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Appropriations Committee October 5, 2021
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STINNER: OK, it's 9:00. Perfect. You guys quiet down and listen pretty well, don't they? Good morning and welcome to the Appropriations Committee hearing. My name is John Stinner. I'm from Gering and I represent the 48th Legislative District. I'd like to start off by having members do self-introductions, starting with Senator Clements.

CLEMENTS: Thank you, Mr. Chairman. I'm Rob Clements from Elmwood. I represent Cass County and now eastern Lancaster County.

McDONNELL: Mike McDonnell, Legislative District 5, south Omaha.

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

WISHART: Anna Wishart, District 27, west Lincoln.

DORN: Myron Dorn, District 30, Gage County and part of Lancaster.

STINNER: We'll probably have a few of the senators showing up. Somewhere along the line, I have to fix these few senators that like to show up late for meetings. So anyhow, assisting the committee today is Brittany Sturek, our committee clerk. Today's hearing is on LR78--LR178 and LR179. We'll be under a combined format. We'll begin by having Senators Anna Wishart and Machaela Cavanaugh introduce their respective LRs. Next, we will hear from invited testimony. At that time, I will proceed by calling forth each testifier. Afterwards, we will open it up to the public to testify. I ask that you limit your testimony to three minutes. We have some close to 50 testifiers, invited testifiers today. I have also asked several of the committee people and conveyed this message to them, we will not be asking questions. We want to get you on the record. We want to stay fresh in the process and I will provide the-- the testimony will be provided in hard copy to each of the senators before the session starts so that they can review it and we'll try to prioritize it at that time. If you have any handouts you would like to distribute with your testimony, please keep those until you come up to testify and then hand them to the page. We will need 12 copies. If you do not have enough copies, raise your hand now and the page will make additional copies for you. We ask that you begin your testimony by giving your first and last name and spelling them for the record. We will be using a three-minute light system. I do not have a yellow flag, but I might throw something at you if you go over, so beware of that. When you begin your testimony, the light will be green. The yellow light is your one-minute warning. When the red comes, comes on, we ask that you wrap

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up your final thought. As a matter of committee policy, I'd like to remind everyone that the use of cell phones and other electronic devices will not be allowed during the public hearing. At this time, I would ask that you all silence your cell phone. First of all, I want to thank Senator Wishart. This has really been her effort to combine everything to get everything organized. As you can tell, she's assigned seating and trying to facilitate this process. So thank you, Senator Wishart, for, for your efforts. Just as kind of an opening comment, and I'll have the fiscal folks up here trying to explain the process that we're going to go through in more detail. But I will tell you this that today is your opportunity to introduce your subject material. Certainly, what we're going to try to do is put it into priorities or themes: infrastructure things, technology, workforce, economic development, themes like we do with the budget. And in that we'll try to parse out what, what the priorities are within those themes. And that's kind of the process that we will go through from the appropriation standpoint. Now, the Governor, I want to make sure that everybody understands, the Governor still has emergency powers. So we have \$520 million. He still has the emergency powers to use those to spend. We are supposed to get a second dose of the \$520 million after year end. That'll be over a billion dollars. He has indicated to us or pledged to us that he will bring his ideas to the Legislature by virtue of a bill that-- that the Speaker will-- will receive at the beginning, similar to what we do with the budget. And at that particular point in time, it becomes a bill, it comes to Appropriations. We start our hearing process just like we normally do. We will make recommendations to the Legislature, so that's the process that we're in. Again, Fiscal Office will elaborate on what we're going to do, but I just thought I'd give that little bit of insight from my position as Chair. With that, we will start today's hearing with Senator Anna Wishart. I think it's LR178.

WISHART: Well, good morning, Chairman Stinner,--

STINNER: Good morning.

WISHART: --fellow members of the Appropriations Committee. My name is Anna Wishart, A-n-n-a W-i-s-h-a-r-t, and I represent the great 27th District here in west Lincoln. I'm here today to introduce LR178, an interim study to solicit input from Nebraskans on how funds from the federal American Rescue Plan should be spent. And that is exactly what you're going to hear about today from the people behind me. The American Rescue Plan provides \$350 billion in emergency funding for eligible state, local, and territorial governments to respond to the

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COVID-19 emergency. In Nebraska, that means the state government will receive approximately \$1.4 billion, while cities, counties, villages, and townships will receive an additional \$653 million. In addition, our state will receive \$128 million in funding for capital projects that can be used for workforce development, education, and healthcare, including telehealth. Aside from the capital projects fund I just mentioned, states are given substantial flexibility in the investment of the \$1.4 billion. My office has provided you with a document that details the few requirements of these funds: use, timing, transparency and accountability. I won't go through them all, but in a nutshell, here are the main rules. The use of funds is broad, but there are a few exceptions. Funds cannot be used to directly or indirectly offset a reduction in net tax revenue. They cannot be deposited into a rainy day fund or other reserves or pension funds, or used to pay off debt or settle legal disputes. And funds must be obligated by 2024 and spent by '26. In addition, and I've talked with the Chairman about this and I've talked with other members of the committee, I see some, some guidelines that we as a state that has shown ourselves to be incredibly fiscally responsible over the six years that I've served to set some other parameters. So first of all, I think we need to think big and very innovatively. This is a once-in-a-lifetime opportunity for us in the state. We are a state that while we were challenged by the pandemic, we have come through that in a responsible and solid way. And so these additional funds are really an opportunity for us to think big. And I know some of my colleagues, like Senator McDonnell, have already done that. These are one-time funds and we need to think about them that way. The last thing we want to do as a state is set ourselves up for a fiscal cliff after these funds are spent, where we've obligated them to programs that count on consistency of funding. So we need to think about that. And I've encouraged anyone here who's testifying today to think about that when they're-- when they're approaching their ask. These funds need to impact the entire state, both rural and urban communities. It has been made very clear to me with the redistricting process that parts of our state that are losing population are really struggling, and we need to be looking at these funds as an opportunity for economic growth and development in those parts of the state. And then last, we need to listen to Nebraskans. Local communities know how best to spend these dollars, and I'm excited today about the amount of people who have showed up from Nebraska who are going to express their desires and thoughts and visions. We have over 48 testifiers who have requested to speak about their vision for these funds today. They range from chambers of commerce to healthcare providers to ag leaders. I have asked all of

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them to come up with big ideas that are fully fleshed out, and I've already seen some previews to these ideas. And I have to say I'm very impressed by the time and thoughtfulness that's gone into this. With that, I am anxious to get started. I know we're going to have a long and inspiring day ahead of us, and I'd be happy to answer any questions.

STINNER: We're going to pass on questions. Thank you, Senator Wishart. Senator Cavanaugh.

M. CAVANAUGH: Good morning, Chairman Stinner and members of the Appropriations Committee. I am Machaela Cavanaugh, M-a-c-h-a-ae-l-a C-a-v-a-n-a-u-g-h, representing District 6 in Omaha. Thank you for being here today and having this hearing, and I appreciate so much the work that Senator Wishart's office and personnel have done to help bring this forward. I will be brief since Senator Wishart, I think, really covered all of it. I just want to say that to date, the purpose of today's hearing is, of course, the American Rescue Plan Act or ARPA. So some of the objectives of ARPA are to support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control; to replace lost revenue eligible for state, local, territorial and tribal governments to strengthen and support the vital public services and help retain jobs; support immediate economic stabilization for households and businesses; address systemic public health and economic challenges that have contributed to the unequal impact of the pandemic. The coronavirus, state and Local Fiscal Recovery Funds provide it, provide substantial flexibility for each government to meet local needs, including support for households, small businesses, impacted industries, essential workers, and the communities hardest hit by the crisis. These funds can also be used to make necessary investments in water, sewer, and broadband infrastructure. To echo a lot of what Senator Wishart said, this is a great opportunity for the state to rethink how we are approaching economic development. It's something, you know, borne out of the pandemic, obviously, that is unexpected. But I know from, also from redistricting that we're seeing a loss of population in Nebraska. And so this is really an opportunity for us to hear from the people of Nebraska as to what we can do to innovate, to make ourselves stand out, to be a place that people want to come back to and stay. And so with that, I will leave it to our testifiers.

STINNER: Thank you, Senator Cavanaugh. Our next testifier is Director John Wyvill, Commissioner for Deaf and Hard of Hearing. Morning, Director.

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JOHN WYVILL: Good morning. My name is John, J-o-h-n, Wyvill, W-y-v as in Victor-i-l-l. I am the executive director for the Nebraska Commission for the Deaf and Hard of Hearing. And first of all, I want to thank this committee for having this hearing and also to Senator Wishart for inviting me to provide comment to share with you the challenges that are being faced for the deaf and hard of hearing community throughout the state. We have written testimony that we're sharing with the committee, and I'm just going to touch on the high points for you. And so the challenges that we're facing for barriers involving communication access]. And we believe that a very small investment in American Rescue Fund will go a long way in dollars and cents in order to provide communication access to deaf and hard of hearing individuals. Already this committee, the Legislature and the Governor, as a [INAUDIBLE] point is advocating for building infrastructure with broadband, broadband infrastructure for the Internet. And that is the number one priority and challenge that we've seen. For those of you that have had a friend, a colleague that witnessed the Facebook outage from yesterday can only relate to deaf and hard of hearing individuals that rely on video remote interpreting. In rural Nebraska, Internet access is not very reliable, and we need to broaden and invest that infrastructure to make better connectivity because video remote interpreting sometimes can be choppy and spotty. And that's problematic in situations of medical care and also for situations in school. Second, we also recommend that while you build the infrastructure is the, a bridge program with the Nebraska Public Service Commission to invest in the purchasing of a mobile app for deaf and hard of hearing individuals or businesses in what they can access if they're having Internet trouble, access a sign language interpreter, while not ideal on the Internet, on a mobile app or on your cell phone in order to facilitate communication access. The third point is within the Department of Education, we recommend funding in three specific areas. There's approximately 953 students who are deaf and hard of hearing throughout the state, and our purpose is not to lay blame on any individual or any organization, but additional funding in this area would go and help funding for technology, for services, and for services and then for training for interpreter program. The fourth point that I want to make now that I see my yellow light is a rural initiative program that would provide financial support for those small municipalities such as Broken Bow and McCook if they need an in-live interpreter that can provide wraparound services and which they can supplement that so they can petition someone for additional funds or they only pay like \$80 or \$90 for the interpreter. And then that fund would cost the transportation.

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The last comment I want to make is only for [INAUDIBLE] As an independent agency, we have not received any communication from the Governor or the Governor's Office. This is relatively uncharted waters. So we do not know how to formally submit our request for-- to the Governor for consideration. We have two or three months left before the session starts. So any discussion with the Governor and the Governor's Office, recognizing everyone has those challenges, that give us a process in which we can formally submit that to the Governor for his consideration, for his budget because we would rather be supporting the Governor's recommendation than trying to argue to get it in. So thank you very much for your time.

STINNER: Thank you, Director. Next, we will have Sam Malson and Tom Bergquist, and they'll update us on the CARES money and how it would be spent and the process and its American Recovery Act money as well, right? Good morning.

SAM MALSON: Good morning. Members of the Appropriations Committee, my name is Sam Malson, S-a-m M-a-l-s-o-n, and I'm an analyst in the Legislative Fiscal Office. Today, I'm here to provide you with just a bit of additional information when it comes to the actual numbers that the entities within the state of the Nebraska-- state of Nebraska are receiving under the American Rescue Plan Act. And then our director, Tom Bergquist, is going to speak to some of the intricacies when it comes to the legislative responsibilities. So the packet that I've-- that we've prepared for you has kind of a, quite a bit of information in it about ARPA and the different funding sources that came under that act. But I want to draw your attention, I believe it is page 5. Now these are the existing federal programs that-- with additional allocations that were received under ARPA. And then on the far right-hand side is the Nebraska entity that's going to be responsible, as far as we've been able to determine in the Fiscal Office, for expending those funds. One, one important thing to note is that these-- all of these programs are, are quite different and have maybe different time periods for expenditure of the funds. Or there may be match requirements. There may have been match requirements that have been waived. So one of the other purposes of listing the entity responsible is so that if there are questions about program specifics within those additional allocations that individuals are able to contact the applicable analyst in our office for those specifics. The next portion of the packet that I'll draw your attention to is starting on page 8. Pretty simple here. We've just provided a breakdown of all of the county allocations that are going, the funding that's available to counties directly. And this is, all of the uses

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are essentially the same as the State Fiscal Recovery Fund. And then on page 9 through 12, we have all the various cities and villages throughout the state that have, have and their, their allocation as well. So with that, I will turn it over to Tom here to speak to, I believe, page 4 of your packet.

TOM BERGQUIST: My name is Tom Bergquist. I'm the Legislative Fiscal Analyst, T-o-m B-e-r-g-q-u-i-s-t. I was kind of chuckling. That's the first time I've had-- ever done that in 45 years. I've never testified. What I wanted to talk to on page 4 committee considerations, one of the things I'll probably reiterate what Senator Stinner had talked about. As he had indicated, these monies right now have been appropriated under this. This was section 257 of the budget bill from last year, not the new budget we just passed because the \$520 million came in when the last budget bill was still operative. So the \$520 million has been appropriated. This exact same language is in the current budget bill. So it will be applicable to the second tranche, which is \$520 million, which will be coming up in May. So the clear point that I wanted to make was that this money has been appropriated. The same way as it was with the CARES Act, this, this is actually quite a bit different than the CARES Act from the standpoint, the CARES Act, we received the money and we actually had to have it expended at the time within seven months of receipt. It was a very short period of time. As Senator Wishart has said, this one's a little bit different because we have to make the allocations and the commitments by 2024, and we can expend it all the way out to 2026. So from that standpoint, this is quite a bit different than what CARES Act was. It's probably why a lot of it hasn't been allocated or a lot hasn't been done yet at this point with most states. So I did want to talk that the money is appropriated. There are vehicles if the Legislature wanted to retain appropriations, this section in the budget bill could be changed to exclude ARPA money from that, which would then bring appropriations back to the Legislature. But as of today, under existing law, it is-- the authority is appropriated for the Governor. Future process, as Senator Stinner had indicated, we haven't received anything official, but it's our understanding that the Governor will come in with a recommendation on the use of the money in, in bill form. It will then likely come to the Appropriations Committee since it would be an appropriation item. We'll have to see how that would proceed. So at that point, it would be treated like any other bill where it would go through the hearing process, advanced to the floor, amended, those kind of things. So that's as I understand it, that's the process at which we're doing as the Governor was

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talking about. One of my jobs is to throw a wet blanket on everything, so I will continue to do that at the end of page 4. Two things to keep in mind, I think as indicated earlier, there's a lot of variability in the language on what the uses are of the funds. It can be very broad, you know, and you can kind of push the envelope, step on the line, get close to the line. One of the issues is there still is language about recoupment. The wet blanket is we can push the envelope on what we can use it. But if the feds say, nope, that was over the line, they can make us put the money, give the money back and that would come out of our General Fund. So wet blanket number one is be a little bit careful as we go through it because we may end up having to pay it back. So that's just number one. Number two, and the reason I made this different than the care-- the CARES Act is CARES Act was so quick. Now granted, we got an extra year to expend it. We really only had seven months to use the money. This one you're talking about all the way up to possibly five years of expending the money. It's still one-time money. One of the cautions is if you use the money to fund a program for five years until it expires, it starts losing its identity as a one-time program. And just, just as a warning, it would be easy to-- not that that's a bad thing, but understand if programs are started with this and aren't one-time, they'll become state General Funds. It may not be next biennium, it may be the one after that. And like I say, it's because you can stretch it out over five years, it's quite a ways from the time you start until the funds expire. So that's the only other caution that I would throw in there so. With that, I finish up.

STINNER: Thank you. Our next testifier will be Speaker Hilgers, STAR WARS request.

HILGERS: Thank you, Chairman Stinner.

STINNER: Good morning.

HILGERS: Good morning, members of the Appropriations Committee, Senator Cavanaugh. Good morning. My name is Mike Hilgers, M-i-k-e H-i-l-g-e-r-s, currently represent District 21 in the Legislature. I'm Speaker of the Legislature as well currently; and in that regard, I want to thank the committee and Senator Wishart and Senator Cavanaugh in particular for your leadership in having this meeting today. I think it's part of a good process to help achieve maybe once-in-a-lifetime opportunity for the state of Nebraska. I'm really pleased to see this advance work, so I'm very grateful for you and I'm grateful for all the testifiers here today. I'm here this morning, as

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Senator Stinner mentioned, in a different capacity, which is Chair of the STAR WARS Committee. You may recall STAR WARS Committee was created by LB406. It stands for the State Tourism and Recreation Water Access Resources Special Committee, STAR WARS. There's a number of members of this committee who are-- who serve with me on the STAR WARS Committee. Big picture, the STAR WARS Committee, I think its goals and the charge given to it by the Legislature fits very well with what we're talking about today in terms of one-time transformational investments in the state of Nebraska. Just briefly, the STAR WARS Committee, you may recall, was intended to be statewide. We have three subject matter areas across the state. One is the Lower Platte region near here. A second is the Keith County Lake McConaughy region, and the third is the Knox County, both Niobrara State Park as well as the Lewis and Clark region. So statewide, it's meant to be transformative, try to find opportunities to really change the face of our state, really, and focus around both economic and recreational opportunities, but also water sustainability and flood control. We have-- we were charged; we were appropriated a little under \$2 million for this work and we have been-- I wanted to give the committee an update on our process and progress so far. We have been working really hard and have made a tremendous amount of progress since we adjourned sine die in May. We hired a contractor within 30 days, HDR. They have-- we have worked with HDR over the last several months on a multistage process, which you can actually learn more. Both committee members and members of the public, you can go to the website: planpreserveplayne.com. This actually lays it out in more detail than I have time for this morning. But we have had our consultant, as well as state senators representing those areas have gone out for listening sessions. Then we have had public hearings in those communities and now they are in the process of having what they term their visioning sessions, which are to basically the process is to take a large funnel of ideas, really understand what could be transformative and slowly whittle those down to what might be opportunities for state action or to catalyze-- or state action to catalyze the economic generational opportunities that we're talking about. That is still in progress. So I would like to be a-- while I would like to have some specific X-Y-Z asks for this committee this morning, I don't have that now. I will tell you the committee understands the next 30 to 45 days will be the critical time period. So we do think before the holidays we will have that, that work complete and we will be working very hard to do that. I will say just a couple of big picture comments. I think the committee, I think I speak for the committee in this regard, but I certainly speak for myself, which is we, we all visited these, these

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areas and were just stunned by the natural beauty that exists in the state of Nebraska. Some of that we all know, we see already. For those of you who have been to Lake McConaughy, you've seen it in person or been to Lewis and Clark, you've seen it in person. But some of the other areas that we saw, including some of the views at Niobrara State Park are just amazing, and the wealth of natural beauty in the state of Nebraska is really off the charts. And it kind of fits into two different buckets for us. One is a bucket of existing resources that we know we have and how do we catalyze economic opportunities? And I think in that bucket you would have Lake McConaughy, which exists; Lake Lewis and Clark, which exists. But we heard on the ground from community members and local stakeholders just the opportunity to take those existing resources and go to another level. And then the other bucket is the opportunities that we can potentially vision but don't quite exist yet. And I think in that bucket include Niobrara State Park, which, which is there, but the views and the natural resources, they are just amazing, as well as the Lower Platte area, which we've studied as well. And I think the other thing that I would say is when we went out to these different areas, what we saw was-- were really the fruits of leadership from generations past. We went out to Mahoney, went to the Crete Carrier facility at Mahoney for one of our public hearings. That was-- that was transformed, I think, during Governor Orr's administration. She spoke to us about that; Lake McConaughy generations ago. So we saw firsthand when, when leaders had the vision and then operationalized that vision, the, the really positive impact for generations of Nebraskans. So I think those two things present an opportunity for us. And I note that STAR WARS Committee will be working hard over the next 30 to 45 days to come up with concrete, the concrete vision and what that specific ask will be. So that's all I have for STAR WARS.

