Transportation and Telecommunications Committee February 12, 2007

[LB266 LB401 LB663 LB681]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Monday, February 12, 2007, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB266, LB681, LB401, and LB663. Senators present: Deb Fischer, Chairperson; Arnie Stuthman, Vice Chairperson; Ray Aguilar; Carol Hudkins; LeRoy Louden; Mick Mines; Dwite Pedersen; and DiAnna Schimek. Senators absent. None.

SENATOR FISCHER: Good afternoon and welcome to the committee hearing for Transportation and Telecommunications Committee. My name is Deb Fischer. I am the senator from District 43 and I am the chair of the committee. I'd like to begin by introducing the committee members that we have here. On my far left is Senator LeRoy Louden. Senator Louden is from Ellsworth, Nebraska; next we have Senator Carol Hudkins. Senator Hudkins is from Malcolm. Next to Senator Hudkins, we have Senator Mick Mines from Blair. On my immediate left we have Ms. Pauline Bulgrin, she is our committee clerk. On my right is Mr. Dustin Vaughan, he is committee counsel. Next we have Senator Arnie Stuthman, he is the Vice Chair of the committee, and he is from Platte Center; and on the end on the right, on my right we have Senator Dwite Pedersen from Elkhorn, Nebraska. So welcome today. Our pages are Michael Schaeffer from Lincoln. Oh, I'm sorry, we also...you're not in your position up here. Another committee member is Senator Ray Aguilar from Grand Island, who is all ready to go on his bill, but I have to go through all this first. Our pages are Michael Schaeffer from Lincoln, and Kristen Kallsen from Big Springs, Nebraska. We will be hearing the bills in the order listed on the agenda. The first bill is LB266; second is LB681; third is LB401; and our last bill of the day is LB663. Those wishing to testify on a bill should come to the front of the room and be ready to testify as soon as someone finishes testifying, in order to keep the hearing moving. Please complete the yellow sign-in sheet at the on-deck table, so it is ready to hand in when you testify. We have a new computerized transcription program this year, so it's very important that you follow the directions on the sheet. And you will need to hand that yellow sheet to our committee clerk before you testify. For the record, at the beginning of your testimony please spell your last name and also your first name, if it can be spelled in different ways. Please keep your testimony concise and try not to repeat what someone else has covered. We do have a large number of people at the hearing today. The testimony will be limited to three minutes. We'll be using a light system. So when it's on green on the table, you can keep talking. When it...when you are going to hit the yellow, about 30 seconds left? Oh, with one minute left, we'll have the yellow light come on. And when the red light comes on, please finish your thought and then you are done with your testimony, unless there are questions. I would ask that everyone be respectful. If I am offended, as chair, by any of your comments, I will end your testimony at that point. I would also ask that you have no show of support or opposition in any vocal manner or clapping, applause, cheers, anything like that we do not allow at these hearings. So I would ask that you please sit guietly, be respectful and

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listen. If you don't want to testify, but you still want to voice your support or opposition to any bill, you can indicate so at the on-deck table by filling out one of those sheets. And that will become part of the official record of this hearing. And if you want to be listed, on the committee statement that we publish, as a testifier at the hearing, you must complete one of those yellow sign-in forms, even if you just state your name and position on the bill. If you do not want to testify, you can submit written comments and they will be read into the official record. So please try and relax and don't be nervous. If you need anything, please let me know. I would also ask that you turn off any cell phones. If you have those on, please turn them off at this time. And we have also been joined now by Senator DiAnna Schimek of Lincoln. With that, we will begin with LB266. And I open the hearing on LB266. And Senator Aguilar is here to do the opening. Welcome, Senator.

SENATOR AGUILAR: Thank you, Chairwoman Fischer and members of the Transportation and Telecommunications Committee. My name is Ray Aquilar. That's spelled A-q-u-i-l-a-r. I represent District 35, the city of Grand Island, in the Nebraska Legislature. LB266 has generated a lot of discussion, both pro and con. I'm here to tell you why I believe LB266 is necessary. Because of the national political scene and lack of progress on immigration reform, Nebraska and other states are forced to deal with realities that we are all not comfortable with. Intersect that with the problem of uninsured driving and you have the reason for a bill such as LB266. LB266 creates a driving privilege card. The driving privilege card would mirror several of the currently defined operators permits. The driving privilege cards will enable a resident to legally operate a motor vehicle. The driving privilege card will require a resident to meet the same application and renewal criteria as the Class O license, the learners' permit, and the provisional operators permit, except that the types of identification allowed for use in application is expanded and a Social Security number is not required. A driving privilege card will not be valid to operate a commercial vehicle or a motorcycle or to obtain a school permit, a seasonal permit, and an employment permit, a medical hardship permit or a farm permit. LB266 will require an applicant for a driving privilege card to provide reliable proof of his or her identity and age, proof of residency in Nebraska, and other proof or documentation as prescribed by the rules and regulations adopted pursuant to the Motor Vehicle Operators License Act. This may include birth certificates, military identification or passports from the United States or a foreign government, a tax identification number issued by the Internal Revenue Service or a national identification card issued by a foreign government or certain other documentation. Any foreign document must be in an original or certified copy, and must be accompanied by a notarized translation in English. A driving privilege card will be limited in its uses for identification purposes. It will be of a distinct designation from other operators licenses, of a type prescribed by the director. The card shall clearly display the phrase, "for driving privileges only, not for other government identification purposes." The driving privilege card may be used by law enforcement to verify that the person is licensed to operate a motor vehicle and to check his or her driving record. The requirements,

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endorsements, fees, restrictions, sanctions and other provisions of the Motor Vehicle Operator Licenses Act, the Nebraska Rules of the Road, and the motor vehicle homicide statutes, Sections 28-306 and 23-394 will apply to the driving privilege cards in the same manner as they apply to other operators licenses. LB266 will authorize the Department of Motor Vehicles to charge an additional fee to cover the cost of any additional documentation verification related to an application for a driving privilege card. There are also safety and financial reasons not specifically mentioned in the law that are very important by-products. A driving privilege card may be considered an operators permit for insurance purposes. I want to emphasize this point because a driving privilege card will lead to fewer uninsured motorists. There will be testifiers following me that will tell you of the many Nebraska residents that are turned down for automobile insurance every day, that they could get insurance with a driving privilege card. Another safety issue is that the applicant for the driving privilege cards will have to pass a driving test to get the card. As a matter of policy, some insurance companies have incentives for insurers to take driving safety courses, drivers education. I think this will improve the level of driving ability of some of our residents. You will hear in the following testimony a wide range of opinions because this bill is related to an issue that is laden with emotion. I ask you to sort through the emotion and to deal with the daily reality of the residents of our state. As one police officer from Kimball, Nebraska stated to me, we are creating criminals and also feeding the black market for documents by not having such a system in place to allow for the driving certificate. I will be happy to work with the committee to improve the bill if you have any suggestions. The stack of cards on the corner of the desk over there represent some of the Nebraska residents who support this concept. Geographically, these cards represent most areas of the state. I thank you for your time today and ask you to support LB266 and move it to General File. Thank you. Be happy to take any questions at this time. [LB266]

SENATOR FISCHER: Thank you, Senator Aguilar. Are there any questions for the Senator? Senator Stuthman. [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. Senator Aguilar, can you tell me what would be a reliable proof of identification and age? What...you know, of these people that, you know, would be eligible to get this driving certificate, what types of identification would they be carrying? [LB266]

SENATOR AGUILAR: Well, as I stated in the opening, they can use their birth certificate from a foreign country, they can use their passport, they can use a military ID, they can use an Internal Revenue number that is issued by our government. [LB266]

SENATOR STUTHMAN: And would that cover everyone that would be needing a license or are there other people that wouldn't have a birth certificate with them or are there other people that don't have a tax identification number? [LB266]

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SENATOR AGUILAR: You would be asking me to speculate on that, Senator. I wouldn't know what other people have or do not have. [LB266]

SENATOR STUTHMAN: Okay, okay. But... [LB266]

SENATOR AGUILAR: This is just what we would accept. [LB266]

SENATOR STUTHMAN: This is what you'd accept. But also it states in here, rules that are made by the Department of Motor Vehicles. Do you think those rules will be too cumbersome to try to help these people as far as, you know, the documentation that they're going to be needing and requesting? [LB266]

SENATOR AGUILAR: No, I don't think so. I mean we have to draw the line somewhere, and the more clarity we can add to this, the better. [LB266]

SENATOR STUTHMAN: Okay, thank you. [LB266]

SENATOR FISCHER: Other questions? Senator Hudkins. [LB266]

SENATOR HUDKINS: Senator Aguilar, the list of cards that you have, did you also set out cards for people to say, no, they're not in favor of this particular bill? [LB266]

SENATOR AGUILAR: I didn't send out any cards, Senator. [LB266]

SENATOR HUDKINS: Where did these come from? [LB266]

SENATOR AGUILAR: They were brought to my office. [LB266]

SENATOR HUDKINS: All right. So there was not an opportunity for those that were opposed to the bill to also give their feelings? [LB266]

SENATOR AGUILAR: Well, unless you want to count the numerous e-mails we've all been getting. [LB266]

SENATOR HUDKINS: Yeah. Okay. Also, I don't know if you said it, but some...in an e-mail somewhere it said that if this driving privilege were allowed that it would make our streets safer. Can you explain why it would make them safer? [LB266]

SENATOR AGUILAR: Well, quite simply, the more people that have to pass a drivers' test, have to become knowledgeable of our laws, our rules of the road in the state of Nebraska, just common sense says, and the more people that will have insurance, common sense tells me that our streets will be safer. [LB266]

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SENATOR HUDKINS: Can't drivers already get insurance if they have a legal drivers license from, pick a country? They can come here and get a license to drive here. [LB266]

SENATOR AGUILAR: Not a driver's license, no, not in Nebraska. [LB266]

SENATOR HUDKINS: Okay. And it's your contention that if people were given this drivers privilege card that they would then run right out and buy insurance? [LB266]

SENATOR AGUILAR: Let me tell you that when they passed this in the state of Utah, 60,000 people signed up for automobile insurance within a short period of time. [LB266]

SENATOR HUDKINS: All right. Thank you. [LB266]

SENATOR FISCHER: Senator Louden. [LB266]

SENATOR LOUDEN: Yes, thank you, Senator Fischer. Senator Aguilar, as I was looking this over, how is the testing done? Is it done with the same examiners as nowadays, for a regular drivers' license? [LB266]

SENATOR AGUILAR: Absolutely, that doesn't change. [LB266]

SENATOR LOUDEN: Pardon? [LB266]

SENATOR LOUDEN: That wouldn't change at all. [LB266]

SENATOR LOUDEN: Okay, they would still have to go in and take a test and... [LB266]

SENATOR AGUILAR: They would take a written test, as well as a driving test, just like you and I do. [LB266]

SENATOR LOUDEN: Okay, thank you. [LB266]

SENATOR FISCHER: Senator Mines. [LB266]

SENATOR MINES: Thank you, Madam Chair. Senator, as I was doing a little bit of research for this, I did some research last night, I noticed that in the provisions that we're allowing...this bill would allow licenses to be issued for Class zero operators license, that's just anybody. That's a regular license, provisional operators license and a learners' permit. If I understand this right, that would mean that with a zero or an O license people 16 years and older could get a drivers' permit or what we're talking about here, right? [LB266]

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SENATOR AGUILAR: Yes. [LB266]

SENATOR MINES: Other states have set that bar at 18 years of age. Was there discussion, before you drafted the bill, about any age? [LB266]

SENATOR AGUILAR: No, it was just quite simply that Nebraska uses the 16 year age mark, and we wanted to keep it uniform. [LB266]

SENATOR MINES: Okay. And the learners' permit as well? [LB266]

SENATOR AGUILAR: It would be the same. [LB266]

SENATOR MINES: I'm just curious. Be the same. We'd just keep it the same as we've got now? [LB266]

SENATOR AGUILAR: Yes. No special... [LB266]

SENATOR MINES: Okay. I just noticed other states just set the bar a little bit higher. [LB266]

SENATOR AGUILAR: That's right. [LB266]

SENATOR MINES: Okay. Thank you. [LB266]

SENATOR FISCHER: Other questions? I see none. Thank you, Senator. [LB266]

SENATOR AGUILAR: Thank you. [LB266]

SENATOR FISCHER: At this time, if I could ask for a show of hands of how many people are here to speak in support of the bill? I see about a dozen hands in here. Okay. At this point, please come forward, our first proponent for LB266. Good afternoon. You're our first person on the lights here, so... [LB266]

PAT CAFFREY: (Exhibit 1) Okay. Well, thank you. I do have a handout, which I'd like to leave with the senators at the end of my presentation. I am Pat Caffrey. My last name is spelled C-a-f-f-r-e-y. My first name is Pat, P-a-t. I'm from St. Pius X Church on 69th and Blondo in Omaha, Nebraska, and St. Pius is a member of Omaha Together One Community. I want to thank Senator Aguilar for introducing LB266 and to Senators Chambers and Kruse for cosponsoring this bill. I also want to thank all the senators here today for the opportunity to speak to this issue. Omaha Together One Community is a coalition of 30-plus congregations and other organizations in Omaha, Nebraska. We also have a sister organization in rural Nebraska, called COIN, Communities Organized In Nebraska. A delegation is here today to speak in support of LB266 and the driving

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privilege card as we work toward shaping a community that we want to work for all. LB266 is good policy for Nebraska. It is a matter of public safety for all who drive our streets and highways. The benefits to all Nebraskans in terms of safety on our highways and fair insurance premiums is clear to us. Anyone driving to school, driving to work, to church, contributing in a very positive way to our community needs to be able to study the laws, to take the test, to purchase insurance, and to keep insurance. And Nebraska, as our state, can address this motor safety issue with state law. Many say that it cannot be done because of the REAL ID Act that needs to be implemented by May of 2008. The REAL ID Act does allow for issuance of a driving only card, as taken from the text of the law, Section 202(d)11, in any case in which the state issues a drivers' license or identification card that does not satisfy the requirements of this section, ensure that such license or identification card clearly states on its face that it may not be accepted by any federal agency for federal identification or any official purpose; and (b) used as a unique design or color indicated to alert federal agency and other law enforcement personnel that it may not be accepted for any such purpose. LB266 makes sense for Nebraska in terms of public safety. We encourage you to vote in favor of this bill and to pass it to the floor for further debate and consideration. I thank you and am willing to answer any questions, if you have any questions. [LB266]

SENATOR FISCHER: Thank you, Ms. Caffrey. Any questions? Senator Louden. [LB266]

SENATOR LOUDEN: Yes, Pat, thank you for testifying today. Is your...as you talked about the REAL ID Act that's trying to work its way through, these wouldn't be of any value to that, would they? [LB266]

PAT CAFFREY: Yes, it would be woven right into the REAL ID Act because the REAL ID Act requirements that say you have to have a Social Security number, you have to meet all of these requirements, which a lot of the states are fighting right now, but it does give states the option to issue a driving only card, where a Social Security number is not required. And the states can choose to do that. So it works very well within the REAL ID Act. So that's why we don't think it would take anything away from implementing it at this time. [LB266]

SENATOR LOUDEN: Now to follow up on that, if someone got this DPC card, and then could they work themselves around then and get a Social Security number that perhaps wasn't a legal Social Security number, and they would therefore probably eventually work around and be legal? Could this happen with this system? [LB266]

PAT CAFFREY: That's really an immigration question. And so from a public safety standpoint, that's logical to me. And I think the important thing is by implementing, if Nebraska implements a DPC card right now, they're ahead of the game for the REAL ID Act. [LB266]

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SENATOR LOUDEN: Okay, thank you. [LB266]

SENATOR FISCHER: Senator Schimek. [LB266]

SENATOR SCHIMEK: Yes, thank you, Madam Chair. I was going to ask you a question, Pat. But I want to follow up on what Senator Louden just asked, because I'm not certain I understood his question and your answer. [LB266]

PAT CAFFREY: Okay. [LB266]

SENATOR SCHIMEK: The driving certificate would not lead to a person being able to get a Social Security number, would it? Is that what you said? [LB266]

PAT CAFFREY: No. No. [LB266]

SENATOR SCHIMEK: That's...okay, I just wanted to clarify. [LB266]

PAT CAFFREY: That's not...no. I'm saying, if other laws change that made it possible for people to have a Social Security number, that they would then be able to apply for a drivers' license, just as you and I do today. [LB266]

SENATOR SCHIMEK: Okay. Thank you. [LB266]

PAT CAFFREY: Does that make sense? [LB266]

SENATOR SCHIMEK: I thought that was the answer, but I didn't hear it that way. So thank you. [LB266]

PAT CAFFREY: Okay. [LB266]

SENATOR FISCHER: Other questions? I see none. Thank you very much. Next proponent, please. Welcome. [LB266]

FATHER JASON EMERSON: Thank you. Greetings. My name is Father Jason Emerson, E-m-e-r-s-o-n, first name J-a-s-o-n. I'm the associate rector of All Saints Episcopal Church in Omaha, Nebraska. And first of all, let me thank you for time and hearing today. I wish to speak in favor of LB266. I support this proposed policy simply because it is good for me, good for the people of my parish, and good for all people residing in Nebraska. Moving LB266 out of committee, where it will hopefully be passed on the floor of the Unicameral, is in my interest because I drive a car in Nebraska. Both my work and my leisure involve driving, not only the streets of Omaha, but the entire state as well. Licensed, insured drivers are safer than those without either. Passing this

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legislation will increase the percentage of licensed and insured drivers, therefore my safety is increased. And when accidents do happen, my health and property are insured. Passing this legislation will mean increased safety for both my wife and me. For similar reasons, this bill is good for the people of my congregation, whether they themselves are drivers or they have children or others that they drive to church, I want them to be able to travel to and from church for worship, for Christian formation and other events safely. Once again, they will be helped by this bill because of the raised level of public safety it will provide. Finally, I hope for the passing of LB266 because it is good policy for all people of the state of Nebraska. Not only could it decrease the amount of uninsured motorists, and therefore the amount of uninsured accident claims making it fiscally sound, it is also morally sound. I am an Episcopalian, and in my tradition we take an oath at our baptism, which we repeat at least five times a year because it is central to our practice of faith. The last question of that oath asks, will you strive for justice and peace among all people and respect the dignity of every human being? The prescribed answer is, I will with God's help. I believe that respecting the dignity of every human being, that is to say every child of God, involves giving every child of God the opportunity to obey the law. There are many children of God in the state of Nebraska that would like to obey our driving laws; they would like to be licensed and insured drivers, but are not currently allowed. Today an opportunity is before you. Rarely do we get to help large quantities of people with simple actions. But today we can take a step towards not only improving my safety, not only the safety of my parishioners, but also the moral fabric of our state. I urge you to deeply consider what you hear today and to vote to send LB266 to the floor of the Legislature. I urge you further, once the bill is on the floor, to speak in favor of its passing. Once again, thank you for your time and hearing of this matter, and may God help us all. Thank you. [LB266]

SENATOR FISCHER: Thank you, Father. Are there questions? Senator Stuthman. [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. Father, I truly respect your comments very greatly. The thing that I have a concern with is the fact that I get a lot of e-mails and a lot of phone calls, it's giving a legal privilege to someone that's illegal. Is this what we're trying to do? Or can you comment on that? [LB266]

FATHER JASON EMERSON: I don't think I'm capable of commenting on that. I think it will increase safety, and I think that is a positive. [LB266]

SENATOR STUTHMAN: And I truly agree with you there, I truly agree with you there. So thank you. [LB266]

SENATOR FISCHER: Other questions? I have a question, Father. Do you believe that LB266 will make these driving certificates available to people who are in Nebraska but

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they are not here legally in this country? [LB266]

FATHER JASON EMERSON: I can't speak to that. I do not know. I understood today was about public safety, and I could not tell you. [LB266]

SENATOR FISCHER: I ask that question because you had very moving comments. And in one of your comments you said this would be an opportunity to obey the law. [LB266]

FATHER JASON EMERSON: Yes, ma'am. My understanding is that you not only need to be licensed, but you need to have insurance, car insurance in the state of Nebraska, and that is what I meant. [LB266]

SENATOR FISCHER: Okay. I would just question if this bill was passed, then perhaps individuals would have the opportunity to obey this law. But perhaps they are in the state and in the country, and they are not here legally, so they have broken the law to be here would be my comment on that. [LB266]

FATHER JASON EMERSON: I was speaking in reference to LB266. [LB266]

SENATOR FISCHER: Okay. Thank you, Father. Other questions? I see none. Oh, Senator Aguilar has one, Father. [LB266]

SENATOR AGUILAR: Yes, Father. Don't you believe, as probably I do, that simply what Senator Fischer is referring to is a federal immigration issue. And as many people have broken the law in the past, in most cases we don't throw them out of the country for it. I myself broke the law as a teenager. And I'm still in this country. And I don't see any difference in this situation than what we're talking about. Would you not agree with that? [LB266]

FATHER JASON EMERSON: Again, I didn't come today to address the whole immigration issue, but merely the public safety matters that I think LB266 benefits. Thank you. [LB266]

SENATOR AGUILAR: Thank you. [LB266]

SENATOR FISCHER: Thank you, Father. [LB266]

FATHER JASON EMERSON: Thank you, ma'am. [LB266]

SENATOR FISCHER: Next proponent, please. Good afternoon. [LB266]

OSCAR RIOS POHIRIETH: Good afternoon. Thank you. I think that as long as we see this bill as a privilege,... [LB266]

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SENATOR FISCHER: Excuse me. I need you to state your name and spell it, please. [LB266]

OSCAR RIOS POHIRIETH: Oh, that's correct. My name is Oscar Rios, R-i-o-s. [LB266]

SENATOR FISCHER: Thank you. [LB266]

