. So I gave it some thought and I decided to apply for the position. The reason I applied for it is because-- pretty much my whole adult life I've been serving, and I want to continue to serve. So that's kind of why I'm here.

FRIESEN: Thank you, Mr. Prohaska. Any questions from the committee? Senator Bostelman.

BOSTELMAN: Thank you for being here today.

CURT PROHASKA: Thank you.

BOSTELMAN: What position are you filling on the board?

CURT PROHASKA: I'm the general public.

BOSTELMAN: General public, OK. And so obviously you are gonna bring a unique aspect potent-- potentially to the board, with your background. So other than the personal security and that, what was other responsibilities within the State Patrol?

CURT PROHASKA: So when I was at the State Patrol-- of course, working the road with motor vehicles, I was at their training academy. I've instructed several times at their training academy. I was in the recruiting division for a little while and then also patrol division. So I wore many hats, had a great career, I've been blessed. And now I'm a financial advisor out of the Omaha area.

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BOSTELMAN: Have you had the opportunity through your career, especially with car dealerships or trailers or whatever it is-- have you had any interactions and any activities-- illegal activities, those type of things that would bring, I guess, you could bring to the board that would be beneficial?

CURT PROHASKA: I think there's some experience that I have under my belt that I could probably bring to the board's attention about some of the stuff that's going on with some-- especially dealer plates, maybe some of the abuses going on with some of those. So there's some-- there's some things that I can bring to this board as work experience-wise.

BOSTELMAN: Thank you.

FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Senator DeBoer.

DeBOER: How long have you been working as a financial advisor?

CURT PROHASKA: Been--- I've been with the company for two years. I started out as a financial advisor back in August-- August of 2020 [SIC]. Before that, I was selling some of the life insurance part of it.

DeBOER: Was that in Omaha, or where--

CURT PROHASKA: It is in the Omaha area.

DeBOER: In the Omaha area?

CURT PROHASKA: Correct. In Papillion.

DeBOER: And is that-- do you have a degree or something that's in financial planning or something like that?

CURT PROHASKA: I do not.

DeBOER: OK. And then-- sort of along the lines of what Senator Bostelman was asking, are there sort of security concerns and things like that, that maybe you could help to give some background to folks with-- on this board or-- or anything like that? Do you have some, or are you thinking more from the financial planning side?

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CURT PROHASKA: No. What I-- what I'm bringing to this board is the experience that I have of 26 years of being a law enforcement officer, 21 years of those being on patrol. And as you know, being a trooper, you're chasing taillights, so you are dealing with motor vehicles all the time.

DeBOER: Sure.

CURT PROHASKA: So-- and one of the questions that Senator Bostelman asked was, what I-- what-- what have I seen about some of the dealerships? And I can say firsthand, working the road as a trooper, we see some abuse of the dealer plates.

DeBOER: Got it. It was kind of hard to hear because of this room.

CURT PROHASKA: Oh, that's OK.

DeBOER: So-- sorry to be repetitive.

FRIESEN: Thank you, Senator DeBoer. Well, your face did look familiar.

DeBOER: Yeah [LAUGHTER].

FRIESEN: And we thank you for your service, I guess, before your trooper service and, you know, appreciate you're willing to step forward and do things like this. So seeing no other questions, thank you for coming in to visit with us.

CURT PROHASKA: Thank you.

FRIESEN: OK. Is there anyone who wishes to testify in favor? Is there anyone wish to testify in opposition? Is there anyone wish to testify in a neutral capacity? Seeing none, we'll close the hearing on Curt Prohaska. And next, we'll open the hearing on Dennis Schworer. Welcome.

DENNIS SCHWORER: Thank you. My name is Dennis Schworer, D-e-n-n-i-s S-c-h-w-o-r-e-r. I served three years on the Dealer Licensing Board and I was asked to extend and so I'm-- I'm here. It's a good-- it's a good cause. The industry has been good to me. I've been-- I represent Volkswagen here in Lincoln at the Lincoln Car Dealers. I also have Honda Cars of Bellevue, which I've had since 1984. One other thing, I had three Saturn dealerships in Nebraska when Saturn was operating under General Motors. But as most of you know, General Motors decided to cancel Saturn dealerships. So I have a lot of experience there but

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[LAUGH] it's-- it's gone now. Let's see. I'm a former Vietnam veteran, 1968. Served in the 4th Infantry Division. Feel pretty lucky to come back. With that, that's it. If you have any questions for me, I'll be glad to answer.

