

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee March 1, 2023

CLEMENTS: It's time to start. So we have other senators presenting bills in other committees, and they, they may be coming and going. So just bear with us regarding that. So this is the Appropriations Committee. Welcome to the committee hearing. My name is Rob Clements. I'm from Elmwood and represent Legislative District 2. I serve as Chair of this committee. We will start off by having members do-- have self-introductions, starting with my right.

LIPPINCOTT: Loren Lippincott, District 34.

VARGAS: Tony Vargas District 7.

DORN: Myron Dorn, District 30.

CLEMENTS: And there'll be others coming as they are able to be here. Assisting the committee today is Tamara Hunt, our committee clerk. To my left is our fiscal analyst, Scott Danigole. And our pages today are Malcolm, from Omaha, UNL student and Kate [PHONETIC], from Kansas, a UNL student. At the entrance, you'll find green testifier sheets on the table. If you're planning to testify today, please fill out a green testifier sheet and hand it to the committee clerk when you come up to testify. If you will not be testifying, but want to go on record as having a position on a bill being heard today, there are white sign-in sheets at the entrance, where you may leave your name and related information. These sign-in sheets will become exhibits in the permanent record after today's hearing. To better facilitate today's proceeding, I ask that you abide by the following procedures. Please silence your cell phones. For bills, the order of testimony will be introducer, proponents, opponents, neutral and closing. When we hear testimony regarding agencies, we will first hear from the representative of the agency. Then we will hear testimony from anyone who wishes to speak on the agency's budget request. When you come to testify, spell your first and last name for the record before you testify. Be concise. We request that you limit your testimony to 5 minutes or less. Written materials may be distributed to the committee members as exhibits only while testimony is being offered. Hand them to the page for distribution when you come up to testify. If you have written testimony but do not have 12 copies you wish to distribute, please raise your hand now so the page can make copies for you. With that, we will begin today's hearing with Agency 14, Public Service Commission.

[AGENCY HEARINGS]

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CLEMENTS: All right. We'll open the hearing now with-- for LB361. Welcome, Senator Dorn.

DORN: You bet. Thank you. Thank you for allowing me to testify in front of the committee. Chairman Clements and members of the Appropriations Committee, for the record, my name is Myron Dorn, M-y-r-o-n D-o-r-n, representing District 30 and I'm here to introduce LB361. Last year, I introduced and the Legislature passed the Precision Agriculture Infrastructure Act. The intent of the act was to incentivize our agricultural producers to adopt critical tools that will give them the ability to leverage their data and substantiate what we already know. They produce our food, fuel and fiber in a sustainable and human way. The Public Service Commission will be administering the program to provide grants to network providers to offer connectivity to on-farm structures and devices. In addition, grants are available to an ag producer, cooperative or agronomist for solutions and products that promote traceability, soil health, water efficiency or autonomous solutions. These practices could include blockchain or other traceability solutions, autonomous machinery such as grain carts, spreaders, precision drone scouting or scouting robots, soil moisture furrows, soil amendments or water efficiency seeds. Under an amendment by the Transportation and Telecommunications Committee, original source of funding for the Precision Agriculture, Agriculture Infrastructure Act was to come from the federal Broadband Equity Access and Development [SIC] of BEAD, which is-- BEAD funds. The amendment allocated \$2 million in BEAD funding per year. After the bill passed in April 2022, the Public Service Commission determined that these BEAD funds were not available to fund the portion of the program that awards grants to producers to adopt precision agriculture practices. Because of this determination, the work the Legislature set out to accomplish last year in passing the Precision Agriculture Infrastructure Act has stalled. Producers' attempt to adopt precision agriculture practices are fruitless without funding for their grants. LB361 is a stopgap measure that provides \$2 million to general funds over the biennium, to effectuate the purpose of the act as it was passed in 2022. In passing the Precision Agriculture Infrastructure Act last year, will let Legislature recognize the need to empower agricultural producers to adopt these critical practices. These producers are the backbone of our state and the products they produce are the building blocks of our economy. LB361 is a one-time allocation of funds to enable our agricultural producers to begin innovative-- innovating, while we continue to work towards identifying a stable source of precision ag funding with our Congressional delegation in the Public Service Commission. This program is the first of its kind

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in the United States. Nebraska is being looked to, in other states and on a national level, as a model for this type of transformative legislation. To ensure Nebraska's legacy as a leader in the precision agriculture persists, a viable funding source is necessary. I appreciate the Legislature's recognition of the importance of this groundbreaking legislation in the passing of the substantive bill last year. Now I am asking the Legislature to follow through with its comments-- commitment and continue our position as a leader of agriculture production in this country. Thank you for your time, consideration and recommendation of advancing LB361 to the floor.

CLEMENTS: Senator Wishart.

WISHART: Thank you, Senator Dorn, for bringing this bill. As I'm reading it, the Precision Agriculture Infrastructure grant program not only can hold state funds, but can also handle federal funds?

DORN: Last year, that was part of this program that this was going to be-- it was in a, a Transportation Committee package that came to the floor and passed through that, that there was federal funds and most likely or, or the people behind me that will give you a definite answer, but that, that-- could be those possibilities again. But last year, there were going to be the federal funds, the BEAD funds, that were going to be where they came for the source of funding for this.

WISHART: OK. So it is possible then, that if the Legislature invested \$2 million one time, as start up, that we could, in the future, utilize other federal funding through this grant program? Could we also utilize private funding? Let's say a private company wants to contribute dollars to this fund.

DORN: Could definitely use private, but there's also that possibility of federal, not guaranteeing that it will be there. That was the program that they were going to use last year. Now, there is, as you know, much federal funding for broadband and those types of projects. Now, they will have to apply and exactly how those will fit, some, some of the people behind me will have a better understanding of that.

WISHART: OK. Thank you.

DORN: Yeah.

CLEMENTS: Senator Armendariz.

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ARMENDARIZ: Thank you, Senator. Thank you, Senator Dorn, for being here. Did you get clarity on why the BEAD funding wasn't available and exactly what does it outline, if it doesn't cover this?

DORN: The-- and I will-- I know I welcomed one of them, right behind me here. He'll testify for the exact reason or whatever.

ARMENDARIZ: I'll, I'll save that for them, as well.

DORN: Save that question. But, but basically, the Public Service Commission came back and said, no, the way this was going to be funded. And through that program, it was not allowable going through that-- their program or whatever. So that is why this bill was brought back, even though we approved it last year, it-- the Public Service Commission determined and I hope I'm right, we'll make sure I'm right, but that they determined that this could not be funded through this BEAD program to fund this here. So that's why we had to bring it back again this year.

ARMENDARIZ: Well, darn it, they were here earlier. Are they still in the room? They could answer the question.

DORN: No. I don't see, I don't see Chairman of the Board Watermeier here. But part of what, part of what he'll explain is how the conversation has been ongoing and why now, the need to bring this bill back and then, possibly, have this as we can use it, the clarity of why it can be allocated and then, we'll be able to use this this year.

CLEMENTS: Any other questions? Senator Vargas.

VARGAS: We know we'll get some more answers here on, on some of the other questions about why we didn't-- why it doesn't-- it's not eligible use within the framework of BEAD. I don't know if you could speak to one of the grant types. It seems like one grant type is potentially eligible if we get approval. I don't know if you could speak to that or if I should ask one of--

DORN: That, I'm going to let somebody later here--

VARGAS: --OK.

DORN: --verify those details because I have a general concept of it.

VARGAS: OK.

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DORN: But then, he may come back up and straighten out my comment, too, so.

VARGAS: You, Because one of the questions I will have for them, as well, is on-- is it, is it that the funds can't be utilized within this program, within the PSC, or is it just the BEAD program on its own? Is there something that has to do with the PSC being a barrier, so something that we would have to move the program within the state? And the other question I have is if it's within the PSC, there have been times where we've used, well, interest, from the Universal Service Fund, to fund different programs and projects, if indeed the-- Senator Wishart's recommendation that we are trying to get it started. And, you know, that could be a potential source of [INAUDIBLE].