OSCAR RIOS POHIRIETH: Thanks. I think as long as we see this bill as a privilege, I don't think we'll be able to move it out of this committee. I don't see this bill as a privilege. I see this bill as a basic need for any family in order to survive in a harsh climate, such as the one we experience here in Nebraska. Of course, with this bill comes certain responsibilities like passing the driving test, getting the proper insurance for their vehicles, which I think are things we would all agree on. I would like to ask this committee to reflect on the following question: Do you believe that by not allowing them the privilege to drive that they will return to their country of origin? I believe that they will continue to drive to their jobs and drive their children to the doctor. What is best for our state is to allow them the opportunity to complete the education and examination procedure so that they may abide by our states law. This is all I have for now. Any questions? [LB266]

SENATOR FISCHER: Thank you very much, Mr. Rios. Any questions? Thank you for coming today, appreciate it. Next proponent, please. Welcome. [LB266]

MADALINE FENNELL: Good afternoon. My name is Maddy Fennell, F as in Frank e-n-n-e-l-l. I am here to speak to you as to my concerns as a classroom teacher. I teach sixth grade in the Omaha Public Schools. As a teacher, I don't ask anyone's immigration status, I don't ask for a Social Security number, I just teach the children that are placed in front of me to the best of my ability. My concern with this bill is in three areas. The first of which is its connections with No Child Left Behind. Under the No Child Left Behind law, we have to show that students have an opportunity to learn. Part of that opportunity to learn is they have to be in class. If children can't get to school because of distance or because of bad weather, they need their parents to take them to school, my concern is, how are there parents going to get them there if they don't have valid driver certificates? Then as we look at older students who are getting themselves to school, we all know the situation when it comes to young people and driving. And we've all seen the statistics about teenagers and driving. My concern is, what happens now that we have teenagers who are doing the best they can to get to school, because they want to learn, because they are motivated, but they don't have a drivers' license to get to school. Because they're motivated, they're still going to want to go, but we're going to have kids coming to school who have not taken a drivers test, who are uninsured, but who are doing the best they can to get their education. And thirdly, last year this body had the foresight to pass the Dream Act, allowing instate tuition for immigrants. Those

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students need the ability to use that Dream Act, but also to get to and from school. They need to be able to get to college and bring the knowledge that they're learning in college back to their communities to further enrich their communities. So from an education point of view, I believe that it's important to pass LB266 so that families can continue to commit all they can to education. [LB266]

SENATOR FISCHER: Thank you, Ms. Fennell. [LB266]

MADALINE FENNELL: Thank you. [LB266]

SENATOR FISCHER: Any questions? Senator Stuthman. [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. Madam, I really appreciate your comments. Realistically, what you're saying is it's not your duty to police the legal part of the students, the illegal or legal students that you have in the classroom. Your duties are to teach the kids that are in your classroom. [LB266]

MADALINE FENNELL: Correct. All students have to provide is a birth certificate to enroll in school. [LB266]

SENATOR STUTHMAN: They have to have the birth certificate to enroll in school. So they have some identification? [LB266]

MADALINE FENNELL: Correct. [LB266]

SENATOR STUTHMAN: They have some identification. But it's not your responsibility to find out whether they're legal or illegal? [LB266]

MADALINE FENNELL: No, it is not. But if I may say, Senator, under No Child Left Behind, one of the distinguishing marks is students who are English language learners. And so if we cannot educate those English language learners up to the standards of NCLB, then we will lose our...we'll be designated a failing school and lose our funding. And, of course, failing schools feed into failing school districts, which...it's a blight on your whole state. And attendance is a big part of that. Children can't learn if they're not in school. [LB266]

SENATOR STUTHMAN: That's very true. And, you know, you've heard the concerns about legal and illegal. And there is an agency that is authorized to deal with that. And you know, in my opinion, that's realistically what we're not talking about here today, is we're trying to educate the people and the students. And you're doing your job is what you're trying to do. So thank you for your comments. [LB266]

MADALINE FENNELL: Thank you, Senator. [LB266]

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SENATOR FISCHER: Other questions? I see none. Thank you very much. [LB266]

MADALINE FENNELL: Thank you. [LB266]

SENATOR FISCHER: Next proponent, please. Good afternoon. [LB266]

LUIS ORTIZ ROSALES: Thank you, senators. My name is Luis Ortiz, L-u-i-s O-r-t-i-z, a member of St. Joseph Church in Omaha, Nebraska. I'm working in Omaha, Together One Community. We need a driving card in Nebraska. I have worked in Omaha, Nebraska for 13 years. I pay my taxes. And I am married, and I have three children. My wife doesn't work. It is very important to me to be able to drive and purchase insurance. One time the police stopped me and asked me questions, why are you here? Where is your drivers' license? Why don't you have insurance? I said, I'm here to make a better life. I show him my pay stuff. I work and I pay my taxes. I just want to make a better life for my family and for my future. I speak for many, many people who are working, going to church, and they want to make it safe for everybody who drives in Nebraska. We are here, senators, to be part of the solution. We are promised to take the test, to drive safely, and to purchase and keep insurance. We know this will make it safer for all who drive in Nebraska. Thank you. God bless you, senators, and God bless Nebraska. [LB266]

SENATOR FISCHER: Thank you very much, Mr. Ortiz. Questions? Senator Mines. [LB266]

SENATOR MINES: Thank you, Madam Chair. Mr. Ortiz, is that correct? [LB266]

LUIS ORTIZ ROSALES: Yes, sir. [LB266]

SENATOR MINES: Do you have insurance on your vehicles? [LB266]

LUIS ORTIZ ROSALES: I don't have a drivers' license. [LB266]

SENATOR MINES: That's not the question. Do you have insurance on your vehicles? [LB266]

LUIS ORTIZ ROSALES: No. [LB266]

SENATOR MINES: Are you able to get insurance on your vehicles? [LB266]

LUIS ORTIZ ROSALES: No, I don't have any vehicles. [LB266]

SENATOR MINES: There are insurance providers that do provide insurance without a

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drivers' permit. [LB266]

LUIS ORTIZ ROSALES: I don't know. [LB266]

SENATOR MINES: All right. There are companies that do offer insurance to people that

don't have drivers' licenses. [LB266]

LUIS ORTIZ ROSALES: Okay, thank you. [LB266]

SENATOR MINES: Thank you. [LB266]

SENATOR FISCHER: Senator Hudkins. [LB266]

SENATOR HUDKINS: Mr. Ortiz, I appreciate your comments about being here to make a better life for your family. May I assume then that you are going through the process

of citizenship? [LB266]

LUIS ORTIZ ROSALES: I don't...is no way I can do that. [LB266]

SENATOR HUDKINS: Why not? [LB266]

LUIS ORTIZ ROSALES: It's no way that allow...it's very hard for me, for me. [LB266]

SENATOR HUDKINS: You've been here for 13 years. [LB266]

LUIS ORTIZ ROSALES: Yes, ma'am. [LB266]

SENATOR HUDKINS: And you have not attempted to gain your American citizenship?

[LB266]

LUIS ORTIZ ROSALES: Is no choice. No, I do not. [LB266]

SENATOR FISCHER: Would you like to make another comment? [LB266]

MARIA LUISA GASTON: (Interpreter) I was trying to explain the word "tried",

"attempted", to see if he wanted to. [LB266]

SENATOR FISCHER: Okay. Other questions? I really appreciate you being here today,

thank you. Next proponent, please. [LB266]

JOHN BARRIENTOS: Good afternoon. My name is John Barrientos. I'm an insurance

agent with... [LB266]

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SENATOR FISCHER: Could you spell your last name? [LB266]

JOHN BARRIENTOS: B-a-r-r-i-e-n-t-o-s. Thank you for the opportunity to be here, and thank you to Senator Aguilar for presenting this bill. I am in support of LB266. Senator Mines, with all due respect, without some type of drivers' license, whether it's from another country or whether it's from here, you cannot get insurance on your vehicle. There are situations where someone who is blind or is disabled who has a vehicle that can get insurance, but they do not drive the vehicle. They have to provide a drivers' license from someone who is going to be driving them around. Senator Hudkins, with all due respect, this gentleman back here that has not applied to become a resident or a citizen of the United States, it's probably not because he doesn't want to, it is because our system that we have at the federal level does not allow him even the opportunity to do so. Okay? This bill is not about providing people with citizenship or residency to the state of Nebraska. One of the people brought up, Mr. Rios, had brought up that if we were to provide or by not giving privileges to drive, that people will not leave this state. That is correct. I have an insurance agency; I do over 200 guotes a month in Omaha, Nebraska; 95 plus percent of my business is Spanish speaking, many of them immigrants, many of them documented, many of them not documented. I will tell you, out of the 200 that I do, closer to 60 percent of those do not have documents, they still have a drivers' license, but they're about to lose them. The reason I bring that up to you is I can't remember which one of the senators, I believe Hudkins, you had asked if by giving a permit, does that mean that they'll go out tomorrow to get insurance? My belief is yes, because I see it every day. We have people that want to follow the law, especially those that are here without documents. I understand, yes, they broke the law to come here; you are right. And we're not going to beat around the bush, there are people without documents in the state of Nebraska, imagine that, and there are more, and more, and more, and more every day, because if there wasn't, we wouldn't have too many people working in the packing houses. That's a reality. But my point that I would like to take...this all comes back to public safety. We need people, if they're going to be driving on our streets, we need them to study, we need them to pass the driving test, we need them to be fiscally, financially responsible. We in the state of Nebraska cannot change the immigration laws; we need to force our Congressmen and our Senators to do that. What we can do is make sure that if people are here and they're working in our state, whether they're here legally or illegally, we have to make sure that they are financially responsible. Thank you for your time. And I'd be happy to answer any questions that you may have. [LB266]

SENATOR FISCHER: Thank you very much. Questions? Senator Schimek. [LB266]

SENATOR SCHIMEK: Yes, thank you for being here. Something you said, I just want to follow up, make certain that it's made part of the record, if it hasn't already been. You mentioned that some of these people were about to lose their licenses. [LB266]

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JOHN BARRIENTOS: Yes. [LB266]

SENATOR SCHIMEK: And that is because, as I recall, until 2003 you didn't have to have a Social Security number to get your drivers' license. [LB266]

JOHN BARRIENTOS: That is correct. If they could take their child's birth certificate or some type of documentation that show that they...that show who they were, then they could get a drivers' license, that is correct. [LB266]

SENATOR SCHIMEK: And so some of these people have had drivers' licenses and are about to lose them because the six-year time frame is about up. [LB266]

JOHN BARRIENTOS: That is correct. Senators, I had a client in my office that had been in this state for 20 years, they own a home, their kids have all been educated here, the husband and the wife, neither one have documentation. They are here illegally. Okay? They've worked, they pay taxes, they own their home, they pay property taxes. They are faced with both of them...their licenses have expired. And they're like, what can we do now? And unless we pass LB266, there's absolutely, positively nothing we can do. And with regard to residency or citizenship, until we change the immigration laws, again that's not what we're here to talk about, but until we change those immigration laws and create some type of pathway so that people can migrate here legally without having to pay tens of thousands of dollars to do it, we're always going to have this issue here in Nebraska. And the other thing that nobody has brought up is...Senator Aguilar brought it up, I have people right now that are going underground and getting licenses, that are going to other states and getting licenses, that are going to Kansas, they're going to North Carolina, they're going there and getting licenses, and coming back here. By forcing that, and our laws currently make that happen because they can't get a license here, then what's happening is now our police department can no longer identify who the person really is. So I know we want to do good things with our laws, but in order to protect the citizens of Nebraska, this creates an opportunity to identify really who's living in our borders. Thank you. [LB266]

SENATOR FISCHER: Senator Stuthman, did you have a question? [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. John, you also mentioned the fact that they are taxpaying citizens. [LB266]

JOHN BARRIENTOS: Yes, sir. Yes, sir. [LB266]

SENATOR STUTHMAN: And that is a concern a lot of people have called and talked to me about. They say, well, they're here illegal, they're not paying taxes,... [LB266]

JOHN BARRIENTOS: Yes, sir. [LB266]

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SENATOR STUTHMAN: ...stuff like that. And I try to defend the fact that they are paying taxes. And you do say that they are paying taxes, too, just like you and I are. [LB266]

JOHN BARRIENTOS: Actually, I would say that they pay in...I don't want to say unfair, but they say probably a disproportionate amount of taxes compared to what we do because they cannot file for a tax return. Now if their employer is not withholding taxes from their check, then that's an issue with the employer. But every time they go out and buy a vehicle, any time they buy a...to get their drivers' license they buy...to get their plates on their vehicle, they pay taxes. You can't avoid paying taxes in the United States. So they are paying taxes. Governments...communities like south Omaha and Lexington would die on the vine if it wasn't for the immigrant. We would have lost a congressional seat in Nebraska if it wasn't for immigrants. [LB266]

SENATOR STUTHMAN: Thank you. [LB266]

SENATOR FISCHER: Other questions? Senator Hudkins. [LB266]

SENATOR HUDKINS: Mr. Barrientos, can you explain to me why it is so difficult to migrate here or immigrate here legally? [LB266]

JOHN BARRIENTOS: Yes, thank you for asking that. In order for someone to migrate here from Mexico, the way our federal laws are set up, okay, and I'm not an immigration attorney, but I've studied and looked at a lot of this situation, one of the requirements is, first of all, that they own property, that they have a job, that they have money in the bank, and that they have a certain education level. Okay? In order to come here legally for a work permit. First of all, our country does not give very many visas to Mexico; it's limited by country the amount of visas that we have. So the people that we need here in the United States, to work in packing houses, to work in the strawberry fields, to work in the beet fields, that type of labor, those type of people that can apply to come here legally are not going to work in our fields, not going to work in agriculture. So what happens is the process is so long, the majority of people that want to come here, migrate to our country don't qualify, they don't even qualify. So it's easier to pay a coyote \$3,000 to pass the border or risk swimming over a river, coming through a desert than it is to go through our immigration process. It's unfortunate, but it's a reality of what we have. We have a need for labor in this country, we have a need for labor in this state, and our immigration policy doesn't meet those needs, and that's what has to happen. And I know you're not here to discuss that today. That has to be dealt with one the...we need to put partisan politics aside and deal with that on a national level. [LB266]

SENATOR HUDKINS: Thank you. [LB266]

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SENATOR FISCHER: Other questions? Senator Louden. [LB266]

SENATOR LOUDEN: Yes. You say you sell insurance? [LB266]

JOHN BARRIENTOS: Yes, sir. [LB266]

SENATOR LOUDEN: And what company do you sell for? [LB266]

JOHN BARRIENTOS: With Allstate. [LB266]

SENATOR LOUDEN: Allstate? [LB266]

JOHN BARRIENTOS: Yes, sir. [LB266]

SENATOR LOUDEN: Now if this bill goes through and these people get their license, what kind of a rate will they have for car insurance? [LB266]

JOHN BARRIENTOS: That's a good question. What would happen is then they would go into the underwriting process, just like anyone else. Now we would have a valid way to check their driving record. Allstate, currently, will not sell insurance to anybody who did not have a drivers' license from the United States. There are companies that sell... [LB266]

SENATOR LOUDEN: Yeah, but what I'm wondering, will their rates be higher than normal? [LB266]

JOHN BARRIENTOS: Right now they are. That's what I wanted to... [LB266]

SENATOR LOUDEN: Or where will their rates go in? [LB266]

JOHN BARRIENTOS: No, well, again I don't set the rates by any means. But what it would do is as long as they have a valid drivers' license or driving certificate from the state of Nebraska, they would be able to qualify for standard or preferred companies, such as a State Farm or an Allstate or Farmers. Right now there are high risk companies that are accepting drivers' licenses from out of the country, such as a Guatemalan drivers' license, Mexican drivers' license, and they are doing two things. First of all, they are extremely high rates that they are charging them. And the other thing is they're limiting their limits of liability. So whereas you probably have limits of liability that will cover up to \$100,000 or \$300,000, all they're limiting them is the state minimums. So if you have a vehicle that's worth more than \$25,000 and one of these companies are insuring them with that drivers' license, then they run into a situation, even though they have insurance, they may not have enough coverage to cover your

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situation. [LB266]

SENATOR LOUDEN: See, this is what I wanted to know. If this did go through, would their rates be high enough that they would be like a 22-year-old male or something like that? Their rates would be high enough that a lot of them wouldn't bother to buy it anyway, it would be prohibitive for, as you say, the jobs they're in. I would have to disagree with you, there are not many beet workers anymore; that's all mechanically done. And most of your workers that come work in your construction down here, in Omaha, and they're doing it cut-rate. I mean you got a problem in Omaha with that. [LB266]

JOHN BARRIENTOS: You're right, you're right. [LB266]

SENATOR LOUDEN: But I'm concerned about the rates. As you bring in a new flux of drivers like that, where will the rates come, and will they be combined in with the drivers that are already here? [LB266]

JOHN BARRIENTOS: I can only speak from the experience of what I've seen. Right now, what you talk about is exactly what's happening. They're saying if you don't have a United States drivers' license, they're putting you in a higher risk pool, and they're charging your more. And you run into that situation some people can't afford it. If they're given a drivers' permit, then companies will be able to say, okay, they've passed a drivers test, they are a legitimate driver and we can run them through typical underwriting, and so then it will be based on their age and their driving record. [LB266]

SENATOR LOUDEN: Okay, thank you. [LB266]

JOHN BARRIENTOS: Yes, sir. [LB266]

SENATOR FISCHER: Other questions? Senator Mines. [LB266]

SENATOR MINES: Thank you, Madam Chair. John, I don't know if you're the right fellow to ask, but I don't know who's coming behind you, and you appear to know a bit about the topic. My question might be, in order to get a drivers' card or driving card, you have to prove your identity of some kind. And I'm curious, from your perspective, there's a whole host of them, and I'd just like to go down and to see, maybe get your impression on who would actually do this. As an example, who would come up with a birth certificate? Do you think most illegals would come in with a birth certificate? So they've probably got a birth certificate with them. [LB266]

JOHN BARRIENTOS: Yes. [LB266]

SENATOR MINES: You suppose they'd come in with a Social Security card or letter

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from Internal Revenue Service? [LB266]

JOHN BARRIENTOS: The I TIN number, yes, but not a Social Security card, obviously, because they can't get a Social Security card. [LB266]

SENATOR MINES: Okay, okay. [LB266]

JOHN BARRIENTOS: But the I TIN number, yes. People are buying houses with them right now. [LB266]

SENATOR MINES: Okay. And probably the IRS or the Internal Revenue Service letter, would it be for them or for who they're pretending to be? [LB266]

JOHN BARRIENTOS: No, it's for them. [LB266]

SENATOR MINES: Okay, so an illegal can come in and start working? [LB266]

JOHN BARRIENTOS: That's a misconception. They can't quote, the tax ID number does not give them permission to work. What it does is give them...it gives the IRS the opportunity to identify where this income is coming from, where these taxes are being paid from. We have a lot of people applying for tax ID numbers, most of them, unfortunately, work in the construction trade, as what you were talking about. [LB266]

SENATOR MINES: Okay. So, so far we've got a birth certificate and tax information number, right? How about a current or expired passport from United States...territory of the United States or a foreign government? [LB266]

JOHN BARRIENTOS: I would say that you would have some that would have that. [LB266]

SENATOR MINES: Not many? [LB266]

JOHN BARRIENTOS: Not many, but some of them. [LB266]

SENATOR MINES: A valid military ID card? [LB266]

JOHN BARRIENTOS: Again, well, some. [LB266]

SENATOR MINES: Probably not. [LB266]

JOHN BARRIENTOS: Probably not very many. [LB266]

SENATOR MINES: National Identification Card issued by a foreign government?

