

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee February 23, 2022

ARCH: Well, good afternoon and welcome to the Health and Human Services Committee. My name is John Arch. I represent the 14th Legislative District in Sarpy County. I serve as Chair of the HHS Committee. I'd like to invite the members of the committee to introduce themselves, starting on my right with Senator Day.

DAY: Good afternoon. I'm Senator Jen Day, represent Legislative District 49 in Sarpy County.

MURMAN: Hello, I'm Senator Dave Murman from District 38 and it's most of eight counties in southern Nebraska.

WALZ: Good afternoon. My name is Lynne Walz and I represent Legislative District 15, which is all Dodge County and part of Valley now.

WILLIAMS: Matt Williams from Gothenburg, Legislative District 36.

M. CAVANAUGH: Machaela Cavanaugh, District 6, Omaha-- west-central Omaha. Sorry, I got it out of order. Douglas County, west-central Omaha.

ARCH: Also assisting the committee is one of our legal counsels, Paul Henderson, our committee clerk Geri Williams, and our committee pages Savana and Aleks. A few notes about our policies and procedures. First, please turn off or silence your cell phones. This afternoon, we'll be hearing four gubernatorial appointments and two bills and we'll be taking them in the order listed on the agenda outside the room. The hearing on each appointment or bill will begin with an opening statement from the appointee or introducer of the bill. After the opening statement, we will hear from supporters then from those in opposition, followed by those speaking in a neutral capacity. The introducer of each bill will then have the opportunity to make closing remarks. For those of you who are planning to testify, you will find green testifier sheets on the table near the entrance of the hearing room. Please fill one out and hand it to one of the pages when you come up to testify. This will help us keep an accurate record of the hearing. When you come up to testify, please begin by stating your name clearly into the microphone and then please spell both your first and last name. We use the light system for testifying. Each testifier will have five minutes to testify. When you begin, the light will be green. When the light turns yellow, that means you have one minute left. When the light turns red, it is time to end your testimony and we will ask you to wrap up your final thoughts. If you wish to appear

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on the committee statement as having a position on one of the bills before us today, you need to testify. If you simply want to be part of the official record of the hearing, you may submit written comments for the record online via the Chamber Viewer page for each bill. These comments, however, must be submitted prior to noon on the work day before the hearing in order to be included in the official record. Additionally, though, there is a white sign-in sheet at the entrance where you may leave your name and position on the bills before us today. With that, we will begin today's hearing with the confirmation hearing for Linda Mentink and she is on the phone. Linda, are you with us?

LINDA MENTINK: Yes, sir.

ARCH: Well, thank you for joining us and you are being appointed-- new appointment to the Nebraska Commission for the Blind and Visually Impaired. So if you could give us a little bit-- a little overview of your background and your qualifications for being on this commission?

LINDA MENTINK: Well, I have this written out so if the transcriber needs it, I'll be happy to send it.

ARCH: OK.

LINDA MENTINK: I was born and raised in Wisconsin. I attended Wisconsin School for the Visually Handicapped in Janesville from kindergarten through 12th grade, then went to UW-Whitewater, where I earned a Bachelor of Arts degree in vocal music with certification to teach K through 12. I taught at Wisconsin School for the Visually Handicapped during the 1979-80 school year as a limited-term employee and worked there in 1985 as a braille transcriber, again, again as a limited-term employee. I taught voice and piano in my home for many years, sang in two community courses, gave concerts around the state, was a member of and held leadership positions in Janesville MacDowell Music Club, where I performed many times-- I'm dropping the phone-- and was an integral part of Bethel Baptist Church's music ministry, served on the Deaconess board and the missions committee and with prayer chain chairman. I joined the National Federation of the Blind of Wisconsin in the spring of 1975, when the affiliate was reorganized and was its secretary for many years. I also served as its first vice president for two years and secretary of the Rock County chapter. I have attended every national convention since 1986 and have held various national leadership positions. I moved to Columbus, Nebraska, in October of 2004 to teach music at Bible Baptist Christian School, assist the church's music ministry, and give music lessons to some of

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the members. I play the organ for our daily chapel services, sing in our mixed choir, and play my violin in our string group. I joined the National Federation of the Blind of Nebraska in 2005, the senior division in 2016, and the Columbus Area Chapter in 2017. Currently, my NFB offices include secretary of the NFB and communities of faith since 2005, member of the committee for the advancement and promotion of braille, board member of the NFB of Nebraska, secretary of the NFB of Nebraska Senior Division, and president of the NFB of Nebraska Columbus Area Chapter. I am also vice president of the Friends of the Nebraska Commission for the Blind and Visually Impaired and president of the alumni association of the Wisconsin School for the Blind and Visually Impaired, which is the new name for the Wisconsin School for the Blind-- oh well, Wisconsin School for the Visually Handicapped, got confused there, sorry. That's all I have for you.

ARCH: OK. Well, thank you. Are you sure you're going to have time to, to, to serve on the commission? It sounds like you're really busy.

LINDA MENTINK: Well, you know what they say. If you want something done, ask a busy person.

ARCH: OK, very good. Well, thank you. That's-- that was a great overview. I want to open it up to any questions from the committee at this time as well. Senator Murman.

MURMAN: Yeah, hi. Sounds like you have been very active, have a lot of experience. From your past experiences, what do you hope to bring to the board?

LINDA MENTINK: Well, partly as a member of the friends of the commission, I've learned a lot about the commission. Of course, not growing up here, I was never a client, but I hope to bring to the board, board maybe an outside interested person's view of things and to be able to aid in whatever way I can. As a new commissioner, I'm just getting acquainted with what a commissioner's responsibilities are and so I guess I'll learn as I go.

MURMAN: Well, sounds great. Thanks a lot.

LINDA MENTINK: Um-hum.

ARCH: Other questions? So I-- one of the questions that I usually ask is, is how did you hear about this opportunity? How did, how did this come to your attention?

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LINDA MENTINK: Carlos Servan, the executive director of the commission, asked me if I would be willing to apply and he submitted my name.

ARCH: OK. All right, so you were recruited? OK.

LINDA MENTINK: Yes.

ARCH: That's great. That's great. Well, your reputation is out there. They, they obviously knew you'd be well qualified so appreciate that.

LINDA MENTINK: Thank you.

ARCH: With, with that, I would ask are there any other-- is there anybody that would like to speak in support of her appointment? Is there anybody who would like to speak in opposition of her appointment? Anybody who would like to speak in a neutral capacity of her appointment? Seeing none, Linda, thank you very much for your time. We will, we will consider your appointment and then we will forward that to the full Legislature for their confirmation. So appreciate very much you being on the phone today and appreciate your willingness to serve in this capacity.

LINDA MENTINK: Thank you, sir. Thank you for your time.

ARCH: Thank you. That will close the gubernatorial appointment hearing for Linda Mentink and we will now open for Cheryl Livingston. Is Cheryl with us?

CHERYL LIVINGSTON: Yes.

ARCH: Please come on up and have a seat in the chair here and give us a chance to get to know you a little bit. Cheryl, you are also being appointed to the Nebraska Commission for the Blind and Visually Impaired., am I correct?

CHERYL LIVINGSTON: Yes.

ARCH: OK and so maybe you can tell us a little bit about yourself as well.

CHERYL LIVINGSTON: OK. Well, my name is Cheryl Livingston and I am a native Nebraskan. I was born in Fremont, Nebraska, attended school in Fremont then later lived in Omaha and now I live in Lincoln. I've lived in Lincoln for over 30 years. I am a legally blind, visually impaired, blind individual so I have been a client of the Nebraska

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Commission for the Blind. And at the time I was a client, it was known as the Nebraska Services for the Visually Impaired because it was under the Department of HHS and now it has a separate commission that governs the, the, the agency. So back then, it was Nebraska Services for the Visually Impaired. The agency worked with me to help me get through school. I do have a bachelor's degree in psychology from the University of Nebraska-Lincoln. The agency also helped me get a couple of jobs, one of which was with the Social Security Administration. I worked for Social Security for almost 11 years, first as a service rep in Omaha and then as a claims rep here in Lincoln. I am a retired employee of the Nebraska Commission for the Blind. I started work there in March of 1990-- or I'm sorry, 1999 and retired from there in March of 2020, right before the pandemic hit. So my work at the commission has brought me in contact with, you know, with the whole agency. I worked as a what they call a vocational rehabilitation technician and that's a person that works with counselors, with clients. I did lots of different kinds of jobs. I handled the front desk. I answered inquiries. I took referrals. I worked with clients, tried to encourage them to come to the commission, if they were not clients, to come for training. I went through a month of orientation center training at the orientation center and kind of got to know a lot about the commission from the inside. I have attended several commission board meetings as a commission employee and then, you know, as a consumer. Like Linda, I am a member of the National Federation of the Blind and have been since 1975. I currently serve as treasurer of the Nebraska affiliate of the National Federation of the Blind. I've been treasurer since 1988. I've served in a lot of different capacities in the organization. I've served as a chapter president, chapter secretary, walkathon chairperson, all sorts of other things that I've done on committees, worked with parents of blind children, worked with students. You know, done lots of different things within the, within the National Federation of the Blind. So, you know, as a consumer, I think that, that I bring a, bring a unique perspective to the commission board because I'm a consumer, but I'm also a former employee of the commission as well. So I have my past commission experience to go on, plus my experience as, as a visually impaired person in the community. So I guess that's what I have to say about myself.

ARCH: OK. All right, thank you very much. Questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch, and thank you, Ms. Livingston, for your willingness to volunteer for this. You bring more experience to this job than probably anybody because of you're using them as a, as a service to you, but then also working there. When you think about what

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your experiences bring, do you see things on the horizon that could be changed about what the commission does to better enhance their services?

CHERYL LIVINGSTON: I think that as far as changes, I don't know about any specific changes as of yet. I think once I start serving on the board and learn more about the inner workings of the commission, you know, apart from the employment aspect and the consumer aspect, I think that the commission is, is on a good track. I think that it's working hard to serve the consumers of the state. I think one of the most important things that the commission can do, as well as providing training and services, is to provide consumers with a positive attitude about blindness so that not only do the consumers get the training that they need, but they also have kind of a can-do attitude so they can go out into the world and live the lives they want and do what they want to do and have the skills and the training and the attitude to do it.

WILLIAMS: Thank you. Great answer.