DORN: All I know is, last year, this bill was a, a-- Transportation Committee. This was included in a grouping of bills that, that came out of the trans commit-- Transportation Committee. And then, it was passed on the floor in that grouping or whatever. Then, as they went to get the-- but-- not to get the funds-- or have the funds and be able to use and appropriate it, they said that could not go through-- somehow, it could not be brought through that. And they will explain that better than I am or can or whatever. So.

VARGAS: OK. Thank you.

CLEMENTS: Other questions? Thank you, Senator Dorn. We will now open the testimony for proponents of LB361. Welcome.

JULIE BUSHELL: Thank you. Chairman Clements and members of the Appropriations Committee, thank you for the opportunity to be here. My name is Julie Bushell, spelled J-u-l-i-e B-u-s-h-e-l-l, and I'm the president of Ethos Connected, formerly Paige Wireless. Ethos Connected believes connectivity is the foundation to putting the power in the hands of individuals, communities and specifically, the agricultural producers that we serve. Over the last four years, Ethos has constructed North America's first statewide LoRaWAN network, in Nebraska, to enable precision agriculture and real-time water management. Our projects encompass the 320,000 acres of real-time water management with the Twin Platte NRD, management of multiple livestock operations and supporting several technology initiatives with the University of Nebraska. We have covered the state with network that connects crop land, livestock operations, villages and rural businesses. We know, through on-the-ground experience, that connectivity and precision and technologies are critical to increasing on-farm revenues, retaining the next generation of our ag leaders and

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growing rural communities. Benefits that will be realized from the passage of this bill include efficient irrigation and water conservation, improved soil and water quality and valuable jobs on farms and in our rural communities. LB361 is the catalyst for value-added agriculture here in Nebraska and driving premiums to producers and our state. Ethos sees LB361 as a foundational piece of legislation that would invest \$2 million in our rural communities with billions of dollars in returns. We appreciate this body's previous recognition of the bill's value by passing the Act last year, but we must deliver on the promise made to the next generation of our ag producers in the state. Thank you and I'm happy to take any questions.

CLEMENTS: Are there any questions?

JULIE BUSHELL: Senator, I, I can probably answer the previous questions to Senator Dorn. I think the issue with not getting this funded through BEAD is the part of the bill for technology, direct to producers and agronomists. So the on-farm connectivity portion to network providers is, I think, no problem whatsoever to fund within BEAD, it's that second component of the bill.

CLEMENTS: Senator Vargas, yes.

VARGAS: So while that's helpful, what amount of the funding was dedicated to the part that wasn't deemed eligible?

JULIE BUSHELL: \$1 million. So \$1 million for precision ag technologies and \$1 million for on-farm connectivity.

VARGAS: So with the \$1 million of the noneligible, that, that has been deemed eligible under this-- under BEAD?

JULIE BUSHELL: On the on-farm connectivity portion, you are correct.

VARGAS: OK. Well, that's good to know. Was there-- so-- did-- was there already an application put in or was this just based off of just the analysis of whether or not it was [INAUDIBLE]?

JULIE BUSHELL: At-- it got to the point of being posted for open comment. I think there was overwhelming support from the public and then, we found out, just a few months ago, that it wouldn't be eligible through BEAD.

VARGAS: OK. And then for the, the-- there was four different types of grants. Right. One of them did-- was eligible. Is, is that a separate type of program within this? It says three of the four grant types

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laid out do not appear to be eligible. So one of them is eligible? Is that--

JULIE BUSHELL: I think it's just the on-farm connectivity portion--

VARGAS: The on-farm connectivity.

JULIE BUSHELL: --which falls within the requirements by the federal government for the infrastructure funding. The original bill was written so that it would fall under that agreement, meaning, you know, 100 by 20 symmetric service on the farm. That part was no issue. And I would say in, in my mind, there's two parts to the bill. One can be looked at as going to, you know, broadband connectivity to network providers and then the other portion, direct to producers to choose the technologies that work best for their operation. That part is the hang up under the BEAD funding today.

VARGAS: OK. Thank you.

JULIE BUSHELL: Sure. Thank you.

CLEMENTS: Other questions? Senator Dover.

DOVER: I don't know who's the best to answer, but if-- as Senator Vargas pointed out, if, if \$1 million of it was qualified, why, why does he ask for two?

JULIE BUSHELL: So the, the bill itself, you know, originally, to me, it's a-- it's an economic development bill, rather than, you know, just sticking it in broadband. I think the precision ag and technology piece of this bill is a critical component to drive premiums back to Nebraska's producers. So we can have connectivity, but if you don't have the technology to enable the operation-- so that's why it was-- it's a different bill, right? There are multiple components of it. But then it was moved over to the TNT committee, which really put it in that broadband focus. And then, that's really how we ended up here.

DOVER: My understanding is that you said that the, the connectivity part would qualify for the grant and that was about \$1 million of the \$2 million.

JULIE BUSHELL: Correct.

DOVER: And the original bill was aiming for \$2 million, so I don't understand why aren't, why aren't-- why did the adjustment for \$1 million or does that just come out in the wash?

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JULIE BUSHELL: So the bill is for \$1 million for connectivity, broadband connectivity and that is what was funded-- could be funded under BEAD. The balance of the bill, which was always \$2 million--

DOVER: OK.

JULIE BUSHELL: --is for just technologies and I think the PSC struggles with how to administer that part of it. They've never really given grant money direct to agronomists or to producers.

CLEMENTS: Senator Armendariz.

ARMENDARIZ: Thanks. Thanks. I'm glad that I'm learning more as I'm listening to you talk. So you're looking for \$2 million for the technology piece now. So we've already established that all the farms are going to get the connectivity through BEAD.

JULIE BUSHELL: No. \$1 million for technology. The, the full bill itself is for \$2 million.

ARMENDARIZ: OK.

JULIE BUSHELL: \$1 million of that was to go to on-farm connectivity.

ARMENDARIZ: Connectivity, connectivity. So--

JULIE BUSHELL: Correct.

ARMENDARIZ: --so I think that I misunderstood when you were talking to Senator Dover that you said that the whole bill was \$2 million and that was technology. But it's-- it-- the whole bill is \$2 million and \$1 million of it is connectivity.

JULIE BUSHELL: Exactly.

ARMENDARIZ: That could be covered by BEAD. And I think that's what he--

JULIE BUSHELL: Correct. Correct.

ARMENDARIZ: --was trying to get to. Why don't we get the connectivity covered through BEAD and peel off the technology piece and have that happen somewhere else?

JULIE BUSHELL: And I think that's definitely an option.

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ARMENDARIZ: My concern is that it got passed as a bill without anybody knowing BEAD wouldn't cover it. How did it get that far?

JULIE BUSHELL: It was originally in the Broadband Bridge Act and then moved to PSC and the conversation became can we fund this under BEAD?

ARMENDARIZ: Shouldn't that have all been done before that got passed? So, I mean, I'm feeling like it would have got put in front of me and all the educated people would have said, we've got this covered. And now, a year later, you're like uh, can't do this.

JULIE BUSHELL: Yes. I think probably two things happened. You know, there, there was quite a bit of, also, public question around BEAD funding and what would be eligible. And so, I think it was prudent to take it and say, OK, could this fall under federal funds that are coming, We now know that it, it can't. I would suggest, maybe, looking at it under Broadband Bridge Act again, which was originally where it was supposed to sit.

CLEMENTS: Other questions? Senator Dover.

DOVER: So, so in the-- excuse me-- estimated provide-- the estimate here, is that it's two-- \$2 million general funds, \$2 million-- less \$2 million federal funds is the total funds of zero. But what you're saying really is that you're asking for a million from general funds. The other million will be through BEAD. Is that correct? For a total of \$2 billion, but you're really just requesting \$1 million, is that correct, of general funds?

JULIE BUSHELL: Well, I think that's a great option. I think if \$1 million could be funded other-- under BEAD and \$1 million, general, for the technology portion, that would be a fantastic outcome.

DOVER: OK. Thank you.

JULIE BUSHELL: Thank you.

CLEMENTS: Excuse me. Are there any other questions?

VARGAS: Well.

CLEMENTS: Senator Vargas.