STINNER: Thank you very much.

HILGERS: Thank you.

STINNER: Next testifier, Senator McDonnell, LB566 shovel ready.

McDONNELL: Thank you, Senator Stinner, members of the Appropriations Committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l, represent Legislative District 5. Update on LB566, which I appreciate, the-- we moved that forward back in May. Since then, we had-- we had an application time frame; and as you know, this was to try to help out 501(c)(3)s, people that as of March of 2020 had brick and mortar ideas how to improve things. And then also an update that, as we

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mentioned on the floor of the Legislature, there's 11 percent of our workforce, 90,000 people in the state of Nebraska, are employed by 501(c)(3)s. And one thing we know that if we invest into businesses, sometimes they, they stay in the state and sometimes they move on. One thing about 501(c)(3)s, they might not all be successful, but they do stay here. And the idea between-- behind LB566 was to try to help those people that had shelved those projects in March of 2020. Now the request time frame, the applications to DED was July 1 to the 15th. At that point, you had over 125 projects at \$335 million request. That means there's over \$700 million worth of private sector money coming into those projects if we do our match. On one hand, those numbers are large. On the other hand, it's very exciting because that's what those projects, and I'm not saying that I've reviewed all those projects or DED has to make sure they qualify, but one thing we know is there was a lot of things going on in the state of Nebraska that was very helpful to our communities through our 501(c)(3)s. So looking at those numbers and moving forward and-- and at the time, we decided to take \$15 million out of the General Fund, which is in LB566. But we also said we'll take a step back and work with the Governor and work with the Appropriations Committee and our fellow senators about the idea of how much money can we-- do we need to put forward in LB566. So we dropped off the \$75 million coming out of the ARPA money and we dropped the \$25 million to \$15 million. So right now, we'll be having those discussions with the Governor's Office, as DED reviews all those applications and make sure they qualify. And then we'll be making our, our requests during the process with the Governor and the Appropriations Committee. Thank you very much.

STINNER: Thank you, Senator. Next testifier will be Senator Bostelman, Mead, and I think there's probably a few other projects that he'll talk about.

BOSTELMAN: Morning. Good morning, Chairman Stinner and members of the Appropriations Committee. My name is Bruce Bostelman, that's spelled B-r-u-c-e B-o-s-t-e-l-m-a-n, and I represent Legislative District 23, which includes Saunders, Butler, and Colfax Counties. I'm here to testify in support of three individuals who you'll hear from later today: Mr. Leroy Sievers from the Nebraska State Irrigation Association, Mr. Andy Nordstrom, Saunders County Highway Superintendent, and Mr. Bill Thorson, who is the chairman of the Mead Village Board. Mr. Sievers will be presenting to you some of the work that we have completed as a result of my LR117 study of surface water irrigation systems in Nebraska. The results we received highlighted the significant need for repairs of an aging system without which

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catastrophic impact of farming operations may occur, as we saw in 2019, when the irrigation tunnel collapsed in Wyoming. Next, Saunders County has the most bridges in the state and the most needing repair or replacement. Mr. Nordstrom will be providing you with information on key bridges that are in need of repair or replacement. With a number of county roadways affected by bridge crossings, this request will go a long way in keeping important roadways open for our rural communities. I will have-- I do have technical information for either Mr. Sievers' or Mr. Nordstrom's submissions in my office for your review at a later date. Finally, as you are aware, AltEn is located near Mead and is in Saunders County and is in the process of environmental cleanup that resulted from the environment-- from the ethanol plant using treated seed corn and stockpiling the pesticide-coated byproduct on the property. The Department of Environment and Energy and other groups have been active in monitoring the soil, air, surface and ground waters while providing oversight of the cleanup operation. In addition, the state has an active lawsuit against ethanol company. Cleanup of the site has been ongoing and will continue. Specific information regarding the cleanup operation will need to be addressed to DEE, and you may find significant information of the ongoing work at their site-- at their website or printed material is available at their office or the Mead Library. What I am addressing is separate from the cleanup. With any large-scale cleanup operation and loss of a major employer in an area, there are many unforeseen issues arise that will need immediate or long-term attention. Not knowing exactly what those circumstances may be at this time, I am asking that the village of Mead be allowed \$20 million to assist the village and surrounding area with any possible short- or long-term effects and recovery that may-- that result not only from the cleanup operation, but also the loss of a major employer in the area. The impact to the community cannot be understated. Loss of employment image, if you will, in the community, potential health risk if, if there are in the future, those are all things that are real and facing the community now. Some of those things we know and some things we do not know. So with that, I want to take-- I want to thank the committee for the consideration and encourage your support of the funding requests for the village of Mead, which you'll hear about later today, Nebraska State Irrigation Association, and the Saunders County Highway Department. Thank you.

STINNER: Thank you, Senator. Next testifier is Commissioner Blomstedt.

MATT BLOMSTEDT: So good afternoon, Chairman Stinner and members of the committee, and thanks for the opportunity to be with you. I'm handing

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out something with a lot more detail than I can go through for you in the-- in the three-minute time frame. But I did want to highlight, obviously, on the education side, there's been a lot of funds that have become available for first schools. And I think knowing Tom Bergquist, well, the wet blanket always does come out relative to those concerns. Schools are in the process actually of identifying both their plans. They've submitted plans to us and we'll be in the process of reviewing those. There are certain key areas that they can use these funds that are really quite important. But we also surveyed the field to find out what the most important things were from, from the schools' perspective, as the state has some, some funds available for us to look at how we can provide some scale for some of these particular areas. So we identified through those processes several key priority, priority areas from the field, comprehensive mental health services being one of those that I know this body has talked a lot about those particular needs across the state. And this was a very important opportunity for us to be able to look for ways that we could expand the types of services and also be thoughtful about what the cliff effect is on that so really thinking about the capacities to provide those services going forward. Family and community engagement just broadly, one of the concerns in the midst of the pandemic was students would kind of fall off the radar, families would fall off the radar. I think it's very important that we bring that engagement back. There's a lot of different ways that we can do that, that I actually think tie to the things that you've been talking about today. Economic development is a big one. Career education is a big, big piece of this puzzle. Workforce engagement is another big piece of this. So there's many different ways, and I just encourage the ongoing creativity around those ways to engage families and communities overall. The professional learning and teacher pipeline, we're very worried about what the future of high-quality educators are and how we bring those to the forefront. And so that will be an area of focus for us as we continue that work from a policy standpoint, but also realizing that these resources will help us try to retain teachers and educators in the field, as well as recruit new ones for the future. And again, that's a very important use, I think, for, for funding when we look at that. Accelerated learning and later this fall, we'll actually have a report on what the COVID impacts were on learning. Nebraska, we should be very, very proud. We returned to school in person better than almost any other state in the nation, and we're actually able to measure some of those impacts because we actually provided a statewide assessment. In the midst of this. I don't-- I don't think there's another state that has done that, or at least not many if there are

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some others. And so we'll be analyzing that data to kind of show what those impacts are. I'm worried about the impacts in literacy. I'm worried about the impacts in mathematics at our earliest grades. I'm worried about the pre-K investments that need to take place. And one key thing is if you think about the three years impacted so far with COVID plus one year of flooding before that, we have kids that have not experienced a normal education environment in their time. And I see I'm at my end. The last point that I have on here and this is on page 4 of that handout, data infrastructure and systems. And I think there's a key opportunity for that type of kind of shovel ready investment right now. So thank you.

STINNER: Thank you. Our next testifier will be Corey Steel, courts. Morning.

COREY STEEL: Good morning, Senator Stinner, members of the Appropriations Committee and Senator Cavanaugh. Thank you for allowing the judicial branch to come and speak on LR178 and LR179. The first thing that I want to touch on is statutorily and constitutionally the courts. During the pandemic, both courts, Probation, and Office of Public Guardian were mandated to stay open and operational during this time frame. So all of our courts, all of our probation services and public guardian services remained operational during the pandemic. We may have looked different. It may have not been the same operation as before, but we remained open and operational and provided all the key services to our stakeholders. The courts were not prepared for the pandemic technologywise. We had some courts in our larger communities, such as Lancaster County is example, where they had some foresight to put technology within their courtrooms to remain open and operational during this time frame. Others were not across the state. Some courts had nothing. Some courts still across the state don't even have a microphone system or speaker system. So we were ill-prepared during the pandemic to continue during the operation. We did the best we could in patchwork the technology across the state in order for our judges to continue to hold hearings, our probation staff to continue to do supervision, and our public guardian staff in order to continue to case manage with that technology. What we have learned is we are still ill-prepared and that patchwork of technology that we put in our system is not the best. We are currently engaged in a project with a company that we are going back and we are going to try to prepare all of our courts across the state with the appropriate technology in case any issue like this should arise again and to allow the new, what we call the new normal to take place within our court system to utilize and enhance what we've learned over the pandemic, to continue with

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some of the technology capabilities with our court system. This does require expansion of broadband. We have-- we have services or we have courts within our state that still cannot use the technology, even if we put it in there because of lack of broadband infrastructure. The other thing that we are facing within the judicial branch is what everybody else is, is staffing issues and staffing concerns. We're currently engaged in a compensation and salary study with-- within our branch with the National Center for State Courts and Gallagher Human Resources Firm. We've instituted a hiring bonus and retention benefit program to continue to try and keep these skilled, effective, and efficient staff within the judicial branch continuing to be able to work. That's one of the big things on the cusp of what we're seeing is continued turnover. The job market is flush right now where you can go get a job at HyVee. You can get a job at Target that pays more than what some of our court staff make. And so we're losing court staff to those. The last thing I want to say is throughout the pandemic and the COVID funds early on that were released, the judicial branch only received under \$400,000 of those COVID dollars. So we really received minimal funding to help us sustain our branch during that time frame. I see I'm out of time, and I want to thank you for what you're doing. And any further questions, feel free to contact me. Thank you.

STINNER: Thank you. Our next testifier is Chamber of Commerce, David Brown and David is representing all the Nebraska chambers.

DAVID BROWN: Good morning.

STINNER: Good morning.

DAVID BROWN: Today is the first time I've had a tie on in a long time, so if I sound choked up, it's because of that. Chairman Stinner, Senators, thank you so much for having me here today. I am David Brown, D-a-v-i-d B-r-o-w-n. I'm the president and CEO of the Greater Omaha Chamber. And I'm appearing today on behalf of our chamber, the Lincoln Chamber, the Nebraska Chamber, the Nebraska Chamber of Commerce executives, and the Nebraska Economic Developers Association. We, all of us, are presented with a remarkable transformational opportunity of funding, one-time funding, in the wake of the COVID-19 pandemic. All of our partners and I have worked hard to identify and prioritize proposals that with targeted investments we believe could lead to generational impacts on Nebraskans going forward. Our recommendations center around four themes. First, business relief and growth; second, workforce; third, diversity, equity and inclusion; and fourth, quality of place. To sustain and expand Nebraska's economy,

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targeted investment in Nebraska's businesses and workers would not only provide immediate assistance to those impacted by the pandemic, but also make a significant and lasting difference in advancing Nebraska's attractiveness as a place to live, work, play, and compete. Because time is so short today, I want to highlight our top priorities, although as just about everybody else, you're going to get a whole bunch of paper that kind of lays out very, very detailed way our proposals and with a lot of details that you all should have I think when you passed out the document for you today. Among our recommendations, we have three top priorities. One, creation of a statewide mega-site strategy for large-scale economic development opportunities and related infrastructure needs. Two, major investment in scaling workforce programs, including statewide expansion of an internship program. Three, additional investment in innovation opportunities to accelerate R&D automation and technology adoption in Nebraska. Additionally, we're supporters of critical needs proposals from other organizations, including the areas of broadband, housing, childcare, healthcare, recreational opportunities, behavioral health expansion, higher education and electrical vehicle infrastructure buildout. You can kind of tell there's a lot of money coming into the state when we can support all kinds of programs like that. A quick word on each of our priorities. Number one, funding for a megasite and related infrastructure investment is an ideal use of these dollars. It's a big swing, something we've never been able to dream could be complete in a single sitting. It's true infrastructure. It drives a significant return on investment and it would be transformational for the state. Second, expanding InternNE and adequately funding it statewide creates the workforce of Nebraska's tomorrow. Think tens of thousands of interns, as opposed to a thousand intern, all with a job at the end that would help retain and attract people to our state. All stakeholders, it's all stakeholders, including business community, K-12, secondary education, and philanthropy are all collaborating on this single proposal to make sure we're refining it further to reflect all of our needs. Third, moving the needle dramatically in Nebraska's favor on R&D investment, automation investments, and technology adoption and will require financial support that accelerate the returns on investment. A one-time, large-scale matching program and additional support for proven innovation programs helps Nebraska businesses pivot more effectively for future growth opportunities. I've gone past my time. Thank you for your interest this morning. If you have any questions, we'll be around. Thank you.

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STINNER: Thank you. The next testifier is President Carter, university systems, and I thank the four chancellors for being here.

TED CARTER: Chairman Stinner and members of the Appropriations Committee, good morning. My name is Ted Carter, T-e-d C-a-r-t-e-r, and I serve as president of the University of Nebraska system. Thank you for allowing me to be with you and thank you to Senator Wishart for introducing LR178 and Senator Cavanaugh for LR179. The funding allocation to Nebraska from the American Rescue Plan Act of 2021 represents a unique opportunity to advance our state's economic growth and quality of life postpandemic, and the university is excited to be part of this conversation. In deciding what we would bring to you for consideration, the chancellors and I agreed on several core principles. Number one, we were not going to bring you back-of-the-envelope concepts. Every item in the document you have before you represents an existing strength and priority of the University of Nebraska: agriculture, rural health, STEM education, cancer research, counterterrorism, these are efforts that we believe are so vital to the future of our state that we intend to pursue every opportunity to bring them to fruition. Number two, only bold ideas with long-term impact in Nebraska would make the cut. We wanted ideas that would still be growing Nebraska 5, 10, and 20 years from now. And number three, we would bring you concepts that only the University of Nebraska would be positioned to deliver for the people of our state. The proposal provided to you today meet our criteria. I wish I could speak to each campus idea in detail, but let me say this right now. I am truly excited about every item on this list. These are once-in-a-lifetime opportunities for the state of Nebraska. For example, Nebraska's workforce data is urgent and clear. We have critical shortages of healthcare professionals, especially in the rural parts of our state. The need for mental health services is acute. A new UNK-UNMC Rural Health Complex would help us educate and retain more healthcare professionals for greater Nebraska. I'm not aware of any other state that has a model like this. If we want to change the trajectory for rural Nebraska, this is how we do it. Agriculture is the foundation of our way of life here in Nebraska. You are likely aware of the major USDA agricultural research facility that is planned for Nebraska Innovation Campus at UNL. We envision a companion facility supported by a public-private partnership that would house additional researchers and ag tech start-up space to solve the pressing challenges facing our most important industry. At UMC, an institute dedicated to pancreatic cancer research has been a longstanding priority. We are on the cusp of breakthroughs, but a

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diagnosis-- a diagnosis of pancreatic cancer is still far too devastating. A new research institute would give hope to those who have to fight this terrible disease. Investments in UNMC's Global Center for Health Security would help us prepare for the next pandemic or whatever public health crisis comes our way. Investments in the Holland Computing Center would greatly expand our IT and computing footprint. Biomechanics where UNO is already a world leader could dramatically grow its research capacity. The National Counterterrorism Research Center established at UNO last year with a historic federal grant could increase its research and collaborative capabilities. Finally, the university enthusiastically supports a proposal that Chambers of Commerce just shared earlier to invest in a new statewide internship initiative. These efforts, done in partnership with philanthropic partners like the Aksarben Foundation, would go a long way toward keeping more talented graduates in our state and growing workforce pipeline. Thank you again, and we look forward to continued discussions on how best to maximize these funds for Nebraska's future. I'd be happy to answer any questions, but I know you're not going to ask me any today.

STINNER: Thank you, President Carter. Next testifier is Paul Turman, state colleges.

PAUL TURMAN: Good morning,--

STINNER: Good morning.