ARCH: Other questions? I see in your-- in the information we were provided that 21 years employed by the Nebraska Commission. During that time, you received the employee of the year award in 2013.

CHERYL LIVINGSTON: Yes.

ARCH: And you've also received the Richard Parker Memorial Award from the Nebraska-- or the National Federation of the Blind of Nebraska. Any particular area of work where you were, where you were recognized for, for those two awards?

CHERYL LIVINGSTON: I don't know if it was a particular area. The Richard Parker Memorial Award is given to a member of the, of the Nebraska affiliate of the federation for a variety of reasons. When the person is chosen, I believe that, that they're looked at in view of what they bring to the organization as a whole. I've been the treasurer for the organization for a long time, but I've also served in various capacities within the organization. I have also been a, I guess, what you would call a dedicated member. And what I mean by that is someone who has-- goes to chapter meetings regularly, attends convention regularly, goes to board meetings, you know, because not only does a person need to be involved in-- you know, if you can be a treasurer or a secretary or a president, that's, that's great, but I think a person also needs to be just a good member and, you know, to attend the meetings, get involved, do things to help out the

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organization. And so I think that, that all of that came together and that's probably what, what was the main thing that, that helped the organization to select me for that award. And it was certainly a privilege and an honor beyond, beyond compare to receive that award. And as far as--

ARCH: Sure.

CHERYL LIVINGSTON: --the award for the, for the employee of the year, I was totally surprised. And I think there again, it's the same thing. Not only do you achieve knowledge and skill in your job, but you also become a person that other people can go to, to have questions answered, to find out things-- information that they might need. You know, a dependable person, they know that they can come to you and say, Cheryl, can you find this out for me? Do I need to do this to get this paid or do that to do whatever? You know, and I can go and if I don't have the answer, I can go and get them the answer. One of the things that I always believed in as an employee and as a, as a person who served the public is never leave somebody without an answer to something. You know, at least-- if it's I don't know, at least that's an answer, but that's-- the best answer is to find out what the fact is or what needs to be done or whatever. Give them something that they can take away. You know, that they can use for their knowledge or their benefit or whatever it might be. So I think all those things come together, you know, to, to help a person achieve those kinds of, of awards. And, and, you know, as I say, they were really a pleasure and I was totally surprised with both of them, but, but I was very pleased to get that.

ARCH: Yeah, congratulations for both of those.

CHERYL LIVINGSTON: Thank you.

ARCH: And thanks for your hard work and your hard volunteer work over so many, so many years, sticking with it and helping so many people, so.

CHERYL LIVINGSTON: OK.

ARCH: Any other questions from the committee? Seeing none, thank you very much for your willingness to serve and, and for sharing a little bit of your history and life with us today.

CHERYL LIVINGSTON: Thank you.

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ARCH: Yep. Is there anyone else that would like to speak in support of Cheryl's appointment? Anyone want to speak in opposition? Anyone in the neutral capacity? Seeing none, thank you very much, Cheryl, for coming today and we'll get back to, let you know as we forward this to the, to the full Legislature.

CHERYL LIVINGSTON: Thank you.

ARCH: Thank you. That will close the gubernatorial hearing for Cheryl and we will now open the hearing for Richard Wiener. Welcome, Dr. Wiener.

RICHARD WIENER: Thank you. Good afternoon.

ARCH: If you could share with us a little bit about your history and your experience and what you're bringing to your appointment.

RICHARD WIENER: Absolutely. So I have a Ph.D. in psychology from the University of Houston and a master's degree in legal studies from UNL. I'm currently the Charles Bessey professor of psychology and law at UNL. I teach graduate courses in psychology in the Ph.D. program and I teach law courses in behavioral sciences and the law at UNL College of Law. I'm the former director of the law and psychology program for 13 years at UNL, past editor of the Journal on Human Behavior. I served in multiple professional organizations as secretary/treasurer in one, as general editor in another, as treasurer in a third. My work area of interest is really-- my area of expertise is empirical research in the social sciences, particularly psychology. I have an extensive background in research data analysis and program evaluation. My specific area of interest is studying the application of social and cognitive psychology to problems with legal decision-making with a focus in juvenile and criminal justice. I also have expertise in conducting research and evaluation in social programs here in Nebraska and elsewhere throughout the country. I have-- recipient of funding from the National Science Foundation, National Institutes of Justice, the Substance Abuse and Mental Health Services Administration, SAMHSA, and I have numerous-- or have had in the past numerous contracts from state and city agencies to a complete program evaluation and research studies for Nebraska and other states. My current [INAUDIBLE] area of work in the state is I do applied work. I do research-- I've done-- been a research consultant for the Nebraska Administration Office of Probation and Courts. I have been a consultant-- research consultant for Lancaster County Department of Human Services and I am currently a Supreme Court--appointee to the committee on problem-solving courts. I should have started off by saying that I am in fact not a native

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Nebraskan. I'm from Cleveland, Ohio, but I have lived here for about 20 years and now call it my home in Omaha. So I'm pleased to be here in front of the committee and I'm pleased to be considered for this appointment.

ARCH: Thank you. Thank you. Questions from the committee? Senator Walz.

WALZ: Thanks for coming today--

RICHARD WIENER: You bet.

WALZ: --on this cold day. Is it cold?

RICHARD WIENER: It's cold.

WALZ: Oh man, it is cold. I was just curious, do you have any issues that you're particularly passionate about that would cause you to serve in this capacity?

RICHARD WIENER: Yeah, I've done quite a bit of work looking at juvenile justice issues and how it is that our system treats young people. I am very concerned about ways of improving services for young people. I'm very concerned about keeping young people out of the criminal justice system, out of the juvenile justice system. I think one of the most important ways to do that is to conduct the kinds of research that we need to conduct to be under-- understand what causes-- what leads children to become in those, those positions. So I'm very happy to lend my expertise to understanding and hopefully preventing some of those concerns.

WALZ: Thank you.

RICHARD WIENER: You bet.

ARCH: Any other questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch. And I just want to thank you for all your work you've done, in particular with problem-solving courts and Judge Doyle, who happens to be a friend of mine also, and wish you good luck in the future with this.

RICHARD WIENER: Thank you. Judge Doyle does great work in our committee. I'm pleased to serve with him.

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ARCH: I'm interested as well, how did you, how did you hear about this opportunity?

RICHARD WIENER: Monika Gross and I have been talking about it for a while and I know that you-- she recently lost a person who was on their committee to do work-- or I guess, a research representative. So I was recruited and--

ARCH: OK.

RICHARD WIENER: --we discussed it. It seemed like a good--

ARCH: Well, that's good.

RICHARD WIENER: --thing to do.

ARCH: Well, when, when Monika decides--

RICHARD WIENER: What can you do, right?

ARCH: --she needs somebody, it's hard to say no.

RICHARD WIENER: Yeah.

ARCH: Yep. Well, thank you for saying yes--

RICHARD WIENER: You bet.

ARCH: --very much. Any other questions? Seeing none, thank you for sharing your background. And again, we will consider this and, and let you know, as we've, as we've said, to the full Legislature.

RICHARD WIENER: Very good.

ARCH: Is there anyone else that would like to speak in support, in opposition, or in the neutral capacity? Seeing none, this will close your gubernatorial appointment hearing.

RICHARD WIENER: Thank you.

ARCH: Thank you again for coming. And we will now open our fourth appointment hearing for Peggy Williams. Welcome.

PEGGY WILLIAMS: Thank you, Chairman Arch and members of the Health and Human Services Committee. My name is Peggy Williams and just a little bit about myself: I moved here from Arkansas in 1975, where I joined the staff at the Services for the Visually Impaired at the time as

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deaf-blind coordinator. In 1981, I decided to take a job with Nebraska Commission for the Deaf and Hard of Hearing. And from 1981 until 2016, when I retired, the commission was near and dear my heart-- to my heart. I started the position as field representative, went on to lead worker, and in 1997, I wrote legislation to create a position for mental health services for deaf and hard of hearing people. At that time, it was LB25. Took five years to get it approved, but we eventually got it through. I'm also a sign language interpreter, was licensed by the state of Nebraska, and just this past year, I resigned from interpreting. I-- like I said, I retired from the commission in 2016. Still very involved with, with the commission and the activities, services, and programs they provide. I have served on a number of committees statewide in ensuring that services are of the quality of services in the state are provided for people who are deaf and hard of hearing. I'm a very, very strong advocate in the equality or the quality of services for the deaf and hard of hearing. I advocate very strongly for that. I've also served on interpreter-- state interpreter committees and boards. I was on the Nebraska registry of interpreters for the deaf, both on a state level and a local level. Like I said, the deaf and hard of hearing community has been very near and dear to my heart and I feel with expertise that I have in being a staff member as well as two-time interim director for the commission, that with the resources I have and the familiarity with the needs of deaf and hard of hearing people, I will be able to provide as an excellent person to serve on the board for the commission.

ARCH: OK. Thank you. Thank you. Any questions? Senator Cavanaugh.

M. CAVANAUGH: I want to look up the bill you referenced so I wrote down LB25. What year was that?

PEGGY WILLIAMS: 1997.

M. CAVANAUGH: 1997?-, OK.

PEGGY WILLIAMS: I believe it was '97. I took over as the mental health specialist for the commission in 1999 so I've had several different positions, so I'm pretty sure it was 1997--

M. CAVANAUGH: Fantastic. Well--

PEGGY WILLIAMS: --to create mental health services for the deaf. And because the commission is not a direct service provider, basically, this was to work with various therapy groups, psychologists, anybody

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providing mental health services for deaf and hard of hearing people. Then our role through the commission was to educate, provide access to communication to ensure they were receiving the best possible treatment and services.

M. CAVANAUGH: That's wonderful. Thank you.

PEGGY WILLIAMS: Sure.

ARCH: Other questions? Senator Day.

DAY: Thank you, Chairman Arch. And thank you, Ms. Williams, for all of the years of your service. It sounds like you have been involved with these communities for-- since 1975, you said?

PEGGY WILLIAMS: Well, in '75, I moved to--

DAY: OK.

PEGGY WILLIAMS: --Nebraska from Arkansas.

DAY: OK. What originally brought you to being involved with deaf and hard of hearing people?