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[LB266]

JOHN BARRIENTOS: The Counsulate...Mexican Consulate at the Matricula. So you would probably have a lot more of that. [LB266]

SENATOR MINES: And how do you get those? How does an illegal get those? [LB266]

JOHN BARRIENTOS: That is probably...that is probably the best piece of ID that's available from a Mexican citizen. Now that doesn't deal with people from Guatemala or El Salvador or Honduras or anything to that effect, obviously. But for somebody from Mexico, they have to go into the Mexican Consulate, present that birth certificate, present documentation that they can verify is not falsified,... [LB266]

SENATOR MINES: Okay. [LB266]

JOHN BARRIENTOS: ...which we don't have a good job of doing, and they issue the Matricula. [LB266]

SENATOR MINES: Okay. And then any document from a foreign government used as proof of age,... [LB266]

JOHN BARRIENTOS: Such as a birth certificate. [LB266]

SENATOR MINES: ...citizenship, that kind of thing, those...so, I mean, there are a few in here that might be used, and that leads me to the ultimate question. We talk about safety of Nebraskans and then we talk about safety on the roads. What we're not talking about is a concern in homeland security, is are the people that are getting...that would get these drivers' cards the people they say they are? If all I need is a document from a foreign government that says I'm so old and this is who I am, the majority of the terrorists on 9-11 had drivers' cards that were not really who they were. And that's my concern is the security within Nebraska, given that...I understand that you can't use the card for any other purpose than driving, but you can obtain them, I think, reasonably easy, just by having a document from a foreign government saying that you're John and you're a good guy. [LB266]

JOHN BARRIENTOS: But with all due respect, Senator Mines, those who want to attack our country are probably not going to go and apply for a drivers' license. They have ways and means to get identification that... [LB266]

SENATOR MINES: Most of the terrorists of 9-11 had them. [LB266]

JOHN BARRIENTOS: Right, because they were legal immigrants. [LB266]

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SENATOR MINES: Of course they were applied for. Of course they had (inaudible). [LB266]

JOHN BARRIENTOS: They were legal immigrants, Senator Mines. [LB266]

SENATOR MINES: No, they were not; no, they were not. [LB266]

SENATOR FISCHER: Quiet, please. [LB266]

SENATOR MINES: No. Well, my point is... [LB266]

JOHN BARRIENTOS: They were here in this country legally. [LB266]

SENATOR MINES: John, what we really haven't talked about, and I hope further discussion happens, that it's also about the security of Nebraska. In addition to the safety on our highways, it's about the security, and that's really my concern. [LB266]

JOHN BARRIENTOS: Um-hum. [LB266]

SENATOR MINES: Thank you, I appreciate your answers. [LB266]

SENATOR FISCHER: Thank you. Other questions? I see none. Thank you very...oh, I'm sorry. Senator Aguilar, you have to wave out. [LB266]

SENATOR AGUILAR: Mr. Barrientos, isn't it true, and I'm sure you've read the legislation that it states very clearly in there that this certificate card will not be accepted as any form of identification as far as government identification to get on an airplane or to get into any government building in the state of Nebraska or any other state, as far as that goes? [LB266]

JOHN BARRIENTOS: That's the way I understand it, correct. [LB266]

SENATOR AGUILAR: Thank you. [LB266]

SENATOR FISCHER: Other questions? I see none. Thank you very much. Other proponents, please. [LB266]

JOHN BARRIENTOS: Thank you. [LB266]

SENATOR FISCHER: Could I just have a quick poll of how many more proponents? I'm thinking just a few. One, two, three, four, five more. Okay. Six more. Thank you and welcome. [LB266]

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JOHN CURRY: (Exhibits 2 and 3) Good afternoon, My name is John Curry, J-o-h-n C-u-r-r-y. I have prepared testimony. I have copies I gave to the Senator. I have owned an insurance and financial services agency in Lincoln, Nebraska for ten years now and have eight years of experience, prior to that, handling claims, primarily involving types of accidents that we were talking about earlier. I also serve on the Nebraska State Records Board as a representative of the insurance industry. Although I want to make it clear that this is my personal testimony, and it shouldn't be any way construed as testimony of my insurance company or the insurance industry. I'll limit my comments to two issues. First of all, the uninsured motorist issue that we've discussed briefly, and also the demand for this type of insurance. Nebraska is fortunate to be one of the...to have one of the lowest estimated incidents of uninsured drivers in the United States. A study done in 2004 estimated that at approximately 8 percent. And that runs all the way into almost double digits, higher than double digits in different parts of the United States. There are many factors that cause a person to drive uninsured. And while it's unclear whether the lack of driving privileges is the closest correlating factor to this problem, common sense would seem to indicate this is one or is our main contributor. In my personal experience, the uninsured and underinsured motorist coverage afforded by personal auto insurance is one of the most misunderstood coverages by the general public. People have no idea how it works. After I inform people about this, a typical response from them is, why do I have to pay for the other guy? Or what is the state doing to limit the number of uninsured drivers? While the premiums are relatively small in the overall cost of insurance, these premiums are rising as the incidence of uninsured drivers rises. While the issue addressed by this bill may seem related to the undocumented immigration issue, once the public understands the correlation between the problem and their pocketbook and personal safety, it becomes an issue of public policy that can be improved by good legislation and realistic legislation. Finally, in my daily experience I see a growing demand for the alternative called for in this bill. My percentage of immigrants is small compared to the previous testimony, but it's growing. There are other issues besides economic issues that we've talked about--death, disability, all these things are caused by higher incidence of uninsured drivers. And this would cause the insurance industry to provide a response to that. Thank you. [LB266]

SENATOR FISCHER: Thank you, Mr. Curry. Are there questions? Senator Schimek. [LB266]

SENATOR SCHIMEK: Yes, just one quick question. And thank you for being with us, John. You mentioned this Insurance Research Council study done in 2004. How might that change or how might that be changed now since in 2003 we passed a bill that said you have to have a Social Security number to have a drivers' license? And you heard the previous testifier say that some of these people have driven for years but now can't. Do you think that 8 percent will grow very much? Or do you have any feel for that? [LB266]

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JOHN CURRY: I'm not an expert in the incidence, but I did search for a more recent study, which I'm sure those are being contemplated or are involved right now. My personal opinion is that 8 percent figure is woefully low, just from the number of folks that I'm running into that don't have insurance. [LB266]

SENATOR SCHIMEK: Did you want to follow that up? [LB266]

JOHN CURRY: Like I said in my testimony, I don't know that the lack of driving privilege is the major component of that, but it certainly is one. And as people of Nebraska look closely at their insurance bills and compare the costs that they're paying for uninsured motorists over the years, they're going to recognize that they are ultimately paying the price for the way things are in Nebraska with driving privileges. [LB266]

SENATOR SCHIMEK: Okay, thank you. [LB266]

SENATOR FISCHER: Other questions? Senator Louden. [LB266]

SENATOR LOUDEN: Yes. As one of the gentlemen that testified ahead of you said, some of them go to Kansas or North Carolina, they go to other states anyway and get a drivers' license. Now when they come back into Nebraska, do you sell them insurance? [LB266]

JOHN CURRY: No, they have to have a valid Nebraska license. [LB266]

SENATOR LOUDEN: Then do they have...if they got one in Kansas, then they'd have to go down in Kansas and buy insurance in Kansas, is that what you're telling me? [LB266]

JOHN CURRY: The current rules that I'm operating under are they have to have a Nebraska drivers' license. [LB266]

SENATOR LOUDEN: Well, okay, I'll let it go at that. I don't quite understand it. But okay, go ahead. Thank you. [LB266]

SENATOR FISCHER: Other questions? I have a question. When you talked about the uninsured motorists in Nebraska is at 8 percent, you said that was a good ranking. We rank low on that, is that correct? [LB266]

JOHN CURRY: Almost the lowest. [LB266]

SENATOR FISCHER: Who would be the highest states? What are some of the highest states? [LB266]

JOHN CURRY: I've provided one copy of the study. You have it. [LB266]

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SENATOR FISCHER: Oh, this is from you right here? Oh, okay. We didn't know where this came from for sure, so thank you. [LB266]

JOHN CURRY: Sorry, yeah. [LB266]

SENATOR FISCHER: Thank you. [LB266]

JOHN CURRY: It's interesting, if I may add, some of the states with the largest immigrant population are on that list with the highest incidence of uninsured drivers. [LB266]

SENATOR FISCHER: But yet we have one of the lowest incidences. Is that correct? [LB266]

JOHN CURRY: That's correct. [LB266]

SENATOR FISCHER: Do you know how many states currently have the driver privilege card that we're looking at here under LB266? [LB266]

JOHN CURRY: I believe more than five, but less than ten. So I don't know exactly. [LB266]

SENATOR FISCHER: Okay. That would be interesting to see which states have that and how they then rank on this uninsured motorist issue. So thank you. [LB266]

JOHN CURRY: I think it's changing. The study, like I say, is out of date. [LB266]

SENATOR FISCHER: Okay. Thank you very much. [LB266]

JOHN CURRY: You're welcome. Thank you. [LB266]

SENATOR FISCHER: Thank you. Next proponent, please. And while we do certainly appreciate all of you coming today and offering testimony, I would encourage you not to be redundant on your testimony. We are getting a lot of new information here, and that's very helpful. But if you feel you may just be repeating what someone else has said, try and speed it up just a tad. Thank you very much. Welcome. [LB266]

DARCY TROMANHAUSER: (Exhibits 4 and 5) Thank you. Thanks for having this hearing today. My name is Darcy Tromanhauser, that's T-r-o-m-a-n-h-a-u-s-e-r, and I am the director of the Immigrant Integration and Civic Participation Program at Nebraska Appleseed Center for Law in the Public Interest. Establishing access to drivers' licenses for all residents of Nebraska, regardless of their immigration status, is

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simply good policy for public safety, as we've been hearing today. The process of licensure ensures that all motorists passed a driving test, which enhances road safety for everyone in the community. I'm attaching for you a list of quotes from law enforcement around the Midwest and the country in support of this approach. As the chief of police in St. Paul, Minnesota described it in a letter to that city council in 2004, drivers who have lawfully obtained a Minnesota drivers' license have met a minimum standard of knowledge and practice. Let us use this as a benchmark for obtaining a license instead of legal status. Licensure also helps increase the number of insured drivers, as we were just discussing, which in turn keeps insurance premiums lower for all drivers. In New Mexico, for example, uninsured rates dropped from 33 percent, the highest in the nation in 2002, to 17 percent after the state began issuing drivers' licenses to undocumented immigrants in 2003. Insurance premiums have also dropped in that state, and fewer people are fleeing accident scenes, as reported by Stateline.org, a state-by-state news web site. States that currently allow access to drivers licenses for all, regardless of their immigration status are Hawaii, Maine, Michigan, Montana, New Mexico, Oregon, Utah, and Washington. We believe the bill could be improved by avoiding the creation of a different looking license for different groups of people. But this bill takes an important step forward in seeking to provide licensure for all Nebraska residents for the safety of all. And I'd just like to hit two additional points in response to some of the discussion earlier. I can't remember who was asking about the taxes, but in terms of immigrants paying taxes, you don't have to take it from us, Alan Greenspan, the former head of the Federal Reserve Bank, testified before Congress that immigrants, including undocumented immigrants, pay far more into the system than they ever receive in benefits. And in terms of the security issue that you were asking about, I think that for security purposes the focus of this bill should be on proper identification, not on immigration status. So what we should be concerned with is identifying the person, not identifying their immigration status. And the identifications listed previously, the Mexican Consulate ID card, for example, are secure ID. And we have a study from the government Accountability Office of the U.S. saying that those identification...pieces of identification should cause no greater concern than any standard identification that we use here in the U.S. I hope that helps. I'm happy to take any questions, if there are any. [LB266]

SENATOR FISCHER: Thank you very much. Any questions? I see none, thank you very much. [LB266]

DARCY TROMANHAUSER: Thank you. [LB266]

SENATOR FISCHER: Next proponent, please. Good afternoon. [LB266]

ATHENA RAMOS: Hi, good afternoon, senators. My name is Athena Ramos, A-t-h-e-n-a R-a-m-o-s and today I'm here testifying in support of LB266 on my own behalf as a concerned citizen. I believe that providing drivers privileges to all people

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who meet the necessary requirements is imperative to the safety of all Nebraskans. It's important that we get all people who are driving on the roads proper certification. Traditionally, the most important function of the drivers' license has been to improve traffic safety. The license can be issued only to drivers who demonstrate the ability to safely operate a motor vehicle. When a law enforcement officer stops a driver for a traffic offense, the license is used to quickly establish a motorists identity and indicate whether the motorist should be allowed to continue to drive. This is not an issue about immigration or providing privileges to undocumented people. This is not about providing a means for identification to falsify documents. If we are...this is...restricting drivers privileges is an inefficient and ineffective measure to prevent terrorism or for border security. Restricting drivers privileges does not affect employment or public benefit usage. A driver's license or card proves only that the holder has shown a minimal level of competency to drive and understand the countries laws. Federal law requires all employees to complete an I9 Form, which requires both proof of identity and eligibility to work, so a drivers' license alone is not enough. Public benefits programs also require additional proof of identity in immigration status. So there is no risk of undocumented workers getting benefits that only legal immigrants or citizens are entitled to. This is more an issue of ensuring that all people who are driving on the roads have the necessary skills and knowledge of the law to be safe, effective drivers. In Nebraska during 2005, 276 people died, and 19,827 were injured in traffic crashes. One collision occurs every 15 minutes at a cost of over \$709 million a year. According to the Nebraska Department of Roads annual report of 2005, driving is inherently dangerous; further, driving is a function of three related but independent elements--the driver, the vehicle, and the roadway. We have the opportunity to help control one of these elements--the driver. Every day thousands of people continue to drive on our roads without having a proper drivers' license or permit. Currently, there are millions of undocumented immigrants in the United States, many of whom drive on U.S. roads in order to get to work, whether or not they have a drivers' license. As a result of immigrant restrictions, these drivers will not take driving classes, will not pass driving tests, cannot get insurance, and are more likely to flee the scene of an accident. Nationally, we've talked about uninsured motorists, that they cause over 14 percent of all accidents and over \$4.1 billion in insurance losses per year. In addition, immigrant license restrictions result in numerous arrests for minor traffic violations, clogging the public courts and diverting time from law enforcement officers who could be better used protecting public safety. By ignoring the problem, we are merely turning our backs on the issue. Not providing drivers privileges will not get us anywhere in the long run. People are going to continue to drive. Restricting drivers privileges results in unsafe roads, higher insurance rates and overwhelmed court systems. So I would encourage all of you to support LB266. It makes sense and it helps all people who reside in Nebraska by making our road systems safer and encouraging all people to seek out the proper drivers permits. I hope that you will pass this bill out of committee. And I thank you. And I'd be happy to answer any questions. [LB266]

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SENATOR FISCHER: Thank you, Ms. Ramos. Any questions? Senator Stuthman. [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. Athena, probably the most comments that I get from individuals when they're involved in an accident with an uninsured motorists, they say, you know I had an accident or a fender-bender, and they don't have insurance, but the vehicle is registered. You know, it is a registered vehicle, but they don't have insurance. What I'm hearing today is they probably would like to get insurance, but there's no method that they can acquire insurance. And that's what you're saying also? [LB266]

ATHENA RAMOS: Yes. [LB266]

SENATOR STUTHMAN: So they can't get insurance, but if... [LB266]

ATHENA RAMOS: Yeah, in a lot of ways yes. I'm definitely not an expert on insurance. But you have heard two of the previous speakers who are. [LB266]

SENATOR STUTHMAN: Yes, and it's not the fact that the vehicle isn't licensed, but the individual probably didn't have an operators license, and he don't have insurance. And then that really is upsetting to people that have insurance. [LB266]

ATHENA RAMOS: Yes. [LB266]

SENATOR STUTHMAN: But, you know, what we're trying to deal with here today and what I'm hearing is we're trying to establish some method, you know, that they would be able to acquire insurance. So I thank you for your comments. [LB266]

ATHENA RAMOS: Thank you. [LB266]

SENATOR FISCHER: Other questions? I see none. Thank you very much for being

here. [LB266]

ATHENA RAMOS: Thank you. [LB266]

SENATOR FISCHER: Next proponent, please. [LB266]

REBECCA VALDEZ: Madam Chair, members of the committee, good afternoon. My name is Rebecca Valdez, V-a-I-d-e-z, and I'm the executive director of the Chicano Awareness Center in Omaha, Nebraska. The center provides education referral services to heartland Latino families. I come to you today to ask you to support LB266, but for the different reasons than you've already heard. My reasons are twofold: the economic impact on my social service agency, as well as others, and because of the

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isolation of families and children. Supporting LB266 will help us and other agencies to continue to keep our doors open, to provide services well into the future. The CAC, along with many other social service agencies are already operating on a shoestring budget. This is compounded by the fact that many of our programs and services must provide transportation because our constituents cannot drive to obtain our services. This is taking a toll on our resources and our ability to maintain programs and services at no cost. And then there is the silent stalker we rarely hear or see, it's called isolation. And hundreds of Latino women and children experience it every day when they are confined to homes for days at a time because they are not able to drive and do the simple things we take for granted, like a trip to the museum or to the zoo with their child. If I leave with you one thing it's to remember that a big part of who you are is your life experience and the example that you set. So please give these women a chance to set an example for their children by providing them with the opportunity to drive, to get an education, to get services or to simply attend a PTA meeting. Thank you for your support. [LB266]

SENATOR FISCHER: Thank you very much. Don't go away. Are there questions? Now I'll have to ask you one, since I made you sit. (Laugh) [LB266]

REBECCA VALDEZ: And I provided you with a different perspective. [LB266]

SENATOR FISCHER: Yes, you did. I was going to compliment you on that. That was a great perspective on this. What's the public transportation like in Omaha? [LB266]

REBECCA VALDEZ: It is a good transportation system, but it's one that can take you up to two hours to get to your destination because of the transfers that you need to take. So it's a good system, don't get me wrong, but a lot of times you have to leave at seven in the morning to get to a class at nine at our center or others. And I work with a coalition of social service agencies that provide services with regard to GED, and English as a second language, and those things, and we constantly grapple with the bottom line budget. And it's always transportation that is the big issue. [LB266]

SENATOR FISCHER: How many vehicles does your agency have where you provide transportation? [LB266]

REBECCA VALDEZ: Actually, what we do is we either provide vouchers for taxis or we actually rent cheap school buses or Laidlaw school buses, so anywhere from 5 to 10 percent. [LB266]

SENATOR FISCHER: Okay, thank you very much. [LB266]

REBECCA VALDEZ: You're welcome. [LB266]

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SENATOR FISCHER: Next proponent, please. Any more proponents after this gentleman? I see two more hands. Good afternoon. [LB266]

MARK DARBY: Good afternoon, Senator Fischer. My name is Mark Darby. I'm from First United Methodist Church. I'm with Omaha Together One Community. [LB266]

SENATOR FISCHER: Could you spell your last name? [LB266]

MARK DARBY: Sure. My last name is spelled D as in David a-r-b-y, my first name is Mark, M-a-r-k. I also want to leave you with a different perspective. I'm a registered nurse. I own my own home. I have my two children and my wife does not work. Within the last five years, I've been involved in two accidents, both with uninsured drivers. My cars, which were quite old at the time, acquired over \$1,000 worth of damage repair. I was out of work for two days because of my back. I do not want uninsured drivers on the states highways, on the cities highways. I cannot afford it. I cannot afford to get hit one more time. If this bill will remove uninsured drivers from the state of Nebraska, it needs to happen. This is not about immigration. Nothing we do here today will make Nebraska safer from the national security standpoint, but it will make it safer for me, and I have a 22-year-old who is now driving, mind you, okay? Every time she starts up, I want to make sure that she's not hit like I was. My 18-year-old who wants to drive, she needs to be safer, too. That's the perspective you should be bringing to this. This bill is allowed by federal law, which will answer all the questions that we've had about 9-11. that security is under the REAL ID Act, this is allowed under it. The states are charged with making the public highways safe, this will do it. Thanks very much. [LB266]

SENATOR FISCHER: Questions for Mr. Darby? Senator Louden. [LB266]

SENATOR LOUDEN: Yes. One of the gentlemen testified awhile ago that Nebraska has one of the lowest rates, I think, 8 percent or something like that. Then you think if this goes through... [LB266]

MARK DARBY: (Laugh) I'm pretty...I don't buy lottery tickets. I'm either unlucky or that number is low. [LB266]

SENATOR LOUDEN: Well, are they all living in Omaha that are uninsured? [LB266]

MARK DARBY: Could be, I don't know, it could be. [LB266]

SENATOR LOUDEN: You envision that going down to 4 percent? Or, I mean, by doing this you say you think that will lower it. We're already quite low, so will that make people buy insurance that are...where will it go? [LB266]

MARK DARBY: Senator, I think this bill, the folks who want to...who this bill will benefit

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own cars. They want insurance, just like I do. They are motivated to buy insurance for the exact same reason you or I are. They want their property protected. So when this happens, yes, people will buy insurance. It's just a natural self-interest. And, as has been said before, when there are more people on the road that know how to drive, when there are more people on the road who are insured, I will be safer. [LB266]

SENATOR LOUDEN: Well, when you mentioned... [LB266]

MARK DARBY: I don't know the exact numbers or percentages. [LB266]

SENATOR LOUDEN: Do you have uninsured insurance? [LB266]

MARK DARBY: I do, I do. [LB266]

SENATOR LOUDEN: And that's the reason I'm wondering if that's the big benefit, if you got uninsured motorist insurance on your policy, will that make any difference whether the next guy has got insurance or not that you ran into? [LB266]

MARK DARBY: Well, in both cases, sir, I have a \$500 deductible. So both cases, that was two accidents, \$500, that came out of my pocket. So this...I don't have to pay that if someone else is holding the insurance. [LB266]

SENATOR LOUDEN: Maybe, it depends on what the deductible is. [LB266]

MARK DARBY: It depends on what their deductible is. Okay. [LB266]

SENATOR LOUDEN: Thank you. [LB266]

MARK DARBY: Thank you. [LB266]

SENATOR FISCHER: Other questions? Senator Stuthman. [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. Mark, in your comments you stated that there are provisions under the federal government that... [LB266]

MARK DARBY: Under the REAL ID Act. [LB266]

SENATOR STUTHMAN: The REAL ID Act. [LB266]

MARK DARBY: Yes. [LB266]

SENATOR STUTHMAN: That allows states to do that. [LB266]

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MARK DARBY: Right. [LB266]

SENATOR STUTHMAN: That we can have...do legislation...what we are trying to do

here. [LB266]

MARK DARBY: Absolutely, there is permissive legislation under the REAL ID Act, if the

states want to do that. This is perfectly in line with the REAL ID Act. [LB266]

SENATOR STUTHMAN: Okay, thank you. [LB266]

SENATOR FISCHER: Other questions? I have a question, Mr. Darby. [LB266]

MARK DARBY: Yes, Senator. [LB266]

SENATOR FISCHER: What about enforcement of current laws? Wouldn't you be safer driving right now if the current laws were enforced and people without drivers' licenses were not allowed to drive? [LB266]

MARK DARBY: Well, there's a time and a place for that discussion, Senator, and that place, I believe, is in the federal government, if you're talking about immigration. [LB266]

SENATOR FISCHER: I would...I'm talking about having a legal drivers' license in the state of Nebraska, and that is not a discussion at the federal level. That is a discussion here at the state level. [LB266]

MARK DARBY: Sorry, I must not have understood the question. What was your question again? [LB266]

SENATOR FISCHER: My question is enforcement on...if people are driving without legal drivers' licenses, if we had enforcement on that issue, then we wouldn't even be having the discussion on whether you were hit by two uninsured drivers, would we? [LB266]

MARK DARBY: Well, I mean there's a number of people who are driving with suspended licenses that aren't addressed by LB266 and the enforcement of those laws, you know, I would see as the purview of this committee. I'm not sure if it's the purview of LB266, unless I'm not understanding the intent of the question. [LB266]

SENATOR FISCHER: I don't think you are, but that's okay. [LB266]

MARK DARBY: Okay. [LB266]

SENATOR FISCHER: Thank you very much. Other questions? I see none. [LB266]