PAUL TURMAN: --Chairman Stinner, members of the committee, Senator Cavanaugh. My name is Paul Turman, that's spelled P-a-u-l T-u-r-m-a-n. I'm the Chancellor of the Nebraska State College System. Certainly appreciate the opportunity to provide some input on how the committee, how the Legislature wants to utilize the ARPA funds that are being provided to Nebraska. What's being distributed is a quick kind of infographic that relays the major points of our requests, the things that certainly align with what it is that the federal government has articulated, similar to what Tom Bergquist has noted. How do we make sure that we can utilize these dollars as wisely as possible? Worked with the presidents at each one of our institutions to identify a wide range of projects, a large number of requests came in, and then our goal was similar to what you said, Senator Stinner, how do we put these together in a way that the committee can begin to articulate and move these forward as a comprehensive bill? What we identified is five primary areas. The vast majority of these at that total request of a roughly about \$44 million hitting air quality, energy efficiency. The

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vast majority coming there, about \$24 million; making the types of investments in some of our infrastructure that allows for ongoing safety and security of our students into the future. Also, investments in IT infrastructure and cybersecurity, certainly, I think one of the things partnership almost a decade ago with the university system and bringing together our two student information systems has created good efficiencies for our system and theirs and doing the same thing on the cybersecurity side, as well as making sure that our campus infrastructures are in place as well. Investments in STEM equipment, knowing that we certainly provide the opportunities for workforce development through our RHOP agreement, making sure that our STEM education, as well as our STEM-based programs have the type of equipment that are necessary to continue to train the workforce of the future. We have a number of critical workforce programs that we've articulated, a Panhandle kind of advantage for a regional training facility, as well as making investments in water and sewer, which is one of the key components that is allowable. One of the things and I'll kind of end with the fact that what we've tried to do with those five areas and prioritizing these requests is making sure that we see the significant long-term return on investment for the state. And we've identified those three areas: either creates long-term reduction in costs for our students and our system, improves workforce and economic development, and then student success and improving that safety. On the back side of the front page handout gives you the list of the programs. But then we have the narrative that are attached with more detail. And within each one of those five areas, we connect it directly to the treasury guidance that is there. And so we also look forward to the opportunity to continue to have some conversations around other degree program opportunities that might exist in partnering with the various partners in the state. And I'd certainly be happy to-- to assist the committee as they continue to have the conversation around this important initiative. So thank you.

STINNER: Thank you very much. Our next testifier is Dr. Leah Barrett, Northeast Community College, representing community colleges. Good morning.

LEAH BARRETT: Good morning, Senator Stinner. Good morning, members of the Appropriations Committee and Senator Cavanaugh. I am Leah Barrett, L-e-a-h B-a-r-r-e-t-t, president of Northeast Community College. As we all know, the primary barrier to economic growth as Nebraska recovers from the pandemic is the lack of a skilled workforce in high demand areas such as healthcare, manufacturing, information technology, and the trades. The Nebraska community colleges are uniquely positioned to

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leverage their dynamic and high-quality technical programs to reskill and upskill underemployed and displaced workers to address the immediate needs of our communities. More than 85 percent of community college students who complete their educational goals stay in Nebraska. Today, we come together to request a significant investment divided evenly between the community colleges to support renovation expansion and equipment purchases, directly supporting H3 jobs in manufacturing, construction, healthcare, information technology, transportation, and related fields. This request builds on the momentum created by the success of the Career Scholarship Program and the continued and growing investment in dual enrollment. The Nebraska community colleges have a tradition of community and regional partnerships to meet industry needs in all counties of our state. Each president has been meeting with leaders throughout their service areas to discuss specific partnerships, and I share a few today. Western Community College partnering with UNMC to develop the Regional Health Care Educational Center for Excellence, providing training for healthcare professionals, including mental health providers. Southeast working with industry leaders for a new facility in Milford to expand its capacity for training opportunities in building construction, HVAC, plumbing, land surveying, electrical and electrical mechanical technology. Northeast partnering with South Sioux City and South Sioux City School District to create facilities to support career academies focused on the trades and the building of a new commercial driver's license training facility, Mid-Plains preparing to renovate a donated facility in McCook to provide nursing, EMT, paramedic, business and industry training for H3 jobs and more dual enrollment in the trades. Central is preparing to create a mechatronics automation training operations in conjunction with industry partners in Schuyler, Grand Island, Kearney, and Holdrege. Additionally, these funds would allow us to advance the following five initiatives: start-up funds to create revolving fund accounts for affordable housing built by high school and college students to address the workforce housing shortages in the state. Investment in equipment and creation of mobile training facilities to address the shortage of commercial truck drivers, meat processors, plumbers, HVAC technicians, electricians, certified nursing assistants, drafting professionals, information technology professionals, and community mental health workers. In collaboration with UNL Extension, start-up funds to support childcare provider partnerships to create new programs that serve as practicum sites for community college students and helping those who need childcare; investment in technology and equipment to support the efforts of Network Nebraska's broadband initiative supporting schools,

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municipalities and libraries; development of partnerships to create enhanced wraparound services for community college students to support mental health, transportation, food insecurities, English language learning and childcare. Unlike the university system and the state colleges, our community colleges are limiting their access to capital funds to the 2 cent property tax levy. These one-time funds provide a once-in-a-lifetime opportunity to support workforce development.

STINNER: Thank you very much.

LEAH BARRETT: Thank you.

STINNER: Our next testifier is Lynn Rex from League of Municipalities. Apparently she's having car problems. Is Lynn here? OK, we'll go on to Jon Cannon, NACO.

JON CANNON: Good morning.

STINNER: Morning,

JON CANNON: Senator Stinner, distinguished members of the Appropriations Committee, my name is John Cannon, J-o-n C-a-n-n-o-n. I am the executive director of the Nebraska Association of County Officials, otherwise known as NACO. And I'm here to testify regarding LR178 and LR179. Senators Wishart and Cavanaugh, we certainly appreciate you bringing these bills forward or these resolutions forward. This is a great conversation for us to have as to how we're going to grow our state and move it forward. The direct allocation that was made to county governments in Nebraska was something a little bit south of the allocation that was made toward the state. However, we think that there are ways that we can complement each other's funding sources and do things that are going to help our state go forward. For county governments, there are four eligible uses. I think they've been touched on already: responding to the public health emergency and its negative economic impacts; providing government services to the extent of a reduction in revenue; making necessary investments in water, sewer, and broadband infrastructure; and providing premium pay for essential employees. Now in Nebraska, since counties are funded primarily by the property tax and property tax receipts were pretty much the same as they were in years past, providing that reduction of revenue is probably a nonstarter as far as eligible uses for county funds. However, the thing that I would like to talk about is making necessary investments in water, sewer, and broadband infrastructure. We've received a number of calls about box

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culverts and those sorts of-- and bridges and those sorts of projects. But primarily, it has been about rural broadband. The census figures, as you know, Senator Wishart, as you mentioned about redistricting, the census figures show that the depopulation of rural Nebraska is continuing a pace it has been for the last 60 years. And it is something where we, if we're going to halt that progression, there are things that we need to do to make our communities, our rural communities more vibrant. And to the extent that rural broadband or broadband infrastructure has been identified as one of the eligible uses, this is certainly a wise investment of, of our combined dollars. And certainly since counties are able to spend their monies on that and the state is as well, what I would suggest is a partnership between cities, counties, and the state in order to leverage our resources as best we can, and certainly so that we're not stepping on each other's toes as we go forward. I am on the yellow light. I have a lot more stuff that I could talk about, but I'll, I'll leave that there and I'd be happy to take any questions either here or off the mike.

STINNER: Thank you very much. Our next testifier will be Anne Hindery, Nonprofit Association of the Midlands.

ANNE HINDERY: Good morning, Chairperson Stinner and members of the committee, Senator Cavanaugh. My name is Anne Hindery, A-n-n-e H-i-n-d-e-r-y. I'm the CEO of the Nonprofit Association of the Midlands or NAM. We're a statewide membership association for nonprofits of all sizes and missions. Thank you for the opportunity to provide input on the use of the funds for ARPA. Since March of 2020, nonprofits have stepped up to ensure that community needs were met and provide needed services. NAM has conducted multiple surveys over the past 18 months to understand how the COVID-19 pandemic has impacted community-based nonprofits, the clients they serve, and identify what community needs still need to be addressed. Additionally, the work of the Nebraska Children's and Families Foundation and the efforts of their community coalitions with input from more than a thousand residents across the state identified issues and concerns to their community playbook. This data spotlighted five primary areas where significant investments are needed: early childhood, food, health, housing, and workforce. Based on this data, NAM hosted three roundtables with hundreds of Nebraskans across the state to gather input and develop-- and develop recommendations in each of these five areas. As a result of these roundtables, draft recommendations were developed, widely shared, and a survey was also shared to gather additional input. Subject matter experts in each of these five areas

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came together to analyze recommendations and as much as possible, prioritize them how-- to determine which might be eligible for funding under ARPA. You'll hear from some of these experts today, and the final draft of recommendations will be shared widely with elected officials and community leaders. We saw common threads among these five groups and how interconnected these five areas are, such as fair and livable wages; the need to improve data quality, collection, and sharing; the need for culturally appropriate services; and the disproportionate impact of the pandemic on people of color. As you determine how best to use ARPA funds to meet community needs, I respectfully request that you keep the following principles in mind. Work with local philanthropic partners such as community foundations and United Ways to distribute funds. Streamline and standardize grant processes with realistic time frames as much as possible. Cover administrative costs. Don't treat nonprofits differently than business. And treat nonprofits as knowledgeable subject partners and subject matter experts, include us in strategy development. Nonprofits are perfectly positioned to maximize public benefits with their deep knowledge of community needs, reach existing relationships, particularly in low-income, underserved, or hard-to-reach populations. These funds offer the opportunity for transformational change in the way services are delivered and needs addressed across our state. ARPA funds should be used not only to meet immediate needs, but identify or transformational change can make an impact on Nebraska's future. Again, thank you for this opportunity to speak with you today, and there's tons of information in a little binder with all that. Thank you.

STINNER: Thank you, Anne. Our next testifier is Annette Dubas and that's NABHO.

ANNETTE DUBAS: Good morning, Senator Stinner,--

STINNER: Morning.

ANNETTE DUBAS: --members of the Appropriations Committee, Senator Cavanaugh. My name is Annette Dubas, A-n-n-e-t-t-e D-u-b-a-s, and I'm the executive director for the Nebraska Association of Behavioral Health Organizations, otherwise known as NABHO. There was a very unified and strong agreement within our healthcare roundtable group that access to care, and especially behavioral healthcare, should be a top priority. We identified the following steps to take-- to take us in that direction. I'll speak to the improving access portion and Dexter Schrodts will follow me talking about workforce. We support

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grants for the expansion of certified community health-- health clinics. These federal grants are very time and resource intensive. A technical assistance grant would allow clinics to leverage federal dollars and submit successful applications by hiring consultants to do needs assessments and evaluate results. Expand school-based behavioral healthcare, integrated pediatric care statewide, create urgent care centers for children's mental health. By creating urgent care centers for children's mental health that includes social work coordinators and schools to impact the social determinants of health; conduct screening and early detection to begin coordination of care; develop a community network with care coordinators in hospitals and clinics; and develop mental health urgent care that would embed mental health access in all primary care pediatric offices across the state. Next, expand the number of long-term acute mental health care beds for both adults and children and youth. Over the last 17 years due to court ordered commitments and other factors, the number of beds available at the Lincoln Regional Center for Individuals on a Board of Mental Health commitment has declined to approximately only 40 to 50 beds, leaving many hospitals struggling with too few beds for patients requiring this important long-term care. Next, create a telehealth grant program developing access points in facilities that people know and trust, like grocery stores, churches and libraries, provides a safe and secure place to obtain physical and behavioral healthcare. These access points would include the necessary Wi-Fi connections and equipment needed. Also, clients who wish to remain in their homes would need assistance with accessing connectivity. Next, launch a marketing campaign for underserved Nebraskans to underser-- understand available services. Nebraskans can't utilize services they aren't aware of, and more are likely to use more costly emergency services if they don't have access to that primary care. Therefore, a health literacy marketing campaign targeted underserved communities, focusing on coverage and culturally appropriate delivery would help people access care without fear. And finally, develop community health center-- community centers, providing a full spectrum of culturally appropriate services such as healthcare, housing and food assistance. Developing community centers in areas where diverse populations live and work will increase access to care among vulnerable populations and explicit purpose funds. Community centers would be developed in a manner that respects cultures, helps individuals navigate services provided by various local and state agencies. We thank you so much for your time and attention today.

STINNER: Thank you. Next testifier, Dex-- Dexter Schrodit [PHONETIC]?

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DEXTER SCHRODT: I'll pronounce it here.

STINNER: Yeah, Dexter, I'm sorry I messed your name up.

DEXTER SCHRODT: Good morning, Chairman Stinner and members of the committee and Senator Cavanaugh. My name is Dexter Schrodt, D-e-x-t-e-r S-c-h-r-o-d-t, vice president advocacy and regulation at the Nebraska Medical Association, testifying on behalf of the healthcare work group together by the Nonprofit Association of Midlands. As Annette mentioned, my focus will be on the funding priorities centered on retaining and growing our healthcare workforce. I'm going to run through a few rather quickly. So if you have any follow-up questions, please reach out. But there's more information on things such as retention bonuses, expansion of graduate medical education programs, and funding for interpreters in healthcare officers in your binders. A strong, resilient workforce is the linchpin for improving access to care and maintaining a strong healthcare workforce system in both urban and rural areas. Last year, this committee appropriated \$3 million over the biennium to the Rural Health Loan Forgiveness Program to eliminate the waiting list of health providers wanting to take advantage of the program. That goal was accomplished. However, I've recently learned that that funding, the leftover funds is almost already spoken for, meaning the waiting lists could soon be back. It's clear, then, that the demand is there for this program, which lets providers out into our rural shortage areas with a service duration commitment. And our hope then is, you know, they grow to love rural Nebraska and they remain there. Currently, there is a local match requirement for this program. We would suggest potentially temporarily suspending that local match requirement in order to make the most efficient use of dollars right now. With the federal money there, it'd be unfortunate if, for example, an ob/gyn did not go out to a rural shortage area just because the locality had no matching funds. The program does not currently include, include registered nurses, which I'm told is requested very often. So a change could be considered to include RNs. However, I would point out that if that change takes place, it would clear-- be clear the program would need even more additional funding to allow for the influx of applications while not taking away the funding from the existing professionals already covered under the program. Similarly, we propose that a scholarship program be established with our community colleges for entry level tech aid and nurse positions with preference to low-income minority students. Many students about to graduate high school do not realize that a good, well-paying job in the healthcare industry is only an associate's

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degree away for some fields. With many of these education programs not being too long in duration, this investment is one that Nebraska's workforce would recognize in only a couple of years. Paired with a marketing campaign to inform high school students and others of potential opportunities, we believe these steps would go a long way to filling these much needed roles on the healthcare team. Finally, we would recommend expanding the work of the Center of Nursing housed at DHHS, which operates in collecting, analyzing, predicting workforce data for the state's nurse population. The center has a predictor software model that can analyze workforce differences across the state's nine economic regions and can adjust depending on class sizes, things like that. Excuse me. So we would propose just expanding that to all health professions so that we can operate with better data. Thank you.

STINNER: Thank you very much, Dexter. Our next testifier is Erin Peachtinger [PHONETIC]. Fichtinger [PHONETIC]. And she represents Together (housing).

ERIN FEICHTINGER: You're not the first one to mispronounce my name, Chairman Stinner, so it's all right. Chairman Stinner, members of the Appropriations Committee, my name is Dr. Erin Feichtinger, E-r-i-n F-e-i-c-h-t-i-n-g-e-r, and I'm the director of advocacy and policy at Together, which is a social service provider in Omaha. I've been asked by the Nonprofit Association of the Midlands to present some of the housing needs that we see as service providers that we feel should be supported by the state's ARPA funding. Our recommendations are to increase the availability of affordable housing and to invest \$40 million in homelessness prevention programs to support their programming and to build their capacities. There are others behind me who will testify to the specific needs related to the availability of affordable housing and how best we should meet that challenge, as well as the necessity of legal services for those facing housing instability and homelessness. The supporting documents from the Nonprofit Association provide more detail on our requests for homelessness prevention services. Using our own organization as an example of the needs we hear from across the state, I'd like to focus here on homelessness prevention, specifically in the following areas: increasing funding for social service organizations providing housing programming and services so that we can continue to address the exponential increase in need and to provide financial support for housing stabilization programs. I do not need to tell any of you, I'm sure, that the pandemic exacerbated existing lingering crises in housing across the state. Our client numbers and caseloads have been

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steadily climbing, but exploded almost immediately in March of 2020. Our crisis engagement program, which provides immediate direct financial assistance for people in crisis on the verge of homelessness, saw calls for assistance climb by nearly 3,500 from 2019 to 2020, and that trend does not appear to be abating. We hired 15 additional staff at significant cost to adequately, adequately staff this program and two noncongregate shelters in hotels that could provide immediate shelter to people and families. In addition, we hired five staff just to receive, review, and process federal emergency rental assistance applications. And our intensive case management program, Horizons, increased its staff by eight in order to meet the growing homeless population. As a consequence, our budget, budget increased from \$4 million in 2019 to a little over \$10 million by 2022. Our experience is not unique. It's echoed by housing service providers from across the state who have had to rapidly increase their individual capacities in response to the increased need for housing assistance and are now having to sustain what we thought was just an emergency capacity as we continue to recover from the pandemic. Increased staff is in direct response to the need for direct housing assistance. As the ERA funding dries up, which it is, it will need to be replaced and supplemented by mortgage assistance and flexible housing problem-solving funds that allow service providers to address the full spectrum of housing needs in our communities. And I'm out of time, but I would just leave you with the idea that if we don't take this opportunity now to invest in the full spectrum of housing needs, that everything else we're going to try to do here is going to falter because self-sufficiency and stability really start at home. And thank you for your consideration and for having this hearing and have a wonderful day.

STINNER: Thank you. Next testifier, Aubrey Mancuso, Voices for Children. Morning.