VARGAS: I appreciate you being here. And sometimes, we, sometimes, we have programs that we don't always see happening in other committees that are created that are trying to leverage their federal funds. So I

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do appreciate that. It's unfortunate that we didn't get the guidance. At least, from what I've been told, is that the federal parameters didn't get finalized until after the session ended, which means you were trying to be a good steward of dollars. I think we're all still trying to figure out how we can be good stewards of this and get as much funding that we can get out of the BEAD program. And-- but I appreciate you coming to testify to that.

JULIE BUSHELL: Thank you. Thank you.

CLEMENTS: Thank you.

JULIE BUSHELL: Thank you.

CLEMENTS: Other proponents for LB361, please. Welcome. Excuse me.

LUKAS FRICKE: Thank you, Senator Clements and the rest of the Appropriations Committee. My name is Lukas Fricke, spelled L-u-k-a-s F-r-i-c-k-e. I'm a sixth-generation farmer from Ulysses, Nebraska. On our farm, we raise corn, soybean and barn-raised pigs. I've been lucky enough to actually adopt some of the technology that Julie was talking about just right before here, the LoRaWAN technology. But I took a risk in doing it. So sometimes when adopting some of the stuff, it's expensive. Right? It's new, it's cutting edge. For us, we took the risk and it did pay off. So kind of the two main buckets that we are able to seed out of is one, the efficiency of running the farm better; and two, the enhanced opportunity for premiums coming back to our profit. So do you want to feel better about your purchase at the grocery store? We now have the real data to help back that up. And so by helping fund this bill, getting on farm connectivity, getting producers to taste this technology without having to take the financial burden, we're really helping develop Nebraska products to be better and to stand out in the marketplace. So I kind of, actually, applaud the Unicameral in getting this bill together, to actually be the first in the nation to do this. Because this is really where-- you know, the old adage, build it and they will come? Well, we built it, we have the great bill to do it. We just need the funding to be able to finish the job. And so with that, we're able to really get producers to adopt this technology, be able to do it without the really hard costs of doing it and then, be able to further themselves, because the economic and financial benefits will come through a better operation, the use of less inputs, situations like that, but at the same time, helping them be a better steward of the ground, a better Nebraskan overall, and leaving the environment better for all of us in the end. So to really kind of wrap it up, the bill was passed. That's

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great. If we can get some funding for it to help other producers, such as myself, be able to adapt to this technology and not take the huge financial risk that we did, it will really be able to pay off dividends for Nebraskans overall. So thank you guys and hopefully I'll answer some questions about it.

CLEMENTS: Any questions from the committee? Seeing none, thank you for your testimony.

LUKAS FRICKE: Thank you very much.

CLEMENTS: The other proponents for LB361? Welcome.

MELISA KONECKY: Hello. Good afternoon, Senator Clements and the Appropriations Committee. My name is Melisa Konecky, spelled M-e-l-i-s-a, last name K-o-n-e-c-k-y. I am here in support of LB361. A little bit about myself. I am a fifth-generation farmer from Wahoo, Nebraska. My original ancestors settled there in 1877 and it's been in my family since then. We started a dairy in 19-- in the 1950s, my grandpa won a dairy calf at the Saunders County Fair. That was his prize, which I can't even imagine what a parent would think now, if that was someone's prize at the county fair. But that's what happened, so then we were stuck with the dairy farm, so my grandpa and grandma started the dairy. My dad then transitioned. We were a commercial dairy selling milk and then my parents always told me to go to college. So I went to the University of Nebraska-Lincoln, got two degrees and came back to the farm for a while and thought, this isn't, this isn't where I want to be. There's no money here. It can't support my family. So we went off the farm for a job. But most recently, I came back full-time to manage my family's dairy. I manage our dairy operation and I co-manage our crop and beef operation with my brother and my father. Looking at the dairy industry, we decided we needed to do something, if we were going to keep the dairy running, if we were going to make any sort of, you know, financial profit on this. So we worked to create value-added products from our dairy. We started about two years ago working with some partners, making cheese, yogurt, things like that. And most recently, we launched our own line of ice cream and other dairy products about six months ago. So we are six months into this, this brand new adventure. While our products are great, we want to continue pushing our operation and our products forward. So our next step forward is economic and environmental resiliency on our farm. And we're looking at the next step being looking for precision ag tools that can help us really monitor where we are. And where we need to go. So some tools that would allow us the ability to do these things. We would be looking at solid metrics. So

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we've got actual data that's telling us what's happening, where things are being used. Maybe we're seeing things that we're missing, which would be great. It also helps us find ways to improve and then, prove the improvement. There's no better feeling than looking at something and knowing that it's actually working and having the data to back that up. Lastly, it helps us to promote our dairy products as sustainable and help us make a great Nebraska product. Couple of tools that we would like to look at using: soil, soil moisture probes, a digital, digital rain gauges across the property, monitoring systems for our cattle. So really looking at making sure our cattle are comfortable, are we monitoring barn temperatures, all that sort of stuff. And monitoring our water usage, so our cattle waters, our barn cleanings, our pipeline cleaning, all of that, monitoring the water usage that we're using. Is there ways that we can better use that water? Keeping in mind that our goal is that our animals never have a bad day and we are being as efficient with our time and money as possible. So while my family cannot agree on how sustainable we actually are, being able to put solid metrics to our operations and giving us a path forward for improvement would be a great start. This bill would give us access to these tools. Any questions?

CLEMENTS: Any questions? Senator Wishart.

WISHART: Thank you for coming here today. And congratulations on continuing to live on your family's legacy. So when I'm thinking about the opportunity here, you have Nebraska-made ice cream. And someone could go into a grocery store and not only see that it's Nebraska made, locally made, like you do with your eggs, but also, potentially, you could have a label on it showing how much water your product has conserved and so, a customer then, looking at all of the options would say, wow, I'm contributing to supporting managing our water here in the state. Is that the--how that would work, potentially?

MELISA KONECKY: Yeah. So kind of one goal we've talked about is a QR code just on the corner of all of our labels that would take you to a page on our website that would show you all of these metrics, how much water each day, you know, on each year our farm is taking in, what it takes to produce one gallon of milk or one pint of ice cream and all that stuff. I think, I think it helps the people that that, that matters to, it helps them make a great choice, not only, again, as a local product, but it's a sustainable-- actually sustainable product. And it's proven to be sustainable, which I think is, is huge. And it's not happening yet.

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CLEMENTS: Any other questions? Seeing none, thank you for your testimony. Other proponents on LB361?

WISHART: You know, I did want to ask where we could get the ice cream.

CLEMENTS: Just one more question from, from him, Melissa.

MELISA KONECKY: Oh, I'm sorry.

CLEMENTS: Where can we get your ice cream?

MELISA KONECKY: Oh, where can you get it? We have a grocer in Lincoln that actually carries it [INAUDIBLE].

CLEMENTS: So he owns a grocery.

MELISA KONECKY: Yeah. [INAUDIBLE].

CLEMENTS: With nuts? All right. Excuse me. Thank you, sir. Welcome.

JAY FERRIS: OK. Well, good afternoon, Chairman Clements, and members of the Appropriation Committee. My name is Jay Ferris, that is J-a-y F-e-r-r-i-s. I'm the director of political engagement and state policy for Nebraska Farm Bureau. Today, I am testifying in support of LB361 on behalf of Nebraska Farm Bureau, Nebraska Producers Association, Nebraska Soybean Association, Nebraska State Dairy Association, Renewable Fuels Nebraska, Nebraska Cattlemen and the Nebraska Corn Growers Association. All of these organizations supported LB761 last year. And so, we're here in support of funding that program that we supported last year. As you're aware, Nebraska farmers and ranchers continue to advance production efficiency. This has been accomplished through the adoption of several technologies, of which precision innovation and sensors have been at the forefront. What we see is a limiting-- to even greater use is connectivity, keeping in mind that connectivity is not just to residences, but also to, to fields, facilities and rangeland. OK. Additionally, the efficiency has been accomplished with the continual focus on our natural resources, including both soil health and water. Public and private industries, industries continually-- to innovate products, sensors and management tools that farmers and ranchers can utilize, but these come at a cost. LB361 would continue to advance the usage of these various innovations through grants, thus increasing our efficiency and reducing our footprint. In closing, the organizations that I represent appreciate Senator Dorn for introducing this legislation and for the committee's consideration. I would welcome any questions.