FRIESEN: Thank you, Mr. Schworer. And thank you for your service. Senator Albrecht.

ALBRECHT: Thank you, Chairman Friesen, and thank you for being here today. OK, so this whole thing is new to me, and I-- have you served with, like, anybody in this room?

DENNIS SCHWORER: Pardon?

ALBRECHT: Have you served with anyone that we've heard from, besides the two gentlemen on the phone? Have you served with it?

DENNIS SCHWORER: I'm sorry, I don't understand the question yet.

ALBRECHT: You-- this is your second term, right?

DENNIS SCHWORER: Yes.

ALBRECHT: And I'm sorry for the sound system in here. It's not very good [LAUGH].

DENNIS SCHWORER: Well, I am not very good at hearing [INAUDIBLE] [LAUGH].

ALBRECHT: That's all right. But I'm-- I'm sure that a lot of people here don't know, but I spent 33 years in the automobile business in Omaha. So there is hope for all of you. If you want to continue to serve, you can do the same thing we're all doing up here, probably for the same kind of money. Just kidding. So-- so when you talk about the exec-- you don't talk about it, but the executive director, is that Lowe [PHONETIC] or--

DENNIS SCHWORER: Bill Jackson--

ALBRECHT: Jackson? OK.

DENNIS SCHWORER: Bill Jackson, originally.

ALBRECHT: OK.

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DENNIS SCHWORER: Got me involved in this.

ALBRECHT: OK. So where-- where do they house out of? There's five investigators, and what do those investigators do? Do you know?

DENNIS SCHWORER: Those investigators go around and take care of complaints. They normally-- it could be, They tell me most of the complaints come from fellow car dealers. But--

ALBRECHT: Imagine that.

DENNIS SCHWORER: -- the general public could file a complaint.

ALBRECHT: OK.

DENNIS SCHWORER: And the investigators go out when-- when there's a problem.

ALBRECHT: OK.

DENNIS SCHWORER: And they're also available if we have questions on rules and regulations.

ALBRECHT: OK. And there's three office personnel. So are they located down here in Lincoln?

DENNIS SCHWORER: I-- I live in Bellevue.

ALBRECHT: OK. You live in Bellevue. But-- but where is this executive and the field officers? Are they in Lincoln or are they in central Nebraska? Where are--

DENNIS SCHWORER: No.

ALBRECHT: --they housed at?

DENNIS SCHWORER: Young fellow, and he's in a small town in between here, I can't tell you what town he's in.

ALBRECHT: Boy, it sure would be nice if Mr. Jackson [SIC] would like to come up so I could learn more about what you all do [LAUGHTER], you know. He's not here.

TIP O'NEILL: He retired.

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ALBRECHT: He retired. So you're doing it now.

JOSH EICKMEIER: I am.

ALBRECHT: So hopefully you'll come up and answer some.

JOSH EICKMEIER: I'd love to.

ALBRECHT: That would be nice because I think--

JOSH EICKMEIER: [INAUDIBLE].

ALBRECHT: --we're-- we're struggling here because these are all new. And I'd kind of like to know more about what you're all doing. So I appreciate you being here and I won't ask you any more questions, OK? But thanks for your service.

FRIESEN: Thank you, Senator Albrecht. Any other questions for Mr. Schworer? Seeing none, thank you for willingness to serve on this board.

DENNIS SCHWORER: You are welcome. Thank you very much.

FRIESEN: Anyone wish to testify in support? Anyone-- seeing none, anyone wish to testify in opposition? Seeing none, anyone wish to testify in the neutral capacity?

ALBRECHT: Thank you. Thank you.

FRIESEN: Please come forward.

JOSH EICKMEIER: My name is Josh Eickmeier, J-o-s-h E-i-c-k-m-e-i-e-r. I am the executive director for the Nebraska Motor Vehicle Industry Licensing Board. Bill Jackson was the previous director who retired a couple years ago. And so-- I am now the-- the director. We are officed out of the State Office Building, which is inside the west doors for-- right next to the DMV, and sometimes we get confused with the DMV because of our-- our subject matter, as well as our close proximity to their offices. So we do field some of their calls from time to time. We have three office staff and myself, and then we have five investigative positions, and currently four of them are filled. They have their regions that they are responsible for around the state of Nebraska. Most of-- most of the-- I would say the complaints we typically get are from consumers and they tend to concentrate more in, like you'd imagine, larger cities like Omaha and Lincoln. The other