AUBREY MANCUSO: Good morning. Good morning, Senator Stinner and members of the Appropriations Committee. My name is Aubrey Mancuso, A-u-b-r-e-y M-a-n-c-u-s-o. I'm the executive director of Voices for Children in Nebraska, and I'm here today to talk about the results of the collaborative statewide conversations around early childhood needs. For too long, Nebraska has underinvested in early childhood programs and systems. In some cases, we have prioritized investments that failed to create and sustain the infrastructure needed to establish statewide early childhood access. This is a critical issue for parents and families. Around 76 percent of Nebraska kids under six have all available parents in the workforce, and the early experiences

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kids have in care prepare them for school and life. There's more detail, including dollar amounts, for all of these recommendations in your binder, but I'm going to briefly highlight a couple of them. First, like a lot of other industries, workforce is the top line concern in early childhood. Caring for children is an industry that will always be labor intensive, and for too long, these workers have been underpaid and undervalued. Specific recommendations include providing additional support for licensing and training, continuing to cover the cost of fingerprinting and background checks, which the state did until recently, providing provider retention bonuses. Additional recommendations in this area include more funding for the TEACH program, which provides educational scholarships for providers, and funding for the WAGES program, which helps to supplement the low wages in this industry. Secondly, there are additional improvements that can be made to the Child Care Subsidy Program. Prior to the pandemic and recent changes, this program was serving almost 30,000 children statewide. Recommendations in this area include continuing to bill by enrollment instead of attendance, which the state did for the majority of the pandemic, but stopped recently; increasing provider pay rates temporarily; and providing outreach to ensure that newly eligible families enroll. Thirdly, I will move ahead since I'm running short on time. Investments are also needed in data and technology in this area, and the recommendations include enhancing the Early Childhood Integrated Data System, which provides cross-program data to inform policies in programming, and enhancing the Nebraska Early high-- or Early Childhood Professional Records System, which is an online clearinghouse for training and professional development. In addition, funding is needed to sustain and support the Child Care Referral Network, which helps families search online for licensed providers. And finally, and we didn't come up with a specific dollar recommendation this amount, but there were a lot of conversations about the need to expand early home visiting services. So we hope that's something that the Legislature will keep in mind in the long term. There are several ways that the federal dollars can be used to support and sustain the critical early childhood infrastructure that helps kids and ensures parents can work, and we hope the committee will take some of these opportunities. I'm happy to answer questions outside of this process.

STINNER: Thank you very much, Aubrey. Next testifier is Brian Barks.

BRIAN BARKS: Good morning.

STINNER: Morning.

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BRIAN BARKS: Chairman Stinner and members of the committee, my name is Brian Barks, B-r-i-a-n B-a-r-k-s. I am the president and CEO of Food Bank for the Heartland in Omaha. Food Bank for the Heartland partners with nearly 500 pantries, schools, and other nonprofit organizations to distribute food to families seeking food assistance in 77 of Nebraska's counties and also 16 in Iowa. I thank you for this opportunity to speak to you on LR178 and representing the food security roundtable of the Nonprofit Association of the Midlands. The COVID-19 pandemic created an unprecedented need for food assistance. Following the Great Recession, it took 10 years for the total number of food insecure people in Nebraska to drop to pre-Great Recession levels. Please know the impact of the pandemic on food insecurity far exceeds the Great Recession. Food insecurity is not isolated to one community or one part of town. It exists in urban, suburban, and rural areas. Providers across the state continue to see record numbers of individuals and families needing food throughout Nebraska. Food Bank for the Heartland, for example, distributed 25 million pounds of food between January and August of 2021. That compares to 17 million during the same time period in 2020. The food bank's monthly food purchase budget of \$80,000 before COVID is now \$780,000 a month. According to the U.S. Census Bureau, approximately 8 percent of Nebraskans, or 103,000 adults, reported that their households do not have enough food to eat. And 9 percent of adults living with children, or about 45,000 adults, reported their children are not needing-- are not eating enough because the household cannot afford enough food as of September 2021. The recommendation presented today support the concept of transforming the state's food distribution system. The goal is to shorten the line for food, not just serve the line for food. The recommendations include support nonprofits addressing food needs by providing food and supporting labor, delivery, and infrastructure costs. Establish a centralized database collecting information regarding food insecure Nebraskans, enabling hunger relief organizations to better serve neighbors. Offer food innovation grants to create an equitable, resilient, and sustainable food system. And support and expand Double Up Food Bucks to increase capacity to offer fresh food. In March of 2020, at the outset of the pandemic, food insecurity became a front burner issue, garnering national attention. Eighteen months later, it remains a critical issue, requiring action and attention. I thank you for this opportunity to speak with you and happy to answer any questions down the road. Thank you.

STINNER: Thank you, Brian. Next testifier is Sara Riffel. I hope that's right.

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SARA RIFFEL: Yes.

STINNER: The Women's Fund. Oh, I'm sorry, Nebraska Children and Families Foundation, sorry.

SARA RIFFEL: That's OK.

STINNER: That's what I get for picking this up and moving it.

SARA RIFFEL: Good afternoon and members of the Appropriations Committee. My name is Sara Riffel, spelled S-a-r-a R-i-f-f-e-l. I feel I live in Omaha, Nebraska, and I'm the vice president of the Connected Youth Initiative at Nebraska Children and Families Foundation. Thank you for the opportunity to provide input regarding funds from the federal American Rescue Plan Act. As a participant in the workforce stakeholder subgroup of the Nonprofit Association of the Midlands' efforts, my testimony today reflects the recommendations from the stakeholders of that workforce subgroup. Nebraska must create terms for equitable economic recovery that benefits everyone, including broadening the talent pool, reducing talent drain, and strengthening the pipeline for the workforce. The subgroup respectfully makes the following recommendations for the use of ARPA funds to the state of Nebraska. Number one, use ARPA to fund the one-time administrative costs associated with the development of a paid family and medical leave insurance program. A system of paid leave insurance is a critical investment in our workforce infrastructure, providing businesses a tool to support workers as they struggle to meet the needs of their families while maintaining their responsibility to their job and the workforce. Number two, use RPA to fund a committee to study and analyze the relief available to the state of Nebraska, its citizens, and businesses. This proposed study will be used to identify and prioritize the workforce and continuing education needs of the state of Nebraska, its citizens, and businesses for the application of available relief. Number three, use ARPA to fund a Nebraska Connected Youth Fund for the state's youngest and most disconnected workers, aged 14 to 27, entering the workforce for the first time, or upskilling to reenter the workforce. In 2019, 14 percent of young adults aged 18 to 24 were reported to be neither in school nor work. However, the pandemic increased that disconnection rate to over 25 percent. Proposed strategies for Nebraska's young people include a scholarship program in low-wage frontline industries, industries deemed essential during the pandemic and careers in high-wage, high-demand, high-skilled industries; increased funding to existing youth employment programs; funds for existing statewide

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transition-aged youth coaching and navigation services; funding for driver's education and licensing as a critical employment credential; and a new employment tax credit for taxpayers who employ qualified foster youth and former foster youth. Number four, use ARPA to fund certificate and educational assistance to all Nebraskans, which will fill the high-wage, high-demand, high-skilled career needs in the state through the development of an educational fund for the highest need employment areas in Nebraska, including certified nursing assistants, registered nursing, and information technology. And number five, create a tax incentive for employers to provide tuition reimbursement in high-wage, high-demand, and high-skill industries. Nebraska must invest in our own human capital to meet the demands of these critical industries, generate new jobs, revitalize our state's distressed communities, and support Nebraska's most underrepresented workforce. Thank you for your time today.

STINNER: Thank you, Sara. Next testifier is Tiffany Joekel, Women's Fund.

TIFFANY JOEKEL: Good morning, Chairperson Stinner, members of the Appropriations Committee and Senator Cavanaugh. Thank you for having me today. My name is Tiffany Joekel, T-i-f-f-a-n-y J-o-e-k-e-l, and I'm research and policy director at the Women's Fund of Omaha. I'm here today to respectfully encourage this Legislature and policymakers in Nebraska to use this historic influx of federal funds to make a critical investment in our workforce, and that is through a system of paid family and medical leave insurance. That vehicle and opportunity exists in LB290 sitting on General File awaiting your debate in January. I think that is a bold and-- this would be a bold investment in our workforce. We've heard lots of really brilliant ideas about how to address the workplace shortage. But I think if we've learned anything from COVID, it's that if we don't support the caregiving needs of our workforce, we can train our workforce all we want, but they need a safe place to leave their kids while they go to work. And what we have seen in COVID is a tremendous impact on women in the workforce. At the beginning of December 2020, almost half of available women were at work. By the end of 2020, that was down to 44 percent. That represents tens of thousands of women who left the workforce. Now, some of that was job loss because industries disproportionately represented with women were hit hardest by the pandemic: tourism, education, childcare, hospitality, service industries. But also, this is a very clear result of many workers being forced to choose between the caregiving needs of their families and their commitment and responsibility to their jobs. And what we see is that when they're

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forced to choose, they often choose their family. Many women had to choose to provide care when day cares closed, choose to be home with their kids when schools were not open and available to provide that safe place for kids to be. And so paid leave is a very proven policy that would provide and support work-- workplace retention and recruitment. I think it's important to note that this, yes, there are good employers across our state that already provide this benefit, and there are good employers who may not have a benefit on the books but certainly do work with their employees to meet their needs. But I think what we saw during the pandemic is that system is insufficient. And so a system of paid family and medical leave insurance, as proposed in LB290, would provide an opportunity for all businesses and all workers to access that benefit. This helps small businesses compete with large businesses in offering this critical benefit. And it also will have a tremendous impact for workplace retention and recruitment. So I would encourage this committee and policymakers in our state to think boldly. Let's make Nebraska the best place to work and raise a family by creating a system that supports all workers and all employers. Thank you.

STINNER: Thank you, Tiffany. Next testifier will be Jeremy Nordquist, Nebraska Medicine.

JEREMY NORDQUIST: Good morning, Chairman Stinner and members of the esteemed Appropriations Committee. I am Jeremy Nordquist, J-e-r-e-m-y N-o-r-d-q-u-i-s-t, government affairs director for Nebraska Medicine, testifying today on behalf of a coalition of Nebraska's healthcare providers. We have been meeting for months to develop shared priorities to bring to you today. Our working group includes the Hospital Association, Medical Association, Nursing Association, Association of Behavioral Health Organizations, Association of Regional Administrators, Health Center Association of Nebraska, Friends of Public Health, Bryan Health, CHI Health, Children's Hospital and Medical Center, Nebraska Medicine, and Nemaha County Hospital. In addition to my testimony, I am submitting letters on behalf of NHA, CHI, and HCAN. Our organizations believe we need to make key investments in Nebraska's healthcare system to resoundingly defeat COVID, rebuild our healthcare workforce, and come out of the pandemic with a stronger healthcare system that is better equipped to meet the physical and behavioral health needs of all Nebraskans. We have six goals and our priorities before you. First, we must give Nebraska's healthcare providers the support they need to overcome COVID. At this very moment, many of our hospitals in Nebraska are at or near capacity. We do not know what lies ahead with COVID. It would be

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prudent to hold some of the ARPA funds in reserve to meet potential staffing, testing, vaccination needs, as well as helping providers with lost revenue if services are shut down. We must also make sure our healthcare heroes have the health, the mental health support they need during and after COVID, so they can continue healing us. Second, we must invest in retaining and strengthening Nebraska's healthcare workforce. We cannot continue to lose our current workforce at high rates, so we need retention incentives. Going forward, scholarships, loan forgiveness, and expansion grants for GME and nursing programs will help build up our depleted workforce. We should also invest in K-12 pipeline programs and rural healthcare workforce housing. Nebraska must expand the reach of behavioral health services across our state. Chairman Stinner is doing an outstanding job putting together a plan under LR143, and we support that work. Additional funding for adult and pediatric acute care beds, pediatric urgent behavioral health centers, and community behavioral health clinics is desperately needed. We must bolster our healthcare infrastructure by investing in telehealth technology in underserved communities and get rural emergency services the training and equipment they need. Rescue Act funds present us with the chance to think outside the box. We suggest creating competitive grants to pilot new care delivery concepts that have the potential to reduce costs and extend care. Finally, we must improve our public health data system so providers, the public, and the state have timely access to information that can save lives and improve health. I look forward to continuing this discussion with you.

STINNER: Thank you, Senator Nordquist. I thought I saw my good friend Lynn Rex, who was actually number 14 on our program, but number one in our hearts.

LYNN REX: Thank you, as you are in mine. Senator Stinner, members of the committee, my name is Lynn Rex, L-y-n-n R-e-x, representing the League of Nebraska Municipalities. Thank you for the opportunity to be here today. Municipalities in the state of Nebraska that are not entitlement units, which would be all municipalities, all 529 minus Omaha, Lincoln, Bellevue, and Grand Island. They receive their funds directly from the ARP Act The other cities receive theirs through the state of Nebraska. And I do want to take this opportunity to thank the Governor's Office, Phil Olson and others, for the great work they've done in helping municipalities access those funds and the patience with which they have used to try to help municipalities navigate through that process. That being said, please note that of the four reasons for which ARP Act funds can be used, three of the four have to

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be COVID related, for example, loss of revenue. That's got to be COVID related. So the arena cities: Ralston, Lincoln, Omaha can certainly use those funds to offset revenue losses, as do other cities with those types of exposures. The one that does not have the requirement that it be COVID related is for water, sewer, and broadband. Most of our small municipalities across the state are in fact using it for that purpose because we have such a deficit of infrastructure across the state, a huge deficit. And so in any event, that's one of the most important things I wanted to bring to your attention. But in terms of how state funds could be used and in our view, should be used, it comes to the issue of first and foremost, affordable housing and workforce housing. That need is across the state. I know you've done significant work in this. Senator Stinner, you have for sure, Senator Williams, this committee has, but there's more work that needs to be done. We are going to be promoting one of the programs at DED, only to then realize that, in fact, that pro-- that funding is gone in a year. So it's extremely important because one of the things we always talk about is making sure we can build a workforce. You cannot build a workforce if you don't have affordable housing or workforce housing. One has to have a place to basically locate in a safe place in something that's going to be affordable for them. Secondly, I think it's extremely important to look at the issue of not just affordable housing, but also broadband. If there's any silver lining, sad as it is, to COVID, it is the acute understanding of the lack of broadband across the state of Nebraska. Thanks to your-- to this committee and to the Legislature, to the Governor for appropriating more funds on broadband. But there is so much more that needs to be done. And in order for cities to be an effective partner, cities and villages, there has to be an elimination of some of the barriers to municipal participation as an effective partner. And as we all know, 25/3 is a nonevent. I mean, if you have 25/3, you might as well, in my view, not even have it. So it's really, really important. We have some parts of the state that don't even have that. It's extremely important to have broadband; because as we heard from some of the other testifiers, telemedicine, tele this, tele that, well, that's great. But if you don't have effective broadband, it doesn't matter. I'd be happy to answer any questions, I hope you have a couple. Thank you very much for your opportunity today to speak to you.

STINNER: We'll allocate some money for your car, a new car. How's that?

LYNN REX: That would be good.

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STINNER: Maybe we'll talk to the League. I don't think I can use state funds for that. Anyhow, thank you.

LYNN REX: Yes. Thank you.

STINNER: Next testifier is Daysha Kruse [PHONETIC]. That's not Daysha.

RYAN STANTON: Yeah, not Daysha. She submitted my name for testimony.

STINNER: OK.

RYAN STANTON: Good morning, Chairman Stinner and members of the Appropriations Committee. My name is not Daysha, it's Ryan Stanton, that's spelled R-y-a-n S-t-a-n-t-o-n, and I'm the CEO of Compass in Kearney. I represent the Nebraska Alliance of Family and Child Service Providers. We're an association of seven providers who individually contract with DHHS to provide child welfare services such as family support, supervised visitation, and other services, as well as travel time. Our services are paid through Program 354 in the DHHS budget. Together, we serve over 5,400 families in more than 60 Nebraska counties outside of the Eastern Service area, and we have a combined 120 years of service to Nebraska's children and families. In addition, our 385 employees drive over 3.5 million miles annually to ensure children and families receive the services they need. We need your help. Like many other sectors of the economy, we providers are struggling to find employees to serve our clients. Compared to January 2020, just before the pandemic hit Nebraska, the seven providers in our organization, we now employ 30 percent fewer employees. We receive 40 percent fewer applications for open positions, and we have experienced a 50 percent increase in turnover for positions that already had high turnover. Meanwhile, the number of families needing services has stayed the same or increased, and because of the pandemic, many of the cases we're seeing are more challenging than ever. The numbers I share with you tell a story of a workforce that isn't as educated, not as experienced and compared-- as compared to the most recent past. The job of a family support and visitation worker is emotionally taxing, the hours are unpredictable, and the conditions can be unpleasant and the pay isn't competitive. We've all experienced a large number of employees leave for other service-oriented jobs that start out paying \$17 or \$18 an hour or even more. We're only able to start paying approximately \$15 an hour for professionals with a bachelor's degree. You may remember that between 2010 and 2018, we did not receive a rate increase and only beginning in July 1 of 2019 that we received a 2 percent increase each of the

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last three years, and that's which we are grateful for. However, the state has put us in a position where we're not able to financially adequately address the circumstances that we're facing, and it's impacting thousands of vulnerable families. To put this in perspective, we've seen the U.S. inflation rate go up roughly 26 percent since 2010; and in the same time frame, DHHS has only increased our service rates a mere 6 percent. So without a change, the providers in our organization have to reallocate personnel to other programs and services that aren't a drain on our bottom line. Because this crisis isn't on the front page of the newspaper, it doesn't mean it doesn't exist. So please understand the crisis in your child welfare system extends far beyond the boundaries of Douglas and Sarpy County. It's in each one of your districts. So we're requesting Rescue Act dollars to be used to fund a one-time direct stabilization payment to child welfare service providers outside of the Eastern Service Area for 15 percent of the contracted amount between the provider and DHHS for the contract that began July 1 of 2021. And we've provided additional documentation that's in your notebooks. Thank you for your time.

STINNER: Thank you, Ryan. Our next testifier is Sarah Curry from Platte Institute. Morning, Sarah.

SARAH CURRY: Good morning. My name is Sarah Curry. S-a-r-a-h C-u-r-r-y, and I'm the policy director at the Platts Institute. I appreciate the invitation to testify before you today. Overall, the Platte Institute's philosophy for the use of these funds is not to grow government in a way that will burden future taxpayers or put a strain on the state's existing revenues. The principles for using this federal money, in our opinion, need to include spending projects that are temporary with defined details and end dates, as well as spending should be transparent for taxpayers so that government expenditures can be examined, understood, and their necessity evaluated. One area of concern for us is the impact on Nebraska's local governments. Many of our smaller local governments do not have the financial infrastructure or knowledge on how to properly account and handle the large sum of money that they've received. The U.S. Treasury guidance has specifically stated proper accounting of these funds will be required for all units of government. Last year, there was a bill passed that required education and training for clerks and treasurers. After talking with the State Auditor's Office, we believe that providing grant money to local entities that need assistance with special education for clerks and treasurers on how to handle these financial records, including audits, basic financials and budgeting

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would be a wise use of these funds to avoid future issues. A second use of these funds, which is permitted, is to study a change to the state's education finance formula. The current finance formula, TEEOSA, was created in 1990 over 30 years ago. The interim LR141 was introduced to conduct an in-depth study of the financing of public and elementary schools in the state. While the study is currently in progress, should future research or a more extensive review be needed, ARPA funds are allowed to be used for this purpose. A third option is to hold on to the second ARPA payment coming in spring or May 2022 and place it into a special account and wait for the updated Treasury guidance and the courts to determine whether any additional uses of the funds are allowed. There's been a lot of confusion about the impact ARPA funds can have on potential tax or fiscal policy changes at the state level. In total, there have been six lawsuits filed to challenge the ARPA ban on state tax cuts. To date, two judges have invalidated the provision, while two other decisions upheld the law and are being appealed. What this means is it will ultimately be decided in the courts, and a resolution has not been determined. Potentially, a future court ruling may enable Nebraska to make more flexible use of the funds, such as putting the remaining mon-- remaining money into the rainy day fund to offset a future recession that would put Nebraska in a much more secure fiscal position in case commodity prices drop again, inflation continues to increase, or we experience a national recession. Waiting to earmark any additional money allows this committee to make the best decision for Nebraska with all the options on the table. Thank you.