PEGGY WILLIAMS: In 1975, I began working at the Arkansas Children's Colony as a teacher for deaf, deaf-blind, and hard of hearing children. And they stole my heart, they stole my love, and it-- I became so involved with working with this community. When I moved here in '75, I worked really hard to continue to, to better my skills in sign language, to learn all I could, understanding the culture of the deaf, the culture of people with hearing loss, the culture of people who are deaf-blind. As hearing people-- I have a severe hearing loss in my right ear, but as hearing people, we take for granted every day of our hearing. We turn the radio on in our car. We're-- we wake up by an alarm. We communicate around the dinner table with our family. And when I started looking at those issues of what deaf people actually experience and things that they have to go through in order to receive the communication that we so easily are provided with. And in '75, that's when I began to really dig deep into having this as my career. So it's been a-- my lifelong career.

DAY: Wonderful. Thank you.

PEGGY WILLIAMS: You're welcome, Senator.

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ARCH: Other questions? I just have one. I see as well in your material that you were nominated three times for employee of the year, recognized by three different Nebraska governors.

PEGGY WILLIAMS: Yes, sir.

ARCH: Any particular area of work that was-- has been recognized that you've been involved in?

PEGGY WILLIAMS: Well, I think it was the services that I pride-- provided to the community, legislation that I wrote. The first one I received was from Governor Kerry and the last was from Governor Ricketts and it was just overall the grants that I wrote for-- to improve services and programs for the commission and just my ability to keep services and programs growing through the commission.

ARCH: Well, that's an amazing record.

PEGGY WILLIAMS: Thank you.

ARCH: You've done very good work and--

PEGGY WILLIAMS: Thank you, sir.

ARCH: --we, we really appreciate you being willing to, to volunteer to continue that work--

PEGGY WILLIAMS: Absolutely.

ARCH: --in a different capacity.

PEGGY WILLIAMS: Can I add something, please?

ARCH: Sure.

PEGGY WILLIAMS: I would appreciate it very much, as the Health and Human Services Committee and senators for the state of Nebraska, there are currently three bills that are going to be heard on the floor. If you don't mind me looking at my notes, I'm not very good with numbers. One is LB60-- LB1162, which will provide in-person interpreting for rural areas and for the legal community. These are by-- are also federal funds that are being provided from the recovery fund. The next is LB1161, which is also federal funds that will be provided by the state if the commission is awarding-- awarded the money for Department of Health to develop programs and provide interpreter training through the Department of Education, as well as equipment for kids within the

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school system who are deaf and hard of hearing. And the third one is LB1267, which is from the Rescue Plan Act of 2021 and this will provide a liaison to the commission, a health equity liaison to work with hospitals, to work with doctors offices to address the health disparities that, that are determined the deaf and, the deaf and hard of hearing community have. So if you would be ever so kind to take a look at those bills and support them, I would be-- appreciate it and I'm sure the director of the commission would as well.

ARCH: Well, you continue your work. That's-- good for you.

PEGGY WILLIAMS: Thank you. I never give up.

ARCH: Thank you. Is there anyone else that would like to speak in support, in opposition, or as a neutral testifier? Seeing none, thank you for coming today. Thanks for your good work over the years and we will get back to you on your, on your appointment.

PEGGY WILLIAMS: Thank you, Chairman Arch.

ARCH: Thank you, thank you. And that will close the hearing for Peggy Williams and we will now open a hearing for our first bill, LB1107. And Senator Day, welcome to your HHS Committee.

DAY: Thank you. Can I-- I feel like this chair is really--

ARCH: Yeah, it's low.

DAY: Thank you. Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is Jen Day. That's J-e-n D-a-y and I proudly represent Legislative District 49 in Sarpy County. Today I am introducing LB1107, which would codify an existing internal regulation that allows childcare providers who serve children that utilize the child care subsidy to bill for up to five absences per month. Serving young children on the federal child care subsidy offers challenges for childcare businesses that do not apply to children whose tuition is privately paid. Providers typically bill private-pay families based on enrollment, creating a stable revenue stream for their business-- that their businesses can rely on. Reliable, consistent revenue is important for all businesses and this is especially true for childcare providers who operate on extremely thin margins. The Child Care and Development Block Grant is the federal law that authorizes the Child Care and Development Fund administered at the state level. The CCDBG was reauthorized in 2014, with the Final Rule coming in 2016. The CCDBG reauthorization said states' plans should provide an assurance that the state will, to the extent

practical, practical, excuse me, implement enrollment and eligibility policies that support the fixed costs of providing childcare services by delinking provider reimbursement rates from an eligible child's occasional absences due to holidays or unforeseen circumstances such as illness. Put simply, states need to try to level the playing field for children utilizing the subsidy. Nebraska recently came into compliance with the CCDBG reauthorization by allowing childcare providers to bill for up to five, five absences per month per child utilizing the child care subsidy, which is one of the options states can choose. This has provided Nebraska providers with a stable, more reliable revenue stream. LB1107 would solidify this commitment to delinking provider reimbursement rates from occasional absences while still allowing the flexibility should the state decide to move to enrollment billing for the subsidy or one of the other approved practices, practices. Families who are eligible for the child care subsidy have household incomes at 185 percent or lower of the federal poverty level. The young children in these families are at an elevated risk of facing obstacles to healthy cognitive, emotional, and social development. Access to quality childcare is especially important for these children so it is crucial to ensure stable, reliable revenue streams for the providers who educate and care for them. LB1107 ensures Nebraska will stay committed to this goal. Before I conclude, I want to briefly touch on the fiscal note. The intent for LB1107 is to codify the current internal regulation that would provide reimbursement for up to five days of absences for those in the child care subsidy program. However, the regulation that we cited has multiple different options for reimbursement that a future HHS could change their policy to, but would not be required to implement if LB1107 passed. The fiscal note is predicated on this bill moving the child care subsidy program from attendance to enrollment reimbursement, which was not our intent with this version of the bill. If you recall, we brought that idea with LB68 last year. However, if you turn to the last page of the fiscal note, it states at the top, quote, if the intent for LB1107 for DHS-- is for DHHS to follow regulations to pay the current five absent days in place-- which it is, that's the intent for this bill-- the fiscal note impact would be zero dollars. This is our intent with LB1107. If we need to make this less ambiguous, we'd be happy to work with the committee to find more precise language. So LB1107 is about making sure Nebraska will continue to provide stability for providers by maintaining the current practices. With that, I'm happy to answer any questions.

ARCH: Thank you. Are there any questions? Seeing none-- oh, Senator Williams.

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WILLIAMS: Thank you, Chairman Arch, and thank you, Senator Day. Can you just go back and help me understand again why we need to codify what is presently the practice that they are following?

DAY: We would like to codify this in the event that a future administration were to want to roll back the five day. We don't foresee that happening, but it just provides a, a more stable revenue stream long term, as opposed to providers having to be concerned about, again, a change in administration, which we will be having very soon, and wanting to change that from that perspective.

WILLIAMS: OK.

ARCH: Other questions? I would assume the reverse would be true as well if the federal government suddenly said, you can't do this under the CCDBG.

DAY: Right.

ARCH: Then we would need to come and if this were to pass, we would need to come and revise the statute again.

DAY: Right, right and I think that's a concern with I mean, lots of bills that we pass is that the federal government could change their perspective on that. That happens, I think, extremely rarely. But I think-- so especially with this, I don't-- I think we could all agree that we don't foresee that happening in the future, but yes, that would be the case.

ARCH: OK. All right, seeing no other questions. Thank you.

DAY: Thank you.

ARCH: First proponent for LB1107.

CATHY MARTINEZ: Chairman Arch and members of the Health and Human Services Committee, my name is Cathy Martinez, C-a-t-h-y M-a-r-t-i-n-e-z. I've been a licensed childcare provider in northeast Lincoln for 29 years. I've cared for several hundred children over the past three decades. I accept subsidy, otherwise known as Title XX, as a form of payment for childcare. I know that accepting Title XX means I won't make the same rate as I do for my other clients. I've cared for many children of students, single moms, and working class poor families over the years. DHHS gives each provider 8 to 12 positions for children in each in-home childcare setting. We must have a guaranteed amount of income to pay our bills just like everyone else

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in this room. Taking a child receiving subsidy means you aren't receiving a guaranteed amount each week. It makes it difficult for providers and this is the primary reason providers refuse to accept Title XX as a form of payment. Every other client of mine pays a weekly fee to ensure that I can pay my staff, myself, my mortgage, other associated bills. All clients know they pay for the spot, not the number of hours or days their child attends. It guarantees financial stability of my program and has allowed me to remain open for nearly 30 years. Most providers charge a weekly enrollment charge versus being paid by time and attendance. It's literally the only way for a childcare provider to keep his or her small business open. Childcare providers have been the backbone of our economy for a very long time. Without us, most families wouldn't be able to work. We stayed open during COVID to assume the burden when schools were closed. The kids had to go somewhere so their parents could continue to work. We handled it when no one else would. Since COVID, there's been a shortage of childcare providers. Many closed during, during COVID due to the pressure on childcare providers. Many of those who took children receiving subsidies didn't get paid for months while children stayed at home with their parents. Allowing providers some leniency with the ability to bill for up to five days while not in attendance has helped. If you want to proactively help the childcare crisis, this would be one way to help make an equal playing field for working class poor to find and maintain quality childcare. When all other families are paying a weekly rate to keep their childcare spot and Title XX is paying only for attendance, payment for attendance makes it more difficult for working class poor to secure and maintain access to childcare. There is currently an 18-month wait list for childcare centers in the city of Lincoln. I don't have any openings in my program until August of 2023. I've already filled one of those openings with someone from a waitlist. It is difficult for childcare providers to choose Title XX client, knowing that payment will be less and it will be based on attendance when there's always someone waiting and willing to pay a weekly childcare fee regardless of attendance. Even though this bill doesn't exactly fix the problem, it is a good starting point to help working class families in Nebraska.