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CLEMENTS: Senator Armendariz.

ARMENDARIZ: Thanks for being here. Sorry. You probably know what you're going to get. I, I did talk to a family farmer in my district extensively during the campaign and, and he talked about this technology. It's a game changer. It's wonderful. I 100 percent support it, as well as getting broadband to all farms in Nebraska. It's really, really needed.

JAY FERRIS: Yes.

ARMENDARIZ: My contention is this bill last year that was passed with the intention of using federal funds. I can't help but to think it got passed, fully thinking it would be funded with the federal funds.

JAY FERRIS: Yeah.

ARMENDARIZ: Should we have waited since we didn't know by the time session ended? Should we have waited and been right or push it through and possibly lose the trust of the taxpayers in Nebraska, by us ram-running it through without all the information?

JAY FERRIS: Sure. And that's a good question. You know, I think there were many bills last year and possibly, this year that were, were passed with the-- maybe assurance or lack of assurance of whether federal funding would be there. From-- my organizations would say this was important, regardless of where--

ARMENDARIZ: I agree.

JAY FERRIS: --the funding is coming from. So.

ARMENDARIZ: I, I agree. And I, and I believe, maybe, it would have been passed regardless. But I guess I would feel like I, I was being told one thing and then, you come back the next year and ask for it another way--

JAY FERRIS: Sure.

ARMENDARIZ: --which does come out of different pockets, right. It comes out of different taxpayers' pockets in different ways. And I would rather be right. Like my personal integrity, I'm not going to say something knowing that it might not be true, unless I tell them right up front. I just don't know right now. Would you pass it without knowing or, or it's going to be covered and then you come back later,

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but you got it done and now we're obligated to fund it somehow, some way. Right.

JAY FERRIS: And I don't know that you're obligated to fund it, but I think this needs to be part of the consideration as you're going through your Appropriations budget, is, is finding things that are important and, and to set those priorities of what needs to be funded.

ARMENDARIZ: I agree. I just want to try to maintain--

JAY FERRIS: Sure.

ARMENDARIZ: --the integrity of what we're doing in this building and make sure we know--

JAY FERRIS: I understand.

ARMENDARIZ: --when we present these. I appreciate you listening to me and being able to--

JAY FERRIS: Yeah.

ARMENDARIZ: --bounce that off of you-- just the going forward expectation.

CLEMENTS: Senator Vargas.

VARGAS: Thank you very much. In your testimony and the way I'm reading this, so I just want to get clarity. You say that the Public Service Commission determined that it did not have the authority to use BEAD funds. Are you saying that the PSC determined that it did not have the authority to receive and administer any funds from BEAD or that there wasn't-- it wasn't eligible, that this grant programming, together, wasn't eligible to use BEAD funds.

JAY FERRIS: My understanding is the PSC determined that they were not eligible to use the BEAD funds for, for this program.

VARGAS: Like they just don't have the authority, like you would have to find another vehicle--

JAY FERRIS: Yes.

VARGAS: --like maybe the Department of Ag. All right. That-- that's helpful.

JAY FERRIS: That's my understanding.

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VARGAS: OK.

CLEMENTS: Any other questions? Seeing none, thank you, Mr. Ferris.

JAY FERRIS: Thank you.

CLEMENTS: Are there other proponents regarding LB361? Anyone in opposition for LB361? Is there anyone wanting to testify in the neutral position? Seeing none, Senator Dorn, would you like to close?

DORN: I'll, I'll wait just a minute. I will compliment my staff. I was the one that messed up with this. We did have a letter for-- from the Public Service Commission explaining all the BEAD philosophy behind this and that they unanimously supported this at their February 22 meeting of this year. They unanimously supported this bill. Public Service Commission took a vote at their public meeting to unanimously support this. As you read through there and you read through it, the first part there says that-- and last year I remember-- like I said, I wasn't remembering all the details, but they, they felt strong enough, the Transportation Committee did, with all the broadband issues we have, with all the broadband discussion and how many different things that's made of, federally, state and how many issues are going on with broadband, to include this in their committee bill. At that time, their understanding was that yes, BEAD funding would be allowable use for this. And then, as they looked at it more or it became clear or the federal-- at, at the time this was put in there, they thought the BEAD money could be used. Later, there became more guidelines down and that's when part of this couldn't be used for BEAD. So that's why the Public Service Commission then ruled that, no, we're not going to allow this under this-- under the [INAUDIBLE] we did last year. And that is why we're back with the bill this year. On the back page of this, they are not sure about the BEAD funding. They're only asking for the million dollars of-- that we can use. That money's there that we can use. They are still not certain about the BEAD money and that's why they're asking the way they're asking. And I see Scott shaking his head yes. And-- yes. So they-- this-- not this committee, the Transportation Committee felt strong enough about this bill, the needs of the broadband and how it will help, I call it the rural areas of Nebraska. With all the technology, the technology advancements we have in agriculture today, as one of the testifiers said, how they can now determine even the water usage of individual cows and then-- so much. I've grown up on a farm all my life and seen what the changes have been. If you would have told me some of this stuff could happen, I'd have told you, I don't think so. We're, we're thinking too far in the future and it's-- many of that stuff is here today. And not only for

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farming, but banking and everything else. This is why this bill was brought back, because of the need for it. Now, unfortunately, it couldn't be funded the way it was last year. We are now coming back and requesting funding so that we can get this going and get this use and-- for the people of Nebraska. So-- and I apologize. I-- I'm sitting back there just waiting and I'm going, I'm going to get this handout, but I don't have this handout at the start, I had it at the end. And I think Senator-- not Senator-- former Senator Watermeier and the Public Service Commission explained it very well in this letter. I did not come-- my staff had it in, in the book here. I'm so thankful for that. So that way, we can make a copy and hand it out to everybody. But I thank you for some of those questions. And more than anything-- I call it the clarity or the, the reasons why this bill is now being brought back.

CLEMENTS: Are there questions from the committee? Your opening, you talked about a one-time request. I thought you used that term. Is-- are we looking for another way to find federal funds to do this or is it going to be a state request?

DORN: My understanding, it's the million dollar each of the two years. And maybe-- Scott's shaking his head yes or no. \$1 million each year for a state request. And the, the thought process is that the \$1 million out of-- there was \$2 million and \$2 million, but \$1 million out of that could now be used out of that BEAD fund and then \$1 million of a state request. Now, not saying that between now and whenever this comes appropriated that the BEAD funding or some other federal funding can't be acquired. That would-- today, we don't know that.

CLEMENTS: The unused funding that Public Service has, can they redirect that to the connectivity program? Allowable use or do we know?

DORN: I don't, I don't have an answer for that, but we can get you that answer. My staff is here and we'll write that down and we'll get you an answer.

CLEMENTS: I guess we don't even know if it's unused, if it's sitting around somewhere.

DORN: Yeah. We'll get a clarification on that. I do not have an answer for you today. I'd like to give you an answer, but I better not.

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CLEMENTS: All right. Thank you. Any other questions? Thank you, Senator Dorn.

DORN: Thank you.

CLEMENTS: We have a position comment. LB361, we have two proponents, no opponents and no, no one neutral. And that concludes the hearing for LB361. Oh, stay here. Flip the page to LB563. We'll open the hearing for LB563, Senator Dorn, welcome.