STINNER: Thank you, Sarah. I do not have the next testifier.

WISHART: So the next testifier is Jason Prokop.

STINNER: OK. Next, testifier is Jason Prokop, First Five.

JASON PROKOP: Good morning.

STINNER: Morning.

JASON PROKOP: Chairman Stinner and members of the Appropriations Committee, I appreciate the opportunity to speak with you today. My name is Jason Prokop, spelled J-a-s-o-n P-r-o-k-o-p. I'm offering testimony on LR178 and LR179 in my capacity as director of First Five Nebraska, a nonpartisan early childhood public policy organization focused on promoting high-quality early care and learning experiences for our state's youngest children and economic opportunity for all

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Nebraskans. I'd like to thank Senator Wishart and Senator Cavanaugh for introducing these interim studies to allow for comment on using funds made available to our state through the American Rescue Plan Act of 2021. Nebraska's childcare workforce is essential to the state's economy and serves as a linchpin in both our continuing recovery from the pandemic and as part of a longer term economic growth strategy. Access to affordable, high-quality childcare enables more of Nebraska's parents to participate gainfully in the workforce and broadens a talent pool available to Nebraska's employers statewide. However, the childcare industry itself was one of the hardest hit by the pandemic, which amplified fundamental weaknesses in our state's early childhood infrastructure. These weaknesses largely stem from low levels of compensation and a lack of professional and financial supports necessary to make early childhood education a rewarding career path, ensure the operational viability of quality child care programs. These obstacles have led to a significant attrition in our state's early childhood workforce. This corresponds to a widening gap between the number of childcare spots available and the number of children ages to zero five-- to ages zero to five years old, who would potentially need care if their parents were to return to the workforce. Prior to the pandemic, the gap between the number of childcare spots available and number of children ages zero to five who potentially need care was 12.3 percent in metropolitan areas and 30.4 percent in rural areas, for a statewide total of 20,740 children below kindergarten age. Since then, the number of licensed childcare providers has decreased by 7.4 percent as of September 2021. We must take urgent steps to first stabilize, then sustain our early childhood infrastructure if we are to avoid cascading losses to Nebraska's economy, marketability, and overall quality of life. Over the past several months, First Five Nebraska has gathered input from childcare professionals and related stakeholders on the best use of ARPA funds to shore up early child-- early childhood systems. Our analysis clearly indicates that any solutions must begin and end with childcare workers, and we must prioritize recruiting, training, and retaining our professional early childhood workforce. Attached to the testimony I've offered today, First Five Nebraska has provided a brief with recommended uses for ARPA funds that we believe will not just result in supporting the early childhood workforce, but all working parents in Nebraska. We look forward to continuing to be a resource to the Legislature on the strategic uses of ARPA funds and the care and development of our youngest children to better support the social and economic vitality of Nebraska as a whole. Chairman Stinner, thank you

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for your enduring support of early childhood education in Nebraska and for the opportunity to offer our perspectives to the committee.

STINNER: Thank you. Our next testifier is Alana Schriver, NASP.

ALANA SCHRIVER: Good morning, Chairman Stinner, members of the committee.

STINNER: Morning.

ALANA SCHRIVER: My name is Alana Schriver, A-l-a-n-a S-c-h-r-i-v-e-r, and I've stepped into Senate-- Senator Vargas's former role as executive director of NASP, which is a statewide association of developmental disability service providers. We employ thousands of people across the state and serve thousands more. As you know, there are currently over 3,000 people with disabilities on the state's waiting list. This is not because providers are at physical capacity, but rather because providers are unable to maintain the necessary staffing levels that ensure safety, while also providing high-quality care. Providers would love nothing more than to serve more people. It's mutually beneficial to do so, but the pandemic has created a situation in which providers are being forced to turn down not only new referrals, but send notice to people currently in services that they're no longer able to meet their needs. According to a national survey, 77 percent of providers are turning away new referrals; 58 percent of providers are discontinuing services; and 92 percent of providers report the pandemic continues to complicate their ability to recruit and retain workers. The pandemic has created a job market in which providers are forced to compete with industries that have the luxury of adjusting their hours or raising their prices to mitigate staffing challenges. Disability services cannot do the same. Our rates are dependent upon the state and Medicaid. Only you have the power to make us more competitive employers who can attract a sufficient workforce that meets the needs of our communities' most vulnerable individuals, including my own son. A lack of staff does not mean community needs can simply be put on hold. So far, we've been lucky in that upper management levels have been willing and able to step in. We even have presidents of agencies taking overnight shifts. Other states have not been so lucky. They've been forced to drop people off in emergency rooms to ensure that they're not left alone, a cost that must also be covered by Medicaid, but at a much higher rate. Some states are calling in the National Guard to stay in group homes. I know you do not want to see Nebraska resort to such drastic measures, but that is the path we're on. You have the power to change this

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trajectory. ARPA funding can and should be used towards hiring, retaining, and training desperately needed direct support professionals. Factoring in turnover rates, the true cost of onboarding just one new employee is approximately \$6,000. Without financial support and intervention, more and more providers will be forced to close their doors. Please help us help others by allocating ARPA funding towards expanding the direct support workforce in developmental disability services. On the handout, I've also included a comparison of how other states are using ARPA funding to support disability services. Thank you for your time.

STINNER: Thank you. Our next testifier is Edison McDonald, Arc.

_____: He's on his way.

STINNER: He's on his way. OK. Do we have Milo Mumgaard, Legal Aid?

MILO MUMGAARD: Morning, Senator Stinner, Senator Wishart, committee. My name is Milo Mumgaard, and I'm the executive director of Legal Aid of Nebraska, which is a statewide legal services provider for low-income individuals across the state. We have seven offices. We have over almost 60 attorneys. We have a very deep pool of activity and I'm here today on behalf of the organizations that-- and additionally in greater Nebraska, that represent low-income individuals in civil legal assistance issues. We're here today to ask that civil legal assistance be part of the package that is determined for the use of ARPA funding, given that we are working with Nebraska's disproportionately and negatively impacted households, individuals, and communities, which is a primary purpose of the American Rescue Plan and the state fiscal recovery funds. So we would ask that funding be directed into the existing Legal Aid and Services Fund, which supports in part the Legal Aid, Legal Aid activities, as well as about a dozen other organizations across the state. In this way, this would support targeted and statewide direct civil legal assistance to Nebraska households, individuals, and communities that have been most disproportionately negatively impacted. Just real briefly, what are some of the key legal problems that we have seen over the last year and a half that have been exacerbated and compounded by the pandemic? And they, of course, include, as you would imagine, loss of employment, inadequate income, unstable housing or homelessness, evictions, of course, food insecurity, mental health and/or substance abuse, overwhelming debt, and intimate partner violence. And so the clients that our organizations see and Legal Aid in particular sees are, of course, low-income victims of domestic violence, households

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with children that are facing evictions by the thousands. Legal Aid in the last year has worked on over four thou-- over several thousand evictions, veterans seeking needed benefits, essential workers experiencing healthcare challenges, disabled individuals with limited options, and of course, many other civil legal needs that are considered safety net needs. Now our idea is that the use of the ARPA funding is very effectively used by turning to an existing program, the Legal Aid and Services Fund, which is a filing fee program that, that was established by the Legislature about 25 years ago. By putting funding into that program, you'd be able to have very quick and speedy and statewide distribution of that funding through a competitive and open process the Nebraska Commission of Public Advocacy already uses to distribute Legal Aid and services funding. And in this way, you'd be able to ensure that there's statewide coverage of this additional civil legal assistance that the problems of the clients that I've just described would be able to be served very quickly and very responsibly by the organizations that are able to provide legal services. Obviously, Legal Aid is a-- is the backbone to all of this, and therefore I'm here to to once again ask that this funding be directed in that direction. But of course, there are many other organizations, and I've listed those here as well, that are participants and do provide some level of legal assistance. Now what's the nature of that legal assistance? It would come not just in direct legal representation, but also come in the form of mediation services. Mediation is very much a part of our work, collaborative prevention and eviction diversion, as well as working with the judiciary, the bar, the tribes, and other community organizations around the state. So with that, I'm happy to ask that that funding be directed into the Legal Aid and Services Fund. Thank you.

STINNER: Thank you, Milo. Our next testifier is Laura McDougall if she is here.

KOLTERMAN: She is running late.

STINNER: She's on her way. OK, then we'll move down to David Jankowsky, CEO, Francis Energy.

DAVID JANKOWSKY: Good morning.

STINNER: Morning.

DAVID JANKOWSKY: Members of the Appropriations Committee, my name is David Jankowsky, D-a-v-i-d J-a-n-k-o-w-s-k-y. I am the founder and CEO

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of Francis Energy. We own and operate fast charging stations for electric vehicles. These are public stations that are capable of charging cars in minutes and not hours. As you heard from David Brown, president of the Omaha Chamber, public EV charging infrastructure is a priority included in the Nebraska Chambers of Commerce recommendations for ARPA funding. The electrification of transportation is inevitable. Detroit has already made this decision for American consumers. There are billions of dollars going into battery storage technologies for cars and also for the cars themselves. We are seeing in the news the announcement of Ford F-150s being all electric. We're seeing and hopefully soon to be announced Chevy Silverado and other light-duty trucks going all electric. And this is going to happen very soon and these cars will be hitting the roads very soon. So why are these American car companies and why are startups building electric cars? As compared to combustion engine vehicles, these cars are quite simply faster and they're cheaper to own and operate. In fact, in just a few years, these cars will be at price parity without government subsidy, importantly, with their combustion engine counterpart. Without public infrastructure for direct current fast charging in every community across the state of Nebraska, in rural and in underserved communities, Nebraska will not be in a position to capture this multibillion-dollar electrification market that is transforming the way Americans will drive across this country for at least a generation to come. Without this public infrastructure, corporations that are converting their commercial fleets to electric and will continue to do so with great rapidity, there is no way that we will be able to capture those drivers using Nebraska roads for interstate commerce. Without public infrastructure, companies, including companies that are very big and large today, and startup companies engaged in batteries, car parts, software, and other STEM jobs, those jobs will not be created in Nebraska without this public infrastructure. So for those reasons and many others, we encourage the committee to consider making this one-time investment in public energy infrastructure. And I thank you so much for your time.

STINNER: Thank you, David. Next testifier is Cindy Kadavy.

KOLTERMAN: John, Laura's here.

CINDY KADAVY: Good morning.

STINNER: Good morning.

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CINDY KADAVY: Good morning, Chairman Stinner and members of the committee, Senator Cavanaugh. My name is Cindy Kadavy, C-i-n-d-y K-a-d-a-v-y, and I represent Nebraska Health Care Association and our 468 proprietary and nonprofit skilled nursing facilities and assisted living communities across the state. In an effort to be respectful of your time, where support-- we are submitting a joint proposal with LeadingAge. LeadingAge Nebraska represents a nonprofit continuum of providers of senior care services. Throughout the pandemic, our long-term care facilities have cared for those most at risk from this virus, most at risk of severe illness of hospitalization and death. And our providers have learned along with us all how that virus works. Initially, they spent time cleaning everyone's mail because it was thought it was transmitted by surfaces. Many years ago, we learned that cholera was transmitted by water and discovered that only-- the way to control cholera was to clean up the water systems. So our proposal is focused on cleaning up the air systems in our facilities, because that's the way COVID and possibly future viruses will be transmitted. So our proposal, which you have in front of you and which we've shared with the administration, is focused on cleaning up these air systems in long-term care. Our request for funding is really for three things. One, to train direct caregivers on best practices in infection control and prevention, to enhance their knowledge and skills into the future. Second, to train building staff to assess, monitor and maintain those air systems. And three, to really upgrade those air systems within long-term care facilities by making infrastructure changes like upgrading the HVAC systems, making building modifications or adding air filtration equipment. We understand this is a significant request, but our facilities do take care of those Nebraskans most vulnerable to these viruses, and we feel like this money would be an investment in providing them a safe future. Thank you for your time.

STINNER: Thank you, Cindy. We will now hear from Laura, Laura McDougall, of Four Corners public health department.

LAURA McDOUGALL: Chairperson Stinner and members of the Appropriations Committee, my name is Laura McDougall, L-a-u-r-a M-c-D-o-u-g-a-l-l. I'm the health director at the Four Corners Health Department. I'm here today to testify in regard to LR178 and LR179 on behalf of the Friends of Public Health in Nebraska. We are grateful to Senator Wishart and Senator Cavanaugh for introducing these studies, and grateful to the committee for your time today. The COVID-19 pandemic has put a bright light on all of our local public health departments across the state, and it has been incredibly challenging the last two

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years, to say the least. The local public health response has been critical. Emergency funding has allowed us to access basic resources we have needed to carry out local public health responsibilities. The pandemic has clearly demonstrated the leadership role that the local public health departments have in convening the health systems and community to implement strategies in response to local needs. In review of ARPA guidance to date, it is clear that public health needs and public health funding are listed as a priority in documents you see related to ARPA. However, just to be clear, local public health departments, even though identified as a priority, are not receiving any direct funding through ARPA. Each of our local public health departments has different needs and requests. All of our 18 local public health departments have reached out to counties within our districts to inquire about the local ARPA funding and how we can partner together. In some counties, there appears to be support of funding of health departments, but in many counties there appears to be different priorities for use of the local ARPA funds. We wanted to share this information with the Appropriations Committee because there will certainly be expectations of the local public health departments in the coming months and coming years to respond to public health emergent needs, such as COVID-19 vaccination efforts, contact tracing, data systems, personal protective equipment purchase and storage, and many other responsibilities. We would like to partner with the committee to utilize ARPA funding from the state share to meet the community's public health needs. The exact dollar amount that is needed for a continued response and to reinforce existing infrastructure is difficult to state until we have a commitment from the counties who will prioritize funding for the local public health response. With that said, an amount of up to \$35 million is needed to address the local public health pandemic response. This would be, for example, for testing, staffing, vaccination pushes and data systems. We are available to meet with the committee to further detail those needs. Thank you, Appropriations Committee.

STINNER: Thank you very much. Is Edison McDonald here? No, Edison yet. OK, we'll go on to Petra Walz-- you're going to have to say it. But anyhow, this is Nebraskans for the Arts.

PETRA WAHLQVIST: Thank you. Good morning, Chairman Stinner, members of the Appropriations Committee and Senator Cavanaugh. My name is Petra Wahlqvist, P-e-t-r-a W-a-h-l-q-v-i-s-t, and I'm the executive director of Nebraskans for the Arts. And Nebraskans for the Arts is a statewide organization of artists, educators, businesses and individuals committed to advancing opportunities in the arts to improve the lives

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and learning of all Nebraskans. And I'm here today to request that American Rescue Plan funds be allocated towards the Shovel-Ready Capital Recovery and Investment Act, LB566. As Senator McDonnell said, between July 1 and the July 15 deadline earlier this year, 125 Nebraska nonprofits applied for nearly \$335 million in support for shovel-ready projects that had been delayed due to COVID-19. The applicant organizations span the state and include arts, cultural and sports venues in communities of all sizes. It's a testament to the sometimes overlooked economic engine that nonprofit organizations provide in Nebraska's economy. As we heard earlier, these applicant organizations are still waiting to hear if their shovel-ready grants are approved, as they need to raise at least as much as their potential grant from private sources by the end of the year. It makes fundraising more challenging. Organizations don't know how much they need to fundraise, and they can't show the grant as a match for private dollars. Some organizations have chosen to start construction during the waiting period, as otherwise they would lose their architect and contractor to another project. However, as Senator McDonnell said, this is a very exciting opportunity. If granted, these projects will provide huge positive economic impact to their communities and quickly. They will create jobs through construction through new positions at these establishments and, of course, by bringing people out to events at the venues. This, in turn, will lead to other spending, including at restaurants, which is another industry heavily impacted by the pandemic. The new creative district program, which is funded and in place, will further enhance the impact of these funds. Allocating funds towards the Shovel-Ready Capital Recovery and Investment Act is the perfect fit for ARPA funds. The match that's required for each project doubles the impact of these funds at least, and the more of the 125 waiting projects that can be funded, the more economic recovery we will see all across our state, not to mention the other amazing benefits communities will reap from these capital projects. Thank you so much for your time.

STINNER: Thank you very much. Our next testifier will be Liz Lyons, Children's Hospital. Good morning.

LIZ LYONS: Good morning, Senator Stinner, members of the Appropriations Committee and Senator Cavanaugh, great to see you. It is an honor to be here before you today. My name is Liz Lyons, that's L-i-z L-y-o-n-s, and I am the director of advocacy and government affairs at Children's Hospital and Medical Center. Children's is the safety net provider for children throughout the state of Nebraska, reaching over 153 unique patients each year, with symptoms ranging

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from the common cold to mental health all the way to the highly complex chronic needs requiring multiple specialists over a lifetime. As the safety net provider, it is up to us to think ahead for the needs of every child in this state, ensuring adequate capacity is available so that no child is, is diverted to another state for their necessary care. In fact, many of you have visited our new center for children, the Hubbard Center for Children, a 100-bed tower dedicated to the critical care needs of our patients today and well into the future. With Children's mission to improve the life of every child at the root of everything we do, Children's is confirming our commitment to the growing mental health crisis for children in Nebraska. The holistic care we provide includes mental health across the continuum of care. However, we, with the many stakeholders you've heard from already today, have recognized significant gaps and barriers to optimum access to mental health care. In response, Children's proposes the development of a pediatric mental health urgent care in Douglas County and another in western Nebraska to provide 24-7 immediate access to mental health care. Additionally, Children's seeks to bridge gaps throughout the state through a statewide telehealth initiative offering immediate pediatric mental health services to primary care offices and even schools across the state. You've heard from many testifiers before that Children's is deeply involved in stakeholder groups to address this growing pediatric mental health crisis. Two of our three proposals before you today address Children's provision of the overall plan to focus on prevention, early intervention and access to mental health across the state. It must be said, however, that mental health is not something that Children's can do alone. I am in awe of the collaborative efforts of my fellow providers throughout the state and the leadership of many of the members on this committee to make this once-in-a-lifetime opportunity have long-lasting change. The final proposal before you today is Grow [PHONETIC], an existing statewide initiative for our most medically fragile patients living in rural communities. Project Austin is a robust teaching opportunity for local EMS, providers, critical access hospitals, schools and others in the community when a child with complex medical needs is coming home from the hospital. There's very limited time today, so I'll refer you to the packet before you, and I want to thank you again for this wonderful opportunity. And investing in kids is obviously a significant priority for us at Children's. Thank you.