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MARK DARBY: Okay. [LB266]

SENATOR FISCHER: Next proponent, please. [LB266]

REBECCA GALARZA: Good afternoon. My name is Rebecca Galarza, that's G-a-l-a-r-z-a. I am only here as a civilian. I am actually married to an undocumented immigrant, and he is not able to get a drivers' license because of his status. He is working on the citizenship process, but it's going to take some time. They said it would probably take at least up to two years before anything would happen. He does have to go back to his country of residence. In the meantime, like Mr. Ortiz, back here, he said he's been here for 13 years and is unable to get a drivers' license because of his status here. A lot of that can also go onto the schools, like the teacher lady was saying, that their children are not able to get to school because either them or their parents don't have a drivers' license. I have also been around a lot of people in the same situation. An example, I have some relatives that are not able to get to school because they don't have a drivers' license. Whether or not their parents can take them or not, they were brought here as children, as minors, and they don't have the option to get a drivers' license, nor do their parents. So I am definitely in support of LB266. If there is anything you guys can do to help push this along a little bit, no, it's not going to help the immigration issue, I understand that. But it would definitely make the roads a little bit more safer. [LB266]

SENATOR FISCHER: Okay, thank you. [LB266]

REBECCA GALARZA: Thank you. [LB266]

SENATOR FISCHER: Questions? I see none. Thank you for coming today. I think we're on our last proponent now. Good afternoon. [LB266]

ERICA BIRKY RIOS: Good afternoon. My name is Erica Birky Rios, and I think some of the things I'm going to say today are going to surprise pretty much... [LB266]

SENATOR FISCHER: Could you spell your last name. [LB266]

ERICA BIRKY RIOS: ...everyone in this room. I apologize. My name is E-r-i-c-a, last name is B-i-r-k-y, and then Rios, R-i-o-s. I think in particular I may address some of the questions that Senator Mines has raised. As I stand here today, I am very aware of the fact that my speaking out regarding an issue that might possibly benefit immigrants without current legal status means that my family and I could become the target of threats or even hate crimes. But I am here today because I think there is a more effective way to assure to all of those people driving on Nebraska roads are held to the same safety standards, and for law enforcement to be able to identify individuals without

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current legal status. I work at the Lincoln Police Department, and although I am not here today representing the department in any official capacity, my daily contact with police officers and the public has brought this issue to the forefront in my job on a daily basis. My position as a community outreach specialist and interpreter was funded by a federal arrest grant, to improve services to Latina and African-American victims of domestic violence. But because Spanish-speaking U.S. citizens, illegal residents and those who are not yet documented, but who live and work in our community know that they can get correct information about law enforcement issues from me, I receive calls from many, many people who have questions about the traffic violation they may have received or about other driver license issues. The truth is, I don't get calls from criminals. Criminals don't want to talk to people who work at the Police Department. I get phone calls from individuals who are doing their best to abide by our laws, who need to drive to work and who need to take their kids to school, people who may have had a traffic violation, but who would do anything to be recognized as someone who has passed a drivers' license exam, who has been able to legally insure his or her vehicle, and who are only perfectly happy to have the police identify them correctly, albeit their status in our country. Repeatedly, I see police officers struggle to correctly identify individuals because they do not have a consistent form of identification to provide the officers. They show them drivers' licenses from their own countries, consular ID cards, national ID cards, passports, but all of these different forms of ID make it nearly impossible for law enforcement to be able to quickly identify them, one of the first responsibilities an officer has during a traffic stop. To a certain extent, I was surprised that this bill was introduced, because, in essence, a drivers' privilege card identifies the person as someone who currently does not have legal status here. In fact, many people across the country are opposed to these efforts because they believe that it will make individuals more vulnerable to attack. But as I reflect over the benefits of this legislation, I believe that it is in the best interest of all Nebraskans. The REAL ID Act, which is coming shortly, has put into place the procedures for the DMV's to be able to correctly identify foreign nationals. If individuals were allowed to follow these procedures and legally obtain a drivers' privilege card, which could not be used as a federal ID card, I believe that we would greatly alleviate the struggle that police officers across the state have to quickly and correctly identify people, thus enabling them to distinguish the real criminals from those who simply didn't come to a full stop at a stop sign. In conclusion, I respectfully request that the honorable senators on this committee pass LB266 onto the Legislature for consideration, not only to ensure safer roads for all Nebraskans, but to provide law enforcement with the tool to correctly identify all people with whom they have contact as they seek to serve and protect all those who live within their communities. Thank you. [LB266]

SENATOR FISCHER: (Exhibits 6, 7, 8, and 9) Thank you very much. Any questions for Erica? I see none. Thank you very much for coming today. At this time I would like to enter four e-mails or letters that my office received in support of LB266. The first is from Lourdes Gouveia, who is with the University of Nebraska in Omaha; the second is Zac

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Karpf, K-a-r-p-f, from Gering; Dixie Hampton from Mitchell; and Molly Witzenburg from Omaha. Now, if I could see a show of hands of those who are opposed to LB266 and would like to testify. Hold them...keep them up, please. I'm trying to get a count. Raise your hands if you're opposed. I see about 15, 16 hands. Okay, would the first opponent to the bill come forward, please. And could we have the next opponent on-deck, ready to come up, please, so we can keep the hearing moving along. Good afternoon, welcome. [LB266]

DIMITRIJ KRYNSKY: (Exhibit 10) Good afternoon. My name is Dimitrij Krynsky, D-i-m-i-t-r-i-j, Krynsky K-r-y-n-s-k-y. And I am talking on behalf of Lincoln Minuteman Group. First, I would like just to mention what several speakers before me says that actually this drivers' privilege card is necessary to obtain insurance. It is completely untrue. It exists in the United States insurance companies which issue insurance, even people without the driver...without United States drivers' license, and actually even Senator Mines mentioned that this is the case. So people who would like to get insurance can get it. Those who don't have it, they choose...don't have it. So from this perspective, this drivers' license privilege card it's not a really necessary tool. Now I oppose LB266 for following reasons: first, part of this law contradicts federal law under United States Code, Title 8, subsection 1324(a)(1)(A), which prohibits aid or abets to illegal aliens; second, although this is not admitted, LB266 is an attempt to circumvent the mentioned federal law; third, the LB266 law goes contrary to the interest of Nebraska citizens. (A) Because drivers' privilege card will be a legal document, Nebraska will become stronger magnet for illegal aliens, they would get legal permission to drive, to exist. Consequence of it will be a higher criminal rate, and therefore a higher cost for the law enforcement. It will also translate into higher costs for social services, education, and healthcare on the local level. Everything will be paid by all Nebraska citizens. (B) It will give criminal elements from among illegal aliens better cover for their criminal activity. This will translate into less safe communities in our state. (C) It will give illegal aliens opportunity to buy insurance, better opportunity to buy insurance. According to the experience from other states, the rate of accidents by illegal aliens is significantly higher than the rate of accidents among the general population. Therefore, insurance companies would be forced to raise premium rates for everybody. [LB266]

SENATOR FISCHER: Thank you, Mr. Krynsky. I'm afraid your time is up. Did you have a couple of comments you wanted to close with? I do appreciate that you have a written testimony here. [LB266]

DIMITRIJ KRYNSKY: I would like to just say that this LB266 has no logical justification because it would be similar as if homeless men were to live without your permission in your backyard. And for humanitarian reason, he would ask for access to your restroom. After all, it is basic human necessity to relief and clean himself. So would anybody suggest that we should give this man a key to the house? But this is exactly what LB266

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would provide--give illegal aliens legal key for existing here. [LB266]

SENATOR FISCHER: Thank you, thank you. Any questions? Senator Schimek. [LB266]

SENATOR SCHIMEK: Thank you, Madam Chair. Just welcome, Dimitrij, it's nice to see you here. Can you tell me where you got your information about insurance companies selling insurance to people who do not have drivers' licenses? [LB266]

DIMITRIJ KRYNSKY: First, I would like to point that Senator Mines will probably give you exact information. [LB266]

SENATOR SCHIMEK: I don't know if he has exact information. I wanted to know if you have exact... [LB266]

DIMITRIJ KRYNSKY: Oh, he says...he says...and I have my personal experience, when I came to this country, 25 years ago, I came legally, but I didn't have Nebraska drivers' license. I had at that time drivers' license from my country. And on...based on this, I get insurance for myself. [LB266]

SENATOR SCHIMEK: But, Dimitrij, though the laws and the practices change over time, I want to know if you have any information now? Because we had a couple of insurance agents here that said, no, you cannot buy insurance if you don't have a drivers' license. [LB266]

DIMITRIJ KRYNSKY: Actually, excuse me, Senator. If I could understand when this gentleman was here, he admitted there exist insurance companies who are giving insurance even without drivers' license. But he says that the rates are significantly higher. If I did understand him, whoever is here, can you tell that this is true, what I am talking about? [LB266]

SENATOR SCHIMEK: I thought it was for drivers' licenses from other countries, but I could be mistaken. We'll have to check that. But you don't have any information to share with this committee? [LB266]

DIMITRIJ KRYNSKY: Not any more information than which I told you right now. [LB266]

SENATOR SCHIMEK: Okay, thank you. [LB266]

SENATOR FISCHER: Other questions? Okay, thank you very much, appreciate you coming today. The next opponent, please. Good afternoon. [LB266]

ROBERT JONES: Good afternoon, ladies and gentlemen of the committee. My name is Robert Jones, J-o-n-e-s. I'm a citizen and also a law enforcement officer. I can speak

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firsthand on public safety because I deal with it every day. I investigate motor vehicle accidents. I enforce all laws of the United States and our state. Like the father testified earlier that he had taken an oath, I, too, as a law enforcement officer, have taken an oath to uphold the Constitution of the United States and all laws, be they local, county, state or federal. Part of those laws is to enforce those individuals that are in this country that are not allowed to be in this country. As far as a public safety issue, I don't believe in the argument that says that if you give someone a drivers' certificate that they will be a safer driver or that they will have insurance. From my contacts, many on a daily basis with individuals, both citizens of the United States and otherwise, many times they do not have insurance, whether they cannot afford it, whether their drivers' license has been suspended and they're unable to get it, I don't see a correlation how providing a drivers' certificate to someone who is not in this country legally will make them a safer driver and will make our public safer. I do not see the argument in that. On the contrary, from my contacts with individuals that have presented IDs other than that of the United States, legitimate IDs, it is my experience that those identities on those cards have been proven to be false. So the question is, how do we accept an identification card from another country and know that it's valid, that that person listed on the identification is the person they say they are, and if that is in fact truly a genuine document that we have? Is there a way of authenticating that? I do not agree that there is. Also along that same argument is, being an opponent of this I don't believe we should grant a sense of legitimacy to someone who has violated our federal laws to be in this country. And there's a reason why they don't have a Social Security number, because our government will not allow someone here illegally to have a Social Security number. And that is why in Nebraska we are required to have a Social Security number to obtain a Nebraska drivers' license for that very reason alone. With that, if you have any questions, I'd be more than happy to entertain any. [LB266]

SENATOR FISCHER: Thank you, Mr. Jones. Are there questions? Senator Aguilar. [LB266]

SENATOR AGUILAR: Yes, Mr. Jones, thank you for being here today. Do you know whether or not our government, the United States of America, will allow illegal immigrants to have a tax identification number, and issue it to them? [LB266]

ROBERT JONES: I believe in certain circumstances it is issued to them, yes. [LB266]

SENATOR AGUILAR: I would tell you that circumstances is they just have to request it. [LB266]

ROBERT JONES: Correct. [LB266]

SENATOR AGUILAR: Thank you. [LB266]

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SENATOR FISCHER: Other questions? Senator Louden. [LB266]

SENATOR LOUDEN: Yes, Mr. Jones, you say you're a police officer and investigate traffic accidents? [LB266]

ROBERT JONES: Correct, sir. [LB266]

SENATOR LOUDEN: As far as uninsured motorist, I guess, percentagewise, off the top of your head or whatever, how many of them are illegal aliens, and how many of them are just plain people that didn't bother to buy insurance when you run across an uninsured motorist? [LB266]

ROBERT JONES: To be honest, it's a variety of both. I don't see that there is really a strict correlation between...obviously, the ones that are here illegally do not obtain a Nebraska drivers' license, they do not have insurance. But on the other hand, there are many citizens that have a Nebraska drivers' license that do not have insurance for some reason, whether it's financial or otherwise. [LB266]

SENATOR LOUDEN: That was my question, are there just as many people that do have a drivers' license and no insurance as there probably are illegal aliens that don't have a drivers' license? [LB266]

ROBERT JONES: I would say that's an accurate statement, sir. [LB266]

SENATOR LOUDEN: Okay, because I...what my question is, this really isn't a discussion about uninsured motorists; it's a discussion about whether or not aliens can get an identification card to drive, I guess. Because there's going to be those that aren't buying insurance now and can, probably won't, no matter where this bill goes. [LB266]

ROBERT JONES: I agree with the statement, sir, that's correct. [LB266]

SENATOR LOUDEN: Okay, thank you. And then you mentioned with...when they get this card, you have no way of knowing how they're...who they are, because you're using a foreign documentation or something like that. I think that was something similar to your statement. And I asked this question earlier. Is there any way that if this bill goes through and they're able to get these driving privilege cards, can they actually use that driving privilege card to work around through another state and come back around and get a Social Security number, by using that drivers' privilege card in another state or someplace like that? What's your opinion on that? [LB266]

ROBERT JONES: I would have to say only time will tell. I hope and pray that this does not pass in Nebraska, but certainly that's a possibility they could circumvent some laws to obtain that in the future. Yes. [LB266]

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SENATOR LOUDEN: This could be used to circumvent the system? [LB266]

ROBERT JONES: It's a possibility, sir, yes. [LB266]

SENATOR LOUDEN: Okay, thank you. [LB266]

SENATOR FISCHER: Other questions? Senator Aguilar. [LB266]

SENATOR AGUILAR: I want to follow up on a question Senator Louden asked you. When talking about...you said you wouldn't be confident on the ID that a person had in a traffic stop. Would that not be a better means of tracking that person's driving record, if he had a card you could ID him with? [LB266]

ROBERT JONES: Possibly, if the person... [LB266]

SENATOR AGUILAR: Possibly? [LB266]

ROBERT JONES: ...that has that card presented, valid identification when they obtained that card. [LB266]

SENATOR AGUILAR: He's still going to be that same person today, tomorrow, and the next day. You can track his driving record, could you not? [LB266]

ROBERT JONES: With that card while that person obtained that card, driving history, under that name, yes. [LB266]

SENATOR AGUILAR: Would that not be a better means for law enforcement in tracking that information? [LB266]

ROBERT JONES: Driving record, yes, but again, true identity, no. [LB266]

SENATOR AGUILAR: I didn't ask you about identity, did I? Thank you. [LB266]

SENATOR FISCHER: Other questions? Mr. Jones, you said you were a law enforcement officer. And you mentioned to Senator Louden, when he asked, you're a police officer, can you say where you're from? [LB266]

ROBERT JONES: Yes. I'm a deputy sheriff in Douglas County. [LB266]

SENATOR FISCHER: Okay. Thank you very much. Questions? Okay. Thank you for being here today. Next opponent, please. [LB266]

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MARGIT PAYNE: Thank you for letting me speak, My name is Margit Payne, P-a-v-n-e. The reason I'm against LB266 is probably a personal thing. I'm a first generation immigrant. I came from Germany. I had to go back three times, after two years over here, to get my drivers' license because I could not speak English. But nowhere was there anything in German to help me out. I had to learn English to get a drivers' license, to get insurance, to get to work, take my kids to the babysitter. And don't...I don't want to hear anybody saying they can't afford it. My husband spent 20 years in the Air Force, I married him when he was a one-stripper. We lived from pay day to pay day, but our insurance came first. When we drove, we had insurance. And don't tell me that somebody can't afford it. If they can afford a car, they better insure it, be able to afford insurance. Right? That's what upsets me so much, because when I came over here I had to go through a physical examination, a mental examination, Any criminal, and I had nothing to hide, so I came through the door. And everybody keeps saying those people want to do what's right, what's right. They already done wrong. They already came under the fence or over the fence, so that's already breaking the law. I didn't do that. I waited my time until I could come over here legally and do my stuff, pay my taxes, get my license and everything, my Social Security and everything. That's what's so unfair that why is the Spanish-speaking, and I'm not saying speaking Mexican, I'm speaking about all the Spanish people, why do they don't have to go by the same measuring stick as all the other nations? We have so many different nations in this country. We all learned to speak English. I will be speaking German until the day I die, but I'm in this country to work, pay taxes, raise my kids, and I learned English first. And nobody, nobody made it easy for me in German. So what is the difference between a German immigrant, somebody from Serbia, from Russia, from Czech and Spanish, why? This is my biggest complaint. Why, why are we not...is the American government really thinking that they're helping the Spanish-speaking nation by not making them learn English? They're hurting them. I had to work minimal jobs because I couldn't speak English, because I had a language barrier. So my first priority was to learn English, get a drivers' license, drive legally, go to work, get a job, so I can help my little ones and my husband out, without kids, without baby-sitting. But I don't understand why one nation gets the privilege of having it handed to them, and the other nations have to do it on their own? So if any of you can please answer me that, I'd be glad to accept it. I didn't use up my time, but I'm emotional. [LB266]

SENATOR FISCHER: Thank you, Mrs. Payne. We don't answer questions at these hearings. (Laughter) We just get to ask them. [LB266]

MARGIT PAYNE: Okay, ask me one, please. [LB266]

SENATOR FISCHER: But thank you for being here. [LB266]

MARGIT PAYNE: Yes. [LB266]

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SENATOR FISCHER: Any questions? Senator Louden. [LB266]

SENATOR LOUDEN: Well, I guess, it comes to mind, Sprechen sie Deutsch? You know? My mom came from France, and like they say, they had to speak the language or else they didn't get anything done. [LB266]

MARGIT PAYNE: Same way here. [LB266]

SENATOR LOUDEN: So welcome to America and thank you for being here. [LB266]

MARGIT PAYNE: Thank you very much. I'm very happy to be here. [LB266]

SENATOR FISCHER: Senator Hudkins. [LB266]

SENATOR HUDKINS: Mrs. Payne, thank you very much. I appreciate your comments. How long did it take you to become a citizen? What did you have to go... [LB266]

MARGIT PAYNE: Five years. [LB266]

SENATOR HUDKINS: Five years, okay. [LB266]

MARGIT PAYNE: And I had to pass a rigid test. I had to know the three branches of the government, had to read and write basic English, and I didn't mind anything because I considered that my home. Once I came over here, that was my home. And I have no intention of living anyplace else. And I love this country and I go by the law. [LB266]

SENATOR HUDKINS: We heard earlier that in order for people to come here from Mexico that they had to own property, have a job and two or three other things. Did you have to do that? [LB266]

MARGIT PAYNE: No, no, uh-uh. I had to go through the legal, like I said, through the legal checkups, like I said, physically, mentally, anything that would have gotten me...any way that wouldn't have let me in. And I don't want to be...sound like I'm prejudiced, I am not, because everybody is an immigrant in this country. But I believe in my heart that there are a lot of people over here illegal; if they had to go through the scrutiny that I went through, would not be allowed to come in here legally, and that's why I am upset. If they want to come to the United States, do it the right way. And I am sorry it takes so long for some people to get the chance to come in here. I believe that should be changed, yes. But I think there should be a legal way for them to come into this country like all the rest of our ancestor had to do. Thank you. [LB266]

SENATOR FISCHER: Thank you. Other questions? Senator Aguilar. [LB266]

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SENATOR AGUILAR: Thank you. And I couldn't agree more with what you just said, that was a very profound statement. [LB266]

MARGIT PAYNE: Please speak up a little...I'm hard of hearing. Please speak a little louder. Thank you. [LB266]

SENATOR AGUILAR: I just said, I agree very much with what you said. It's a very profound statement. [LB266]

MARGIT PAYNE: Thank you. Thank you. [LB266]

SENATOR AGUILAR: The system does need to be changed, no question about that. [LB266]

MARGIT PAYNE: Yes. [LB266]

SENATOR AGUILAR: May I ask you a question? What year did you come here to this country? [LB266]

MARGIT PAYNE: I came over in 1963. [LB266]

SENATOR AGUILAR: Sixty-three? [LB266]

MARGIT PAYNE: Um-hum. I became a citizen five years later. [LB266]

SENATOR AGUILAR: And what did you do for a living when you came here? What work did you find? [LB266]

MARGIT PAYNE: I worked...my husband spent 20 years in the military. I worked on an American base; I worked in the BX, I worked in the commissary. The very first jobs I cleaned motel rooms, because of the language barrier. I worked in a restaurant, in the kitchen cooking, doing dishes. I did everything I could to help support our kids. But because of my language barrier, I had to bide my time to get a better job. [LB266]

SENATOR AGUILAR: I understand. You should be very proud of your work record as well. [LB266]

MARGIT PAYNE: And every time my husband got transferred to a different state, in 30 days we had to get a new drivers' license. So in the 20 years he spent in the Air Force, I think I accumulated five or six different drivers' licenses. Thirty days was the limit they gave us. [LB266]

SENATOR AGUILAR: And you do understand that since the time you came here to this

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country, that the laws, as far as immigration is concerned, have changed significantly. [LB266]

MARGIT PAYNE: I understand that. And I don't understand why it takes so long... [LB266]

SENATOR AGUILAR: Thank you. [LB266]

MARGIT PAYNE: ...for somebody who lives here 16 years that they can't get their citizenship. I agree with that. [LB266]

SENATOR AGUILAR: Thank you very much, appreciate it. [LB266]

MARGIT PAYNE: Thank you. [LB266]

SENATOR FISCHER: Thank you very much. [LB266]

MARGIT PAYNE: You're welcome. [LB266]

SENATOR FISCHER: The next opponent, please. Good afternoon. [LB266]