ARCH: Thank you. Are there questions from the committee? Seeing none, thank you very much for your testimony today. Next proponent for LB1107

QUENTIN BROWN: Chairman Arch and members of the committee, my name is Quentin Brown, Q-u-e-n-t-i-n B-r-o-w-n. First, thank you for the opportunity to present before you today in support of LB1107. I currently serve as executive director of Educare of Lincoln, a local

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provider of high-quality early care and education to up to 191 children aged zero to five years of age. And as a provider who prioritizes service to subsidy children, having an opportunity to bill for 5 absent days has helped tremendously. Billing strictly for attendance presents its own challenges, most of which center around budgeting, which for most centers like ours, has taken on a new light during the pandemic. Educare of Lincoln does not accept private pay from families and with that decision, we cannot charge families based on enrollment, which is a fairly reliable source of income. Our decision to support our families most in need, however, creates another set of challenges. Children that utilize the child care subsidy are in families at 185 percent federal poverty level or lower, meaning they are at elevated risk to face obstacles to healthy cognitive, emotional, and social development. Ensuring that we have stable revenue provided through LB1107 helps to ensure consistent programming for our kids and families that require them the most. Reliable revenue is important for any business and this is especially true for childcare providers who, as you've heard already, operate on very, very small profit margins. I appreciate your time and I hope that you will consider supporting LB1107 alongside myself and many of my early care professionals in this work. Thank you.

ARCH: Thank you. Are there questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch, and thank you for being here. Where's your facility located here in Lincoln?

QUENTIN BROWN: 35-- 3435 North 14th. We're physically connected to Belmont Elementary School.

WILLIAMS: Yep, OK.

QUENTIN BROWN: Yep.

WILLIAMS: That's what I thought it was and--

QUENTIN BROWN: That's us.

WILLIAMS: -- I wanted to be sure.

QUENTIN BROWN: Yeah.

WILLIAMS: Is it fair to say that almost all of the moms and dads use, use, your services are in the workforce?

QUENTIN BROWN: Many of them, not all. Many of them.

WILLIAMS: OK.

QUENTIN BROWN: Some are in school. Some are simply just unemployed because they lack the skills. So it'd be fair to say that many of them are.

WILLIAMS: One of the issues we continue to face in our state are workforce issues. And one of the underlying factors that affects that is, is the accessibility and the affordability of childcare so thank you for what you guys do.

QUENTIN BROWN: Oh, thank you.

ARCH: Other questions? I, I have one. What's-- what has been your experience? This, this five-day policy or regulation has been in place now-- I don't-- for some time anyway. What, what's been your experience in the use of that-- of those five days by your families? Do you, do you routinely-- do they routinely use these five days, I guess, or do you bill for these five days?

QUENTIN BROWN: We do, yeah. So we have a team of family engagement specialists, which is a differentiating factor for Educare and many other centers, but their responsibility is to ensure that our families take advantage of every opportunity that, that's before them, considering the population that we serve. And so our experience is, is just that. For us, from a budgeting perspective, having an opportunity to bill for those absent days during the height of the pandemic, it did create a reliable source that we could depend on versus not having that opportunity and losing that revenue with those kids being out. So long way to answer your question, but my experience is that it has been one that we've taken advantage of, full advantage of.

ARCH: OK. Is-- does-- I don't know how to even ask this question. Do the, do the families regularly not send their child for those five days? I mean, is this, is this frequent that you would bill for these five days?

QUENTIN BROWN: I don't know how to define frequent, but I don't think it's anything that they would be taking advantage of more so that they need to. I would have to dig deeper, look at the absences and the reasons behind absences, but at this point, I wouldn't say that it's overly used to a point of being taken advantage of and I'm assuming that's the premise of your question.

ARCH: Yeah.

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QUENTIN BROWN: But I have to look more at the, the numbers.

ARCH: How do you deal with families that, that maybe either need more or take more than those five days? How-- do you, do you counsel with them? Do you-- how, how do you, how do you work with them?

QUENTIN BROWN: Well, it depends on why they're out. It just depends. Our parents will-- our kids will miss days for many reasons; could be transportation, could be health related. It could be domestic, domestic violence happening in a home keeping them from coming to school. It all depends on what's happening, which is why it's critical for our team of engagement specialists to work with families. But to your point, yes, that is part of our responsibility that whatever is preventing our families from being successful, however we determine that to be, it's our responsibility to determine what that is and help alleviate that issue.

ARCH: OK. Well, as Senator Williams says, thank you for your work.

QUENTIN BROWN: Oh, I consider it a privilege to wake up and do this every day.

ARCH: Yeah, thank you. Any other questions? Seeing none, thank you very much for your testimony.

QUENTIN BROWN: Thank you.

ARCH: Next proponent for LB1107.

ADAM FESER: Chairman Arch and members of the Health and Human Services Committee, good afternoon. My name is Adam Feser, A-d-a-m F-e-s-e-r. I'm a policy advisor at First Five Nebraska. First Five Nebraska is an early childhood policy organization dedicated to supporting policies that promote quality care and learning experiences for Nebraska's youngest children. I want to thank Senator Day for introducing LB1107 and the committee members for your time and attention on early childhood issues. As you've heard from previous childcare providers who testified before me, providers serving children utilize the-- who utilize the child care subsidy face unique challenges that make it difficult to operate their businesses. And research demonstrates that access to quality care is particularly important for the development of children who are eligible for the child care subsidy so it's vital that quality providers are willing to serve these children. Delinking provider reimbursement for occasional absences removes one of the biggest barriers faced by childcare providers who accept the subsidy, ensuring that revenue from the child care subsidy is reliable. LB1107

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gives us the chance to show our commitment to these providers now and in the future. And I would also say this is especially important given the expansion we were able to use the federal dollars for to move it to 185 percent. We require more slots for these children. I also wanted to just say that I have children in childcare-- a child now. My middle is now in kindergarten, so I've had three children go through childcare. But having a child in childcare right now, every day it's we have this number of teachers that have tested positive, this number of children that have tested positive. We've had multiple quarantines. As a private-pay family, it doesn't matter for us. We are paying the same amount regardless. That is a reliable revenue stream for our provider. They can count on that. If you have a child that has to quarantine for two weeks and they're on the subsidy, the five days is helpful. It's not nearly what the enrollment was when the executive order was in place and so Cathy told me-- she had already testified, but she said I know the five days is used for quarantine frequently. And then as a parent of just children, occasionally I have a day off and I want to go to the zoo with my kid or I want to, you know, go to a ballgame. Things like that, that if you don't have the five absence days, you can't-- you provide-- you're hurting your provider by not going and they can't rely on it. But if you have at least these five days, you can feel like I can do the things that other parents can do and still not demand that our provider lose, you know, revenue from it. So anyway, I appreciate your taking the time to learn more about this issue. I should also say the way we framed it was we want-- we are really appreciative of the five days. We think this was a positive step. We want to codify that, but also have flexibility should we decide, you know, maybe something like LB68 in the future is something we're interested in or we think is beneficial to do. We can still do that. So it leaves flexibility in there so that Nebraska can still choose the best route to comply with the federal regulation. With that, if you have any questions, I will do my best to answer them.

ARCH: OK, thank you. Are there any questions? Seeing none, thank you very much for your testimony. Next proponent for LB1107. Is there anyone that would like to speak in opposition to LB1107?

STEPHANIE BEASLEY: Good afternoon. Good afternoon, Chairperson Arch and members of the Health and Human Services Committee. My name is Stephanie Beasley, S-t-e-p-h-a-n-i-e B-e-a-s-l-e-y, and I'm the Director for the Children and Family Services Division within the Department of Health and Human Services. I'm here to testify in opposition to LB1107 as its intent is unclear as written. The bill contains language that recites the provider may bill the full authorized amount for times that the child was absent on a scheduled

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day, as permitted by federal regulations under 45 CFR 98.45. Federal regulation grants states flexibility regarding childcare provider payments, setting for three options that the state may elect. A state may pay providers based on enrollment rather than attendance. Provide full payment if a child attends at least 85 percent of the authorized time, or provide payment to a provider for up to five days per month when a child was absent. Nebraska elected to utilize this last option, providing full payment if a child is absent for five days or fewer in a month and promulgated agency regulations accordingly. That actually was in September of 2020. While the intent of LB1107 may codify that childcare providers will receive the maximum five absent day payments per month, the phrase "fully authorized amount" is unclear and could be misunderstood by the provider, the family, and the hearing office. As written, providers may bill for the full amount of child care subsidy hours approved in the authorization given to the family and the provider when eligibility is determined. The provider could misconstrue that LB1107 permits the provider to bill the department for the amount of hours authorized and not the number of absent days permitted to be billed by DHHS. If the bill is interpreted to mean providers can bill the full amount they are authorized for, regardless of the child's attendance, there would be a financial cost associated with the bill. As DHHS already obligates federal funds for the child care program, the ongoing cost would need to be implemented with State General Funds. In summary, LB1107 is written in a way that is unclear and could be misunderstood, resulting in a wide range of fiscal impacts, as noted in the fiscal note for LB1107. We respectfully request that the committee oppose this legislation as written. Thank you for the opportunity to testify today. I'd be happy to answer any questions you may have.

ARCH: Thank you. Were you here for Senator Day's opening?

STEPHANIE BEASLEY: I was.

ARCH: OK. She mentioned this language as well in her opening. OK. Questions for-- yes, Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thanks for being here. So the fiscal note, if, if she were to amend it to be just codifying those five days, there would be no fiscal impact?

STEPHANIE BEASLEY: So this has-- we actually promulgated this regulation and implemented this in 2020 and so it, it, it codifies what is already in effect--

M. CAVANAUGH: Sure.

STEPHANIE BEASLEY: --because we have utilized the-- one of the three. So it would-- since there would be no change, there would be no fiscal impact.

M. CAVANAUGH: Can you-- do you have the fiscal note with you? Sorry. You know me and fiscal notes.

STEPHANIE BEASLEY: It has a really small font, Senator, and that might be a problem for me.

M. CAVANAUGH: Hence the-- my glasses. So I just was hoping you could kind of walk through this because the fiscal note is honestly a little, even for me, intimidating. And I love a good fiscal note, but there's a lot of information here, between our Fiscal Office and your fiscal office, that I'm not quite understanding how we're getting the numbers we're getting. So because we-- if we just codify what you're already doing, no fiscal impact. If we do the full however many days are billable in a month, there is a fiscal impact.

STEPHANIE BEASLEY: So the, the review of this-- so there is an authorization of-- so let's say a parent applies with us. They receive-- it's determined that they're eligible and they receive an authorized number of hours. And so they may be authorized for six hours a day, but only taking a child to daycare for three hours a day, it is our expectation that providers then would not bill the six-hour days because typically the child is not there six hours a day so that for the five days absent, they would build two or three-- what is ever typical. The language in this of the fully authorized could expand that amount if it's not very clear that we're maintaining what they typically would be in attendance for and what they typically would be billing for an absent day if I'm being clear.