STINNER: Thank you, Liz. I think I saw Edison McDonald from Arc. Sorry.

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EDISON McDONALD: Morning, committee members. Hi, my name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d, I'm the executive director for the Arc of Nebraska. I'm here today to talk about the critical need that our families are facing within our communities, and how the ARPA funds can really help to provide significant support. In particular, we are especially interested in the 10 percent FMAP match that helps to provide dedicated and expanded opportunities to strengthen Medicaid home and community-based services. As you know, the system has been under tremendous stress during the pandemic. Providers shut down programs, workers have been laid off. People with disabilities haven't had the supports they need, and their families have been left to fill the gaps. We are asking that these funds be targeted towards funding the DD waitlist and the family support waiver. The law includes clear language around how these new funds must be used. Specifically, the law requires states to use these funds to supplement and not to supplant the level of state funds expand-- expended for home and community-based services for eligible individuals through the programs in effect. The state is not allowed to make any decisions that limit funding or eligibility for these services, and funds must be invested so that the state can maintain and grow its offering of community services. It will be important that these funds are used to strengthen the program as directed by Congress. The original legislation that included that 10 percent bump, the COVID HCBS Relief Act includes the allowable use for states of what they can use the funding for. States should look at that list as they make the decision. This includes paying for transportation services to and from the homes of those being served, purchasing personal protective equipment for workers that they are supporting and providing hazard pay. The extra dollars can be used to support family caregivers, recruit and train additional direct care workers and for technology to facilitate services. We have so many families that are struggling, not only those who are in services, but especially those who are not in services. Currently across the U.S. on average, about 17 percent of people with an intellectual and developmental disability are in services, but 83 percent are either on the waitlist or don't have services. Those families are in desperate need and these dollars are there, they're designed to make sure they get access to those supports. Thank you.

STINNER: Thank you, Edison. We'll now have Rick Kubat from MUD.

RICK KUBAT: Chair Stinner and members of the Appropriations Committee, my name is Rick Kubat, R-i-c-k K-u-b-a-t, here today on behalf of the Metropolitan Utilities District. I'm going to refer to us as MUD. We serve over close to 700,000 of our state's residents with their

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potable water needs or, or put another way, over one-third of Nebraska-- Nebraskans. I'm here today to request that \$10 million of state ARPA funds be used to replace lead service lines. With your handout you've been provided for items. One, a presentation on MUD's lead service line replacement request, a letter sent-- number two, a letter sent to the state of Nebraska in July requesting ARPA assistance for, for said purposes. Three, a recent article from MCSL that speaks to other states using ARPA funds to address the significant financial burden of lead service line abatement. And four, an additional request by MUD in conjunction with the Omaha Public Power District to allocate \$2 million in state ARPA funds to help struggling homeowners pay their electric, gas and water bills. And both OPPD and MUD utility assistance programs have been decimated as a direct result of the pandemic. Really fast, lead service lines, what are they? Why are they a problem and how big is the problem? As the handout shows, lead service lines are under the ownership of the homeowner. This makes the issue quite a bit complex. MUD owns the water main, and our water has no detectable level of lead as it leaves our treatment process. The problem exists when lead-- pardon me, the problem exists is when the lead service line leaches into our treated water as it enters the home. How big is this problem? Of MUD's roughly 220,000 customers, we estimate that we have roughly 17,000 homeowners that have lead service lines, at a cost to replace each one at more than \$7,000. Homeowners have in today's dollars over \$120 million in current liability. Lead service lines exist in homes built prior to 1940 because at the time, lead was known for its durability, and before folks knew that it was a public health hazard. Lead, lead in drinking water can reduce cognitive behavior, heart, kidney and nervous system issues, and it is especially problematic with pregnant women and children. To make the problems worse, lead service lines exist almost exclusively in older parts of communities where folks are on fixed and marginalized incomes. In conclusion, one last thought for you, my understanding is ARPA dollars were intended, or one of the main emphasis was to have them be used for lead service line replacements, because of the significant health risks associated with leaden water. However, because MUD is not a, a state, a city, county or tribal government, we are left to request funds for a program that we believe that the ARPA dollars were intended for. Very appreciative of your time today. Thank you.

STINNER: Thank you. Our next testifier is Seth Voyles, OPPD.

SETH VOYLES: All right. Thank you, Chairman Stinner and members of the committee and Senator Cavanaugh. The name is Seth Voyles, S-e-t-h V as

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in Victor-o-y-l-e-s, and I'm a registered lobbyist for the Omaha Public Power District. Thank you for the opportunity to testify on both of these interim studies to solicit input regarding funds from the federal American Rescue Plan Act of 2021. I'm advocating for two things this morning. One is for a customer assistance, which representative from MUD mentioned before. I'll give a little bit more detail on that. And the other is for infrastructure, mainly for outage mitigation and enhancing resiliency of electric grid infrastructure. So first, customer assistance. I respectfully request the state of Nebraska allocate \$2 million of the ARPA funds for homeowner, customer and utility assistance for Nebraskans in the Omaha OPPD service area and for the MUD service area as well. Electricity is essential as our constituents struggle, struggle with the financial fallout directly attributable to the COVID-19 pandemic. OPPD has alone served over 25,000 Nebraskans in need of assistance, MUD with us, combined with around 55,000 or so. And the need is still present, so we really do need these funds. OPPD recommends you provide funds directly to the Dollar Energy Fund for Nebraskans in need. The Dollar Energy Fund has previously demonstrated a successful record of accomplishment of promptly distributing utility assistance funds. The current program administered by the Dollar Energy Fund to our customers helps those that are at or below the 200 percent of the federal poverty income guidelines. This program does help close the gap with customers that need assistance, but it does not reach everyone in need. We, OPPD continues to see customer "rareages" since the economic fallout from COVID, and there is still a need for it. So we respectfully request you allocate \$2 million of the ARPA funds for that. On the infrastructure side, we also respectfully ask for \$10 million to support activities that reduce the likelihood and consequence of impacts to the electric grid due to extreme weather, and to accelerate asset management programs to improve system reliability and resiliency for our customers. These include, but are not limited to adding better smart reclosers, replace-- replacement of obsolete airductor, replacing antiquated underground cable, and better vegetation management and undergrounding of targeted problematic distribution lines. We just experienced a storm [INAUDIBLE] that we will remember for decades, the July storm with wind gusts of over 90 miles per hour. Sort of the most severe for us in our history. By comparison, the Father's Day tornado in 2017 had an outage number around 75,000. This storm caused 188,000 outages. That's about half of our customers at that point. We had close to 1,000 people working on our system from federal-- several states and different utilities as well. The program I am advocating for could cut down the time, scope, duration and

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severity of the outages and restoration efforts. All this is to say that the damages caused by the July storm were not due to any disregard on the part of OPPD or the importance of hardening-- storm hardening and upgrading our transmission system, but rather due to the unprecedented strength and force of the storm. These events have given urgency to these efforts, and we respectfully request that you include \$10 million for this program. And I encourage your support. Thank you very much.

WISHART: Thank you, Seth. Our next testifier is Jason Hayes with the NSEA.

JASON HAYES: Hello, my name is Jason Hayes, J-a-s-o-n H-a-y-e-s, and I'm the director of the government relation-- or I'm director of government relations for the Nebraska State Education Association. NSEA appreciates the opportunity to be here today and to publicly state that we believe ARPA funds should be spent to recognize the exceptional work of our school employees. Since COVID disrupted our lives in the spring of 2020, school employees have taken on significant challenges to keep students learning and safe. As COVID hit, educators quickly pivoted from traditional lesson delivery to teaching through video classrooms. This year, schools are struggling with a lack of substitute teachers and increasing numbers of school employees and students becoming ill. In addition, we have heard from our members that districts are not supplying the same number of masks and amount of cleaning materials they had previously, causing teachers to dip into their own pockets to mitigate the spread of COVID. The NSEA recommends Nebraska use federal stimulus funds to provide a one-time \$1,000 bonus payment to every K-12 public school teacher and all education support personnel in the state. The bonus provided would support stronger recruitment and retention of staff in and for these critical positions. During this interim, the Education Committee heard testimony on LR157, which outlined the tremendous problem school districts are now having recruiting and retaining all teachers, especially minority teachers. Across the state, districts are struggling not only to staff classrooms with qualified educators, but also to fill positions for bus drivers, kitchen help and paraprofessionals. This creates even greater stress on our current school employees as they take on additional teaching duties to minimize the impact on students. These bonuses would send a clear message to these hardworking employees that the state wants them to stay in public education. It would compensate all public school regular employees as defined in statute, from the teacher who found new ways to reach a classroom of students to the bus driver who kept

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those students safe on the way to school. Based on the most recent school employee reports for the state and Omaha pension systems, there are approximately 50,400 employees that would be covered statewide. The estimated amount for providing a \$1,000 bonus to all regular school employees would be \$50.4 million, or if the bonuses were reduced to \$500, then approximately \$25.2 million. This proposal is not a new concept. Currently, Georgia and school districts in Tennessee, Texas and California and Colorado are using federal stimulus funds to compensate school employees. As mentioned, Georgia is providing a one-time \$1,000 bonus payment to every K-12 public school teacher and support professional from its reserve portion of the extra federal stimulus funds. Educating our students during COVID has been a team endeavor, and all the members of the education team should be recognized for their work. Thank you for your attention to this matter.

STINNER: Thank you, Jason. Our next testifier is Nathan Masten, Nebraska Association of Airport Officials.

SANDI DECKER: Obviously, I'm not Nathan. He had a death in the family.

STINNER: I'm sorry.

SANDI DECKER: Good morning. I am Sandi Decker, S-a-n-d-i D-e-c-k-e-r, and I am the vice president of the Nebraska Association of Airport Officials and chairman of the Fairbury Airport Authority. I'm here today representing the Nebraska airports. Since the early 2000s, until very recently, state aid airports have averaged less than \$200,000. These grant funds were used to assist the airports in putting together their 10 percent local match required for the leverage of the 90 percent federal grant funds available to them. However, with the very low levels of state funds available, these airports have been seeing potentially less [INAUDIBLE] projects go by. This statement is supported by similar statements made by the state and the Department of Aeronautics annual reports in 2015, 2016 and again in the division's capital improvement program update from 2019, where it states there are approximately \$500 million in needs at our airports across the state. You'll find these in the packets that I have. One of the consequences of not being able to come up with the 10 percent local matches is, and not having the federal funds, is that the condition of our state's airports is deteriorating. Things like runway cracking and deterioration are first and foremost, and it is a safety hazard. With additional funds, we could expect that the Aeronautics Commission would be able to fund more projects or fund projects at a

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higher level. Instead of funding five to seven projects, perhaps they could fund 10 to 15. In addition, instead of only providing 2 percent of the funds needed to match the federal grant, perhaps they could provide 5 percent or even 10 percent in certain cases. What is clear, that as even with the rising trend in funds available over the last few years, we have a lot of catching up to do to reverse the trend of deteriorating system. While we had one year where more funds were available, that is not the case this year. Since fuel tax conduct collections are about half of the revenue and travel has been depressed due to COVID, it is probable that available funds will decline. Since ARPA funds can be used for revenue replacement, this would be an ideal investment of funds. These funds will be used to-- for use in investment for important critical infrastructure projects for long-term assets like runways and taxiways. Airports are uniquely in alignment with the intended use of these funds. Now we realize that we're asking for anything in this day and time is problematic, so we are here if we were not committed to our airports and benefits to provide to all Nebraskans. Thank you for your time.

STINNER: Thank you. Next testifier is Ken Herz, Ag Leaders.

KEN HERZ: Good morning, my name is Ken Herz, K-e-n H-e-r-z, I have a cow herd and farm near Lawrence, Nebraska. I serve as the immediate past president of Nebraska Cattlemen, and I'm here to testify on behalf of seven agriculture organizations: Nebraska Cattlemen, Nebraska Farm Bureau, Nebraska Corn Growers Association, Nebraska Dairy-- Dairy Association, Nebraska Pork Producers, Nebraska Soybean Association, Nebraska Wheat Growers on LR178. Thank you, Chair Stinner and Senator Wishart and the Appropriations Committee for the opportunity to comment today from agriculture's perspective on what we feel is an important-- is an opportunity to invest in American Rescue Plan Act funds in the state's largest economic driving, agriculture. The Ag Leaders coalition took great care to suggest areas of opportunity to invest the American Rescue Plan funds that built upon and enhanced the existing successful programs to further their impact in the state. We believe the programs detailed in our collective proposal offer a robust and comprehensive approach towards investing these federal funds. A few broad areas of particular importance to our industry we would like to highlight today include rural economic development and supply chains resiliency. First, rural economic development is more than just a line item in the Ag Leaders' proposal. It includes extensive investment in broadband, young and beginning farmer programs, and business development. Existing programs like NextGen, Beginning Farmer Program, Nebraska Advantage Rural

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Development Act and Broadband Bridge Program, all highly successful programs, and that encourage and enhance rural development-- rural economic development, but lack adequate financial resources to reach their full potential. To double down on rural economic development, investments must be made in workforce housing and customized job training to attract and retain a highly skilled workforce to rural parts of Nebraska. The final program we want to highlight in this category isn't traditionally discussed in the economic development conversation, but is vitally important to small and rural communities: water quality. Nitrate levels in drinking water can be especially burdensome for small communities and rural water users. As you'll see on page 4, we believe investing in rural community drinking water system enhancement falls squarely within the scope of how these funds can and should be invested. Second, investing in supply chain resiliency is a direct investment in rural Nebraska. Empty grocery store shelves are not a sight many have seen in their lifetime, and a sight we want to prevent in the future. Investing in people, hard infrastructure like roads and bridges, cyber and data security, and in programs that help expand the processing capacity are a win-win for both producers and consumers in Nebraska. In light of the flooding in 2019, the impact of the pandemic on Nebraska's food supply chains, cybersecurity attacks and other acts of terrorism, it would be prudent for the state to plan ahead by making investments in programs to add processing capacity, build up roads and bridges, and again invest in people by expanding workforce housing and customized job training to attract and retain a highly skilled workforce needed to keep the product moving from our farms and ranches to grocery store shelves and rural Nebraska growing. Thank you for your time, and I would be happy to take any questions you might have.

STINNER: Thank you, Ken. Appreciate you coming in. Our next testifier is Sandy Lewis, Nebraska Emergency Medical Association.

SANDY LEWIS: Good morning, and thank you for the opportunity to testify. My name is Sandy Lewis, S-a-n-d-y L-e-w-i-s, and I am the president of Nebraska Emergency Medical Services Association. NEMSA is the statewide association of emergency service providers, and we appreciate the opportunity to urge the use of American Rescue Plan Act dollars to bolster emergency medical services across the state of Nebraska by strategically investing in equipment, technology and personnel. Using this historical infusion of dollars to support emergency medical services which traditionally do not receive state funding would help to create a foundation for more effective response to future public health emergencies. EMS professionals provide

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essential frontline health care service in local communities. The ongoing pandemic poses a serious threat to the health and safety of EMS personnel. This is on top of the well-known problem where less individuals are willing to serve in these critical EMS roles. No CARES Act funding was allocated to the Department of Health and Human Services EMS division, despite its role in helping to fund initial and ongoing training for EMS personnel. For EMS systems to be effective, they must have access to a sufficient, stable and well-trained workforce. Volunteers are an important segment of the EMS workforce, particular in our rural areas. EMS workforce planning that focuses on the challenges faced by, by volunteers may help address the unique challenges of rural EMS systems. NEMSA urges us and the use of the ARPA funding to help recruit, train, retain and provide continuing education for us EMS providers. Simulation in Motion-Nebraska or SIM-Nebraska is one important EMS training resource that should be supported by ARPA. SIM-Nebraska develops high-quality advanced training to our EMS providers and critical access hospital and ambulance services across the whole state. We would also urge to use the funding to provide patient care equipment and safety equipment. A grant program set up through DHHS EMS Division, where local EMS agencies could apply for dollars to help purchase patient care equipment or improve the technology used by the EMS service providers would make an incredible difference in support of our EMS squads across the state. Thank you again for the opportunity to testify.

STINNER: Thank you very much. Our next testifier, Topher Hansen, NABHO.