IVONNE JONES: (Exhibit 13) Good afternoon. Thank you, Senator Aguilar. I would like to address this critical issue facing both our state and our nation as a whole, that is illegal immigration. First of all,... [LB266]

SENATOR FISCHER: Excuse me. I have to have you say your name, first and last, and spell your last name. [LB266]

IVONNE JONES: Oh, I'm sorry. My first name is Ivonne, I-v-o-n-n-e Jones. [LB266]

SENATOR FISCHER: Could you spell that, please? [LB266]

IVONNE JONES: J-o-n-e-s. [LB266]

SENATOR FISCHER: And you'll have to speak just a little louder so our tape can pick that up, please. [LB266]

IVONNE JONES: Thanks again, Senator Aguilar. And I would like to address this critical issue facing both our state and our nation as a whole, that is illegal immigration. First of all, I, myself, am a first generation immigrant from a Latin American country, and I fully understand why many immigrants desire to come here for opportunities and a better life. I am sure that you are aware that there is an established process that one must follow when seeking legal entry into this country. And illegally circumventing this established

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process by sneaking across the border without detection is wrong. You are a proponent of giving illegal aliens already in our state and in our country a driving certificate to lend them some type of legitimacy. This argument states that because they are illegal aliens, are here already, we must learn to deal with them since they are here, we need to provide them some type of legal identification so they might use such to secure automobile insurance. While identification issues are real problems with illegal immigrants as they often impersonate others and provide false documentation as to their real identity. Legitimizing their criminal behavior is not the solution, nor fair for those who have abided by our laws by securing legal entry into the United States following the established process by the federal government. If we need to truly identify those who are in our country illegally, the correct way is by police booking sheets, mug shot photo and criminal fingerprints. While I am sure that many of your constituents, especially those who can't vote for you because of their illegal immigration status, appreciate your leadership on this issue, I would like to ask, who represents Hispanics in our state who abide by the law and are fed up with illegal behavior regarding immigration? I continue to search for an elected official who will represent the American citizens on immigration issues. So far, we have been sold out by our politicians who do not have the backbone to do the right thing. Please reconsider your position on this issue. You may not realize the greatness of the number of Hispanics in this country who are against illegal immigration. We are the ones that cried out for representation and hope someone will rise up to fight for our voice. Thank you so much. [LB266]

SENATOR FISCHER: Thank you, Ms. Jones. Any questions? Senator Stuthman. [LB266]

SENATOR STUTHMAN: Thank you, Senator Fischer. Ms. Jones, do you feel that if we pass this law and the people would get a drivers' privilege card, that they would not pursue becoming a legal person? Would they try to become a legal person if they had the driving privilege? [LB266]

IVONNE JONES: Absolutely, I mean it's just giving them a gift. Just because they're here already, we just must accommodate and just give them, just because they're here, I think is totally wrong, it's unfair for those who waited years to come into this country. And sure, we have to take it personally. You know, I'm an American citizen now. I follow the law. Nobody said, oh I got my children, oh poor me. No, I just have to go through a process physically, mentally. I didn't ask for, please would you help me. No, I just...if I wanted to come to this country, it's a privilege, it's not a right and I did it. [LB266]

SENATOR STUTHMAN: But do you feel that if we gave these driving privilege cards, would the people pursue getting...become a legal citizen or would they just put that on the back burner? [LB266]

IVONNE JONES: Well they will stay. [LB266]

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SENATOR STUTHMAN: They will stay. [LB266]

IVONNE JONES: They will stay, yes, of course. [LB266]

SENATOR STUTHMAN: But you did go through the process? [LB266]

IVONNE JONES: I sure did, sir. [LB266]

SENATOR STUTHMAN: Well, thank you. [LB266]

IVONNE JONES: Thank you. [LB266]

SENATOR FISCHER: Senator Schimek. Oh, you can't leave yet; we have lots of questions. (Laughter) Senator Schimek. [LB266]

SENATOR SCHIMEK: No, just a quick question. How long have you been in this country? [LB266]

IVONNE JONES: I've been in the country for 15 years. [LB266]

SENATOR SCHIMEK: Okay. And did you want to say what country you came from, or... [LB266]

IVONNE JONES: I'm from Chile, originally. [LB266]

SENATOR SCHIMEK: Okay, thank you. [LB266]

SENATOR FISCHER: Other questions? Thank you so much for being here. Next opponent, please. [LB266]

SUSAN SMITH: (Exhibit 11) My name is Susan Smith, that's S-u-s-a-n S-m-i-t-h. Chairwoman and committee members, I appreciate the opportunity to share with you my opposition to LB266, drivers privilege card for illegal aliens in Nebraska. I also have a packet for the Chairwoman. It is my intention to prove that LB266 is an overt attempt by Senator Ray Aguilar to subvert Federal Immigration and Nationality Act, Section 8 USC 1324 subsections, Aiding, Abetting, Encouraging, Inducing Illegal Aliens, and Title 8, Chapter 12, subchapters, Bringing in and Harboring Certain Aliens, and that this overt action constitutes the act of treason in adhering to the enemy, giving aid and comfort... [LB266]

SENATOR SCHIMEK: Excuse me, Madam Chair. [LB266]

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SENATOR FISCHER: Yes. [LB266]

SENATOR SCHIMEK: May I ask a question? [LB266]

SENATOR FISCHER: Certainly. [LB266]

SENATOR SCHIMEK: Did you say who you represent? [LB266]

SUSAN SMITH: I'm a citizen, a Nebraska citizen. [LB266]

SENATOR SCHIMEK: Are you an immigration attorney? [LB266]

SUSAN SMITH: No, not at all. No, ma'am, I'm not. [LB266]

SENATOR SCHIMEK: Then I don't know how you can interpret federal immigration law? [LB266]

SUSAN SMITH: Oh, well, because it's...well, because I...well, because it's...if you...anyone can go and look at our statutes. [LB266]

SENATOR SCHIMEK: I know, but... [LB266]

SUSAN SMITH: Oh well, this is just my testimony, Senator. I understand what you're saying. [LB266]

SENATOR SCHIMEK: It's just your opinion, right? [LB266]

SUSAN SMITH: Yes, yes, ma'am. [LB266]

SENATOR SCHIMEK: Okay, thank you. [LB266]

SUSAN SMITH: Oh yes. [LB266]

SENATOR FISCHER: Right, right. Ms. Smith is just representing herself, correct? [LB266]

SUSAN SMITH: Yes, yes, I'm just a citizen. I'm sorry. [LB266]

SENATOR FISCHER: Okay, please continue then. [LB266]

SENATOR SCHIMEK: Okay, okay. Sorry. Thank you. [LB266]

SUSAN SMITH: Okay. And I'm just speaking really fast because we're on a... [LB266]

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SENATOR FISHER: Because you want to get through it all before we hit the red button. [LB266]

SENATOR SCHIMEK: Of time. She's...I think they're letting you start over. Okay? [LB266]

SUSAN SMITH: Okay, I appreciate that. Yes, and this is my opinion. Okay. Giving aid and comfort which is cause for impeachment. That in accordance with the Nebraska State Constitution, Article I, Section 14, Treason, and Article III, Section 17, Impeachment Procedure. The requirement of two senators...and you know that. That's what it requires is two senators to initiate impeachment proceedings. Not until 1945 did the Supreme Court of the United States revise...review a treason conviction, Cramer v. United States was the first. The Supreme Court of the United States established that for a prosecutor to take an aid and comfort treason indictment to a jury, he must prove four elements beyond a reasonable doubt: (1) an overt act; (2) testified to by two witnesses; (3) manifesting an intent to betray the United States, which can be inferred from the overt act itself; and (4) the act providing aid and comfort to the enemy. Neither the text of the A.D. 1350 English Statute of Edward III, the genesis of our constitutional law of treason, nor any of the commentary interpreting that law, nor for that matter the statute's historical application suggest that a formally declared war is a necessary element of the crime of treason. Indeed, the statute's historical preoccupation was with protection of the monarch from domestic, as well as foreign enemies, and thus the history indicates that a declared state of war (however that would have been defined in the fourteenth century) was not a necessary element. It goes on to cite the case of the Aaron Burr trial and thus, if in time of nonwar, a person like Burr can be charged with the levying of war prong of the treason of crime, one can surely be charged with the adhering prong during cold war and hostilities. And then it goes on to cite a couple of other cases. It drops down and says, according to Field, the term enemies, as used in the second clause of the constitutional treason provision, according to its settled meaning at the time the Constitution was adopted, applies only to the subjects of a foreign power in a state of open hostility with us. And if in Justice Field's discussion of the status of a foreign power in the relation to the United States, he meant to refer to war, he certainly would have done so. Instead, the Supreme Court justice chose the word "hostility", denoting a very different relationship, one not of war. It is my position that the hostile intentions by the actions and words of illegal aliens in our country by Hispanic American leadership and various American organizations in out state and country have been well documented and consider those actions/words as a threat to my family, my livelihood, my community, and to other Americans and legal citizens of Nebraska. For example, that since September 11, 2001, records have been kept reflecting 46,700 Americans have been murdered by illegal aliens (12 by violent death, and another 13 by illegal aliens driving drunk). That breaks down to 25 American lives per day in the United States of America that die at the hands of illegal aliens in our country. That is more than the

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number of American lives lost at war with Iraq and Afghanistan. This is... [LB266]

SENATOR FISCHER: Ms. Smith, I'm sorry, your time is up. [LB266]

SUSAN SMITH: Oh yes. Oh, it certainly is. Well, I have...you have a copy of that. [LB266]

SENATOR FISCHER: Okay. Any questions? Senator Aguilar. [LB266]

SENATOR AGUILAR: Yes. Susan, thank you for coming today. Just for a point of clarification, I heard you say to Senator Schimek you were representing yourself? [LB266]

SUSAN SMITH: Yes. [LB266]

SENATOR AGUILAR: Did I not hear you testify in another committee that you represent the Minuteman Organization? [LB266]

SUSAN SMITH: No, sir. [LB266]

SENATOR AGUILAR: Thank you. [LB266]

SUSAN SMITH: No, I'm a citizen, representing a citizen. [LB266]

SENATOR AGUILAR: I'm sure you're a citizen. [LB266]

SUSAN SMITH: No, sir, I have not testified at any other committee under a Minuteman Organization. [LB266]

SENATOR AGUILAR: Not in the Government Committee? [LB266]

SUSAN SMITH: Pardon me? [LB266]

SENATOR AGUILAR: Not in the Government Committee? [LB266]

SUSAN SMITH: No. [LB266]

SENATOR AGUILAR: Okay. [LB266]

SENATOR FISCHER: Any other questions? I see none. Thank you very much. [LB266]

SUSAN SMITH: Okay. Thank you very much. I appreciate the time. [LB266]

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SENATOR FISCHER: Okay. Next opponent, please. Good afternoon. [LB266]

DOUGLAS ALMS: Good afternoon. My name is Douglas Alms, A-I-m-s and I'm from Malcolm, Nebraska, and I'm here to speak in opposition to LB266. I'm also a member of the Nebraska Minuteman Civil Defense Corp. My opinions are based on no bias towards any race, but rather a deep and profound respect for the history of the United States that, I believe, was founded on a principle of laws, one that I think we must all be aware of. And without the laws I think we just suddenly become another third world country. It's my opinion that to grant a legal driving permit to illegal alien immigrants, these people have willingly and knowingly entered the United States and Nebraska illegally. They must not be rewarded by granting legal driving status through this proposal. There is already a state law that requires all of us that are legal, law-abiding, voting, taxpaying citizens to obtain a valid license and insurance, and we have to have a Social Security number. And I believe there's a reason for that. And I think to circumvent that, to go around it would be a big mistake. This is the United States of America, it's not Mexico, it's not Canada, it's not Puerto Rico. And I think that's because we're the envy of the rest of the world is because we are a nation of laws. These laws are established, for the most part, to protect the vast majority. And I just don't think that it's in our best interest to go around that. And I believe as elected officials of the state of Nebraska it's your duty to protect and serve the vast majority of its legal, law-abiding, voting, taxpaying citizens. And to grant this legislation, LB266, would be a government-sanctioned slap in the face to all existing immigrants, past and present, that have taken the time and extended the effort to become legal citizens the correct way, the right way. This proposal, LB266, is wrong. It's wrong for Nebraska and it's wrong for the United States of America. I urge you to do what's right for Nebraska and the United States and to vote no on LB266. Thank you. [LB266]

SENATOR FISCHER: Thank you, Mr. Alms. Any questions? Senator Aguilar. [LB266]

SENATOR AGUILAR: Thank you. Thank you for coming today, sir. [LB266]

DOUGLAS ALMS: Yes. [LB266]

SENATOR AGUILAR: I just want to point out, do you realize that Puerto Rico, the state of Puerto Rico is a commonwealth of the United States? [LB266]

DOUGLAS ALMS: Yeah, I'm aware of that. [LB266]

SENATOR AGUILAR: Okay. Thank you. [LB266]

SENATOR FISCHER: Other questions? I see none, thank you very much. Next opponent, please. Good afternoon. [LB266]

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PAUL MEYER: Good afternoon. My name is Paul Meyer. My American spelling of my last name is M-e-y-e-r. I am the great grandson and grandson of immigrants who came to this country in 1884 legally, also to better themselves, but they did so legally. I have read this bill and I oppose LB266. I feel this bill as written discriminates against legal Nebraska citizens. I feel legal Nebraska citizens have to provide more accurate documents than an illegal alien. Most, if not all, of the documents you have named for an illegal alien to produce in order to get a driving privilege card can be bought, forged or stolen. I have always been told that a drivers' license is a privilege, not a right. Yet, regardless of what you call it, this driving privilege card gives illegal aliens the right to drive on Nebraska streets and roads. And, as one previous proponent stated, he felt it was a right rather than a privilege. It is your job and responsibility as our state legislators to protect the legal citizens of Nebraska against illegal aliens. It is not your right to promote the invasion of our state by illegal aliens, by kissing their feet and bowing to their every demands, one of which is giving them the legal right to drive. And I have some knowledge of this, most of the illegal aliens who you would give this driving privilege to would drop their insurance within 30 days of getting this card and would still be driving around without insurance, just as they are doing now. Also, I don't believe any of you can guarantee me that an illegal alien could not take this DPC to another state and get a regular driving license from a clerk who may not know Nebraska rules or laws, and then come back to this state. And they would have, in effect, a false document. Like I said, I have some knowledge of this because I was a corporate safety director for a major Midwest truck line for about 28 years, and I have run across a lot of illegal documents, and also a lot of accidents that...from people that did not have insurance. That's all, ma'am. [LB266]

SENATOR FISCHER: Thank you, Mr. Meyer. Any questions? I see none. Thank you very much. [LB266]

PAUL MEYER: Thank you. [LB266]

SENATOR FISCHER: Next opponent, please. Good afternoon. [LB266]

FRANK NOWAK: (Exhibit 12) Good afternoon. My name is Frank Nowak, that's spelled N-o-w-a-k. I'm here today to bring up some aspects of the 9-11 Commission report. On page 390 of that report I'd like to read a paragraph or two from it. This is in regards to drivers' licenses and identification in the United States. It is elemental to border security to know who is coming into the country. Today more than 9 million people are in the United States outside the legal immigration system. We must also be able to monitor and respond to entrances between our ports of entry, working with Canada and Mexico as possible. And one of the items in here, it says that there is a growing role for state and local law enforcement agencies, they need more training and work with federal agencies so they can cooperate more effectively with those federal authorities in identifying terrorist suspects. What I'd like to say is this 9-11 Commission report stated

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that we can't have anymore of this with illegal aliens coming in and making themselves look legitimate, moving throughout society, and then getting access to certain secured areas. They did this during or before 9-11. All but one of the terrorists had illegal documents or documentation that was fraudulent. The cost of 9-11 World Trade Center was \$500 billion to \$750 billion. We cannot afford another 9-11. The next one will probably cost us into the trillions of dollars. Right now we're up to \$1.3 trillion with the war and everything. This is a security matter of the United States. This is to protect us. In your oath of office, you pledged to follow the Constitution of the United States and of Nebraska. In that Constitution, you are to protect us against invasion. This is an invasion, 20 million people, 80 percent of the meth coming in here, and the security of the United States is at your desk. That's about all I have to say. Any questions? [LB266]

SENATOR FISCHER: Thank you, Mr. Nowak. Any questions? I see none. Thank you very much. Next opponent, please. Good afternoon. [LB266]

JEROME WARNER: Good afternoon. My name is Jerome Warner, W-a-r-n-e-r. [LB266]

SENATOR FISCHER: Is this your legal name, sir? [LB266]

JEROME WARNER: Beg your pardon? [LB266]

SENATOR FISCHER: Is this your legal name? [LB266]

JEROME WARNER: Yes. I am against the passage because not making a change would make it easier for the DMV to cooperate with the INS to deport any illegal alien. The DMV should be cooperating with the law, which is the INS. This should not be a civil rights issue. The fact that an applicant would be proved to be illegal should take top priority. The proponents of illegal immigration are very clever, but the logic of ridding our country of illegal aliens trumps that of civil rights for illegals. This bill to allow illegal aliens to get drivers' licenses defeats all laws of common sense. Illegal aliens shouldn't be in this country, in the first place. The notion that illegal aliens will do work Americans will not do is false. It is a big fat lie that has been repeated many times. Much help has been given in this country to illegal aliens. For instance, if an illegal alien goes to a hospital for treatment, then staff at the hospital cannot, by law, report it to the Immigration and Naturalization Service. So I ask you Americans, who stupidly help our illegal aliens, to stop these actions and start being logical and treat the illegals fairly and send them back from whence they come. Behind this push for illegal immigration is the devious Council of Foreign Relations, which is more evil than another government behind a legitimate government which was the Ku Klux Klan. I'm through. [LB266]

SENATOR FISCHER: Okay. Thank you, Mr. Warner. Any questions? I see none. Thank you very much. Next opponent, please. Good afternoon. [LB266]

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LARRY WRIGHT: Good afternoon, senators. My name is Larry Wright, and that's W-r-i-g-h-t. I'm here to give you firsthand experience that I had when I used to live on South 24th Street in Omaha, Nebraska. I used to park my pickup on the street when I came home from work in the mornings on the weekends. It was hit twice in a six-month period, and I had my insurance go from \$400 a year to \$700 a year. The last time it was hit, the gentleman backed up and was leaving the scene. But I had a trailer hitch on the back of my bumper, and it tore off his bumper, and on his bumper was his license plate. Needless to say, the license plate didn't match the car. When the police informed me that they tried to find out who the car belonged to, because the radiator got penetrated, and they followed the green antifreeze around the corner and six blocks down the street where the car quite running. When they traced the serial numbers down, the dealer said he sold it to a Hispanic. And when they tried to find out who the Hispanic was, lo and behold, they couldn't find him. I went to a protest march last year, on 36th and Q, at No Frills Supermarket. I had a Hispanic drive over the curb and try to run over me because of the sign I was holding. Needless to say, the police arrested him and took him down. When he came to court I found out that all they arrested him on was careless driving and DUI. If I would have been a police officer, he would have been charged with attempted manslaughter or assault and battery with a deadly weapon. Needless to say, the judge gave him six months probation, a \$400 fine, and suspended his license for three months. In short, he got a slap on the wrist. He should have been put in jail for at least a minimum of a year. That's all I have to say. [LB266]

SENATOR FISCHER: Thank you very much, Mr. Wright. Any questions? I see none. Thank you very much for coming in. [LB266]

LARRY WRIGHT: Thank you. [LB266]

SENATOR FISCHER: Next opponent, please. Good afternoon. [LB266]

JEANETTE REAM: Good afternoon. My name is Jan Ream, that's spelled R-e-a-m. [LB266]

SENATOR FISCHER: Could you speak up just a little, please. [LB266]

JEANETTE REAM: My name is Jan Ream, R-e-a-m, and I have garnered enough material from this session this afternoon to probably speak for about an hour. But since I only have a few minutes, I will stick to my testimony. I appear before you today to represent the many voices that can no longer be heard. Some of them are Don Rice (phonetic), Cheryl (phonetic), Ian (phonetic), Julieena (phonetic), Siran (phonetic), Marine Corporal Brian Mathews (phonetic), Jennifer Bauer (phonetic), Min Soon Chang (phonetic), James Rodgers (phonetic), Peggy Keller (phonetic), Helen Hughes (phonetic), Jennifer Carter (phonetic), Ann Leonard (phonetic), and on Friday, Ortiz Nuvaro (phonetic). The band that I wear on my arm is in remembrance of the 12 or

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more American citizens who die at the hands of illegal alien drivers each day. Many of them are on our highways and city streets. I do not believe that illegal aliens are going to observe our driving laws or make them better drivers simply because they are given a piece of paper, the sentencings in the Record Section of the Omaha World-Herald will attest to this. Senator Aguilar's bill providing illegal aliens with driver privilege cards constitutes nothing less than aiding and abetting criminals, according to the federal law, Section 8. It does nothing to encourage legal behavior. The people of Nebraska would be better served if the punishments and fines for driving without or suspended licenses were increased. It is time to stop rewarding illegal aliens by giving them privileges while Nebraska citizens are held to obeying the law. Privileges are earned, they are not a right. Thank you. [LB266]

SENATOR FISCHER: Thank you very much, Ms. Ream. Any questions? Thank you. Next opponent, please. And if I could have a show of hands of how many are left that are speaking in opposition to the bill? I see three more hands. Thank you. [LB266]