M. CAVANAUGH: So, so the current reimbursement is-- or qualification even-- you are given so many hours?

STEPHANIE BEASLEY: Yes, so you would be-- you would be authorized--

M. CAVANAUGH: As a parent.

STEPHANIE BEASLEY: --as a parent.

M. CAVANAUGH: OK.

STEPHANIE BEASLEY: Yes.

M. CAVANAUGH: And that number of hours can be different?

STEPHANIE BEASLEY: So I may not utilize typically. So I might be approved for 32 hours, but I am only utilizing five hours a day.

M. CAVANAUGH: But-- sorry, like, you might be, you might be authorized for 32 hours. Would-- is everyone authorized for 32 hours--

STEPHANIE BEASLEY: It would--

M. CAVANAUGH: --regardless of what they use? Are you-- is that--

STEPHANIE BEASLEY: It will be-- it varies.

M. CAVANAUGH: It does vary.

STEPHANIE BEASLEY: It does vary.

M. CAVANAUGH: OK. That's what I was getting caught on.

STEPHANIE BEASLEY: So the fully authorized amount might be different than what they actually bill-- the provider would bill on a daily basis. So I may be approved for 40, but typically I'm only there seven hours a day. So the provider for billing an absent day wouldn't then bill for an eight-hour absent day. They would bill for a seven-hour absent--

M. CAVANAUGH: I'm-- I just mean, like Senator Hansen and I both have children. We could-- we both would-- if we are authorized, we would get-- be authorized for the same amount of hours for our child?

STEPHANIE BEASLEY: It, it can vary.

M. CAVANAUGH: It can vary.

STEPHANIE BEASLEY: It can vary.

M. CAVANAUGH: OK, so like he could get 20 and I could get 40?

STEPHANIE BEASLEY: So the fiscal note is built on a couple of different things too. And our financial team does this and it's written in a really small font So I'm not going to read it to you--

M. CAVANAUGH: That's all right.

STEPHANIE BEASLEY: --but it's also right now we have a reduction in utilization of slots. And so I actually have that data for you, I

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think. So I-- at one point-- so right now, we have 17,700 eligible children. We've had a high of even up to 18,000 in 2019. And so our projections are also on-- going back to our pre-COVID. It's our expectation and honestly, our goal and hope is that we're going back to pre-COVID projections for our number of kiddos who are utilizing the subsidy. So right now, we have 17,7000 eligible, but only 12,500 actually are, are-- we're getting billed for that on a typical average basis. So we would definitely expect for that to increase and that is also part of those increase in our projections over time--

M. CAVANAUGH: OK.

STEPHANIE BEASLEY: --unless we're doing it exactly as we have promulgated in the rules.

M. CAVANAUGH: Thank you for your patience with me. I think I finally understand you.

STEPHANIE BEASLEY: Thanks, Senator.

ARCH: Thank you. Any other questions? Seeing none, thank you very much for your testimony. Next opponent for LB1107. Is there anyone that would like to speak in a neutral capacity on LB1107? Seeing none, Senator Day, you're welcome to close. As you're coming up, I would mention that we have received 12 letters in support for LB1107, no in opp-- none in opposition, none in neutral.

DAY: So I appreciate Director Beasley being here to articulate their opposition to the bill and it relates to what I mentioned in my intro. We're happy to change that language. This was language that we did work on them with-- in December and we're happy to continue to work with them to maybe strike some of that language that's ambiguous in terms of how many days can providers can bill for. My thing with LB68 last year and again with LB1107 this year is that these are families that are living in poverty. They just want to go to work and enable-- be-- as Senator Williams very eloquently mentioned, this is one of the main pieces in, in people being able to go to work is finding quality childcare or sometimes any childcare. Any childcare provider that will accept the child care subsidy, we know we have a shortage of those providers and this is why we have a shortage of those providers is because they don't have a stable revenue stream. Again, as I mentioned last year on my other bill, as a, as a small business owner, I can't imagine trying to run a business having no idea what was coming in relative to what was going out. Those are just basic finance. So I think this is a small step that we can take in order to provide a

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little more stability for those business owners and potentially maybe some more options of quality childcare for people living in poverty who just want to go to work, who will eventually, because they are going to work, maybe no longer have to utilize the child care subsidy at some point in their children's lives. So thank you.

ARCH: OK. Thank you. Are there any final questions? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Senator Day. So I'm again back to the fiscal note.

DAY: Yeah.

M. CAVANAUGH: So I do see that it says that it's a \$14 million annual increase, which I guess to me-- and I'm curious what your interpretation of this means-- that we currently are shortchanging our childcare industry \$14 million.

DAY: I don't know if-- and again, Director Beasley understands this better than I do in terms of what the language says in the bill and how it relates to how providers could bill. I mean, that's a potential interpretation of that, I suppose,

M. CAVANAUGH: So the, the fiscal note speaks to fully paying all of the authorized hours.

DAY: Right.

M. CAVANAUGH: So currently, we're authorizing enough hours that there's a \$14 million difference and--

DAY: We're not--

M. CAVANAUGH: You and I have--

DAY: Yes.

M. CAVANAUGH: --children. We put--

DAY: Right.

M. CAVANAUGH: --them in childcare. We would pay-- we paid the same amount no matter what. Barrett was out--

DAY: Right.

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M. CAVANAUGH: --of school for 11 days this month, this month. It was very intense, but we-- I paid the same amount--

DAY: Right.

M. CAVANAUGH: --because that's what you do. And so if I had my child out for 11 days, my childcare, based on how things have been going just recently, would have shut down completely.

DAY: Right and that's I think what we're trying to prevent here is it is sort of a tumultuous time for providers, but in reality, I think for providers, because they-- if they use the child care subsidy, it's sort of always kind of tumultuous for them. And I don't think that's fair by any means to, to kids that, no fault of their own, are living in poverty, right? So your family doesn't-- again, it's not fair for the kids. It's not fair for the parents.

M. CAVANAUGH: I mean it, it-- the cost per recipient, \$676. I don't think you can find that in Omaha.

DAY: No, no. I think we all know private pay is somewhere usually around \$1,000 to \$2,000 a month per kid.

M. CAVANAUGH: Yeah.

DAY: So \$600 is very low.

M. CAVANAUGH: Thank you.

DAY: Yeah.

ARCH: Senator Hansen.

B. HANSEN: Thank you. I probably should have asked this question earlier to somebody else, but--

DAY: Um-hum.

B. HANSEN: --when a child is absent, do they have to record why they're absent, their reasoning why?

DAY: That's a good question. I'm not sure if there is a-- you know, with school, obviously there is. I'm not sure if there is with the childcare provider, but--

B. HANSEN: Because I think the--

DAY: --we can find out.

B. HANSEN: --whole-- yeah, the whole reason we put this in place, I think, was because of the pandemic where-- with the assumption that they were gone because either they were sick or some in the family or they're quarantining. But like what Adam mentioned is, like, if they take their kids to the zoo--

DAY: Right.

B. HANSEN: --and it's an absent day, we're paying for that then?

DAY: I mean, I guess that's one way to look at it. I keep going back to the idea, though, that families-- Adam is also private pay, right? So families who live in poverty and qualify for the child care subsidy, which I will speak from experience, I used to be a mother, a single mother that qualified for Title XX and I used it. I wouldn't qualify anymore, but I was there at one point. I was certainly not taking days off of work to take my child to the zoo at that point and expecting the state to pay for it.

B. HANSEN: Yeah.

DAY: Because I couldn't afford to take the day off of work in the first place, which would-- I would guess would be the case for many of these families. We're not talking about, you know, again, people who could afford to do that, so.

B. HANSEN: I was just-- more out of curiosity.

DAY: Yeah, sure.

B. HANSEN: I was wondering how that works and if--

DAY: Yeah, I don't-- I'm not sure if there's a policy on, on--

B. HANSEN: Yeah.

DAY: --on requesting what the reason would be.

B. HANSEN: OK.

DAY: I'm not sure.

B. HANSEN: I'm not saying it happens, but--

DAY: Sure.

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B. HANSEN: --often, but just more for curiosity sake and if we're recording it so it can kind of keep track of why kids are absent--

DAY: Right.

B. HANSEN: --now since we're not in, you know, in the pandemic and why we're paying for this--

DAY: Right.

B. HANSEN: --just, just what the question was, so thank you.

ARCH: Questions? Seeing none, thank you very much.

DAY: Thank you.

ARCH: This will close the hearing for LB1107 and we will now open the hearing for LB710.

WILLIAM HERTZLER: Good afternoon.

ARCH: You don't look like Senator McCol-- well, I don't know.

WILLIAM HERTZLER: I am not John McCollister.

ARCH: Oh, OK. All right.

WILLIAM HERTZLER: Surprisingly, yes.

ARCH: Maybe I needed to clean my glasses or something.

WILLIAM HERTZLER: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. I am William Hertzler, W-i-l-l-i-a-m H-e-r-t-z-l-e-r. I'm here on behalf of John McCollister, representing the 20th Legislative District in Omaha. The idea for-- and in the interest of time, I would like to mention that the committee staff was very helpful in rearranging the schedule today, but Senator McCollister still is in the Government Committee, so I was unable to change the testimony so every time I say "I," please think of Senator McCollister. So the idea for LB710 was brought to me in 2021 as I was researching LB108 to expand access to SNAP benefits. Some folks who are on a Zoom call with me to discuss food benefits mentioned that rural communities can be particularly helped by removing the asset limit to receiving these vital food benefits. Surprisingly, rural areas can have greater food insecurity than, than urban areas. In 2021, the Department of Health and Human Services administered over 70,000 SNAP cases per year and an average of 129 of

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those applications per year are denied specifically via the asset limit. A total of 516 SNAP applications have been denied due to that reason since the beginning of federal fiscal year 2018. It's also important to note that the asset test is the first hurdle that a SNAP application faces. So current law says that after an application is determined to be eligible via the asset test, it then moves on to all other eligibility tests. The fiscal note indicates that there is no cost to the state. However, I would contend that this bill could provide a net cost savings to the state. If LB710 passes, each and every application for SNAP benefits would no longer be subject to the previous limit on assets so the adoption of this bill will save the department administrative time by removing an unnecessary step from determining an applicant-- application's eligibility that was previously conducted on every single application. And then just one final note: through broad-based categorical eligibility, 34 states have removed this limit on assets when determining an applicant's eligibility for SNAP benefits and Nebraska should join these states and remove this limit as well.