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investigators occasionally have complaints, but they are also doing contacts with dealerships, just making sure they don't have any questions. There-- they serve as more of a resource role out in western Nebraska, north central Nebraska. I believe one lives in Royal, one lives in Taylor. So they're not really metropolises of Nebraska, but they are out in-- in the field, so to speak, as well as the one for-- for Omaha region is out of North Bend. So that's sort of the background. Our busiest time of the year is when we're doing renewals and that typically is going to be starting in mid-October. We will send out renewal notices to all the dealerships saying that-- encouraging them to put-- to get their renewals in sooner than later. I think they tend to bottleneck towards the end of the year, which puts a lot of stress on our office to try and get those renewals turned around, not only because they need to be licensed starting January 1st, but also the dealer plates that a lot of them rely on for-- for test drives and whatnot, they need their new tags. And they can't get their new tags until they have their certificate from us, which will be included with their license. So that's kind of how that all fits together. So I'd be happy to answer any questions.

ALBRECHT: Yes.

FRIESEN: OK, thank you, Mr. Eickmeier. Senator Albrecht.

ALBRECHT: Thank you. And forgive me, because this is the first time I've ever seen this all here in front of me. This is--

JOSH EICKMEIER: No need.

ALBRECHT: --the second year I've been on the board [SIC]. So did you work for Bill Jackson?

JOSH EICKMEIER: I did not. I actually was legal counsel for the General Affairs Committee here in the Legislature--

ALBRECHT: Really?

JOSH EICKMEIER: --for 10 years with Senators Tyson Larson and Russ Karpisek.

ALBRECHT: Well, I'm sorry to hear that, but if I-- [LAUGHTER] No, I am just kidding. Like [INAUDIBLE] [LAUGHTER]?

JOSH EICKMEIER: Is it warm in here?

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ALBRECHT: Just kidding.

JOSH EICKMEIER: Is it warm in here?

ALBRECHT: We're going to get through this real quick. OK. So, no, I'm sorry. I didn't mean to say that [LAUGHTER]. OK, so [LAUGHTER]-- OK. When I was--

JOSH EICKMEIER: I have no opinion on the matter--

ALBRECHT: OK.

JOSH EICKMEIER: --for the record.

ALBRECHT: So let me ask you, do-- do dealers-- can I ask you a question?

JOSH EICKMEIER: Oh, do, absolutely.

ALBRECHT: So do dealers still send their applications to your office for sales licenses?

JOSH EICKMEIER: We no longer license salespeople.

ALBRECHT: So you don't-- you don't even look them over at all?

JOSH EICKMEIER: Not anymore.

ALBRECHT: How long has that been?

JOSH EICKMEIER: That was in 2017, I believe, was when the Legislature decided to remove that license, and so it impacted us a couple of ways.

ALBRECHT: Why?

JOSH EICKMEIER: Just because we don't track or vet them anymore. And also, it was, you know, a revenue source for the agency as well.

ALBRECHT: So--

JOSH EICKMEIER: To the tune of about \$168,000 a year.

ALBRECHT: So we don't even know when they employ them because the Legislature passed the bill that allows you to hire whoever you would like. Right?

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JOSH EICKMEIER: The onus is now on the dealer to make those hiring decisions. We-- we don't have anything to do with the licensing of the salespeople.

ALBRECHT: OK, so you take care of these folks that just came before us, right?

JOSH EICKMEIER: Take--

ALBRECHT: You're the executive director to this board.

JOSH EICKMEIER: Yes.

ALBRECHT: Is that right?

JOSH EICKMEIER: Yes.

ALBRECHT: So-- so you talk about complaints or--

JOSH EICKMEIER: Uh-huh.

ALBRECHT: --or any new laws that they might want to have tweaked or whatever. So that's your role there, right? Once a month they come to see you, or do you--

JOSH EICKMEIER: Yeah. So we--

ALBRECHT: --meet in different places in the state?

JOSH EICKMEIER: So we have a regular scheduled meeting once a month, but we don't typically meet every month. It just depends on-- on what issues are before us that need to be dealt with. And-- and so we do meet in the State Office Building. And in-- in fact, I've because of my previous work here, I know the Liquor Control Commission very well. They let us use their hearing room, which is also now on the first floor of the State Office Building, so we're able to have better access. So we do meet there now when we can.

ALBRECHT: But-- just one more question.

JOSH EICKMEIER: Sure.

ALBRECHT: Do they-- do they get paid mileage and a little bit of a stipend for coming from all over Nebraska? If they don't-- I'm just checking because you said they keep moving these things around.