JACK REAM: Good afternoon. My name is Jack Ream, R-e-a-m is the spelling of my last name. And I'm here to give my opinion and also to go on record for the Nebraska Taxpayers for Freedom. The bestowing of drivers rights on Nebraska citizens is a privilege, not a constitutional right. Granting yet another government benefit as a reward for illegal behavior, residing here illegally, is an insult to the citizens of this state. Federal law prohibits illegal aliens from establishing legal residence in any state, making them automatically ineligible for drivers' license certifications. Certifications will blur the distinction between the legal Nebraska citizens and illegal aliens. Nebraskans regard our drivers license as a valid ID card. It is an essential instrument to legitimize presence here and to move freely around our state. These licenses serve as proof of identification in many instances, for example, paying by check at the grocery store. These licenses serve as proof of identification and many employers must complete that...and many employers must complete to ascertain the new employee's are legally here and eligible to work here. With certificate and stolen or phoney Social Security card, an illegal alien can obtain a job and other necessities. Certificates given to illegals will serve as primary documents that allow them to obtain additional ID materials, which they then can use as valid identification to purchase firearms, access welfare and vote, based on the false notion that they are legal, resident citizens. You may recall that the 9-11 terrorist highjackers held drivers license and state ID cards. This was so dangerous that the prospect of that continuing, Representative Tom Tancredo introduced a House Resolution to withhold federal highway funds from states that pass laws and allow illegals to gain driving privileges. Other states therefore have stopped issuing drivers licenses to illegal aliens. In states having such a law, illegals have purchased vehicles, bought insurance to register them, and obtained license plates, then immediately cancel the insurance. When involved in accidents, they leave victimized drivers to pay their own repair and hospital bills. Illegals have less incentive to wait for the arrival of law officers, which may result in contact that could lead to deportation. Thank you. [LB266]

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SENATOR FISCHER: Thank you, Mr. Ream. Any questions? Senator Schimek. [LB266]

SENATOR SCHIMEK: Yes. Thank you, Mr. Ream, for being with us today. I just have one question and I'm kind of asking it with a small smile on my face, I guess, because I have heard of this happening before where people get their drivers' license, they buy their insurance, they get their plates, and then they let their insurance expire. [LB266]

JACK REAM: Yes. [LB266]

SENATOR SCHIMEK: I don't think that's related to any one particular group. I think there's a lot of different groups that do that,... [LB266]

JACK REAM: Very possibly. [LB266]

SENATOR SCHIMEK: ...unfortunately. [LB266]

JACK REAM: But today we're talking about this one. [LB266]

SENATOR SCHIMEK: Yeah, I know, but I don't... [LB266]

JACK REAM: And I think that it's part of a group that is. [LB266]

SENATOR SCHIMEK: I don't know to what extent that is true. But I have heard of it happening before. And I don't think it's limited to one particular group. [LB266]

JACK REAM: Well, that may be. [LB266]

SENATOR FISCHER: Other questions? I see none. Thank you very much, Mr. Ream. [LB266]

JACK REAM: Thank you. [LB266]

SENATOR FISCHER: Next opponent, please. Please step forward? Is there other...anyone? Please step forward. Good afternoon. [LB266]

DENNIS MURPHY: Good afternoon. My name is Dennis Murphy. And in deference to your request, I'll read... [LB266]

SENATOR FISCHER: Please spell your name. [LB266]

DENNIS MURPHY: M-u-r-p-h-y, Dennis with two N's. And in deference to your request, I'll redact a goodly portion of my comments that have been stated previously. I will note

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that however, through some clever wordsmithing and sophistry, quite frankly, promoters of this bill tend to blur the distinction between those who adhere to the legal process of immigration and those who choose to, as their very first act on our soil, ignore and violate our laws. But also let there be no misunderstanding, legal immigrants are welcome in our country and in Nebraska, we all feel that way. However, those who choose to violate our sovereignty and break into our national home illegally, persons properly identified as illegal aliens do not and should not enjoy such privileges when this chamber is being asked today to countenance the behavior of those who would first break our laws and then have the temerity to suggest to you that they should be rewarded by granting them a privilege of driving in this state. This bill asks that our state confer upon these lawbreakers essentially incremental approval of their illegal status. To do so would demean the sovereignty of our state, the dignity of this chamber quite frankly, and it would breed contempt for the rule of law by citizens and noncitizens alike. This body, not only formulates laws, but it also should lead by example to uphold the rule of law in our state. And in this case, common sense tells us that this body needs to reject the reasoning that Nebraska should change the laws of our state to accommodate the preferences and in many cases the demands of those who break our laws. I fear that it would be disruptive and damaging to our country and to our state, and I therefore respectfully urge that this body reject LB266. [LB266]

SENATOR FISCHER: Thank you, Mr. Murphy. Any questions? I see none. Thank you very much. [LB266]

DENNIS MURPHY: Thank you. [LB266]

SENATOR FISCHER: Next opponent, please. Good afternoon. [LB266]

DALE MONSELL: Ja wohl. Dale Monsell, M-o-n-s-e-I-I. The fact that this measure is being discussed here this afternoon would appear to be a mission of failure to administer the law of this country. If the laws had been enforced, there wouldn't be this number of people here that cannot qualify for a regular drivers' license. Now I know that you hear the argument that all this labor is needed, but I believe you realize that this has continued because a number of employers who simply want the cheap labor, and their main concern is their own profits. [LB266]

SENATOR FISCHER: Could you speak up just a little. We're having some problems hearing you, sir. [LB266]

DALE MONSELL: Okay. I say, this...I think you realize the reason there are so many people here illegally is that there has been too many employers simply interested in cheap labor, and their main concern is simply their profits and not much else. And this, in turn, has continued because there's been too many elected officials that are willing to cater to them and not stand up to them. This elected body has a chance to stand up to

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these employers by defeating this measure. And at least there will be another message that discourages more people from entering this country illegally. I think that's the main comments I wish to make. [LB266]

SENATOR FISCHER: Okay. Thank you very much. Any questions? Thank you very much, Mr. Monsell. Other opponents? Good afternoon. [LB266]

ELDON PAYNE: Hello. I'm Eldon Payne, P-a-y-n-e. I'm a regular citizen. I am a member of the Minutemen, but I'm still a regular citizen. I believe that this law is circumventing national laws. I know they say that this should not be about immigration, but I don't know how you can divorce one from the other. It's obvious that a great many of them are breaking one law, and we're giving them a reward for breaking the law. Like many of them said, it's a privilege, not a right, and we're giving them a privilege, giving them an award for breaking our federal laws. We're a nation of compassion, but we're also a nation of laws. And I believe we're wrong in adopting this. There was a young lady back here that the myth is that the Minutemen are...the way they are is because of race or ethnic...against certain ethnics. That's not true. I can tell you my favorite nephew, his last name is Zacharias, that's not an Irish name. So we want the laws for everybody to be equal, not giving special privilege to people that break the laws. Thank you. That's all I have to say. [LB266]

SENATOR FISCHER: Thank you, Mr. Payne. Any questions? I see none. Thank you. I believe this is our last opponent to testify. Is that correct? Good afternoon. [LB266]

MARTHA TOEWS: (Exhibit 29) Good afternoon, committee. I am Martha Toews, T-o-e-w-s. I'm here as a private citizen of America. America is a country; countries have borders, and countries that do not defend their borders will not be a country much longer. I agree with everything that people have been saying. And I believe this law is a tweak toward amnesty. But there are few things in the bill that really concern me that I haven't heard touched on. On page 6, the new sentence is, "if otherwise eligible to vote in Nebraska." Voting is a privilege of citizens. Under what circumstances would an illegal be voting? On the last page, "a holder of the DPC shall not be discriminated against or have any adverse action taken against him or her while operating a motor vehicle." Well, that's a lot better deal than I have. And I would like...I don't understand that statement. And I am against this bill. Are there any questions? [LB266]

SENATOR FISCHER: Thank you, Martha. Any questions? I see none. Thank you very much. [LB266]

MARTHA TOEWS: Thank you. [LB266]

SENATOR FISCHER: (Exhibits 13 thru 34) Are there other opponents that we've missed? I see none. Is there anyone to testify in the neutral capacity? Please step

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forward. Oh, just a moment please. I need to read some letters and e-mails that were received in opposition to LB266 into the record. Ivonne Jones from Omaha, Nebraska; Andy Schnatz from Fremont; Billie Pierson from Omaha; John D. Condon from Omaha; Wayne Barry from Omaha; Paul Meyer from Omaha; Timothy Narducci from Omaha; Gene and Audrey Miller from Omaha; Sandra Lab from Lincoln; Jeffrey Rue from Omaha; Joyce, David and Michael Mraz, M-r-a-z, from Omaha; Phil Brey from Ceresco; James Smith from Omaha; Judith Evans from LaVista, Nebraska; Robert D. Bradshaw from Bellevue; Don McCall from Papillion; Dick Ternes from Columbus; Eldon Payne, I believe you testified, from Valparaiso; Traci Cameron from Lincoln; Keith Antrim from Omaha; and Dr. John Copenhaver from Omaha. Those are all in the committee member's books. Now, those of you who would wish to testify in the neutral capacity, welcome. [LB266]

CECILIA OLIVAREZ HUERTA: (Exhibits 35 and 36) Thank you. Good afternoon, Senator Fischer and senators. My name is Cecilia Olivarez Huerta, that is C-e-c-i-l-i-a O-l-i-v-a-r-e-z H-u-e-r-t-a. I'm the executive director of the Mexican American Commission. And I will let you know that the Mexican American Commission has not met since LB266 was introduced. So no formal opinion or position statement has been formed at this time by the commission. However, I do have some statements that I would like to read. Every person who meets age, physical, and mental requirements and is able to pass the drivers' exam and driving test should be issued a license. The issue should not be about Social Security numbers, especially since ITIN numbers can also be used. DMV officials are not immigration agents, and denying a license because of immigration status puts them as acting as agents. DMV's use of special...of a special privilege card, with specific designation that targets drivers should not be tolerated. This special kind of designation could open the doors to more racial profiling, which is against the law. For the most part, persons who DMV decides don't qualify for drivers licenses, for lack of Social Security number, want to obey road and traffic laws. They want to protect their families and be insured. If the rules of the road are not obeyed then licenses should be suspended or revoked. The 2005 DMV report shows 6,117 court-ordered license revocations, with an additional 20,280 failure to comply suspensions. These were violations that required license revocations. The question is, where is the authorization for DMV to be stepping into immigration enforcement? There is none. And I see that the gentleman who was in law enforcement in Douglas County indicated that he has the right to enforce federal laws. Immigration laws cannot be enforced by law enforcement. Law enforcement does not have the authority to ask immigration questions, unless they go through a specific certification and are designated by the immigration enforcement people to act as immigration officers, which Douglas County Sheriff's Department has no designation. Another statement is I think it's great that people be given the opportunity to drive legally in Nebraska. I just want to be careful that law enforcement officials do not abuse the system. For example, they pull someone over for a traffic violation and are handed a drivers' license card and, instead of just getting a ticket, they get hauled over for more guestioning regarding their

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immigration status. I would be very concerned because here in Dakota County, the county attorney has indicated that he's after all illegal immigrants and removing them from the county. This other statement, an idea of having drivers identified and insured has a big appeal. We have many undocumented people in this state who are currently unable to get a drivers license. I don't think this bill approves their breaking the law as much as it protects Nebraskans and their property. And those were the statements that I have. Any other questions? [LB266]

SENATOR FISCHER: Thank you very much. Pros and cons on both sides, so that was neutral testimony. Thank you. Any questions? I see none. Thank you very much. [LB266]

CECILIA OLIVAREZ HUERTA: If you don't mind, I would like to make a few statements of my own personal opinion. [LB266]

SENATOR FISCHER: I'm afraid you missed your chance on that. [LB266]

CECILIA OLIVAREZ HUERTA: Okay. I just wanted to answer some questions about... [LB266]

SENATOR FISCHER: If you would like to write your answers and send them to us, that would be okay. I really can't give you more time because I cut everybody else off. [LB266]

CECILIA OLIVAREZ HUERTA: Okay. All right, thank you. [LB266]

SENATOR FISCHER: So thank you. Anyone else to testify in the neutral capacity? I see none. Senator Aguilar, would you like to close? Oh, I'm sorry. This is the Transportation Committee, you got to move fast. [LB266]

HOBERT RUPE: I apologize. [LB266]

SENATOR FISCHER: This is neutral testimony? [LB266]

HOBERT RUPE: Neutral testimony. [LB266]

SENATOR FISCHER: Okay. [LB266]

HOBERT RUPE: Actually, it's more of a question, actually. Good afternoon, Senator Fischer, members of the committee. My name is Hobert Rupe. I'm the executive director of the Nebraska Liquor Control Commission. I guess the one question that we had in reading through this was as you're aware there are certain specific statutory provisions which says what is an acceptable form of identification, and that includes a Nebraska...a

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drivers' license from Nebraska or any other state, as well as a Nebraska state identification card. Now I guess...but there's a provision within LB266 which says it can be used for no other state purposes. I guess maybe the introducing senator can make sure that...is this identification going to be limited only to...for use for driving privileges and not be used to form...to show proof of age, you know, in conformance with the Nebraska Liquor Control Act, which does have Nebraska state issued identification cards? And so when I was looking through that...and I apologize if that was discussed earlier on this. I was testifying in the General Affairs Committee today. But it was just an issue that I thought needed to be raised at least as to how it would apply. Because as it stands right now, LB266 does not amend Article 53 at all, which is the Liquor Control Act, which sets forth exactly what can be forms to prove age. So that was our one question on that. [LB266]

SENATOR FISCHER: Okay. Any questions? If you could give us a written statement on that, that would be great for counsel here to check that statute. [LB266]

HOBERT RUPE: Okay, thank you. [LB266]

SENATOR FISCHER: Okay, thank you. And I need you to fill out that form a little more completely, please. Thank you. Anyone else in the neutral capacity? Now, Senator Aquilar, please close. [LB266]

SENATOR AGUILAR: Thank you, Madam Chair. Well, I promised you passion today; you got passion. You know the first thing I would say is if you were to ask a Native American, he would probably tell you that we're all illegal immigrants. You would be led to believe, by some of the testimony here today, that most citizens in this country must never commit crimes, never drive without a license, never drive without insurance. It all stems from the immigrant population, quite obviously. Also, you've heard some testimony filled with hatred, and I guess, that was one of my goals today is to bring that out and put it in front of the Nebraska Legislature that there is hatred out there in its worst form. You've heard references to KKK; you've heard references to the Minutemen; you've heard references to 9-11, comparing this immigrant population to the people that wreaked havoc to the World Trade Centers. That is ludicrous, that is absolutely ludicrous. I ask that you try to frame this legislation for what it is; take out the passion, take out the hatred and just frame it for what it is, it is a means to eliminate uninsured drivers in the state of Nebraska. We've been very specific, very careful not to put anything else in there that would jeopardize identification purposes, that would put a threat to our country, it's frankly not there. Thank you, and I'd take any questions you have. [LB266]

SENATOR FISCHER: Thank you, Senator. Any questions? I see none. Thank you, Senator Aguilar. With that, the hearing on LB266 is closed. The committee will take a seven minute break before we open on the next bill. [LB266]

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BREAK

SENATOR FISCHER: I will reconvene the hearing. And we will now open the hearing on LB681. Senator Pedersen is here to open. Welcome.

SENATOR PEDERSEN: Thank you, Senator Fischer and colleagues on the Transportation Committee. My name is Dwite Pedersen, D-w-i-t-e P-e-d as in David e-r-s-e-n. I'm here today to introduce to you LB681. I was asked to introduce this bill on behalf of the Motor Vehicle Industry Licensing Board. The bill increases the boards' discretionary license fee authority for all types of licenses which it currently issues. The types of licenses we are talking about and the current fees are listed in the statute and on page 2 of LB681. It is my understanding that these fees have not been increased in at least 25 years. And, as you know, the costs associated with owning a motor vehicle have increased substantially during that period of time. Under the provisions of this bill, the fees would not automatically increase, but the board would be allowed to raise the fees as necessary to cover the costs of the administration, operation, maintenance and enforcement of these statutes by the board. I have been told that last year the Motor Vehicle Industry Licensing Board, for the first time in their history, spent more than they took in. This bill would allow the board to determine the actual expenses of running the board and enforcing the law, and then to raise the fees accordingly within the statutory limits provided. The proposed new maximum fees are listed on page 3 of this bill, and would take effect on January 1, 2008, if approved by the Legislature and signed by the Governor. LB681 also increases the corporate surety bond required to obtain and maintain a motor vehicle dealers license, a trailer dealers license or a motorcycle dealers license. The current bond is set at \$25,000. LB681 raises the bond to \$50,000. This bond is provided to protect persons who have been defrauded by a motor vehicle dealer. Anyone, any one of us who have purchased a vehicle in the past few years knows that \$25,000 would rarely cover the cost of a vehicle, let alone the several that might have been sold by an unscrupulous dealer. While a bond of \$50,000 may not be high enough, it is a step in the right direction. I believe that Bill Jackson...I know that Bill Jackson, the executive director of the Motor Vehicle Industry Licensing Board is here, and will be testifying. And I'm sure that he will be better able to outline the additional reasons why this bill is necessary and answer any specific questions about his agency. With that, if you have any questions of me, I'll try and answer them. Thank you. [LB681]

SENATOR FISCHER: Thank you, Senator Pedersen. Are there questions? Senator Schimek. [LB681]

SENATOR SCHIMEK: Yes, thank you, Madam Chair. Senator Pedersen, essentially these fees are doubled? [LB681]

SENATOR PEDERSEN: Yes. [LB681]

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SENATOR SCHIMEK: And what was the last year in which they were increased? Did you say? [LB681]

SENATOR PEDERSEN: This was 25 years ago. [LB681]

SENATOR SCHIMEK: Okay. Thank you. [LB681]

SENATOR FISCHER: Other questions? I see none. Thank you, Senator. If I could ask how many people are here to testify on this bill, please? Three. Hopefully, we won't have to limit you. Would the proponents come forward, please. [LB681]

WILLIAM JACKSON: (Exhibit 1) Senator Fischer and members of the Transportation Committee, my name is William Jackson or Bill. I am the executive director with the Motor Vehicle Industry Licensing Board for the beautiful state of Nebraska. This bill has been brought by or brought to the fore, guite frankly, to sustain the Motor Vehicle Industry Licensing Board for any length of time. I've given a handout that shows over the years the expenditures and the income of this agency. As you know, we are cash funded. All of our fees are maintained from dealer license fees, manufacturer fees, distributors, salvage yards, etcetera, sales licenses. Currently, over the years the board has had to increase fees a little at a time as they looked at the income and expenditures. And over that period of time, and quite frankly I don't know when the last time, it could be a lot longer than 25 years ago those fees were set. We are now at the max of all the fees that we have via the statutes. So the board does not have the ability to raise fees at the present time, none. This bill enables the board the ability to look at the board's fees and expenditures and make adjustments necessary to sustain this board to do the jobs that we do, keep the people that we do have employed, do all the licensing consumer complaints and all the things that we have. If you look at that chart, I'll just mention it a little bit, it does show that in 2006 that our expenditures did exceed our income. Also, so you know, you'll see some blurb, starting in 2002. Prior to that time, we had a considerable amount of money in our reserve account. That is when the state needed to borrow some money from us. The first year they took \$500,000, the next two years they took \$100,000 out of our reserve account, the next year they took \$50,000. So you know on October 30 of last year, we get most of our income in November and December because that's when we renew all the licenses. Our reserve account balance as of October 30, 2006 was \$79,000. It takes about \$50,000 a month for us to run our agency, that's about six weeks away from being broke at that point in time. So it's imperative that this bill pass, comes out of committee, goes to the floor for discussion, so that this agency can stay afloat. The second part of this is the bond. And that's quite simple, like Senator Pedersen said, \$25,000 doesn't cover enough of the damages that a dealer who goes out of trust, in most cases there are several vehicles out there that the dealer didn't pay for, that the consumer did pay the dealer for. The bond is there to make the consumer's whole. Within the last year two different

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scenarios, where \$25,000 didn't cover two cars, and these were used cars. If a new car dealer goes out of trust, of course, it's way beyond. I don't believe that there's any real opposition to increasing that. It just makes sense to the consumers; \$50,000, it's not going to be a hardship for a dealer, even a small dealer to qualify for a \$50,000 bond. I've talked to the insurance agencies. It might require them to make a new profit-loss insurance and provide it to the insurance company. But it's not a hardship. I don't foresee that we're going to lose dealers because they can't qualify for a \$50,000 bond. With that, I'd take any questions you have about this. [LB681]

SENATOR FISCHER: Are there any questions for Mr. Jackson? Senator Louden. [LB681]

SENATOR LOUDEN: Yes, Mr. Jackson, you're strictly cash funded, is that correct? [LB681]

WILLIAM JACKSON: Yes, we do get a dime from every title in the state of Nebraska. That doesn't amount to any... [LB681]

SENATOR LOUDEN: Does your...your rates don't vary from year to year? You set a fee and it will be like that until you have to raise it again? [LB681]

WILLIAM JACKSON: It will be like that until the board changes it. Actually, prior to when the Governor found fit to borrow some money, this board, at my suggestion, actually lowered dealer fees, because we had a lot of money in our reserve account. I don't know if you've ever heard of a state agency that licenses, that anybody has ever lowered the fees within the last ten years, but we did. And it was after our reserve accounts were depleted that we had to raise the fees back up. [LB681]

SENATOR LOUDEN: What happened in 2002? You got... [LB681]

WILLIAM JACKSON: That was when the Governor's Office...the state was...needed money, and they went after cash accounts. [LB681]

SENATOR LOUDEN: And you got raided? [LB681]

WILLIAM JACKSON: I got raided pretty good, Senator. [LB681]

SENATOR LOUDEN: Yeah. And you haven't recovered since? [LB681]

WILLIAM JACKSON: No, sir. [LB681]

SENATOR LOUDEN: When you have extra money like that then is that put in that account where you draw interest? [LB681]

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WILLIAM JACKSON: Reserve account. [LB681]

SENATOR LOUDEN: And does that interest go into...for your funding or for somebody else? [LB681]

WILLIAM JACKSON: Yes, it goes into our funding. For an example, prior to the raid, we were...our income was approximately \$40,000 a year off the interest of our reserve account. So when that went away, that \$40,000 of income also went away. [LB681]

SENATOR LOUDEN: Okay. In other words, right now you're suffering peripheral damage from the bombing back in 2002? [LB681]

WILLIAM JACKSON: A little bit. And then, of course, the natural progression of times when, you know, payroll does increase because everybody that works for the agency, other than myself, is part of the union contract. The rent goes up in the State Office Building every year, the cost of the five vehicles that my five investigators drive, those...that's huge. And, as everyone knows, the cost of healthcare, health insurance for our employees has taken a big hit. [LB681]

SENATOR LOUDEN: Now that... [LB681]

WILLIAM JACKSON: Most of these... [LB681]

SENATOR LOUDEN: That was about \$350,000 you got raided in 2002? [LB681]

WILLIAM JACKSON: In 2002 they took \$500,000. [LB681]

SENATOR LOUDEN: \$500,000. [LB681]

WILLIAM JACKSON: The next year they took \$100,000, the next year they took another \$100,000. [LB681]

SENATOR LOUDEN: Okay. And was that supposed to have ever been paid back or what was... [LB681]

WILLIAM JACKSON: No, no. [LB681]

SENATOR LOUDEN: I see. It was just... [LB681]

WILLIAM JACKSON: That's not...it's like you loaning your kid some money, you're not going to get it back. [LB681]

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SENATOR LOUDEN: It was just gone, huh? [LB681]

WILLIAM JACKSON: Yeah. [LB681]

SENATOR LOUDEN: Okay, that's what I was wondering. Thank you. [LB681]

WILLIAM JACKSON: Yeah, it's not coming back. [LB681]

SENATOR LOUDEN: Thank you. [LB681]

SENATOR FISCHER: Other questions? Senator Schimek. [LB681]

SENATOR SCHIMEK: Yes, thank you, Madam Chair. Thank you for being with us, Mr.