DORN: Well, thank you. I guess I don't have to move or whatever. We're still here. Good afternoon. Chairman Clements and the rest of the Appropriations Committee. My name is Myron Dorn, M-y-r-o-n D-o-r-n, and I represent District 30. I'm here to, here to introduce LB563. You all know the challenges that face our rural communities and even our larger communities, keeping our downtown commercial districts vibrant, growing and thriving. All too often, that is not the case. And we can see main street commercial properties fall into disrepair and other businesses struggle to keep the customers coming to our downtown. Organizations like Main Street Nebraska, help these downtown commercial businesses with rehabbing historical buildings, technical expertise in promotion and marketing the communities downtown, bringing together community leaders and developing a common goal for growth and sustainability and recruiting new business. LB563, before you today, brings some solutions to these problems. LB563 would appropriate \$250 million [SIC], in each of the next two fiscal years, to the Nebraska State Historical Society. This agency would then contract with entities, like Main Street programs that provide educational programming and technical expertise related to downtown or main street revitalization, business growth, and historic preservation to communities throughout the state. I just want you to know, we received the fiscal note, as I think most of you did in the last day or two. We have since, my staff has contacted the Nebraska Historical Society and this fiscal note that shows, basically, \$150,000 of this \$250,000 would be used for their app-- or their putting this program out. We have talked to them. That is not going to be correct, that they are looking more-- previously, this program has been in the \$10,000 neighborhood. And as we visit with them, we're going to change the bill or fiscal note so that we get in that area again. There will be a lady here from the Nebraska Historical Society, again, talking about that. So there-- she'll, she'll explain that part of it. So the fiscal note, that will be changed or whatever. You know, it's our intent to change that. There are representatives here from Main Street programs today that can go into more details about how their programs work and how they can help communities across the state. I'd be happy

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to answer any questions. And some of those will really be able to explain and they'll go into detail-- give some details about what the Main Street programs are and how many there are around the state and that type of thing.

CLEMENTS: Any questions? Seeing none--

DORN: Thank you.

CLEMENTS: --we'll now open up for proponents for LB563.

JILL DOLBERG: Hello.

CLEMENTS: Welcome, again.

JILL DOLBERG: Again. I'm back. Thank you for letting me come again. Once more, my name is Jill Dolberg, J-i-l-l D-o-l-b-e-r-g, and I'm the interim director of History Nebraska, the state's historical society. I'm speaking in favor of LB563, which would appropriate funds to our agency for state aid to be used to contract with programs that provide educational, educational programming and technical expertise related to downtown and main street revitalization, business growth and historic preservation for communities around the state. The first 22 years of my career at History Nebraska were spent in the State Historic Preservation Office, where we worked closely with communities to promote programs that we administer for the National Park Service. We love working with cities to encourage the preservation of their historic buildings through the use of tax credits, federal and state, to rehabilitate them and reuse them with the hopes of spurring some economic vitality. With the time and resources we have, we do well sharing our emphasis on preservation. But we often have experienced that while we get the pieces in place to encourage projects to move forward, something will come up to prevent a community from utilizing all the potential from their historic district being listed in the National Register or new design guidelines being adopted by their community. And by then, we're working with the next community. This bill has the potential to fund a program that can linger with communities, helping them maximize and unlock local expertise and private sector investments. This will create sustainable opportunities to leverage historic preservation with economic vitality and business growth, design, organization and promotion of assets. We will contract with an organization that has experience in doing this work and work closely with them to see more of these plans come to fruition. This can be done in rural communities, but also urban neighborhoods that have commercial districts. During the COVID pandemic, we all feared

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for businesses, as we isolated ourselves to try to prevent the spread. An interesting outcome for Nebraska was that people found ways to take advantage of shopping opportunities that were nearby, thus being a little less traveled and more-- and less exposed to germs. But instead, instead of going to larger markets that were a few towns away, it gave some of our main street businesses a renewed sense of vitality. I'm excited by the opportunity to take that trend and encourage economic development in Nebraska's small towns. We submitted a fiscal note that indicated we wanted to use a portion of the appropriation to hire a person on staff. We saw that as, sort of, enhancing that partnership and making sure that we were connecting it with that preservation office. We will, we will figure it out. So thank you for your consideration of LB563. Thank you to Senator Dorn for introducing it. I'm excited by the potential to bring a great deal of benefit to the economic vitality of our communities, by emphasizing historic preservation and the qualities that make each city unique. I'd be happy to answer any questions you may have.

CLEMENTS: Questions from the committee? I do have one. In this-- you said you worked with the Historic Preservation Office and this is a historic preservation request. Is this, is this something we've already been doing or how is this new?

JILL DOLBERG: So the State Historic Preservation Office is funded 60 percent by the federal government and 40 percent by state match. And we do-- we implement programs that are required by the National Park Service. So we survey historic buildings throughout the state. We work with properties to get them listed in the National Register of Historic Places, work with tax credits, those kinds of things. And often, we see ourselves as setting up some of these wonderful economic vitality things, but sometimes they just don't come to fruition. So, no, it would-- it goes beyond what we're able to provide. It's-- it sort of takes it and, and multiplies it.

CLEMENTS: OK. Thank you. So it's not a duplication of what's been done in the past.

JILL DOLBERG: No. No, not at all.

CLEMENTS: All right. Other questions? Seeing none, thank you for your testimony. Are there other proponents for LB563? Welcome.

JEFF RAY: Good afternoon. Chairman Clements and members of the Appropriations Committee. My name is Jeff Ray, it's J-e-f-f R-a-y, and I'm a professional planner. So this opportunity that I have is obliged

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with my personal passion of helping numerous communities throughout the state of Nebraska, both big and small, with the current role that I have at a consulting engineering firm in Nebraska. However, today I'm here as a volunteer role as the president of the Nebraska Mainstreet Network. We give our full support behind LB563 and History Nebraska. As a nonprofit working in Nebraska, we help communities work through the revitalization process, provide support to them as they develop solutions, help them build local partnerships and they plan for their futures with proven points that have been developed by the National Main Street Organization that focus on design, economic restructuring, promotion and organization. Our support isn't simply just based on one reason, but lots of reasons, but primarily because we share the common mission of History Nebraska: to help communities develop traditional commercial districts so that they are attractive to residents and business friendly for commercial investment and economic growth, while preserving and redeveloping historic structures. History Nebraska was one of four state agencies that came together in 1994 to create the Main Street Network under the Nebraska-- under the National Mainstreet Program. We enjoy this partnership in a complementary relationship by help building economic vitality into historic downtowns and commercial districts that preserve their unique character, while creating jobs and providing services for those local residents. Over the last few years, not only has the agency rebranded itself with a new name, we have witnessed the transition from a passive resource group to an agency that has proactively engaged with communities across the state. This effort, effort to actively engage communities is essential in enhancing the downtown's physical environment, by capitalizing on its assets, including historic buildings and creating an inviting atmosphere through attractive window displays, parking areas, building improvements, streetscapes and landscaping. The physical environment in this place is where the economic activities take place. However, it must be coupled with strengthening the community's existing economic base, while building local capacity to leverage the local-generated funds through grants and tourism and business startups and other incubators. In my eyes, this is really the intent of this bill. By helping existing businesses expand and recruiting new businesses to respond to today's market, History Nebraska can help preserve historic buildings by converting unused spaces into productive properties and sharpen the competitiveness of business enterprises and to help keep Nebraska downtowns strong. Thank you. And with that, I would take any questions you may have for me.

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CLEMENTS: Any questions from the committee? Seeing none, thank you, Mr. Ray.

JEFF RAY: Thank you.

CLEMENTS: Additional proponents for LB563. Welcome.