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JOSH EICKMEIER: I know that we-- we do-- we have, I believe, like I don't know if we necessarily call it a per diem, but I know we arrange for hotels and I don't know-- do you-- do you get mileage, do you know?

_____ : Yeah, [INAUDIBLE].

JOSH EICKMEIER: Do you get mileage?

ALBRECHT: It's just a question. Because if they didn't, they sure need to. OK, that's it. Thank you.

FRIESEN: OK. Thank you, Senator Albrecht.

ALBRECHT: Thanks for coming up.

FRIESEN: Any other questions from the committee? Senator Hughes.

HUGHES: Thank you, Mr. Chairman. Mr. Eickmeier.

FRIESEN: Yes.

HUGHES: Good to see you.

JOSH EICKMEIER: Good to see you, sir.

HUGHES: Do your investigators ever do any spot checks, or are you just following up on complaints?

JOSH EICKMEIER: Well, they're-- have the authority of when they go to visit a dealership-- if-- if there is an issue, you know, they will work with the dealer, educate the dealer, and try to address those issues. Typically, if it is something formal-- is coming, it's going to stem from a complaint. And so most complaints would be from consumers. Occasionally we may get a complaint. And I use the word complaint. Sometimes another dealer is simply notifying us that there may be a concern. They don't necessarily want to call it a complaint. Sometimes we get calls from county treasurers who have-- have an issue with a title coming in, questioning whether there's something like-- whether title jumping or some other concerns they may have. And so we would have the investigator go and-- and talk to the dealer and find out what the issues are. I'd say most of the issues often aren't-- they're not malicious or even intentional. A lot of times it's just a title is trying to catch up to the vehicle and a title might be in another state. The vehicle is sold at an auction to a-- to a dealer.

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The dealer sells it to a customer and that-- that they have 30 days to get the title to the customer. But that title may be in a-- in the bank in Missouri. And so he has to get caught up all on the process. Sometimes the customer just wants us to help them facilitate that. So we'll make the necessary calls and try and make those arrangements because, after 30 days, the tran-- In Transits expire. They cannot be issued new In Transits. They cannot be given dealer plates to use on their personal-- on-- on the vehicle that they purchased. So the options are fairly limited on how do you resolve that matter. And so if we can make a phone call and try and-- and keep things moving along for them, we will.

HUGHES: OK. You said you don't-- you have a regular scheduled monthly meeting, but you don't always meet.

JOSH EICKMEIER: Correct.

HUGHES: How long would a typical meeting take? Is it an hour or four hours or--

JOSH EICKMEIER: Yeah. If-- if it's just a regular meeting, I would probably say an hour. We-- we do sometimes have hearings that-- I've not had since I've been here, but we will likely have some hearings on the horizon because there may be an issue or a dispute that the board needs to-- to make a decision on. And those could take a little bit longer, maybe an hour or two, just because there's-- there's-- it becomes more of a-- of a process because attorneys get involved at that point and there's more of a process to that. But typically, I would say, less than an hour, unless something is more-- it requires more, like a hearing.

HUGHES: OK. Thank you for coming today.

FRIESEN: Thank you, Senator Hughes. Any other questions from the committee? So have you ever taken away a license from a dealer?

JOSH EICKMEIER: We've been in situations where we-- we had-- either the dealer surrendered the license. There is a formal process, but usually that's because that formal process takes more time. If they're not maintaining their hours, for example, and there's other issues that are statutorily required with the facility, but they're just not-- the phone doesn't work, they're-- they're not maintaining hours. The issues like that, we would just have a conversation with them and say, OK, it would probably be in your best interest to surrender the

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license at this time. Or if it's toward the end of the year, not renew and-- and they still have time to unwind. I mean, they still have a period where they-- they can sell off their inventory. They just can't be acquiring new vehicles, as-- once they do that.

FRIESEN: Does the public have any access to public records, for instance, if the dealer's been found in violation or anything like that? Is there--

JOSH EICKMEIER: We would comply with any public records request. As far as what information would be available, I would have to review that with our legal counsel because it would be-- there may be some exceptions to that request. For example, if it's an investigative or if it's attorney-client conversation. But yeah, we-- we do maintain records of violations, for example.

FRIESEN: OK. Seeing no other questions, thank you for--

JOSH EICKMEIER: Thank you.

FRIESEN: --coming forward to clarify, Mr. Eickmeier.

JOSH EICKMEIER: You bet.

FRIESEN: Any others who wish to testify in a neutral capacity? Seeing none, we will close the hearing on Dennis Schworer and close the hearings for the day. And we are going to Exec.