Jackson. [LB681]

WILLIAM JACKSON: You bet. [LB681]

SENATOR SCHIMEK: I just wondered if anybody had talked about an emergency

clause? [LB681]

WILLIAM JACKSON: I...I would like to see that myself, personally. [LB681]

SENATOR SCHIMEK: Tell me how dire your circumstances are. [LB681]

WILLIAM JACKSON: Well, since November, December we've taken in X amount of dollars. And with the extra \$79,000 in there, I don't...I think that we can get by. Because the number of dealers has been fairly steady. I don't see a big drop in dealers or the income. I think the income will stay fairly close. And it's not, as you see we were, what, \$6,000 over is all last year. So if we stay fairly close, we can get by until January '08. But if the committee believes in the E clause, I would certainly take that and let the board maybe do a little something prior to the renewal period for next fall. [LB681]

SENATOR SCHIMEK: Okay. But you could definitely get by until September 1, when the bill would go into effect? [LB681]

WILLIAM JACKSON: Until January 1, 2008, I would...optimistically speaking, I don't see a problem with that. [LB681]

SENATOR SCHIMEK: Thank you. [LB681]

WILLIAM JACKSON: You bet. [LB681]

SENATOR FISCHER: Senator Stuthman. [LB681]

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SENATOR STUTHMAN: Thank you, Senator Fischer. Bill, what you're asking for, what this bill is asking for is realistically doubling the fees? [LB681]

WILLIAM JACKSON: No, sir. It's...what it's asking for is doubling the ceiling on what the board can charge. If this passes, we don't have to come back every year and ask for an increase of fees. What it does, for the next 20 years, I would imagine or hopefully even longer, this won't have to be addressed again because it will give the board the parameters necessary to sustain this agency for the next 20 years. [LB681]

SENATOR STUTHMAN: But in the environment that we are now, you know, the Governor and everybody is, you know, you got to do more with less. [LB681]

WILLIAM JACKSON: We always have, sir. [LB681]

SENATOR STUTHMAN: And that's the thing that concerns me. In this diagram that you have here this bar graph, wouldn't it have been better if you would have had the income stable and added that raiding of the account and the expenses of it? So we could realistically see...I mean, you still took in more than \$74,000 in 2002. So the income part, in my opinion,... [LB681]

WILLIAM JACKSON: Yeah, well, you just add \$500,000 to that. [LB681]

SENATOR STUTHMAN: That income part should have been \$574,000, but your expenses would have been \$1 million. [LB681]

WILLIAM JACKSON: A million? [LB681]

SENATOR STUTHMAN: Well, you got \$500,000 in expenses in 2002. [LB681]

WILLIAM JACKSON: Okay. The expenses are true all the way across. The only thing that, according to what you're talking about on that graph, is the actual income that our reserve account received for that year. Again, with the \$500,000 taken out of the reserve account, we put in \$74,000. So the actual income that the agency received was \$574,000. The expenditures still was \$504,000. [LB681]

SENATOR STUTHMAN: Okay. But then where does it show on this graph that your account got raided? [LB681]

WILLIAM JACKSON: That's why I brought that up in testimony, so that you would understand what that is about. [LB681]

SENATOR STUTHMAN: Okay, thank you. [LB681]

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WILLIAM JACKSON: You bet. [LB681]

SENATOR FISCHER: Other questions? Senator Mines. [LB681]

SENATOR MINES: Thank you, Madam Chair. Bill, just a question on the surety bond.

[LB681]

WILLIAM JACKSON: Certainly. [LB681]

SENATOR MINES: You know \$50,000 isn't much, but why a surety bond rather than just allowing the dealer to show proof of insurance? We do that all the time. [LB681]

WILLIAM JACKSON: We do make the dealer show proof of liability insurance on his entire fleet of vehicles or all owned vehicles, that's apart and separate. That's for liability, for his vehicles being on the road being test driven and so forth. The surety bond is something that the insurance companies issue so that if the dealer goes out of trust, leaves the countryside, you can't find him, and there are people... [LB681]

SENATOR MINES: But there's also insurance to replace a surety bond as well. And I'm just wondering, why add the additional expense to a dealer? I mean it's not...in the long run it's not going to be that much anyway, but... [LB681]

WILLIAM JACKSON: It's for consumer protection that they have someone other than the dealer to go back at. [LB681]

SENATOR MINES: Okay. I'll ask somebody from the industry as well. I may even talk to them. [LB681]

WILLIAM S. JACKSON: Really? [LB681]

SENATOR MINES: I'll do that. Thank you. [LB681]

SENATOR FISCHER: Other questions? I have a question, Mr. Jackson. [LB681]

WILLIAM JACKSON: Certainly. [LB681]

SENATOR FISCHER: I also have some problems with your graph here that you handed out. If you could perhaps update that. I don't... [LB681]

WILLIAM JACKSON: All right. [LB681]

SENATOR FISCHER: I don't...give me a minute here. [LB681]

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WILLIAM JACKSON: Sure. [LB681]

SENATOR FISCHER: I don't believe it's accurate. If in 2002, you have income at \$74,000, when you were answering Senator Stuthman, you said that should be \$574,000 in income. Is that correct? [LB681]

WILLIAM JACKSON: That's correct. [LB681]

SENATOR FISCHER: Okay. Then in 2003, that should be \$564,000? [LB681]

WILLIAM JACKSON: That's correct. [LB681]

SENATOR FISCHER: In 2004, it should be \$548,000? [LB681]

WILLIAM JACKSON: It should be actually \$598,000, because there was \$100,000, plus another \$50,000 in '04, so \$150,000 in '04. [LB681]

SENATOR FISCHER: So there was \$150,000 taken out, so we need to add \$150,000 to 2004. [LB681]

WILLIAM JACKSON: 2004, right. [LB681]

SENATOR FISCHER: In 2005 and 2006, are those correct... [LB681]

WILLIAM JACKSON: Correct, yes, ma'am. [LB681]

SENATOR FISCHER: ...on there? When were the fees lowered? You said you lowered fees. [LB681]

WILLIAM JACKSON: I believe 2000 or 2001. [LB681]

SENATOR FISCHER: Okay. And what were they then, how much lower? Do you have a percentage when they went down? [LB681]

WILLIAM JACKSON: They were \$175 per dealer for a year's business, we lowered it to \$150. [LB681]

SENATOR FISCHER: Okay. And then they were raised. When were they raised? [LB681]

WILLIAM JACKSON: They went to \$175, I believe, in '03, I believe. [LB681]

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SENATOR FISCHER: Okay. [LB681]

WILLIAM JACKSON: Yeah, '03, I believe, '03-04. I'd have to look at the minutes to see when the board did that. [LB681]

SENATOR FISCHER: Okay. Back to 2002, when you had an income of \$574,000, and on the chart then it shows \$74,000, how did you pay your expenses? You know, how did you pay your expenses when you've got only \$74,000 and... [LB681]

WILLIAM JACKSON: Well, at that time our reserve account was approximately \$900,000. [LB681]

SENATOR FISCHER: Oh. [LB681]

WILLIAM JACKSON: That's why they went after it. [LB681]

SENATOR FISCHER: So the \$500,000 wasn't taken out of the reserve, it was taken out of the income? [LB681]

WILLIAM JACKSON: Well, I took these figures off of our budget that I get from the budget people every year. And this is what they showed us as income and expenditures. There was probably a different source I could have taken those out of. But, yes, everything comes out of the reserve account. [LB681]

SENATOR FISCHER: Okay. [LB681]

WILLIAM JACKSON: It's like our checking account. If we have a bill to pay, even though we may be budgeted to spend \$600,000, but if I only have \$500,000 for the entire year to spend, I can't spend the \$600,000 because it's not there. [LB681]

SENATOR FISCHER: Okay. What is... [LB681]

WILLIAM JACKSON: So they take the money out of the reserve account. [LB681]

SENATOR FISCHER: Okay, what is the reserve at in 2006? [LB681]

WILLIAM JACKSON: Okay, in October 31, 2006 the reserve account was \$79,651.59. [LB681]

SENATOR FISCHER: Okay. But you have income for that year at \$584,000, expenses at \$590,000, is that correct? [LB681]

WILLIAM JACKSON: That is correct. [LB681]

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SENATOR FISCHER: Okay. Thank you. Any questions? Senator Stuthman. [LB681]

SENATOR STUTHMAN: Thank you, Senator Fischer. [LB681]

SENATOR FISCHER: Don't ever give us visual aids. (Laughter) [LB681]

WILLIAM JACKSON: I know, I'm learning that, Senator, tell me. [LB681]

SENATOR STUTHMAN: This is the concern that I had, and I realistically would have...this is immaterial to me. I wish there would have been another line of reserve account. [LB681]

WILLIAM JACKSON: Yeah. [LB681]

SENATOR STUTHMAN: And then we could have seen the true picture. Because when I see \$74,000 income and \$500,000 expense, it's really \$574,000, and \$1 million expense. [LB681]

WILLIAM JACKSON: Sorry for the confusion. It was meant to simplify. [LB681]

SENATOR STUTHMAN: Yeah. Thank you. [LB681]

SENATOR FISCHER: Thank you. Any other questions? I see none. Thank you, Mr. Jackson. [LB681]

WILLIAM JACKSON: Thank you, Senator. [LB681]

SENATOR FISCHER: Other proponents? Now things will get confusing. (Laugh) Good afternoon. [LB681]

LOY TODD: Senator Fischer, members of the committee, my name is Loy Todd, L-o-y T-o-d-d. I'm the president and legal counsel for the Nebraska New Car and Truck Dealers Association. I'm not going to try and tell you any numbers. (Laughter) But I will say, our association is in support of this legislation. I'm glad it was cleared up that this is not requiring them to double the fees, and I made that clear to my membership. This authorizes them to go up to that amount. The Industry Licensing Board is made up, statutorily, of new car dealers, used car dealers, independent, appointed members by the Governor who are just citizens at large, the director of Motor Vehicles is the chair. So it's a pretty responsible group. And they're imposing these fees on themselves, so you can understand that they are somewhat reluctant to get very aggressive about that. More interesting to us is the bond portion, and we are strongly supportive of that. We're afraid that down the road someone is going to be out of trust or someone is going to be

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called upon to account for some motor vehicles, and when the average price of a new car approaches \$25,000 now, the average price of a used car is almost always half of the new, we're afraid that it's going to be somewhat embarrassing for everyone to have a law that only requires a bond for protection in that regard for a \$25,000 figure. So we think it's time for that to be raised also. In anticipation of your question, Senator, the reason that we've been supportive of the bond as opposed to insurance is the bond only costs about \$125. There isn't anybody really anxious to come into that industry and offer up an insurance product. And people really don't want to reserve cash and do those kinds of things for a bond that only costs about \$125. So that's why that is there in place. [LB681]

SENATOR FISCHER: Thank you, Mr. Todd. Any questions? I see none. Thank you very much. [LB681]

LOY TODD: Thank you. [LB681]

SENATOR FISCHER: Other proponents, please. [LB681]

TIM KEIGHER: Good afternoon, Senator Fischer, members of the committee. My name is Tim Keigher, that's K-e-i-g-h-e-r. I appear before you today on behalf of the Nebraska Independent Auto Dealers Association in support of LB681. And, I guess, I can just simply say that they met yesterday at their board meeting and supported...voted to support this bill. I'd be happy to answer any questions. [LB681]

SENATOR FISCHER: Any questions for Mr. Keigher? I see none. Thank you very much. Other proponents of the bill? Are there other proponents? Are there opponents to the bill? I see none. Anyone to testify in the neutral capacity? I see none. Senator Pedersen, would you like to close? [LB681]

SENATOR PEDERSEN: I waive closing. [LB681]

SENATOR FISCHER: Senator Pedersen waives closing. With that I will close the hearing on LB681. Thank you. I will open the hearing on LB401. Senator Schimek is here for the opening. Thank you. [LB681 LB401]

SENATOR SCHIMEK: (Exhibit 1) Thank you, Madam Chair, and members of the Transportation and Telecommunications Committee. For the record, my name is DiAnna Schimek and I represent the 27th Legislative District. In 2005, I introduced LR210, which was an interim study that would have focused on the importance of living wills and the role of the state in promoting general preparedness for loss and death in today's society. LB879 was introduced last session, but did not advance due to lack of time in the short session. This year, you have before you LB401. The goal of this legislation is to raise awareness of the overall importance of advanced medical

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directives and living wills, and what a patient's wishes might be with regard to emergency medical care by placing a designation on the drivers' license of that person, if he or she has an advanced medical directive. The use of advanced directives helps medical personnel respect the wishes of those for whom they are caring. It also helps family members avoid conflict over care for a loved one, a too common experience in hospital waiting rooms across Nebraska. LB401 attempts to address these issues and is modeled on the Organ Donor Program that is already established in statute. It is important to note that the designation that would appear on the license does not serve, does not serve as the directive itself, it simply shows that there is an advanced directive and that the holder of the directive does indeed have specific wishes as to what he or she wants in terms of healthcare. The state of lowa enacted such a law in 1995. lowa residents are allowed to indicate that they have advanced directives by having an AD placed in the area of organ donation on their drivers' license. Nebraska's designation could be somewhat similar to what lowa currently does. Based on the fiscal note for last year's proposal, LB401 will require computer modifications to both the mainframe and other computer systems. Last year, the department estimated that 300 hours of computer programming, at a cost of \$22,500 would be necessary. Previous estimates for similar work from the card manufacturer were \$36,000. The forms currently used to process applicants will also require revision and printing at a cost of \$2,000. The Legislative Fiscal Office estimated the fiscal estimated for fiscal impact for HHS to print the brochures to be about \$30,000 and approximately \$15,000 each year thereafter. And that's just, I think, a ballpark estimate to furnish these for the drivers' offices all across the state. Distribution of the brochures would be between \$500 and \$1,000 per year. The information provides by HHS could be something similar to what they already have posted on their web site. And I would like to have a page just pass these forms out, it shows you what could be used to fill out these forms for people to indicate they have a living will or advanced directive. With that, I would be happy to try to answer any questions you might have. [LB401]

SENATOR FISCHER: Thank you, Senator Schimek. [LB401]

SENATOR SCHIMEK: Thank you. [LB401]

SENATOR FISCHER: Are there questions? Senator Stuthman. [LB401]

SENATOR STUTHMAN: Thank you, Senator Fischer. Senator Schimek, if this bill is passed, will it go into effect when you renew your drivers' license to get that placed on your drivers' license? [LB401]

SENATOR SCHIMEK: Exactly. When you go in, not only would you be asked about organ donation, but you would be asked if you have an advanced directive. And it wouldn't be anything that anybody would try to push on anybody, it would just be mainly to give that information at the same time they're asking these questions. [LB401]

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SENATOR STUTHMAN: And if you wanted to do it, but your license wasn't due for four years, you'd have to wait four years until you get it on your license? [LB401]

SENATOR SCHIMEK: I would assume so or else you'd have to pay for a brand new license. You could do that, I assume. [LB401]

SENATOR STUTHMAN: Thank you. [LB401]

SENATOR FISCHER: Other questions? [LB401]

SENATOR SCHIMEK: A replacement license, I should say. [LB401]

SENATOR FISCHER: Senator Louden. [LB401]

SENATOR LOUDEN: Would this, Senator Schimek, is this something that really a family ought to decide? I mean, you get in a wreck out here, I mean, this is the only place it's good is laying out there on a highway someplace. This...if you was in the hospital, they wouldn't be looking at your drivers' license anyway, they'd be going to whether you'd done a living will or power of attorney and a few things like that. So is this something that should be...a decision should be made by an EMT out there on the highway to whether to let you bleed to death or whether to pinch an artery? [LB401]

SENATOR SCHIMEK: I hope not (laughter), that's what the idea of this is that you would note on your drivers' license that you do have an advanced directive. And, you know, I can't judge every single circumstance in which your life might be threatened or in danger. Because I'm sure there would be circumstances in which they couldn't get a hold of anybody who had your advanced directive. [LB401]

SENATOR LOUDEN: Well, where I guess I'm going, when these EMTs and them, I mean, they've got to try to save you or their liability, I mean they're out of sight. And so what point is having this on your drivers' license out there? It would be mostly for a wreck or an accident or something like that, because they're going to have to load you up and take you to the hospital. Somebody else is going to decide this advanced directive. [LB401]

SENATOR SCHIMEK: I don't disagree with that. [LB401]

SENATOR LOUDEN: That's the reason I'm wondering if it's worth \$100-and some thousand dollars to change this all around, just to put on your drivers' license. [LB401]

SENATOR SCHIMEK: Well, those would be an initial, up-front cost; the yearly costs wouldn't be that heavy.... [LB401]

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SENATOR LOUDEN: No, but we'd still have to... [LB401]

SENATOR SCHIMEK: ...once you had it established. [LB401]

SENATOR LOUDEN: ...still have to spend it. [LB401]

SENATOR SCHIMEK: Right. And I don't know if that is a real up-to-date fiscal note or

not. I was just relating to you what the fiscal note said last year. [LB401]

SENATOR LOUDEN: Yeah, but nonetheless, there will be a cost. [LB401]

SENATOR SCHIMEK: There will be a cost, there's always a cost, Senator Louden. [LB401]

SENATOR LOUDEN: Okay, thank you. [LB401]

SENATOR SCHIMEK: Um-hum. [LB401]

SENATOR FISCHER: Other questions? Senator Hudkins. [LB401]

SENATOR HUDKINS: Senator Schimek, if you have this on your drivers' license, and you're in Iowa and you have an accident, and it says advanced directive on your license, how is that going to help over there? They've got to find somebody in your hometown to tell you what that directive is. [LB401]

SENATOR SCHIMEK: Right. What they would naturally do, of course, would be to contact family. And, you know, if they can't get ahold of anybody who knows what your advanced directive is, they have to just proceed on their own. But in, you know, 80 percent of the cases probably they would be able to locate family members and your wishes would be honored then. But if they can't locate anybody then they, I think, are pretty much...they have to go ahead and use their own judgment. [LB401]

SENATOR HUDKINS: All right, thank you. [LB401]

SENATOR FISCHER: Other questions? I see none. Thank you. [LB401]

SENATOR SCHIMEK: Thank you. [LB401]

SENATOR FISCHER: Could I have a show of hands on how many wish to testify on this? I see five. Okay, would the proponents come forward, please. Good afternoon. [LB401]

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BONNIE BROWN: Good afternoon. [LB401]

SENATOR FISCHER: And not that I want to stress you, but it's getting close to five, and so I ask that you please make your testimonies succinct and we'll move along. [LB401]

BONNIE BROWN: (Exhibit 2) Thank you. My name is Bonnie Brown, B-r-o-w-n. I am here from the Nebraska Hospice and Palliative Care Partnership. I also represent the greater Omaha End of Life Coalition. The information that's being passed out to you is information that you have either gotten at our senators luncheon or have had the information mailed to you, so I'm not going to address that specifically. I am going to focus on three items, two of which will be answering your questions over here. The first item is that those of us that are supporting this bill feel that it is as important as having anything indicated on your drivers' license to say that you were an organ donor. The reason being is that we all have a responsibility to individuals to promote their decisions for healthcare directives. And this is just one way to do that. To answer the two questions that came up when Senator Schimek was giving some initial information is, one, is that it is the responsibility of first-responders to stabilize the situation and move the individual to a hospital. At that time they would not be determining whether or not to do any advance lifesaving measures. They would do what they are required by law to do. Once they go into a healthcare system, into an emergency room, then they would say that this individual has an AD on their drivers' license. We are hoping to back that up with a little card that goes behind a drivers' license for all of those who have advanced directives that say that you have...who you list as your power of attorney for healthcare and that that individual would be notified, just like family would be notified. When you ask a question about organ retrieval and advanced directives and what that responsibility is, is they would not, on an organ retrieval, retrieve the organs without notifying or without having those papers in their hand. Advanced directive is no different. When you talk about cost outlay, and even if it was a minimal \$100,000 for the initial outlay, having an individual on life support, when that person chooses not to be on life support, costs insurance companies, costs the healthcare systems thousands, and thousands, and thousands of dollars. An example, in the letter that you have there is an example is an individual who was taken and put on life support when she did not want to. And her cost, between the two week time, for when she was placed on life support and when she died was \$120,000. That is a drop in the bucket for healthcare costs these days. Individuals who are being maintained on support, especially if they've indicated that they do not want that support, can cost the systems millions of dollars, which increases our insurance rates, which increases...which, you know, rolls downhill. I mean we're all affected by that increased cost. Those are just things I'd like to point out. I'll answer questions. [LB401]