MICHAEL SOTHAN: Thank you. Well, good afternoon. My name is Michael Sothan, M-i-c-h-a-e-l S-o-t-h-a-n, and I'm the executive director of Main Street Beatrice. Thank you, Chairman Clements, all, all of you Senators and especially, Senator Dorn for introducing LB563. I've given you guys a letter. I'm not going to read off of that because I hope you guys will, will hopefully take the time to do so. But being a community that is currently trying to work and implement elements of the Main Street approach, I wanted to share with you just, kind of, some of the stories of a community that, that is trying to do this and some of the challenges that, that we're facing, as well. Main Street Beatrice, we're a local nonprofit. We've been around since 1996 serving the Beatrice community. And over those years, it's been ups and downs, trying to, you know, be able to navigate the different challenges that are facing rural communities for certain. Luckily for Main Street, we've been able to have at least some stability. I've now been in my position for ten years. The average stay of a director is usually less than three. And we, actually, now also have another full-time person who you heard earlier, Morgan Fox, talking about the, the creative district aspects. But a lot of our communities don't have people like myself and like Morgan helping our business community. In Beatrice-- in downtown Beatrice alone, we have over 180 businesses. That's not counting property owners. We're just downtown Beatrice, a town of 12,300. And so being able to work with those business owners on, sometimes, a real direct one-on-one basis, help them when they've got questions, if they're someone that's wanting to start a business. I was just yesterday, spending a little bit of time with a couple of folks that are looking at starting a business. They didn't even know where to begin. It's like, OK, let's start talking about your business plan. Let's talk about the finances, where you can maybe turn. Let's talk about legal structure. Let's not worry about a location yet. Let's get some of these other things figured out. We've been able to work with these people. It makes an impact. Just since 2016, in downtown Beatrice, we've had a net gain of 30 businesses. For a community of Beatrice's size, that's, that's massive. That's amenities that are making Beatrice a better place to live, attracting more people to want to stay here or return to Beatrice and we're actually starting to see that. We're starting to see some of those things. At the same time, we've been starting to see a lot of property

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development. We've faced major challenges. Buildings that have been collapsing, we've had two that we've had to tear down in the last five years. We are really behind the eight ball there. We are trying to be more-- much more proactive. We're trying to get ahead of that problem, because those properties have cost the taxpayers of Beatrice over half a million dollars, between the two, to tear down. That's unacceptable. We do not need to be demolishing properties. We need to be proactive and get in front of that problem. And luckily, Main Street Beatrice is now able to do that to some degree. But the challenges that we face is-- when you have a lot of turnover where, you don't even have a person in my position helping work with city councils, working with the chamber, economic development, trying to leverage resources that are out there, a lot of times those opportunities get missed. And instead, we see continued dilapidation, we see different challenges that face our communities. And that's something that I think this bill really help give the capacity to build up programs similar to ours. But there's things that we don't have. If I've got a property owner that really needs to figure out a challenge to their building-- I have a movie theater in town. They're trying to figure out if they can add a liquor license, but they're afraid of-- might-- will it end up bringing a state fire marshal inspection and will they pass that inspection? Well, how about we'd be able to help come and bring some answers to them, help them think through that process before they have to go to the fire marshal, because that's really scary for that business owner to think about that. Now they need to get there eventually, but how do we guide them through that? This bill will be able to provide some of that capacity to answer questions like that, but then, also, be able to use the programs that are currently with this History Nebraska, use that creative district program that you heard about earlier through the Nebraska Arts Council, leverage federal funds and really, unlock a lot of local potential, whether that's our entrepreneurs or our city governments and be able to get that support. And so with that, I definitely do hope that you'll support LB563. Something to know: our neighboring states are beating us and they're beating us a lot. Iowa has a very strong program; Missouri, extremely strong. Kansas has restarted their Main Street program, Colorado and Wyoming; all of them are providing for these types of services, but we are not here in Nebraska. And so, with that, thank you all for your time and open up to any questions.

CLEMENTS: Senator Lippincott.

LIPPINCOTT: How small of cities do you help?

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MICHAEL SOTHAN: So that-- that's kind of a better question. In the time that I've been here, communities-- and, and I go into, like, the national conference, because there are Main Street-- there's the main Street approach that can be utilized all across the, the nation. I've seen Main Street working in communities that-- frankly, I live in the village of Steel City, population of 45. I've seen it in communities similar to that, in little villages; Taylor, Nebraska, at one point, here in Nebraska, was utilizing this, all the way up to the size of Grand Island right now. So that gives you just an example in Nebraska. But people that-- there's-- every community has a downtown. I own a downtown historic building in Steel City, but my profession is in Beatrice. It's a varied difference: 45 to 12,300. Then you go to something like a neighborhood in, maybe, Havelock or something like that, in Lincoln, kind of gives you an example of the different versatility that this program can serve.

CLEMENTS: Other questions? Seeing none, thank you for coming.

MICHAEL SOTHAN: Thank you, Chairman.

CLEMENTS: Additional proponents for LB563? Seeing none, is there anyone in opposition of LB563? Seeing none, anyone here in the neutral capacity? Seeing none, I have position comments for the record: 18 proponents, no opponents and no one neutral. That concludes-- well, wait a minute. Excuse me. Senator Dorn, you're welcome to close.

DORN: I, I promise you, I'm done after this. Today. Today. Because I do have other bills. But thank you very much for taking time to listen to this. This group, of Main Street Nebraska or whatever, brought this bill to me. They were, at one time, funded more. They're down to, approximately, in the neighborhood of \$40,000 right now. Throughout the years, part of-- I've lived in the Beatrice area and, and visited with Michael over the years. He's been there 10 years and I see what a solid program like that can do. They've gotten several grants for upgrading, I call it, the facade in front of buildings downtown and helping new businesses come in and all of that. There are 16 communities right now that have this type of program. There are others that very much have expressed interest so that we can keep the downtown more vital and that type of things. What this would help do is it would help with their staff, so that they have more people that can help those communities improve themselves. So thank you very much for your time and, and listening to the bill.

CLEMENTS: Thank you, Senator Dorn. That concludes LB563. All right. We have a request from Senator Dover. He's got a scheduling conflict and

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we're going to move ahead to LB718. And we will do LB615 after that. So we'll open the hearing for LB718. Senator Dover, you are welcome to open.

DOVER: Thank you, Chairman Clements, and good afternoon, fellow committee members. My name is Robert Dover, R-o-b-e-r-t D-o-v-e-r, and I represent Legislative District 19, which consists of Madison County and part of Pierce County. I introduce LB718 to expand the arts, culture, economic development and community in northeast Nebraska. LB718 will transfer \$2 million, from the Cash Reserve Fund to the General Fund, to achieve this purpose. You will receive the amendment that specifies this bill. The city of Norfolk is currently revitalizing a six-acre Johnson Park, to create a public space that encourages appreciation of the arts, enhances culture, builds community and bolsters the local economy. The revitalization plan includes the restoration of Norfolk Riverfront. A damaged spillway will be removed, and six new 18-inch drops will be installed to create a white-- a whitewater effect. This will encourage kayaking and tubing along the river. The river will also receive beautification along the bank corridors and a riverside beach for recreation. The project includes an outdoor amphitheater with a permanent stage, including grass seating, that will accommodate approximately 400 people. The new amphitheater will allow for Johnson Park to host live performance arts, concerts and plays. This will enhance community and culture in northeast Nebraska. In addition to the construction of the amphitheater and improvements to the river, the project will upgrade accessibility, by enhancing bike trails and parking and updating old playground equipment. The completion of Johnson Park revitalization will create an attractive location that will be beneficial for local businesses that have struggled since the start of COVID-19 pandemic. It will also create an environment of energy, community and culture in northeast Nebraska. Due to rapid inflation, this project had become more expensive than budgeted from its onset. The \$2 million from the cash reserve are needed to-- by the city of Norfolk to complete this important project. I would appreciate the committee's advancement of LB718 to General File. Representatives from Norfolk area will follow me and we'll be happy to give more specific information about their project. Thank you for your time.

CLEMENTS: Any questions from the committee? Senator Wishart.

WISHART: Thank you, Senator Dover, for bringing this bill. To clarify, you're asking for a one-time \$2 million?

DOVER: Correct.

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WISHART: OK.

CLEMENTS: All right. Other questions? Seeing none, we will open it up for LB718 proponents.

JOSH MOENNING: Good afternoon.

CLEMENTS: Welcome.