TOPHER HANSEN: Let me start by saying thank you for your service. Thank you for your suggestion to do this and your leadership, Chairman. Senator Stinner, members of the Appropriations Committee, my name is Topher Hansen, that's T-o-p-h-e-r H-a-n-s-e-n, I am the president and CEO of CenterPointe. I serve on the executive committee of the Nebraska Association of Behavioral Health Organizations as its treasurer. I'm here today representing nine health care organizations in Nebraska who are listed below who are all working toward a Medicaid program that is beneficial to the members participating, beneficial to the providers offering the services, the interests of the state of Nebraska in the good health of its citizens, and the managed care organizations which are contracted to manage a portion of the system. Maximizing the good health of all Nebraskans is in the common interest of all who are involved in Medicaid. To do this, the plan must be good. The contract must be tight and the supervision of the contract must be vigilant. We are here to request \$400,000 of the ARPA funds to

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hire a consultant to help us develop a model plan that can be used by the state of Nebraska in the request for proposals when the next MCO contract period arises for the Heritage Health Plan. This has happened before in Nebraska. Prior to the behavioral health carve-out plan in 2012. The Nebraska Association of Behavioral Health Organizations work with Nebraska Medicaid on how to collaborate on a plan that would serve all interests. Ultimately, Nebraska Medicaid decided that issuing a request for information could help develop ideas on how best to operate the system. NABHO raised money to hire Dr. Andrew Keller, Ph.D., and his firm TriWest to identify the best elements of the behavioral health plans across the country. With the best elements identified in a major-- matrix of plans, Dr. Keller and his team assisted NABHO in crafting a response to the RFI. The document developed was used to develop the request for proposals and much of the contract that was negotiated with the successful bidder, Magellan. The proposed plan identified what programming would be part of the plan, allowable costs, incentives for quality indicators, penalties for failure to achieve stated goals, and mandatory reinvestment of revenues in excess of maximum profit margins. Concurrent with the plan, we developed legislation to develop that structure and put-- and that was passed into law. So that it was consistent with the plan. From the standpoint of a mental health provider of and substance use services, the Heritage Health Plan has been problematic since day one. The list of problem goes on and on with reauthorizations, payment authorizations, and much more. Any provider that I'm representing today could give a long list of the problems they have experience with Heritage Health Plan, and integral to all that is timely payments. CenterPointe, for instance, has had to obtain a line of credit since this Heritage Health Plan was instituted, for the first time since 1989, because we could not cashflow with the payment system. So with this, I would urge you to contribute the \$400,000 towards this effort. This is a leveraged effort towards a better Medicaid system and has been done before and proven successful. With that, thank you.

STINNER: Thank you. Our next testifier is Leroy Sievers, Nebraska State Irrigation Association.

LEROY SIEVERS: Good morning, senators that are members of the Appropriations Committee. My name is Leroy Sievers, that's L-e-r-o-y, last name is Sievers, S-i-e-v-e-r-s. Thank you for the opportunity to appear today. The handout that's being given to you is similar to what Senator Bostelman had sent. Unfortunately, when it came over from the senator's office, a few critical pages were left out, so this should serve as a replacement for that. Briefly, my background was I was

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assistant attorney general for the state for a number of years, then I was special assistant and legal counsel at the Department of Water Resources that later was merged into the natural-- Department of Natural Resources. And I was legal counsel there, most recently from 2000 to 2019. I say that because I've studied the water resources of our state for now 38 years as a, as an attorney representing a variety of interests. I'm currently a member of the Natural Resources Commission appointed there to represent the city of Lincoln. I'm not here in that capacity, however, but as a member of the board of Nebraska State Irrigation Association. Surface water projects in Nebraska irrigate farms and ranches, but they also provide irreplaceable other benefits to the entire state. Those projects result in groundwater recharge, surface water returns and later groundwater discharge over time. Those return flows and groundwater discharges are critical to the state. They produce green energy in the form of hydropower. But in relation to the American Rescue Plan Act, those return flows from groundwater discharges are critical to supplying stream flows that, among other things, recharge the aquifers for municipalities like Omaha, Lincoln, Grand Island and Kearney. When those flows diminish, the aquifers decline, sometimes drastically, as has happened in the past. Without those surface water projects, stream flows would likely decline, especially at times when they're needed most. Surface water projects, in many instances, were built decades ago. Some of them now over 100 years old. When they were constructed, almost all of them received substantial federal help in the form of grants or other financial assistance. The infrastructure is often operating well beyond their design criteria. Moreover, the federal government is no longer providing the level or the breadth of support as it used to. Notably, the small projects, often for-- farmer-operated, are too small to have staff to assist in evaluating needs or designing solutions. The larger projects, such as the Gering-Fort Laramie Irrigation District, that irrigates 50,000 acres, have massive needs, and they don't have the means to be able to finance even long-term solutions. The Natural Resources Committee of the Legislature surveyed surface water entities and received back responses from a majority of them. The responses are summarized in a table, and hopefully you can see that in your handout. You'll note that those projects list about \$135 million in current needs. An example is the Enterprise Irrigation District that had detailed engineering assessment performed for it by the Platte River Recovery Implementation Program. That program had hoped to lease storage water that Enterprise had a right to receive from Glendo Reservoir in Wyoming. Unfortunately, upon further investigation, the federal

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government said you cannot lease that water. Enterprise has no means to finance its needed rehabilitation. In conclusion, the needs are great. The benefits to the state in maintaining flows are critical not just for municipalities, but for other purposes, such as assuring meeting compliance with the Platte River Recovery Implementation Program. Funding to meet these needs is nonexistent. I have looked really hard to try to find alternatives. The needs are especially critical for small entities they cannot-- which could be met with the one-time appropriation. In conclusion, I say I would request that the committee appropriate \$60 to 7-- \$60 to \$70 million that can meet these critical projects. I ask that you appropriate it either to the Natural Resources Commission or to the Department of Natural Resources that can then enter into contracts to move ahead with the needed projects. I do appreciate the concern expressed at the outset of this hearing by the Fiscal Office. I believe that these projects can fit within the funding options in the federal legislation. Thank you very much for your time.

STINNER: Thank you. Next testifier, Andy Nordstrom, Saunders County Highway Superintendent.

ANDY NORDSTROM: Good morning, Chairman Stinner, members of the Appropri-- Appropriations Committee. My name is Andy Nordstrom, that's spelled A-n-d-y N-o-r-d-s-t-r-o-m. I'm here today for the Saunders County infrastructure. Saunders County is the home of the most bridges in the state of Nebraska. We have 435 bridges over 20 feet and 210 that are under 20 feet or less. Repair and replacement of these bridges is quite costly, and some of these bridges are reaching the ages of 90 to 100 years old. I have identified seven structures throughout the county that need to be replaced or repaired. Of these seven, three are currently closed due to hazardous conditions presented to the drivers. These structures are crucial to the surrounding farmers and villages, and the growth of local economy relies on these, on this infrastructure. Being able to repair this infrastructure would be fantastic for Saunders County, and I would appreciate your consideration. I just got a list of the structures in the handout. I have one by Ithaca. It's a fracture-critical bridge. The fire department has to go three and a half miles versus a quarter mile. It's \$1.2 million. We have another one by Cedar Bluffs, it was built in 1930. It's 120 feet long, it's steel truss, fracture-critical. The bridge has been welded on, so it's can't be weight rated. So it has to be closed. Another one by Colon, that one's \$1 million. Then we got 1.4, grand total of \$7 million. So thank you.

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STINNER: Thank you. Next testifier is Bill Thorson, chairman of Mead Village.

WILLIAM THORSON: Good afternoon, Chairman Stinner and the members of the Appropriation Committee. My name is William Thorson, spelled W-i-l-l-i-a-m T-h-o-r-s-o-n, and I represent the village of Mead as the chairman of the village board. I'm here before you today on behalf of the village of Mead and the surrounding communities. We as a community have concerns regarding the AltEn's cleanup and the long-term effects that it will have or present after the cleanup has been completed. Due to AltEn currently being in the early stages of their contamination cleanup, it's difficult for one to foresee the extent to which these issues may reach. This, in part, a result of uncertainties surrounding how much material will need to be removed from the facility, as well as groundwater near this facility has been contaminated and what extent this contamination may spread. We, as a village, have spent significant amounts of funds, approximately \$3 million, over the past few years to ensure our capabilities of providing clean, safe water to our citizens. In the case that AltEn's contamination have reached our groundwater and resource spread to the extent that would affect the municipality system, we would then be responsible for the need to update our facility further to overcome this issue. Should also, should also be noted that this issue would extend far beyond the village of Mead, and in fact would also affect surrounding communities who rely heavily upon the resource for not only their daily necessities but for their local business production. And these businesses certainly includes small, locally owned retailers, but also large industrial facilities, as well as livestock and row crop producers. Additionally, with the need for removing materials resulting from the cleanup, our community will see increased truck traffic that stands to leave battered roads in its aftermath. There is an estimated 80,000 tons of wet cake alone that need to be removed by truck to designated sites. It's still unknown what AltEn will be doing with 40 million gallons of contaminated water, likely that will have to be transported as well. Best case scenario, these roadways will only be decreased in life expectancy, but more likely, some will be reconstructed. Regardless of the wear and tear, it will require attention to bring these roadways back to the status in which they were prior to cleanup. Final point that I'll address today is regarding the negative reputation that was cast upon our community. As AltEn-- AltEn's [INAUDIBLE] practices were brought to light, media coverage on more than one instance has compared to the community's situation to that of Flint, Michigan. Even though this situation does

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not extend to that of Flint, Michigan's issue extended, the comparisons alone stand to leave a negative stigma associated with our community. The near mention of Flint, Michigan brings forth an image of tainted resources that nobody wants to be associated with. If our community were to retain this stigma, we could see the potential for slow decrease in community growth, along with reduction in commerce sales for the local businesses and producers. In the light of the concerns presented today, we as a community ask that you take this information into consideration and appropriate funding that will not only ensure proper cleanup of the facility, but also ensure the surrounding community businesses and loan-- landowners will not be left with the repercussions of AltEn's negligence. Thank you.

STINNER: Thank you. Next testifier is Julie Bushell from Page Wireless. Good morning.

JULIE BUSHELL: Good morning, Chairman Stinner, Senator Wishart and distinguished members of the Appropriations Committee. My name is Julie Bushell, J-u-l-i-e B-u-s-h-e-l-l, I am the president of Paige Wireless. We have deployed the first statewide LoRaWAN network right here in Nebraska. Similar to Ken Herz from Ag Leaders, I'm here today to testify on behalf of the Nebraska Precision Agriculture Infrastructure Fund proposal. This grant proposal would leverage once-in-a-lifetime ARPA funds to enrich our rural communities and the largest economic driver in our state, agriculture. USDA estimates that the adoption of precision ag technologies would help realize economic benefits of close to 18 percent of current production. That's an additional \$5 billion annually generated in our rural communities. While Nebraska has recently focused additional funds for rural broadband within our small towns of population of 5,000 or less, it has left out Nebraskans that are in the most remote areas of the state and therefore prohibiting the adoption and advancement of precision ag technologies. This proposal infuses rural communities with \$10 million from the American Rescue Plan in two ways. With a focus on bridging the rural digital divide, this grant would prioritize \$5 million from the federal COVID relief package to precision ag network providers. These grants will be used to provide symmetric broadband service to on-farm structures such as center pivot irrigation systems, combines, autonomous sprayers detailed on page 4 of your handout. An additional \$5 million in grants will allow producers to invest in technology that will drive sustainable practices and provide on-farm verified data such as efficient irrigation, water quality management, improved soil health and animal welfare, which is detailed on page 2. This grant will help drive premiums back to our producers, increase sustainable

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practices, improve natural resource management, invest in the next generation of those putting food on our table, and show the world that Nebraska intends to remain the global leader in agriculture. Thank you for the opportunity to be here.

STINNER: Thank you for being here. Next testifier is Lindsey Koep-- Koep--

LINDSEY KOEPKE: Kep-key [PHONETIC].

STINNER: Koepke. All right, thank you. Nebraska State Fair. Sorry about that, Lindsey.

LINDSEY KOEPKE: Senator, Chairman, I've had a life of mispronunciations of my last name. Thank you for allowing me to be here. Lindsey Koepke, L-i-n-d-s-e-y K-o-e-p-k-e, and I'm the executive director of the Nebraska State Fair 1868 Foundation. I live in Hickman. With me here today is the chairman of the foundation board, Terry Galloway of Elwood; and chairman of the Nebraska State Fair Board, Beth Smith from here in Lincoln. I am here on behalf of 152-year-old tradition, our very own, the Nebraska State Fair. I'm asking for your support and a humble recommendation to support funding of \$24.9 million from ARPA funds to support the critical infrastructure needs of the Nebraska State Fair, as well as the entities that utilize and support the home of the State Fair, the Fonner Park campus in Grand Island. Those stakeholders include the Heartland Events Center, Grand Island Livestock Complex Authority, Grand Island Area Chamber of Commerce, Grand Island and Hall County Convention and Visitors Bureau, Hall County Agricultural Society, Grand Island EDC, Grow Grand Island, Grand Island Community Redevelopment Authority, the mayor of the host city of the State Fair of Grand Island, and the County of Hall. The 1868 Foundation Board of Directors is working with a global planning firm and serving as the acting sponsor of a long-range master plan for the 220-acre campus, which is home to the State Fair and the stakeholders that I just mentioned. I think you can see on the cover of the pamphlet that I handed out to you. It's no secret that when it rains, it pours at the Nebraska State Fair, and critical infrastructure is something that we certainly need to address. As I mentioned, we've identified \$24.9 million in critical infrastructure that must be addressed before we can forecast future facility needs for the future growth of the fair and this campus. Critical issues addressed include, but are not limited to: flooding sewer drainage, storm sewer, pedestrian pathways, grating roadway repair, roadway creation, site power-- site power,

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water and lighting. We know that a critical-- investment in critical infrastructure needs will be of tremendous benefit and provide increased economic growth to the City of Grand Island, central Nebraska and all of Nebraska as we strive to transform the 220-acre campus that is home to the Nebraska State Fair into the agricultural destination of the Midwest right here in central Nebraska. It's been estimated that the facilities created for the State Fair have an annual economic impact of over \$20 million on Grand Island and the surrounding communities. Funding critical infrastructure needs for the Nebraska State Fair is an investment in the State Fair, it's an investment in Grand Island and it's an investment in the state of Nebraska as a whole. On behalf of the State Fair, the stakeholders of this great campus and the hundreds of thousands of fairgoers from across this great state, we respectfully, respectfully ask for your recommendation of support for critical infrastructure and graciously thank you for your time and serious consideration. Thank you.

STINNER: Thank you. Next testifier, Kari Wade, Nebraska Nurses Association.

KARI WADE: Good morning, Senator Stinner, Senator Wishart and members of the Appropriations Committee. My name is Dr. Kari Wade, K-a-r-i W-a-d-e, and I'm a registered nurse and president of the Nebraska Nurses Association. I'm here on behalf of NNA to support and emphasize the importance of the ARPA fund considerations specific to nursing. NNA encourages use of ARPA funds to invest in the nursing workforce. The current and unsustainable nurse staffing shortage facing our country is a national crisis. In the words of our American Nurses Association President Dr. Ernest Grant: The nation's health care delivery systems are overwhelmed, and nurses are tired and frustrated as this persistent pandemic rages on with no end in sight. Nurses alone cannot solve this longstanding issue, and it should be-- it should not be their burden to carry. If we truly value the immeasurable contributions of the nursing workforce, then it is imperative that all available resources are utilized to address this issue, end quote. Funding for the nursing workforce in regards to retention, recruitment and nursing education are essential components to addressing the critical nursing situation exacerbated by the pandemic. Broad retention initiatives are needed to retain nurses and could be in the form of enhanced benefits, compensation and mental health support. Nebraska nurses working in our Nebraska health care systems are vested in their organizations, their community and their practice. It's essential that strong efforts be demonstrated to retain such expertise and commitment to our Nebraska health systems. In

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addition, the pandemic has taken an extraordinary physical, mental and emotional toll on our Nebraska nurses. Nurses need the extra support now and also in the years to come. Funding should be enhanced as it benefits supportive measures in house, such as those through increased employee assistant, EAP, program visits, staff-devoted chaplain services, and wellness and resilience initiatives. Higher education funding through scholarship and loan forgiveness should also be prioritized for nurses. Such an investment would not only contribute to more nurses, but also more nurse faculty. After all, in order to be a faculty in a nursing program, accrediting bodies require nurse faculty hold a master's or a doctorate degree. More nurses and more nurse faculty are needed now and in the critical years to come. I thank you for the opportunity to share funding considerations and priorities needed to sustain our Nebraska nursing workfor-- workforce during these challenging times. Thank you.

STINNER: Thank you, Kari. That concludes our invited testimony, and it is 12:00. And I know that there's a few people that are hungry. First of all, I want to thank the testifiers. This is helpful information. It's the first brush, I'm sure that there will be committee members reaching out for more information or additional information. This is going to be a process. But this is a helpful start for the committee, especially myself. We're going to break for a half an hour for lunch, if that's OK. Can I have the hands of people who would like to testify? OK. Is that OK, a half an hour? I hate to break, but I think we need it. Thank you.

[BREAK]

STINNER: Here again, we're going to be on a three-minute time limit, but if you want to organize yourself to the front seats with just like you are and take, take turns come up and talk. And tell us, first of all, who you are and then spell the name. So that's my only request, and that and just try to stay within three minutes. So anyhow, if we could have the first testifiers, I don't want anybody running up here. Come on up here, OK? We'll go from right to, to-- my, my right to the left. How's that?

JAMIE BERGLUND: Hello.

STINNER: Good afternoon.

JAMIE BERGLUND: Good afternoon. Good-- I was, I was going to say good morning before, but now we're in the afternoon. So good afternoon,

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Chairperson Stinner and members of the Appropriations Committee. My name is Jamie Berglund, J-a-m-i-e B-e-r-g-l-u-n-d, I'm the executive director of Spark, a community development intermediary that supports holistic community development through real estate lending, project management and capacity building programs. Thank you for this opportunity to speak. On behalf of a collaborative of nearly 60 housing, economic development and community development organizations across the state of Nebraska, including several that have testified today. I'm here to seek your support to direct \$175 million of ARPA funds to support the growth and stabilization-- stabilization of our state's housing ecosystem. In Blueprint Nebraska's July 2019 Growing the Good Life Report, it proposed the need to develop 30,000 to 50,000 affordable units. More recently, a housing assessment commissioned by philanthropy found the current gap of 78,000 affordable housing units needed in the Omaha area alone will grow to 100,000 by 2040 if we don't act now. Furthermore, the American Community Survey data shows that nearly 175,000 households, nearly a quarter of Nebraska's households, experience housing costs burden. As you've heard from other testifiers, homelessness and housing instability have a huge and far reaching impacts, and including on workforce development, business attraction and retention. With our \$175 million request, we respectfully recommend building upon the established infrastructure in place within our various governmental entities that surround homelessness and prevention and housing development across Nebraska. By investing in the development of a variety of rental and for sale affordable housing units, demolition of dilapidated housing stock, site remediation-- remediation and preparation, down payment assistance for homebuyers with lower incomes, preservation of exist-- affordable housing units, including rental property improvements, homeless prevention programing and support for housing stabilization. COVID turned an already bad situation in our community and in our state into a crisis. Please consider using this once-in-a-generation investment to create generational impacts on Nebraskans housing needs. And if you have any questions, I'm happy to answer.

STINNER: Thank you very much.

JAMIE BERGLUND: Thank you.

STINNER: We'll take the next testifier.