ARCH: Thank you. Our policy is not to question the staff--

WILLIAM HERTZLER: That's my favorite part.

ARCH: --if they introduce.

WILLIAM HERTZLER: That's my favorite part.

ARCH: That's your favorite part? I'm assuming you waive close as well?

WILLIAM HERTZLER: I will.

ARCH: OK. All right.

WILLIAM HERTZLER: Thank you for hearing me out.

ARCH: Thank you. We'll now take the first proponent for LB710.

ERIC SAVAIANO: Hello. Chairperson Arch and members of the Health and Human Services Committee, my name is Eric Savaiano, E-r-i-c S-a-v-a-i-a-n-o, and I am the economic justice program manager for food and nutrition access at Nebraska Appleseed. Just remember I had a mask on in a big beard. We are a nonprofit law and policy organization that fights for justice and opportunity for all Nebraskans. I appreciate the opportunity to submit testimony in support of LB710. As you all know, the Supplemental Nutrition Assistance Program helps low-income families afford nutritious food. In order to be eligible,

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they have to pass two, two eligibility levels. The families must meet an income test and then the asset test. This bill keeps the income limits in place, but eliminates the asset test and simplifies the enrollment process for families and eases the burden for the state. While only a small number of applicant households have assets that would disqualify them under the current rules, the administrative time is spent verifying the assets and training staff and, and the work that require-- is required to get in order with asset limit takes time. The result is higher administrative costs and potential paperwork and administrative error. So an example that we found, Colorado eliminated their asset limit and they estimated that they saved caseworkers 10 to 15 minutes per case interaction or up to 90 minutes for the first five or six interactions that typically occur between a client and caseworker in the first 45 days. So LB710 would help ease this administrative burden and avoid calculation problems, save on costs, and streamline receipt of benefits for those who need them. I think additionally, and not to repeat much, but families are required to require low-income families to liquidate their savings so that they are able to obtain assistance. It's counterproductive to the goal of our economic independence, which is the goal of public benefits. I'm going to skip over some of that just in case you're following along. We've heard from Nebraska farmers and ranchers in rural Nebraska who are uniquely impacted by this issue because of how their incomes operate. Their year includes months where they have no income and months where they receive the majority of their income for the year. And as a result, throughout the year, there are times when they have liquid assets but have to reserve enough to cover future expenses, which is often hard to predict. This can lead to farmers and ranchers being ineligible for food assistance due to the asset limit and more likely that they themselves and their families will experience food insecurity. I'm going to stick with Senator McCollister's 34 states. I have to double-check that number, but as of 2021, 34 states have chosen to eliminate their asset limit and five additional ones, including Nebraska, currently have raised their asset limit above the federal threshold. So for this reason, we, we urge the committee to advance LB710 and I'd be happy to take questions.

ARCH: Thank you. Are there any questions? Seeing none, thank you very much for your testimony. Next proponent for LB710.

TOM VENZOR: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is Tom Venzor. That's T-o-m V-e-n-z-o-r. I'm the executive director of the Nebraska Catholic Conference, which advocates for the public policy interests of the Catholic Church and advances the gospel of life through engaging,

educating, and empowering public officials, Catholic laity, and the general public, and I'd like to express our support for LB710, which would eliminate the liquid asset test for eligibility for SNAP. The imperative of meeting the needs of the hungry is a responsibility that falls not only to each and every one of us as individuals, but also on other forms of community and society, such as a family, religious organizations, private associations, and governmental entities. Each of these levels of society play complementary, yet unique role in addressing what Pope Francis has called the scandal of hunger. Being confronted by this scandal should challenge our personal and social conscience in order to achieve a just and lasting solution to hunger. Nebraska's liquid asset test, which uniquely stands out across the country at \$25,000, remains an unnecessary barrier to food access for those who are otherwise experiencing poverty. Removing the asset test would encourage savings and economic independence by allowing those receiving food assistance the ability to accumulate savings. The imposition of the asset test forces families experience poverty to deplete savings to qualify for the assistance. This arguably defeats the purpose of a prudent assistance program, which should seek not only to provide for the basic needs of the recipient, but also ensure recipients can attain economic independence. The COVID-19 pandemic has been historic in many ways, including the increased need for food assistance. Catholic Charities and Catholic Social Services, the charitable agencies of the Archdiocese of Omaha and the Diocese of Lincoln, respectively, have provided record amounts of food assistance during this time. For example, pre-pandemic, Catholic Charities of Omaha have distributed 200,000 pounds of food valued at \$380,000 to 5,000-- or 50,000 individuals and in 2021, they provided 2.8 million pounds of food valued at \$5 million for nearly 222,000 people. As the effects of the pandemic continue, available food sources have lately been dwindling, yet the need remains. Legislation like LB710 would help provide sufficient and adequate avenues for food access, especially at a time when access has been made even more difficult. Thank you for your time and your consideration.

ARCH: Thank you. Are there any questions? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thanks for being here. I just wanted to say that's a-- wow, a really impressive amount of food assistance so thank you for doing that.

TOM VENZOR: Yeah, yeah. I think in talking to our folks who do the emergency and food assistance at Catholic Charities of Omaha, I think their numbers have basically gone up 400 percent. I mean, they were

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serving around 3,000 people per month and it's gone up to like 22,000 per month so it's been a huge increase in need, so.

M. CAVANAUGH: Clearly feel-- filling a need, so thank you.

TOM VENZOR: Yeah, thank you.

ARCH: Thank you. Other questions? Senator Hansen.

B. HANSEN: Thank you. Your third paragraph--

TOM VENZOR: Yep.

B. HANSEN: --first sentence. Nebraska's liquid asset test, which uniquely stands out across the county--

TOM VENZOR: Um-hum.

B. HANSEN: --at \$25,000, what does that mean?

TOM VENZOR: So I think, as you heard from the previous testifier from Appleseed, 36 states have eliminated their asset test. Nebraska has a \$25,000 asset test and then I think most other states that remain, I think it's-- if I'm-- and I'm sure somebody's after me will clarify this, but I think it's a lower asset test, like, at \$3,000 or \$5,000, so. I'm sure somebody smarter than me on this issue can clarify, but I believe that's the data.

B. HANSEN: And again, because we're, we're trying to do similar comparative analysis--

TOM VENZOR: Um-hum.

B. HANSEN: --I'd also be curious to know if-- I don't know if maybe somebody after you can answer this too-- if they also, the ones who have gotten rid of their liquid asset tests, also have the same eligibility net and gross income percentage levels as well.

TOM VENZOR: Good question. I don't know the answer to that, but perhaps somebody behind me. And if not, we'll get you the data.

B. HANSEN: All right. Thanks, Tom. Appreciate it.

TOM VENZOR: You bet.

ARCH: Other questions? Seeing none, thank you for your testimony.

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TOM VENZOR: All right. Appreciate it. Have a good one.

ARCH: Next proponent for LB710.

LAUREL SARISCSANY: Hello.

ARCH: Hello.

LAUREL SARISCSANY: Good afternoon, Chairman Arch and members of the Health and Human Services Committee. My name is Laurel Sariscsany. That's spelled L-a-u-r-e-l S-a-r-i-s-c-s-a-n-y and I am a policy analyst for OpenSky Policy Institute and I am here to testify in support of LB710 because eliminating the asset test increases access to SNAP for those facing short-term economic crises, reduces administrative costs, and is a small step we can take to start addressing the large racial disparities in wealth. First, removing asset tests allows SNAP access to a greater number of families who experience job loss or short-term financial crises such as divorce or temporary disability. Without the assets-- asset test, these families will no longer need to liquidate their savings in order to receive the quick help to afford groceries, nor would households with seniors. Second, removing the asset test will save the state administrative costs. Very few low-income households applying to SNAP have assets above the current \$25,000 limit, but all SNAP recipients, along with state employees, often need to dedicate time to gathering documents proving the household meets the asset limit. The increase in administrative burden and costs to the state is significant. For example, Pennsylvania estimated that removing the asset test would save the state \$3.5 million in administrative costs per year. Even if the savings and administrative costs were significantly lower in Nebraska, it would still more than offset the small \$1,500 cost to the Department of Health and Human Services to update the eligible-- eligibility system. Reduced administrative costs not only benefit the state budget, but would also additionally free up federal funds to use for additional SNAP benefits, which in turn will then boost local economies. For example, Moody's Analytics has found that for each dollar in SNAP benefits redeemed generates approximately \$1.70 in economic activity for local governments as it flows through supply chains. Lastly, within the federal and state tax code, there are a number of incentives to build assets, including special treatment of retirement and education savings and mortgage interest, not to mention tax breaks on capital gains and other incomes from wealth. Low-income families, including a disproportionate number of people of color, historically have not been able to take advantage of these incentives due to economic barriers and less access to discretionary income. Not

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only do low-income families not have access to these asset-building incentives, policies often discourage low-income families from building savings through asset limits, such as through SNAP. These disincentives play a role in the substantial racial wealth gap we see here today, where the median net worth of white families is about 10 times that of black families and roughly eight times that of Hispanic families. Removing the asset test would be a small step in making the asset-building incentives within the state more equitable across the income distribution as well as by race. Thank you for your time and I'm happy to answer any questions.

ARCH: Thank you. Are there any questions? Seeing none, thank you very much.

LAUREL SARISCSANY: Thank you.

ARCH: Next proponent for LB710.

AUBREY MANCUSO: Good afternoon, Senator Arch, members of the committee, my name is Aubrey Mancuso, A-u-b-r-e-y M-a-n-c-u-s-o, and I am here on behalf of Voices for Children in Nebraska. Adequate nutrition is an essential component of healthy childhood development. Food insecurity among Nebraska kids was a challenge even before the pandemic with around 17 percent experiencing food insecurity. Although we don't yet have full data on how food security was impacted by the pandemic, you heard earlier that our food pantries across the state have been reporting record numbers of families needing assistance. LB710 is a good step towards making one of the most effective tools against hunger, SNAP, more accessible. Over half of SNAP participants in Nebraska are children, meaning that they are the most impacted by programmatic changes. Nebraska currently limits savings for the majority of participants in SNAP, those considered categorically eligible, to \$25,000 in liquid assets. This is unique among other SNAP programs in the country and was a result of a compromise floor amendment to LB543 passed by the Legislature in 2012. Thirty-four other states have taken the more traditional route of eliminating asset limits in SNAP entirely. LB710 would align Nebraska's SNAP program with the majority of other programs nationwide. Almost one in five Nebraska households is considered asset poor meaning they don't have enough savings to meet three months of expenses at the poverty level. One of the compelling reasons for eliminating asset limits in SNAP is that there are often significant efforts spent verifying assets that few households actually have. LB710 would create greater administrative efficiency for both participants and those administering the program. It is important to note that even if we

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eliminate the asset test, participants would still be required to meet income guidelines as well as comply with work requirements for able-bodied adults. As Nebraska families work to recover from the economic impact of the pandemic, we should be leveraging all available resources to help families get back on their feet. SNAP is a fully federally funded benefit, which also creates an economic multiplier effect when benefits are spent on food and grocery stores across the state. LB710 is a simple change to the program that creates greater efficiency while improving access to food assistance for families and we would urge the committee to advance the bill. Thank you.