JOSH MOENNING: Chairman Clements, members of the committee, my name is Josh Moenning, mayor of the city of Norfolk. It's J-o-s-h M-o-e-n-n-i-n-g. Appreciate the opportunity to be before you today and appreciate Senator Dover's introduction of this amendment to LB718. LB718, the amendment would provide supplemental assistance to communities engaged in riverfront development projects. The handout that is being put in front of you provides an overview of Norfolk's work in this regard: the redevelopment of our namesake, the North Fork of the Elkhorn River. As mayor, this project has been a priority. It gives our community a chance to compete for tourism dollars via a key, yet an underutilized, natural resource. The North Fork, the river that gave our city life in the first place, would be transformed from an afterthought into a unique water attraction, outdoor recreation space, a cultural events venue and a catalyst for new economic growth and opportunity. Central to the revitalization, revitalization plans is altering the river channel to construct a river rapids trail just off the heart of downtown Norfolk, removing a remnant of the original dam structure that helped power the town's original flour mill enables, enables us to place seven drop structures in the river channel over a half-mile span. You can see in your handout that this work has already begun, with four of the seven draft structures constructed over the past eight months. All said and done, this will be a unique, one-of-its-kind park in the nation. Also key to the project is Johnson Park Restoration. The Works Progress Administration Era Park was once a regional attraction, but a major flood in the 1960s severely impacted it and has been-- it has been minimally maintained since. These plans bring the park back to life, incorporating an amphitheater space for live performance and festivals, a nature playground, an ice rink and historic storytelling features. The community has worked hard at being creative to fund the project. One-third of the budget is city funds, one-third is grants and partnerships and one-third is private fundraising. Supple-- supplemental assistance today would help us address the toll that pandemic-related delays and cost inflation has had on the project. The local fundraising campaign officially launched right before COVID struck. It was halted due to economic uncertainty. That led to delays in the project. Factor in the cost inflation

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effects of the last two years and it all adds up to a significant impact on the total cost of the project. As we're all aware, Nebraska doesn't have beaches or mountains, but we do have lots of river miles. In Norfolk, we're trying to use what we have to build on our uniqueness and spark people attraction. People already flock to north central and northeast Nebraska towns to float the Niobrara river. The state, via the Star Wars initiative, is providing significant support to new waterfront and water recreation initiatives. Communities developing their natural resources as recreation and tourism draws are making a permanent investment in their future. Utilizing our natural assets to promote community development, in my mind, is smart planning and can benefit both urban and rural Nebraska. I encourage your support of LB718 as amended. Be happy to take any questions.

CLEMENTS: Questions from the committee? Seeing none, thank you very much. Additional proponents on LB718. Welcome.

TRACI JEFFREY: Good afternoon, Chairman Clements, members of the committee. My name is Tracy Jeffrey, T-r-a-c-i J-e-f-f-r-e-y, director of the Norfolk Area Visitors Bureau. I am here today to share with you the importance of LB718 as amended, which will help mitigate the negative effects COVID-19 had on an important collaborative effort in northeast Nebraska. The Riverfront Development Project is a project that will have a long-term economic impact for Nebraska tourism efforts. The project includes three elements: river restoration, park revitalization and infrastructure reconstruction. This project will capitalize on its geographic proximity to Norfolk's downtown, strengthening small businesses and enhancing newly created Riverpoint creative district. The Norfolk community has an asset that not many communities anywhere else can say they have: an accessible riverfront located near our downtown district. This opportunity presents immeasurable benefits that reach a wide array of visitors, citizens and organizations in our community. This attraction will make Norfolk a destination in the tourism industry. Our investment in our riverfront offers, not only for Norfolk, but also northeast Nebraska, the prospects of attracting visitors to our area. The Norfolk Riverfront Project is projected to attract as many as 31,000 additional visitors to Norfolk, having a potential impact of nearly \$2 million in visitor spending each year. These visitors are bringing new money into our community and will have the largest impact. Our tourism foundation is strong, but we need to enhance existing attractions and to create more opportunity to help visitors come to our region and state. In northeast Nebraska, our proximity to both South Dakota and to Iowa position us to conveniently draw out-of-state visitors, but we must continue to provide reasons for people to experience our unique

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attraction. With your support, we can help restore the history, tradition and culture of our community throughout this project and ultimately, make Norfolk a must-see destination in our region and state. Thank you.

CLEMENTS: Questions from the Committee? Senator Lippincott.

LIPPINCOTT: The Johnson Park is supposed to be completed this coming fall. Is it still on target?

TRACI JEFFREY: Spring-- 20--

CLEMENTS: All right. Any other questions? Seeing none, thank you for coming. Additional proponents for LB718.

ANGIE STENGER: Good afternoon, again. I will not take much time.

CLEMENTS: Welcome.

ANGIE STENGER: But thank you for your time, Chairman Clements and members of the committee. I am Angie Stenger, A-n-g-i-e S-t-e-n-g-e-r, and I am the executive director of Growing Together. And I just wanted to explain the importance of what we are building in Norfolk. We have designed this program to proactively transform northeast Nebraska's regional economy and population growth. And we have done that with an effort to attract the 20-29 year olds. And that includes making this false density downtown that include-- that is bordered by the river and making a place for 20-29 year olds to be able to live and work, including the Wayne State students who will be moving into Norfolk next August. As I have worked over the last three years and met with parents and students, the resounding question is like, really, Norfolk's going to look this great? And I constantly explain to the high school and college students in our area, yes, we're building this for you, because we want you to stay here. And so, as growing together, we were in a, in a very important part of the fundraising of that local partnership, as the mayor referenced. And we know how important it is. We also know that we have reached all of our businesses in Norfolk and that, as inflation hit, we were not able to add that additional \$2 million that came in. And so I do appreciate your time and consideration and I will take any questions.

CLEMENTS: Questions? Seeing none, thank you.

ANGIE STENGER: Thank you.

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CLEMENTS: Are there proponents for LB718? Seeing none, are there any opponents LB718?

WISHART: Are you opposing your bill, Senator?

DOVER: No. No, I'm not. Just getting ready. [LAUGHTER].

CLEMENTS: Anyone here, anyone here in the neutral capacity? Seeing you're welcome to close.

DOVER: I don't want to-- I know everybody's busy and I don't want to say too much. But Norfolk has been-- challenges communities across Nebraska for many, many, many years. And there seemed to be a fresh wind blowing, due to the people behind me and people in Norfolk. This is a wonderful opportunity. I know that people that are no longer working, that saw this 20-some plus years ago and they never gave up. And I'd just like to encourage you to support this bill. Thank you.

CLEMENTS: Thank you, Senator Dover. And we, we don't have any position comments. So that closes the hearing on LB718. We will now open the hearing for LB615. And thank you for waiting, Senator McDonnell.

McDONNELL: Thank you, Chairperson Clements, and members of the committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l. I represent Legislative District 5, south Omaha. LB615 is a bill that provides funding to further Nebraska, to use as the recent settlement from-- with the opioid manufacturers to provide wellness and support services for first responders who experience secondary trauma. This funding would connect all first responders who are at higher risk of opioid, opioid exposure and dependency to behavioral health services, supports and training. It would also provide a statewide learning plan that will ensure all public safety personnel have access to the necessary resources and educational materials required for an effective response to their needs. Building off of the success of LB51, which was passed last session to standardize public safety by providing first responders with necessary resources and training, this bill seeks to expand those efforts and provide additional wellness support. In fact, since LB51's passage, almost 25,000 hours of training have already been completed with overwhelming support in the Legislature last year. It is clear that Nebraska recognizes the importance of taking care of our first responders. LB615 places special emphasis on the needs of the rural agencies, which often lack the resources to properly equip their volunteer firefighters and other first responders in, in need of wellness support. Washington, Utah and Ohio are already using the settlement money for these services and

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Nebraska could benefit from following suit. It's important that we protect our public safety personnel by keeping them healthy, in order for them to do their jobs effective-- effectively and efficiently. I strongly urge you to pass LB615. Mental health and wellness is one of the biggest challenges faced by the public safety profession today, with firefighters suffering from PTSD at a rate of 15-24 percent higher than other professions. In addition, on average, public safety professional are exposed to 188 traumatic events during their lifetime, compared to a civilian which experiences five, on the average. It is our responsibility as a Legislature to ensure that they have access to necessary resources that can help make them successful in their jobs and protect them from secondary trauma. I'm here to answer your questions. I have people here that are going to testify that are still serving in that capacity as first responders and they're going to give you personal stories on how this would make a difference going forward with their careers and the people that are going to follow them that'll serve Nebraska.

CLEMENTS: Question from the committee? This is an existing fund?

McDONNELL: This is the settlement money from-- yes, the, the \$2.1 million that was settled, based on the Nebraska Opioid Recovery Fund.

CLEMENTS: OK. Yeah, Senator Dover.

DOVER: Yeah. Senator McDonnell, I was just wondering how you arrived at the amount of the fiscal note?