TRACIE MCPHERSON: Good afternoon.

STINNER: Afternoon.

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TRACIE McPHERSON: My name is Tracie McPherson, Tracie, T-r-a-c-i-e, McPherson, M-c-P-h-e-r-s-o-n, I am the public affairs and advocacy director for Habitat for Humanity of Omaha. And today I'm here on behalf of Habitat affiliates across Nebraska, which includes the following areas: Fremont, Columbus, Lincoln, North Platte, Scottsbluff, Grand Island, and again, Habitat Omaha. While we have signed on to the proposal that Jamie just mentioned, I want to talk to you a little bit from a housing developer side of things. Over the past year, we've seen the cost of materials almost double in price and the homes rise-- price of homes rise by more than 30 percent. Habitat affiliates have also expressed a challenge when it comes to land acquisition. All of these things are making it more difficult for hard-working families to find entry level homeownership opportunities in Nebraska. Most of us know what a home can offer: stability, safety and security. We agree, homeless aid is critical, rental assistance is important. But for many Nebraskans, homeownership is the key. Just as a homeowner like Kyla Dyer [PHONETIC], Kyla has provided a stable housing situation for her and her two children. Her son has only known one elementary school since starting his school career, and we all know the stability of what being in the same school can mean for children. But her house has also provided another asset for her. Her father was recently diagnosed with terminal cancer, and she was able to move her father in her home so that she could take care of her father. Now, this allowed Kyla to do what is important, which is taking care of family first. She didn't have to worry about landlord rules or that the house might be sold from under her. She could simply spend that time and, and take care of her dad. Just as Kyla's home provided a stable place for her two children and she is starting her homeownership journey, Sheila Doleson's [PHONETIC] homeownership journey is ending but on a really positive note. As a homeowner, Sheila not only provided stability for her family, but was able to go back to college and get her bachelor's degree. Over the years, she worked hard and continued to pay down her mortgage, and when she retired, she decided to live closer to family. But to move to Mississippi, she just didn't have the money, so she decided to sell her house. With her home equity, Sheila walked away with \$85,000. And with that money, she was able to move back to Mississippi to be closer to family. She told us that owning-- had she not been a homeowner, it would have been impossible for her to do that. So owning a home provided her options. While we understand homeownership is not for everyone, we do believe that everyone deserves the opportunity to explore the possibilities. For most families in Nebraska, their home is their biggest asset. With home equity, parents can do big things

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like sending a child to college. The state of Nebraska ARPA housing investment proposal can help developers build more housing, aid organizations providing support services, and assist families looking for an entry level homeownership opportunity. It is our hope that you give that proposal your full support. Thank you.

STINNER: Thank you, Tracie.

RYAN DURANT: Good afternoon, Appropriations Committee. I appreciate the time, I'll try to make this brief. My name is Ryan Durant, R-y-a--R-y-a-n D-u-r-a-n-t. I'm here on behalf of the Nebraska Commission on Housing and Homeless in support of new legislation of direct funding of \$175 million of ARPA laid out in the house-- housing investment proposal that was provided to you just by Jamie Berglund. We are proposing to build new housing and rehabilitate units and support homeless prevention across our great state. NCHH is composed of 15 members appointed by the Governor with the mission to serve as an advisory body in housing on homelessness and near homelessness issues. The reality is, is we had homeless-- or housing shortages and homeless issues before COVID-19, and now those issues are even greater. With the additional cost of materials and labor, we are struggling to get affordable housing for both homeowners and renters. If we do not focus on additional housing units, we are limiting our economic growth in the future, as companies are seeking states with strong housing initiatives. NCHH is a longtime supporter of programs and initiatives that help with affordable housing development, homelessness prevention and services. Addressing housing challenges is a high priority for both rural and urban committee-- communities. The data suggest that every county in the state lacks quality, affordable, safe and decent housing. With the proper funding, we can truly address the needs of our communities. We encourage the Nebraska Legislature and the Governor to act on ARPA moneys to create more affordable housing and help prevent homelessness. We believe this housing crisis, crisis warrants an emergency clause to get the funds allocated immediately so we don't lose out on future economic growth. And I'll take that hat off, and I will say that I live and breathe this every day. I, I do consulting for numerous developments. I have 600 units of housing in both rural and urban communities, and I'm changing numbers constantly because the numbers constantly change. Contractors say I'll hold your bid for three days, well, you can't get much done in three days anymore. It is a-- been a struggle. We need gap financing to get projects out of the ground. DED needs the funding, they have numerous open contracts with projects that are just sitting on hold because they can't figure out how to fill the gap. The Nebraska Investment

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Finance Authority also has numerous tax credit projects that are in the same boat. These are unprecedented times, and we really need to make this investment to move things forward in this state. And I hope that, you know, if there's any questions you would reach out to me. I'd love to talk to you because this affects senior housing, workforce housing for families, veterans. It affects a lot of people. So thank you.

STINNER: Thank you. Good afternoon.

WAYNE BROWN: Good afternoon. Thank you, members of the Appropriations Committee. My name is Wayne Brown, and that's W-a-y-n-e, Brown, B-r-o-w-n, and I'm the interim president and CEO of the Urban League of Nebraska. And I'm here representing the youth-serving nonprofit coalition of the greater Omaha area. Now, throughout the pandemic, 17 youth-serving organizations united to ensure students that were provided programming and wraparound services. It was essential for organizations to serve this critical need between school and community. Collectively, this network serves over 16,000 students, ranging from pre-K to post-secondary. Over 90 percent of those students we serve currently live in poverty in northeast and southeast areas of Omaha. It should be recognized that these very communities have also experienced disproportionate academic, financial, health and employment impacts due to the pandemic. Schools can't do it alone, and they shouldn't have to. The established networks that we serve in hold a strong relationship with area school districts and we fulfill critical student needs both inside and outside of the school day. Now, research shows that quality out-of-school time mentoring experience have positive effects on school performance and connectedness, social emotional learning and skill development. So what's our ask? The collective of a group of 17 youth-serving nonprofits is requesting \$9.3 million to reengage a generation of largely black and brown students and families negatively impacted by COVID-19 so they can improve school connectedness, experience academic success and be productive members of the community. So what are we gonna use this money for? What we would like to invest in, intensive reengagement wraparound services to address school absenteeism and disengagement. We'd like to provide student support service coordinators to address emerging programming needs. We also act to provide training for mentors, staff and agency professionals on trauma-informed practices, social emotional learning strategies and mental health needs. Now why us? We are a group of leading organizations with a considerable reach of students and families in northeast and southeast Omaha, and we are trusted partners in the community. Now this network of organizations

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has a history of deploying resources to families throughout the pandemic. Our network partners have the experience and have expended resources to meet emerging needs throughout the pandemic. The financial impacts of those have been anticipated, and so our organization has been struggling in this time of COVID. We also play a unique role with the development of social emotional learning, family support, mentoring, life skills and building workforce and postsecondary programming. Now we've heard this a couple of times during the hearing, this is a once-in-a-lifetime opportunity to affect the communities of northeast and southeast Omaha, communities of color. Bringing them from isolation to connectedness and from connectedness to training and from training to workforce and from workforce to improve the economy in Nebraska. Now I know that Nebraska can be one of the best places for everyone to live, and I'm counting on these appropriation funds for these 17 organizations to help get us there. Thank you.

STINNER: Thank you. Good afternoon.

BRUCE O'NEEL: Afternoon. Thank you, Chairman. Thank you, committee members for being here. Special thanks to Senator McDonnell for sponsoring the Shovel-Ready and Capital Recovery and Investment Act. We are one of 125 applicants for that particular piece of legislation. My name is Bruce O'Neel, B-r-u-c-e O-'-N-e-e-l. Former-- a native Nebraska and who has moved away from my home state for two-- nearly two decades. Moved back to raise my children and be a part of what is Nebraska's hard-working culture and community. Having been away for nearly two decades and moved back roughly eight years ago, one of the things that was remarkably astonishing to me is these kids, from a youth sports perspective, are playing on some of the very same fields and facilities that I played on lo those many years ago. And walking into this building, having been away for those years, it reminded me of the walk that I made from Lincoln High up to catch a bus right outside of town, right outside the building here to go out to west O so that my parents could pick me up and take me out to our farm to work. Now that is one of the lessons in life that I want to make sure that my kids have, and so that's why we've moved back to Nebraska to do that. Now being retired and being able to serve my community as I did when I was a younger person, I sit before you representing the Elkhorn Athletic Association, which is a 501(c)(3) nonprofit youth sports organization serving western Douglas County and the surrounding communities. And in 2018, we organized and embarked upon a capital project to build an outdoor youth sports complex serving local youth sports organizations, and attract state and regional tournaments that

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are currently commonly being held in other places like Kansas City, Des Moines, Sioux Falls, Council Bluffs. And we started the fundraising process to raise those necessary capital dollars to complete the feasibility study and pursue strategic partnerships. Western Douglas County, as you know, is one of the state's fastest-growing communities, which means thousands of area children are vying for limited athletic facility space, whether it's fields for organization for competition or playgrounds, picnic ar-- or just simple picnic areas to enjoy. With input from local community members, we developed a plan to build a multisport complex that addresses the needs of our residents, from adaptive sports to recreational sports to competitive sports and, and for those seeking casual wellness. Unfortunately, this campaign, which was Inspire a Generation Give Like a Champion, was negative-- negatively impacted by two major events. First was the major flooding in western Douglas County in 2019, which destroyed two of our athletic fields, which required significant capital investments to rebuild for the kids to play on. And second, in 2020, we were focused on an adjusted schedule to revisit our capital time line, which was subverted by the emerging global pandemic and so therefore suspended. In November of 2020, the EAA capital project resumed with the support from community members and the approval of the board of directors, we restarted this funding campaign. Through this campaign, we envision laying a foundation of sports complex that will serve Western Douglas County and the area for for generations to come, leaving a legacy in this community. We want to ensure that there's abundant sports venues including baseball, soccer, football and other sports, outdoor sports that have a place to play, practice and be competitive. It will be a-- attract regional teams for competition, for economic development in the area, and create a new business opportunity for the community. This project is currently scheduled in Valley, Nebraska. There is 400 and-- 142 acres that have been procured. That state is-- it's intended to be a state-of-the-art sports complex with a signature destination facility to attract folks from all around the surrounding communities. It's a seven-year project for the purposes of being able to make a sustainable and meaningful business endeavor for the kids. Thank you.

STINNER: Thank you.

JEFF WEAK: Good afternoon, committee. My name is Jeff Weak, J-e-f-f W-e-a-k, I'm here representing myself, MJ Consulting Company. I do consulting for youth sports tourism. And I want to come, as this is public comment, right? Number one, I want to say to the committee, I don't know how you're going to do what you have to do. Number one. I

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mean, I got here a little late, but I heard everybody come and say, we all have a need. And I sat there thinking, I'm going to come up and promote youth sports tourism. Yeah, but homeless. Yeah, but, but food. Yeah, but workforce development. Yeah, but it's a balance, isn't it? I mean, that's what you're going to end up having to do is take the, the significant money, which is not unlimited, and find a way to balance out the needs of our state, which is significant. It's, it's a great problem to have, but it's a problem. The gentleman before that said "transformative" or "once in a lifetime" or "generational," heard those words repeated 20 times today. It's crazy. So I give you a lot of credit. It's not judgment, it's discernment of what money needs to be spent where. And I, and I give you a lot of credit. It's, it's a lot of weight to carry and I give you credit for that. I'm here to support the shovel-ready LB566. Back when that bill started, it was arts related. And then Senator McDonnell, with a little bit of vision, added youth sports component to it. And then when the 20-- 125 applicants came through, I think it was almost 50-50 youth sports and arts. And it's 100-- or \$325 million worth of asks, and there must be \$325 million worth of needs, because those that ask must need. I think of Senator Vargas and the PACE project that I know PACE is trying to do in south Omaha. I mean, those guys, talk about a good-hearted group of guys that want to do something great for that community in south Omaha. They're on that list. How do you, how do you figure out who gets what and how to earmark that money when there's so many other needs as part of this. Give you a lot of credit. I'm supportive of giving as much to the shovel-ready projects as possible, but it's going to be up to you guys to, to make hard decisions. Thank you. That's all I have to say.

STINNER: Thank you. Additional testifiers.

JOSH TODD: Thank you. Good afternoon. Josh Todd, Omaha Sports Commission. Hoping to get on that invite list for the invited testimony next time. Just kidding, you guys are doing an awesome job. I'm here representing our statewide coalition of member cities and nonprofit host entities that we call Sports Nebraska. In Nebraska, we've been fortunate to host many impactful events, as you know, that bring positive and national, international-- and international attention to the state. They also create excitement, inspire pride and a sense of place. Even better, these events bring millions of dollars annually to our state and highlight our quality of life, making it easier to attract employees, families and businesses to Nebraska. I can tell you that we have a place in the multibillion dollar a year national sports event industry. The challenge, however, is it's very

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hard to track and sustain these events under the current funding system that we operate under. Large events require substantial out-of-pocket expenses, including rights fees, guarantees and event operations. Local organizers, usually nonprofits, don't always have the deep wallets to cover these expenses, forcing them to cut budgets and rarely make a profit at the end that can be crucial to their sustainability. This is especially true during the pandemic, when Nebraska was actually more open than other states, and we continued to host events when fundraising was down. The states that we compete with have funds set up to support hosting expenses. Our state's lack of funding structure for events puts Nebraska at a competitive disadvantage because local organizers need to find much of their funding from nongovernmental sources, and those sources can grow tired of footing the bill, as we have seen recently. This lack of funding forces our events to face financial pressure, go into debt, or we lose the event to better-funded larger populated states and cities. Despite these events bringing in millions of economic impact annually, the only consistent state dollars currently available would be from our tourism-- State Tourism Commission's annual grant program that's for marketing and events. And through no fault of their own, it just isn't enough based on their budget and their goals. As we have heard today. We know there are other vital needs and priorities for our state with this ARPA money that we also hope to get funded. For our industry, I see what is out there, what the rest of the country does, and what national governing bodies and event organizers require. It's clear that our current funding structure for major events is inadequate, and our ability to attract and retain these events is at stake if we do not find a solution. The return on investment is huge. If our industry is doing well, the state does well. We propose looking creatively at developing a funding pool and grant program for major events. The proposed idea would be to seek one-time funding from these ARPA dollars to Nebraska to create a significant endowment to effectively support big events in Nebraska as the need arises. This endowment can be conservatively invested and could also generate cash annually, creating a perpetual fund. We also propose the fund could-- should fall under the Department of Economic Development, rather than the State Tourism Commission. These large events are economic development opportunities, just as much as tourism opportunities and need to be evaluated for how they can be used to build our economic base in the state. This would also allow the Tourism Commission to focus their dollars on the smaller events that are also important to the state. Grant criteria could be developed and where reporting will be recreated and required to ensure the event applicants will have

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immediate long-term economic impact. In conclusion, the state event endow-- this state event endowment would help solve our current funding challenges and relieve budgetary pressure on both hosting entities in the state and the State Tourism Commission. A self-sustaining fund for events and a more capable budget for the tourism commission would enhance Nebraska's events and tourism industry, which is the third-largest industry in the state, and benefit our state's economy. The fund would also create an ongoing need for further funding from the state-- would eliminate an ongoing need for further funding from our state budget, as it would be self-sustainable. Our state's largest-- third-largest industry is fundamentally flawed and underfunded. We need to be proactive and provide reliable financial backing for these events that are vital to our state's economy with this one-time influxion of cash to our state. Thank you. I appreciate all your hard work. I know my red light is on, so I appreciate all your service that you guys have done for us.

STINNER: Thank you. Afternoon.

KENDRA RONNAU: Afternoon. Chairman Stinner and members of the Appropriations Committee, my name is Kendra Ronnau, K-e-n-d-r-a R-o-n-n-a-u. I'm the president of the Lancaster County Ag Society, which manages the Lancaster Event Center fairgrounds. As we celebrate our 20th year, we're proud to fulfill our mission under Nebraska law to uniquely foster ag education and ag business. Events held in our facility bring thousands of visitors to Nebraska and Lancaster County. We also serve as Lincoln's largest community center and an emergency facility. A 2017 economic impacts study-- excuse me, study from UNL's Bureau of Business Research found that LEC fairgrounds had an almost \$40 million impact, economic impact. Since then, we have continued to add major regional and national events to our calendar and increased our value to Nebraska and our community. In a typical year, LEC fairgrounds hosts over 320 events and welcomes approximately 600,000-visitor days. Since March 14 of 2020, 240 events have been canceled due to the pandemic, including our first opportunity to host the National High School Finals Rodeo, as well as the Family Motor Coach Association's International Convention and Expo. Instead, we switched gears and we hosted 26 critical pandemic service community events, including the TestNebraska, Red Cross blood drives, and monthly distribution for the Lincoln Food Pantry. These events were staffed free or at cost-only rates. We have a unique facility that includes significant outdoor parking sites, indoor arena and expo buildings, outdoor arena spaces and 1,300 campsites. However, the pandemic has strained our already financial limited fine re--

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financial resources. Over the last two fiscal years, cancelations and decreased participation cost the LEC fairgrounds nearly \$6 million in revenue. We were fortunate to benefit from two Paycheck Protection Program loans, an Economic Injury Disaster Loan, and some CARES Act dollars to maintain our 20-person expert crew. Because we were able to maintain our score-- our core staff with, with state and federal support, we began reopening this summer to regular events. Although our overall attendance has been down, the 2021 National High School Finals Rodeo broke all the records for both out-of-state and regional visitors. We're slated to hold that week-long finals rodeo again in 2026 and 2027, as well as the fam-- the Family Motor Coach, which will be coming next year in 2022. As we look towards the future, we need additional funding sources to assist with our recovery. ARPA funds can preserve our substantial contribution to local tourism and hospitality industries. Earmarks of new water, sewer and broadband investments will be needed to maintain services required by our visitors. The Lancaster County Ag Society is very proud to have grown our capital-- capital city's fairgrounds to serve in so many ways. We hope that ARPA funds can be found not just to repair the damages from COVID, but to strengthen its readiness as an emergency facility, but to make the investments to bring more, bring more visitors to our great state. We appreciate what the community and the state has already done for us. We appreciate your time, but we hope that you'll look into our requests. With that being said, thank you.

STINNER: Thank you. Additional testifiers? Seeing none, we do have 18 letters of support for LR178 and LR179. And that concludes our hearing on LR178 and LR179.