ARCH: Thank you. Are there any questions? Seeing none, thank you for your testimony.

AUBREY MANCUSO: I would just add quickly, Senator Hansen, to your earlier question, I do have a chart that shows what states have eliminated asset limits and also where they set their gross income limit. But the majority of states do set their gross income limit higher than Nebraska's, although with the passage of LB108 last year, we are temporarily more aligned with the rest of the country on that.

B. HANSEN: OK, thank you.

ARCH: Thank you.

AUBREY MANCUSO: Thanks.

ARCH: Next proponent for LB710. Is there anyone that would like to speak in opposition to LB710?

STEPHANIE BEASLEY: Good afternoon again, Chairperson Arch and members of the Health and Human Services Committee. My name is Stephanie Beasley, S-t-e-p-h-a-n-i-e B-e-a-s-l-e-y, and I'm the Director for the Children and Family Services Division within the Department of Health and Human Services. I'm here to testify in opposition to LB710, which seeks to change the provisions related to the Supplemental Nutrition Assistance Program, or SNAP. If enacted, this bill will allow individuals with cash and assets above the level of necessity to access a program meant to help struggling and needy families. SNAP is a program meant to supplement the food budgets of needy families and vulnerable individuals. The state statute affected by LB710, 68-1017.02 created a program known as the Expanded Resource Program, or ERP. This program allows the state to adjust the SNAP asset limits for most households up to the maximum asset limit. The current asset limit is \$25,000 and for ERP households in Nebraska. Households not

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eligible for ERP will still have to meet additional resource limits in Nebraska Administrative Code and federal regulations. If the current ERP cash and asset limit is removed, a household that is between jobs and has significant cash and assets on hand will have access to a program designed to serve the most vulnerable Nebraskans. Further, DHHS believes the statute, as currently written, provides the proper balance of ensuring program integrity. The current cash and assets limit allows family to have savings and work towards self-sufficiency while still being able to access the assistance they need. DHHS respectfully requests the committee not advance LB710. Thank you for the opportunity to testify today. I'd be happy to answer any questions.

ARCH: Thank you. Are there questions? Senator Williams.

WILLIAMS: Thank you, Chairman Arch, and thank you, Director, for being here. I just want to try to understand the, the asset limit and is, is that selected at a point in time or is that an asset limit that is the high asset limit of a family or a person during a year? How, how and when is that determined?

STEPHANIE BEASLEY: So it would be at the point of application when we're verifying both income and assets. And we do-- and by assets, we mean liquidated cash savings, money market, checking account. And so we're really looking for those liquid assets, simply not your car, your house. You could have a car, your spouse, your child. Those aren't considered as the assets. We're really looking at what liquid assets there are and so it's going to be determined at the time of application.

WILLIAMS: So it's the point of that application. OK, thank you.

ARCH: Thank you. Senator Cavanaugh.

M. CAVANAUGH: Thank you. I'm very confused by this, but that helps clarify the-- so-- because I was thinking if it was property, then that would be obviously problematic for a lot of people. So I guess I'm not really understanding what the opposition from the department is because there's no fiscal impact. It even looks like the administrative changes that would be needed was 20 hours. So is it a philosophical objection?

STEPHANIE BEASLEY: So really-- so the federal asset limit is \$3,750-- \$3,500-- just over \$3,000 and Nebraska applied this what we call broad-based categorical eligibility or this ERP to say states-- Feds

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say states can increase your asset limit. And so Nebraska has done that to \$25,000 and it's-- DHHS really believes that that \$25,000 asset allows persons to really maintain, work toward self-sufficiency, and it strikes a balance where you can have assets and still be in need, but-- and so if you drop below \$25,000, then that would be a need that you can have. But if you are exceeding \$25,000, then this really is a balance that's struck to say that this maintains the position that this is for vulnerable Nebraskans.

M. CAVANAUGH: So I, I don't see anything in your testimony or in the fiscal note that indicates-- how many people does this impact?

STEPHANIE BEASLEY: So last year, we denied 150 people for being over asset.

M. CAVANAUGH: Over their asset--

STEPHANIE BEASLEY: Correct.

M. CAVANAUGH: --but they in-- they were income eligible, but over their assets?

STEPHANIE BEASLEY: I don't know if they would have been income eligible. I know that they were denied because they were over asset limit so they would have had access to more than \$25,000 in cash or money market.

M. CAVANAUGH: It'd be helpful to know if they were income ineligible because then-- that that's kind of what we're talking about. They maybe applied and weren't eligible and-- even if this law was enacted. But you said how many? I'm sorry.

STEPHANIE BEASLEY: 150 people.

M. CAVANAUGH: 150, OK. Could you follow-up with the committee on--

STEPHANIE BEASLEY: Certainly.

M. CAVANAUGH: Thank you.

ARCH: Senator Williams.

WILLIAMS: Sorry, I thought of one more thing following that. Would it be your thought that if we passed LB710, that number of 150 would increase?

STEPHANIE BEASLEY: That this 150 would have been accepted for benefits?

WILLIAMS: They would have been accepted, but looking at-- and I know if we pass this, there wouldn't be anybody denied for a, for an asset because of that, but would we have more people applying for the benefit?

STEPHANIE BEASLEY: I think it's a good assumption to think that someone could have \$250,000 in their savings account if this bill passed and be between jobs and apply--

WILLIAMS: Right.

STEPHANIE BEASLEY: --for that benefit. And so it's-- it would be one of those things that I, I-- I'm going to make the natural assumption that that would occur. I don't-- I wouldn't know how to quantify that.

WILLIAMS: Right, right. And again, the asset test here is, is clearly a liquid asset test and you're counting liquid assets as basically cash and bank accounts.

STEPHANIE BEASLEY: Things that you can liquidate easy, money market, things like that.

WILLIAMS: Yeah.

STEPHANIE BEASLEY: But not your retirement, your house, your car, things like that.

WILLIAMS: Thank you.

ARCH: Other questions? I just-- you never mentioned farm. It would-- in other words, a, a farm would not be included in liquid assets.

STEPHANIE BEASLEY: Senator, I will confirm that for you--

ARCH: OK.

STEPHANIE BEASLEY: --but I believe it is a liquid--

ARCH: You mentioned house, car, and so forth, but--

STEPHANIE BEASLEY: Yeah, property would not be included but--

ARCH: Property.

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STEPHANIE BEASLEY: --I will confirm.

ARCH: OK. They wouldn't-- that would put them, yeah, outside. All right. Any other questions? Seeing none, thank you for your testimony.

STEPHANIE BEASLEY: Thank you, Senator.

ARCH: Anyone else wish to speak in opposition to LB710?

STEVEN GREENE: Good afternoon, Chairman Arc [SIC] and members of the Health and Human Services Committee. My name is Steven Greene, S-t-e-v-e-n G-r-e-e-n-e. On behalf of the Opportunity Solutions Project, I'm here to testify also in opposition to LB710. Opportunity Solutions Project is a 501(c)(4) that advocates for free enterprise and a limited and accountable government. To that point, Nebraska should not allow the potential-- and this is an extreme, but for millionaires to be on food stamps like Minnesota does. That is why I encourage you to oppose LB710 and maintain Nebraska's food stamp asset test so that the SNAP program can continue to focus its resources on the truly needy. As a welfare program, food stamps should promote self-sufficiency, not dependency and they should be reserved for Nebraskans with low incomes and modest assets. Nebraska's current asset test of \$25,000 goes a long way toward that goal. However, in states without an asset test like Minnesota, millionaires with unlimited assets-- and this is a true story of Robert Undersander-- can access the program without breaking any rules, state or federal or otherwise. And this is not a problem limited to millionaires making a point. Because many states do not use an asset limit, more than 5 million food stamp enrollees across the country do not meet federal eligibility rules, which is that-- the \$2,500 or \$3,750 eligibility rule. More to this point, this is the worst possible time for Nebraska to expand welfare. The federal government is building a welfare-for-all system, which is supercharging inflation and deflating Nebraska's welfare workforce. The current worker shortage is only-- is the only the most visible and recent symptom of a long-term problem, a slow but steady decline in labor force participation here in Nebraska and elsewhere. Eliminating Nebraska's asset test in food stamps will only make Nebraska's workforce problems worse. In fact, this is an opportunity for Nebraska to reassess its asset test and refocus food stamps on the truly needy. Nebraska law codifies this loophole, as referred to as the broad-based categorical eligibility in food, in food stamps to impose an asset limit of \$25,000, which is incredibly generous, especially compared to surrounding states. The asset limit under federal law is much lower, \$2,500 or \$3,750 if one member of the household is age 60 or older or disabled. Paired with common-sense

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exceptions like carve-outs for primary residents' retirement savings and work-related vehicles, the federal asset limit is meant to provide food stamps only to those who truly need assistance. Several states have lowered their asset limits more than Nebraska. For example, Michigan has a limit of \$15,000 and Indiana, \$5,000. Other states around us, such as Kansas, Missouri, and Wyoming, have closed the BBCE or broad-based categorical eligibility loophole entirely and reimposed the asset limits under federal law. I'll just say for the sake of Nebraska's renowned ethic of work, economy, and future, I urge you to oppose this-- the elimination of the asset limit test for food stamps in LB710 and I encourage you to consider tightening Nebraska's asset test further so that Nebraska's truly needy are prioritized. Thank you for the opportunity to submit testimony and I'm happy to stand for questions.

ARCH: Thank you. Are there questions? Senator Cavanaugh.