McDONNELL: That's how much the settlement was-- that I came up with-- if there were-- if the settlement would have been \$4 million, I'd have asked for \$4 million. The settlement was \$2.1.

DOVER: OK. Thank you.

CLEMENTS: Senator Armendariz.

ARMENDARIZ: Thank you. Senator McDonnell, the \$1.125, is that what you're asking for?

McDONNELL: For two years.

ARMENDARIZ: OK. So the settlement was--

McDONNELL: \$2.1 something.

ARMENDARIZ: --carved out specifically for fire?

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McDONNELL: No. No, the settlement was based on the opioid settlement from the Department of Justice, from the federal government. I'm saying that we should spend it towards the training.

ARMENDARIZ: Like the whole thing?

McDONNELL: All of it.

ARMENDARIZ: What about all the other people struggling from opioid?

McDONNELL: These are all first responders. This would be first responders. If it was more than that, we could talk about other people, but I'm talking about first responders.

ARMENDARIZ: Right. OK.

CLEMENTS: Any other questions? Seeing none, thank you. We'll open it up for the proponents, for LB615. Welcome.

DARREN GARREAN: Good afternoon, Chairman Clements, members of the Appropriations Committee. My name is Darren Garrean, D-a-r-r-e-n G-a-r-r-e-a-n, and I'm a full time firefighter/paramedic, working 56 hours a week serving the citizens of Nebraska, as do most of my cohorts. In addition to my career as a firefighter and a paramedic, I'm also the elected president of the Nebraska Professional Firefighter Association, where I'm here today representing over 1,400 career firefighters, paramedics and emergency medical technicians who serve this great state. I want to thank Senator McDonnell for bringing this bill and recognizing the necessity of utilizing this opioid funding for first responders. For some context, a quick story that, that happened here in Nebraska just this last week. As I was working, we received a 911 call. On our arrival, there was a law enforcement officer who was wrestling with a party who had assaulted that officer. That party who assaulted the officer appeared to be intoxicated, on drugs and-- of some sort and possibly drunk. I've come to recognize some of this, due to my tenure on the job and my personal experience. The law enforcement officer had one of his teeth knocked out. In addition to that, being struck. We were all spit on, kicked and had blood smeared all over everybody. Eventually, that party was detained and we were able to take that person to the hospital. I mention this because it wasn't on the news. Most people would never know that it happened, but it does happen here in Nebraska and I think it's important to let everybody know the importance of that. I also mention that because I think that shows the importance of why this, this money, the opioid money, should go back to first responders is because

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of those things. As Senator McDonnell stated, the Legislature has already done some similar work with LB51, for law enforcement, and LB615 would expand on that for first responders. Due to the significant rural safety contingency in Nebraska, some departments may not have the necessary administrative resources, research or be able to recommend a wellness of networks in order to require training. So a component of this would be able to have, basically, some online training. And when you talk about staffing, where one-third of your staff has to be on duty all the time, there are some components of being able to fit those in a online-- being able to fit when it works. You can't really get everybody in a room all at once all the time for some of the things that we do. It just, it just doesn't flow. Another importance of this is the economy of scale, as a statewide resource and the reduction of duplicating efforts, with our first responders, hopefully, being good stewards of this money for our state. I also want to add that I spoke with the, the parties that deliver the services for LB51. One of the questions has been, would something like this put an undue burden on the, on the Fire Marshal's Office by needing more staff or things like that? The parties that are doing this for LB51 feel that they can do it without putting extra necessity onto the fire marshal. So with that, I'll be happy to answer any questions and we're here to help.

CLEMENTS: Any questions? Seeing none, thank you for your testimony.

DARREN GARREAN: Thank you.

CLEMENTS: Any other proponents for LB615, please.

TREVOR TOWEY: Good afternoon, Mr. Chairman, members of the committee. My name is Trevor Towey. T-r-e-v-o-r, last name is T-o-w-e-y. I'm the president of Omaha Professional Firefighters, representing 680 firefighters and paramedics in Omaha. I'm here today as a proponent of this bill. I want to thank Senator McDonnell, also, for bringing this legislation forward and for his remarks during opening. I think he did a nice job explaining the need. I'm here to talk more about the demands that have been put on firefighters on a regular basis. Excuse me. And, you know, like most industries, we're all asked to do more with less. And so that's what firefighters continue to do, whether you're in a small Nebraska department or a big department like me, call volume's going up. We do more with less. In my department, we've increased our call volume and our 911 calls by 70 percent in 15 years. So I wish I could say that the number of firefighters have increased that much, but it hasn't. So essentially, we have the same number of firefighters responding to 70 percent more emergencies. That's 70

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percent more traumatic injuries, 70 percent more assaults, shootings, suicides and so on. That all has an effect and it comes at a cost of firefighters' mental health. And likely, what has happened, in reality, is firefighters are stricken with PTSD and other behavioral health issues that they're forced to deal with. The cities and the departments need to have resources available to address that and that's not always the case, especially in smaller departments. My department's fortunate enough, with the help of my organization, to develop some peer support teams. We've identified some therapists that specialize in addressing firefighters needs. We've provided some training. We've even built a facility that has inpatient treatment, specifically for firefighters and mental health. Even with all of that, more needs to be done. And we need to address, as our exposures continue to go up, we also need to increase the resources available to departments to address our mental health needs. I think this bill is a great step in the right direction. It will provide some of that help and to get the ball rolling. And so, I ask for your favorable consideration on that and I'm here to answer any questions.

CLEMENTS: Any questions? Seeing none, thank you for your testimony.

TREVOR TOWEY: Thank you.

CLEMENTS: Other proponents for LB615.

RYAN McINTOSH: Good afternoon, Chairperson Clements and members of the committee. My name is Ryan McIntosh, M-c-I-n-t-o-s-h, and I'm here today as a registered lobbyist on behalf of the Nebraska State Volunteer Firefighters Association and the Nebraska Fire Chiefs Association. On behalf of these organizations, I'm happy to testify in support of LB615. This is the next step in what the Legislature has already accomplished in standardizing public safety and wellness of first responders by providing necessary resources and training. As has been said by previous testifiers, this has been a huge support for law enforcement personnel, for each successful law enforcement personnel. We won't recount or restate the pressures that are put on first responders, as has been very well stated by the previous testifiers. But I'll say just one more time in summary, our first responders face great risk and much greater risk than the rest of the population for exposure to trauma and require resources to address these risks. LB615 carries out the intent of the opioid settlement funds allotted to Nebraska and will provide necessary treatment, education and prevention programs for our first responders. With that, I ask for your support for LB615. And thank you for your time and support.

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CLEMENTS: Any questions? Seeing none--

RYAN McINTOSH: Thank you.

CLEMENTS: --thank you, Mr. McIntosh. Are there other proponents for LB615? Seeing none, anyone here in the opposition? Seeing none, anyone here in the neutral capacity? Senator McDonnell, you're welcome to close.

McDONNELL: Thank you. As was stated-- and, and you all realize we have thousands of firefighters, paid and volunteer, throughout the state. And we have, we have thousands of police officers and state troopers and sheriffs doing the work every day and answering that call that when we reach out to them through 911, in an emergency situation, they're there. As I said, I would, I would like to-- I wish the settlement from the Department of Justice and from the opioid industry was more. But it is what it is. And I think, based on what these first responders are, are dealing with daily, what they will continue to deal with into the future and looking at some of the programs we've done through LB51 and others, through resiliency training, through de-escalation training for, for the police officers, I think it has made a difference. And I think it's our responsibility as a state to help them perform effectively and efficiently and to make sure that we're looking out for their mental health going forward into the future. And I think this is one step, maybe a small step, but still a step, to help those thousands throughout the state that are responding daily for us. Here to answer any questions.

CLEMENTS: Any questions? I had one. Is this a one-time recovery or settlement or do you-- do they expect future?

McDONNELL: As far as I know, it's one time.

CLEMENTS: One time. All right. Very good. Other questions? Seeing none, I have no position comments. That concludes the hearing for LB615. That concludes the hearings for the Appropriations Committee today. Thank you all for coming.