M. CAVANAUGH: Thank you. So first, I, I'm not familiar with your organization. Are you-- have you existed for a long time? Is it new?

STEVEN GREENE: Sure. So we're a 501(c)(4) that's represented-- based out of Florida, but represented all over the country, including here in Nebraska. So we're specifically a policy think tank based out of Tallahassee, Florida.

M. CAVANAUGH: OK. So at the start, you said that your organization advocates for free enterprise and limited and accountable government. What is the role of government in your view?

STEVEN GREENE: Do you have a lot of time to talk about it?

M. CAVANAUGH: I mean, I do, but I don't think it'll go over well with my--

STEVEN GREENE: Yeah.

M. CAVANAUGH: --colleagues, so.

STEVEN GREENE: Yeah, I'd love to get a cup of coffee and discuss what the role of government is.

M. CAVANAUGH: What-- I mean, the government collects taxes.

STEVEN GREENE: Um-hum.

M. CAVANAUGH: We have a Department of Health and Human Services.

STEVEN GREENE: Um-hum.

M. CAVANAUGH: What is it, in your view, that-- what's specifically the role of the Department of Health and Human Services?

STEVEN GREENE: I think they're doing a good job of where they're at. I think where we, we would say with, with regard to government is the unnecessary-- to not go too down-- down a rabbit hole-- an unnecessary expansion of government. And different-- and that can sort of vary in different forms. But to this point and to this bill, it's specific to-- so let's take this example. Creating a program or removing a requirement that would otherwise be a program that's used for those that are in poverty and truly in need of food assistance, for the sake of having-- giving food assistance to somebody that has \$24,000 of cash on hand for food assistance or, excuse me, \$26,000 cash on hand for food assistance--

M. CAVANAUGH: So--

STEVEN GREENE: --or \$50,000.

M. CAVANAUGH: You--

STEVEN GREENE: --or \$100,000.

M. CAVANAUGH: --you talk about millionaires.

STEVEN GREENE: Um-hum.

M. CAVANAUGH: --in your testimony. Are you-- is there a case where a millionaire applied?

STEVEN GREENE: There is and it's Rob Undersander out of Minnesota and you can even-- even PolitiFact had, had, if you look it up, says, did a millionaire really receive food stamps in Minnesota? And it's true. This is a true story of a retired engineer that had over a \$1 million in cash on hand, both in checking, liquid assets, but also in stocks. But because he met all the net-- or the income limit test for food stamps and there was no asset limit-- he had over \$1 million in assets-- he was awarded by all by, all normal protocol food stamps. And so it was highlighted-- he was trying to make a point in applying for food stamps that there's a loophole that, that would allow somebody with an extreme amount of cash on hand to receive food stamps.

M. CAVANAUGH: So he did it to make a point that he could?

STEVEN GREENE: Correct, yep.

M. CAVANAUGH: Do you know of any millionaires that have applied for it just to get it?

STEVEN GREENE: There was another example of a lottery winner in Michigan who won over \$2 million. Because they don't have an asset limit test at the time, they also received food stamps while they had about-- approximately \$1.5 million on hand, so.

M. CAVANAUGH: They apply-- after they won the lottery, they applied for it?

STEVEN GREENE: Correct.

M. CAVANAUGH: And were they trying to make a point?

STEVEN GREENE: You'd have to ask them.

M. CAVANAUGH: OK. Well, that-- so there's two in the country that we know of.

STEVEN GREENE: That we know of, but, but it's-- that are trying to make a point that we know of. So that's assuming that there aren't others that already meet the asset limit test or because there's not an asset limit test, that they would otherwise be eligible for food stamps.

M. CAVANAUGH: And does Rob Undersander have any association with your organization?

STEVEN GREENE: Not that I'm aware of.

M. CAVANAUGH: Thank you.

ARCH: Other questions? Senator Murman.

MURMAN: Thank you, Senator Arch, and thanks for your testimony. In your I think third to last paragraph there, you mentioned the loophole, entirely reimpose-- and reimpose the asset limits under federal law. So there are asset limits under federal law?

STEVEN GREENE: There is and it's that, that \$2,500 and \$3,750 is the sort of the-- under the federal law. So Kansas and Missouri, their asset limits are that-- are those two categories and so that's-- yeah.

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MURMAN: So considering that, does it really eliminate any administrative costs because that has to be done anyway?

STEVEN GREENE: Yeah. If the, if the reason-- your point is-- I think it highlights-- I would, I would caution the committee to make such a substantive policy change based on what could be perceived as an administrative savings.

MURMAN: Thank you.

STEVEN GREENE: Yeah.

ARCH: Senator Day.

DAY: Thank you, Chairman Arch. Thank you for being here today. So you-- I don't-- I'm going to piggyback off of what Senator Cavanaugh was asking. You said you-- your group is a Florida-based group.

STEVEN GREENE: It is.

DAY: Are you from Nebraska?

STEVEN GREENE: I lived here for a few years. I've been actually before this committee before and so I--

DAY: You don't live here currently.

STEVEN GREENE: Currently, I live in Kansas.

DAY: Do we-- do you have any members representing your group that do live in Nebraska?

STEVEN GREENE: Not currently.

DAY: OK. Is your group a nonpartisan group or--

STEVEN GREENE: Nonpartisan.

DAY: OK.

STEVEN GREENE: Yes, ma'am.

DAY: Just looking over the website a little bit, I see a lot of opposition to Medicaid expansion.

STEVEN GREENE: Correct.

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DAY: I also see a few mentions of protecting states from the radical left's agenda.

STEVEN GREENE: Correct.

DAY: Then that's nonpartisan?

STEVEN GREENE: It is and-- yeah, it is nonpartisan.

DAY: OK.

STEVEN GREENE: Yeah.

DAY: Thank you.

ARCH: Other questions?

STEVEN GREENE: Sure.

ARCH: Senator Hansen.

B. HANSEN: So in essence, pretty much anybody in between jobs can apply-- if we get this bill passed can apply for food stamps?

STEVEN GREENE: Not necessarily.

B. HANSEN: If your income, if your income threshold, net and gross-- you know, if you're between jobs and at the time of application, you have no income--

STEVEN GREENE: If you have, if you have no income, that would be-- so potentially. I would also say that if you have, you know, \$30,000 or \$20,000 on hand, you may consider going through sort of normal-- I guess, spending through those resources before considering applying for a benefit. But I would say that if-- in the current law that-- the way it's set up, if you drop below \$25,000 in Nebraska, then you could still keep that \$25,000 cash on hand and still receive food stamps.

B. HANSEN: So what I'm ask, what I'm asking is, though, if this passes--

STEVEN GREENE: Um-hum.

B. HANSEN: You're a, you're a, you're a medical doctor and you decide to move to a different town--

STEVEN GREENE: Sure.

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B. HANSEN: --and it might take about a couple of months to get there. You have \$100,000 in your bank account. You can still apply for food stamps if this passes?

STEVEN GREENE: Correct.

B. HANSEN: OK and you'd be eligible for them?

STEVEN GREENE: If you met all the other-- so if you met the other requirements, but--

B. HANSEN: Sure.

STEVEN GREENE: --you would clear the first asset limit test that's kind of in the sequence of steps to applying for benefits.

B. HANSEN: OK. And I don't know, just data wise, do you have any data on other states that have decided to get rid of their asset limit and the amount of people then who have applied who have been eligible for food stamps? Has it gone up and if it has, about how much? I'd be kind of curious.

STEVEN GREENE: Yeah.

B. HANSEN: I don't know if you have that off the top of your head.

STEVEN GREENE: I can check into that. That's going to be a state-by-state sort of internal data that they would have, but I've-- I can, I can definitely follow up with that.

B. HANSEN: OK.

STEVEN GREENE: Yeah.

B. HANSEN: And just a little more of a personal statement. We typically don't pick on organizations and ask a lot of specific questions about if you're in the state or not. Because we don't do that with anybody else so I don't-- I'm a little unsure about why we're doing it now, maybe because we just haven't heard of, you know? They might be curious--

STEVEN GREENE: Sure.

B. HANSEN: --but that's typically not something we do as a committee, so.

STEVEN GREENE: OK. Thank you.

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B. HANSEN: Thank you.

ARCH: Other questions? Seeing none, thank you for your testimony.

STEVEN GREENE: OK, thank you.

ARCH: Anyone else wish to speak in opposition to LB710? Is there anyone that would like to speak in a neutral capacity? Seeing none, Senator McCollister, would you like to close? As you're coming up, I would mention that we did receive nine letters in support of LB710, two in opposition, and none in neutral.

McCOLLISTER: Mr. Chairman and members of the Committee, thank you for listening to this bill. I'd like to point out that 34 states have already reduced or eliminated the asset test and I-- so I think it's high time Nebraska done that-- does that as well. I think we also should recognize that food insecurity is really more prevalent in rural areas of Nebraska than urban areas. Those urban areas, I think, have a lot of access to food pantries, but those people that live in the rural areas, I think, suffer more from food insecurity than other people in the state. And I think we also finally need to recognize that there's no cost to the state, fully paid for by the federal government. And so relaxing this standard, I think, would, would help a great many people, 125 people a year, perhaps. And the last testifier in opposition really needs to provide better, better documentation for some of the things he said. To point out a few millionaires that, that tried to make an example of collecting food stamps, I think, is probably the wrong way to go. I think we need some, some documentation that we could, we could better use, so. It's been a long day for you today so if there's no questions--

ARCH: Are there any questions? Senator Murman has a question.

MURMAN: Sorry. Now the state does pay for some of the administrative costs, correct?

McCOLLISTER: They do, but not right now. With the pandemic, I think we go until September of '23 where all the administrative costs are paid for by the federal government. But you're right, after that time, the state will pick up half of the administrative fee, although we should know if they eliminate the asset test, you know, actually, there should be a lower-- there should be a plus in the fiscal column because it would take less time to do that particular test.

MURMAN: Well and ask-- in talking to the last testifier, there is a federal asset test, correct?

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McCOLLISTER: A broad categorical-- categories that we use, it-- we choose not to use that federal test.

MURMAN: Oh, Nebraska is not required to use the federal test?

McCOLLISTER: Right.

MURMAN: OK, thank you.

ARCH: Any other questions? Seeing none, thank you very much.

McCOLLISTER: Thank you.

ARCH: This will close the hearing for LB710 and the hearings for the day for the committee.