SENATOR FISCHER: Thank you very much, Ms. Brown. Any questions? Senator Louden. [LB401]

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SENATOR LOUDEN: Yes, thank you, Mrs. Brown, for being here. When you talk about this lady that...I read your letter here, and it was \$120,000, didn't she have any kind of a written living will or advanced directive written down anyplace? I mean would it have made any difference if she didn't have it on her drivers' license or not, it wouldn't have made any difference, would it if she didn't go to the trouble of having one written out? [LB401]

BONNIE BROWN: The court would have to decide whether or not the caregiver was competent enough to speak on her behalf. [LB401]

SENATOR LOUDEN: Well, I guess, what would the difference be if it was on a drivers' license or if it was on a recipe card or whether it was written out in a regular notarized letter? [LB401]

BONNIE BROWN: When you have an AD or an indication of an advanced directive on a drivers' license, it states that you have a legal document somewhere that states your wishes for healthcare. And so that is what they would be doing, they would be seeking the individual who had that document. Our little card that we're going to add to this is also going to tell where that document is, and most of them are in a variety of places. Can you, as an individual, sit down and write out what your advance directives are? Yes, you can. Can you have it witnessed? Yes, you can. And can that be honored in the healthcare system? Yes. [LB401]

SENATOR LOUDEN: And that's the reason I'm asking then. What you're trying to do with this, putting it on a drivers' license, then you're just putting something on there that notifies those people that you have an advanced directive laying around someplace, in a safety deposit box or someplace like that. [LB401]

BONNIE BROWN: That is correct. [LB401]

SENATOR LOUDEN: And it's up to them to go hunt it up before they can do...before they can what, pull the plug or something like that? Is that what we're trying to do? [LB401]

BONNIE BROWN: That is correct. It has the same impact that having an indication on your drivers' license that says you are an organ donor. [LB401]

SENATOR LOUDEN: Would a little iron bracelet, like they sell, have that written on there, work just as well as putting it on your drivers' license? [LB401]

BONNIE BROWN: There is some potential, but when the first responders come upon an accident or if they're called out to a home for a first response, the first thing they do is look for identification of the person. Your ID bracelet doesn't always have your name

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and birth date and all that information. They would be looking at a drivers' license or any other type of legal document that showed who you were and...so on that when it has an AD on there, then it's a trigger for them, just like if it was an organ donation. [LB401]

SENATOR LOUDEN: Okay, now you're talking about if they come to your home. Or are you talking about an accident? [LB401]

BONNIE BROWN: Either way, they have to identify who you are. [LB401]

SENATOR LOUDEN: Okay, but when they come to the home they wouldn't necessarily be looking for your drivers' license. [LB401]

BONNIE BROWN: They do look for identification, yes, they do. They do ask, um-hum. [LB401]

SENATOR LOUDEN: Okay, thank you. [LB401]

SENATOR FISCHER: Other questions? Senator Stuthman. [LB401]

SENATOR STUTHMAN: Thank you, Senator Fischer. One of the concerns that I have and you talked about this, if that was put on your license and the first response team came there and picked you up, and the EMTs, and you were in a situation where they had to get you jump-started again. But on your directive it would state that you don't want that to happen, and you run up \$100,000 bill, who's going to be responsible for that \$100,000 then? [LB401]

BONNIE BROWN: Well, probably whoever your pay source is for your healthcare system. And then ultimately, if you have no financial resources, it would be the taxpayers. [LB401]

SENATOR STUTHMAN: It would be the taxpayers then. But it's something that you as an individual did not, you know, want or did not want to incur that kind of a bill, but they did it while they were trying to find the person that they could get the information from. [LB401]

BONNIE BROWN: I want to clarify that it is the responsibility of first responders to stabilize the patient and to keep them alive until they can clarify those issues. So what it would do then is once it was identified, once the legal document or a document came forth, then what would happen is they would make the choice then to discontinue. [LB401]

SENATOR STUTHMAN: Thank you. [LB401]

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SENATOR FISCHER: Other questions? I see none. Thank you. Next proponent, please. Good afternoon. [LB401]

BRENDON POLT: (Exhibit 3) Good afternoon. Senator Fischer and members of the committee, my name is Brendon Polt, that's B-r-e-n-d-o-n P-o-l-t. I'm the assistant executive director of the Nebraska Health Care Association. We're a private trade association with a membership of about 400 nursing homes and assisted living facilities. Our membership strongly supports LB401 and thanks Senator Schimek for introducing it. Very briefly, we support this bill because the staff in our facilities observe the pain associated with residents' failure to prepare advance directives, and witness the related in-fighting between family members and other loved ones. The overwhelming majority of Nebraskans die in hospitals or nursing facilities. Our members report from their observations that a minority of residents have prepared advance directives. This observation is confirmed by data included in the 2007 End of Life Survey conducted by the Nebraska Hospice and Palliative Care Partnership. I found it interesting that according to that study an estimated 36 percent of Nebraskans have completed a health care power of attorney, and only 38 percent have completed a living will. Only half of Nebraskans have even discussed end of life issues with family members. But ironically, the overwhelming majority of Nebraskans would prefer to not be completely dependent physically on someone else, in fact they would prefer death over that. So the reason we support this is because it gets the issue in front of Nebraskans through the information provided by the department. And we believe that it will reduce the problems associated with not having created such a document. I can answer any questions, if you have them. [LB401]

SENATOR FISCHER: Thank you, Mr. Polt. Any questions? I agree with you that this is an important issue. But I don't see how putting it on drivers' license would help your association in any way. These people are already in your facilities, and either they're going to have the directive or not. In this bill, if it's on your drivers' license, that does not serve as the directive itself. [LB401]

BRENDON POLT: Well, I guess I see this bill as doing two things. One of them is it lets healthcare providers, particularly EMTs know if you have created a document and if they should look for it. But the other thing is that I think it gets the issue in front of people through the brochures and through the information to people that otherwise haven't thought about the issue. There's a whole host of people that drive that would get this information and then potentially create such a document. But then they would have it if they enter our facilities or they would have it in the event, in the future because they have it and it's there forever. [LB401]

SENATOR FISCHER: But when you have people enter your facilities, don't you give them that information at that time that they can fill out a living will? I would assume you would in your facilities. [LB401]

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BRENDON POLT: There's no requirement that we do. I think that our members do, but there's no law that requires them to do that. So they may or they may not. [LB401]

SENATOR FISCHER: And if there is an accident and an EMT looks on the drivers' license, they're still going to have to wait until this individual gets to the hospital and family is notified. And I've been involved in cases such as that, and a medical professional always asks the first family members that come or even friends, is there a living will, is there a directive? I mean, it wouldn't matter if it's on the drivers' license or not. Maybe somebody can argue with me on that. I'm picking on you, sorry. [LB401]

BRENDON POLT: Yeah, I guess my response to that is that we support any legislation that expands the use of advance directives. And we believe that primarily because the issue of the information provided by the department, getting it before people, will create a larger majority, bring that 38 percent and 36 percent up to over a majority. So that's, I guess, how I'd respond. [LB401]

SENATOR FISCHER: Okay. Thank you very much. Next proponent, please. Welcome. [LB401]

LaDONNA VanENGEN: Thank you. It's almost good evening. [LB401]

SENATOR FISCHER: I was going to give you a couple more minutes, then it would be good evening. [LB401]

LaDONNA VanENGEN: (Exhibit 4) Okay, good. My name is LaDonna VanEngen, L-a-D-o-n-n-a, and it's VanEngen, V-a-n-E-n-g-e-n. And I'm here today to represent the Nebraska Hospital Association and also I'm with St. Elizabeth Hospice and Palliative Care. I agree with...my testimony kind of reiterates what's already been said. But I guess what I'd like to add to that today is just some instances where I think having it on the drivers' license would be advantageous. And one of my scenarios in there, as I was teaching a class, a social worker student, a young fellow, he was in his twenties, talked to me after the class about that he keeps his advance directive in his billfold because his parents have deceased and he's moved here from another state. And he's afraid that if he had a car accident no one knows him well enough, he's not talked to anybody here about what he wants. And so he keeps it in his billfold. And he did have his girl friend as his durable power of attorney now currently. But I think, in working as an old emergency room nurse, too, is that we don't always think of young people as having advance directives. We wish they all did, and that's one of the things I hope this bill can have, that people are driving, young people will have to talk about it or at least have been given a piece of paper that says, think about this and what do you want. Knowing that a young person has it, then we know to find that girl friend or to ask and look through his billfold or look through his belongings and find out what it is. Maybe he's

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already on a ventilator and he's not able to speak. But now we have some documentation that prevents a Teri Schiavo incident where we didn't know...no one knew that he had an advanced directive or knew to look for one. So I think it's very advantageous in those situations that we can see immediately that it is there. No, it doesn't stop the care before that, but it does give us the opportunity to know that it's there. And certainly the discussion is of vital importance. We...also I've worked in a trauma unit. And we had a lot of those situations where we did a lot of things to people until we found out what they really wanted. And most of the time, you know, people don't know what...they haven't thought about it. They haven't talked about it. And so I think this opportunity, because drivers' licenses gets to the young people, I think that's a great opportunity for us to get that information out there and get the discussion started and get the papers signed. I guess, that's the main thing. I have different...there's a lot of stories. And I think the elderly, the nursing home people, you do expect them to have had the opportunity when they came into the hospital, at some time in their life or in the nursing home they were offered that. And they don't always do it, as you know or maybe they're past the point of being able to make the decision and all those problems that you get with how valuable the advanced directives are. But I think the drivers' license is a really great way to get to the young people. [LB401]

SENATOR FISCHER: Thank you, Ms. VanEngen. Any questions? Senator Hudkins. [LB401]

SENATOR HUDKINS: Yes. The handout that you gave us, the handout that you gave us, the scenario two, where the 74-year-old woman had a living will and her son was...had power of attorney and yet he allowed her to remain alive for 11 months. What good did the advance directive do? [LB401]

LaDONNA VanENGEN: And you're right, but he...when his heart...when his sisters and brothers were all saying we want her to live, you know, we want her to keep on, when it did help was when the...his...he had told them when they started, okay, well, let's go a year, and if she lives a year, so that was the decision. Well, when it was 11 months, you know, mom's no longer smiling, she's not doing anything. And they...some situations had changed in the children's lives at that point, too, and so the nursing home she was in asked us to come in as a hospice agency to talk to this family and see...get them to talk about it and decide, because the power of attorney was scared to make a decision basically. And so in discussing with their priests and we got all of the family members together and discussed what...and the doctors, what's mom's situation now? What's her opportunities for improvement? What's going to happen? And it was probably a two week long time where we were discussing things and getting people together. And when we did, then they finally decided, okay, mom has this living will and she said it so specifically, she said, if you ever put me on a ventilator, take me off, I don't want to be like dad, I don't want to live like that. That gave them the comfort for us to reenforce that living will to him, and him the courage to then say, okay, it's time to do it. And so we all

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sat around the bed, the (inaudible) were there, the priests were there, and all of our...our nurse was there, and all of the people that were important in her life were there, and we took the ventilator off, thinking, okay, we've got an hour or two, and it was two weeks. And so even at that...and that really was comforting for the son to know that he didn't pull the plug and that was, you know, and then she died right away. They had some time. But it was the living will that really allowed him the comfort to make that decision even 11 months later. Still made a big difference in his grief over it. [LB401]

SENATOR HUDKINS: Thank you. [LB401]

LaDONNA VanENGEN: You're welcome. [LB401]

SENATOR FISCHER: Other questions? I see none. Thank you. [LB401]

LaDONNA VanENGEN: Thank you. [LB401]

SENATOR FISCHER: (Exhibit 5) Any other proponents? Are there any opponents to the bill? Oh. I need to read in a letter that we received from the Alzheimer's Association, from Karen Noel, who is in support of the bill. Now, are there any opponents? Anyone wishing to testify in a neutral capacity? Please come forward. Good evening. [LB401]

JIM CUNNINGHAM: (Exhibit 6) Good evening, Senator. Senator Fisher, members of the committee, my name is Jim Cunningham, that's spelled C-u-n-n-i-n-g-h-a-m. I'm the executive director of the Nebraska Catholic Conference, which represents the mutual interests and concerns of the Catholic Archdiocese of Omaha and the diocese of Lincoln and Grand Island. The conference has had a decades long interest in involvement on issues relating to medical treatment decision-making and advanced directives. In our office, we regularly respond to questions and inquiries and concerns about medical treatment decision-making, particularly from the perspective of the Catholic teaching and tradition. And in January of 2006, we issued a fairly comprehensive statement on the issue of medical treatment decision-making that did underscore the validity and importance of advance medical directives as a way of expressing ones wishes, particularly through the power of attorney for health care. Personally, I was involved in the early nineties in a lot of the discussion that took place that eventually resulted in the enactment of legislation that authorizes two forms of advance directives, both the so called living will and the durable power of attorney for healthcare. The sole concern that the conference has about this bill is that it should be clear and definite, both as a matter of the legislation and also the legislative record, that there is nothing mandatory about this legislation. And I think comments that have been made, both by the previous witnesses and also you, Senator Fischer, underscores that fact. No one is obligated to have a living will or an advanced directive. No one would be required, under this bill, to have an advanced directive in order to qualify to get a drivers' license or a state identification card. There is no presumed or direct connection between

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an advanced directive and organ donation. A motor vehicle operators license or state identification card so marked or designated and used as authorized by this bill would not in any way constitute or function as an advanced medical directive. And a motor vehicle operators license so marked or used would not constitute or function as a do not resuscitate or do not treat order. And this came to my attention last year when I had my first conversation with Senator Baker about this. And a lot of it was in much the same context as your question, Senator Louden. Senator Baker mentioned to me, he said, well, does this mean that first responders would not provide treatment if that license was marked? And that prompted me to want to emphasize as a matter of the record that that's not the purpose of this. This is a designation and an advisement of the existence of an advance directive. And, you know, I leave it to the committee's judgment as to whether or not that is a helpful thing or not. Certainly the educational component of this can be helpful. Also, I want to mention that there is a distinction between this and the organ donor designation on the card, because it's clear, I think, on a Nebraska law that the designation about organ donation actually does constitute one's authority for organ donation. And that would be different from the way this would function. This would function as an advisement of the existence of an advanced medical directive. And so it would not function so directly as it would in the context of organ donation, which I think is another reason why caution should be taken to make sure that the proper context of this is clear in the legislation and the legislative record. I've submitted, with my testimony, two amendments. I have had a chance to mention these to Senator Schimek, although I've not shared the actual wording. But the purpose of these amendments, and I certainly think that they would be regarded as friendly amendments, would be to do two things. One is to harmonize and make more consistent the wording that you find on page 6 of the legislation. I think it's clear that if it starts with an application, then the individual involved first is an applicant, and not the holder of an operators license or state identification card. So I think it can be clarified with regard to the applicant. And the other part that the first amendment clarifies is that it's more consistent with the actual question that will be on the application, which is whether or not you want to have your advance directive noted on your license. So just some clarification in that regard for the committee's consideration. And then the second amendment would place into the bill a statement that nothing in this act is intended to create something that is itself an advanced directive. And I think that that would be important as a matter of clarity for this legislation. I appreciate the responses that were made regarding the first responder issue, because I think that there is some concern at least on our part that that could be misconstrued with this particular designation on a drivers' license, and therefore to clarify that would be in the best interests of good legislation. Thank you. [LB401]

SENATOR FISCHER: Thank you, Mr. Cunningham. Are there questions? I see none. Thank you very much. [LB401]

JIM CUNNINGHAM: Great, thank you. [LB401]

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SENATOR FISCHER: Anyone else who would like to testify in the neutral capacity? Good evening. [LB401]

BEVERLY NETH: (Exhibit 7) Good evening, Madam Chair, members of the committee. I'm Beverly Neth, N-e-t-h, director of the Department of Motor Vehicles. I'm here today to testify in a neutral capacity regarding LB401. In recent years, the department has received numerous requests to add information to the driver license and ID cards. The requests include: adding a motor boat endorsement, adding a notation for concealed weapons permits, adding hunting and fishing permits, adding a notation of veteran's status, adding medical disability information to the card, making the license a smart card, adding a VISA account to the card, and adding an indicator of blood type of the cardholder. That's just some of the requests we've had. The transitory nature, except for I guess maybe your blood type, of the majority of the requested notation makes them unlikely candidates for inclusion in the driver license process. For example, a hunting permit is valid for one season. However, my driver license is valid for five years. A person who has an advanced medical directive one day, and has it noted on his or her driver license, can revoke the directive the next day, and not remove the notation from the driver license. Thus the potential for conflicting information exists which could cause undue confusion and problems if reliance is placed upon the driver license notation. It is important to note that each time an individual wishes to change his or her designation on the face of a driver license, he or she is subject to an \$11.25 fee for a replacement license. The charging of a replacement fee is not without controversy and may place a damper on an individual going to the DMV to either remove or add a designation. However, I will also caution that allowing an individual to change a document without a fee may not be in the state's best interests. We issue tens of thousands of replacement documents for which we pay a vendor under the terms of a per card cost contract. At present, the Department of Homeland Security is in the process of developing rules and regulations pursuant to the REAL ID Act that states will have to adopt if the state wishes to comply with federal driver license standards. There are a myriad of unanswered questions associated with REAL ID compliance, including massive programming changes, the potential for a 100 percent increase in workload for DMV staff, card real estate issues, and where our driver license and state ID card information may be stored and who may access that information. The most private of decisions regarding end of life care could be available to individuals beyond Nebraska. I would respectfully request that the committee take a cautious approach to expanding the duties and responsibilities of the Department of Motor Vehicles until we have had an opportunity to fully define the impact of the REAL ID Act. Finally, Section 6 of the bill requires that the Nebraska Commercial Driver License shall be, to the maximum extent possible, tamper and forgery proof. The requirement that the documents be forgery proof is a new requirement. The DMV has committed itself to making its systems and documents as secure as possible. However, the statutory requirement that we make the CDL document forgery proof is somewhat concerning to me. Hundreds, if not thousands, of documents can be purchased on the web that appear to be pretty good forgeries. The

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site generally includes a disclaimer that says the document is for entertainment purposes only. I do not know what the potential ramifications of placing "forgery proof" into Nebraska's statutes might be. Additionally, that language does not exist in the federal rules and regulations governing commercial driver licenses. And I did have a discussion with Senator Schimek's aide. I don't think that was Senator Schimek's...that Senator Schimek asked for that to be placed in bill, so I'm not aware of how that actually got there. But I will attempt to answer any questions you might have. [LB401]

SENATOR FISCHER: Thank you, Director Neth. Are there questions? Senator Schimek. [LB401]

SENATOR SCHIMEK: Two questions really. Bev, I have some thoughts that we may never have the ID Act here. But I understand your concerns, very legitimate. But that statement that the most private of decisions regarding end of life care could be available to individuals beyond Nebraska, there wouldn't be anything on that card that would tell what those end of life decisions were? [LB401]

BEVERLY NETH: No, you're right. It would only...that designation would only imply that you have executed a legally binding document. So it would be there in the data base, that information would be stored as a part of your driver record and could be available for...I don't know where that information is going to be stored, that is the point I'm trying to make. [LB401]

SENATOR SCHIMEK: Yeah. But that would be true of organ donations as well. [LB401]

BEVERLY NETH: That's correct. [LB401]

SENATOR SCHIMEK: Yeah, um-hum. My concern would be if it were actually in the record somewhere about what your decisions were regarding end of life decisions. That would be very intrusive. [LB401]

BEVERLY NETH: Oh yes. And of course we would never store that kind of information. [LB401]

SENATOR SCHIMEK: Right. [LB401]

BEVERLY NETH: You know, it would be very difficult for a driver license examiner to try to ask that kind of information of an applicant. [LB401]

SENATOR SCHIMEK: I have a third question I just thought of. Do you think that we will know any time soon about REAL ID? I mean, you and I talked about this the other day, and I know there is going to be a resolution from Nebraska. But there have been resolutions from a number of states. I guess, what I'm thinking in the back of my mind is,

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will we know by this time next year? [LB401]

BEVERLY NETH: I don't know, Senator. I have heard that a United States Senator from Maine, I believe, Susan Collins is her name, has said in public that she intends to introduce a bill into the Senate that would delay the... [LB401]

SENATOR SCHIMEK: Implementation. [LB401]

BEVERLY NETH: ...implementation of REAL ID, um-hum. So I don't know. [LB401]

SENATOR SCHIMEK: I suspect that eventually we may not have it at all. But I do understand where you're coming from here. And I'm just thinking out loud now. I mean I think this is a good policy, but maybe it would be helpful if we would hold the bill until we have a little bit more information. [LB401]

BEVERLY NETH: It might be something certainly for the committee to consider. [LB401]

SENATOR SCHIMEK: Or maybe not, maybe it shouldn't be incorporated no matter what. [LB401]

BEVERLY NETH: There is one other thing I'd like to clarify. I know that there were a number of testifiers who talked about information being distributed by the department as...that the brochures would be distributed by the department. And as a practical matter, how the organ donor information is distributed is there is a packet of brochures that rests on the counter, and it's up to the person to take that. I wouldn't want proponents of the bill to believe that we give those to every applicant, we do not. And in many times, early on, as I understand it, in the organ donor program when that was done applicants were very upset about that. They felt as if we were trying to force that decision onto them. So I know the statute says we shall distribute it and county treasurers shall distribute it. And we set those brochures and it's up to the individual to take it. So it's a... [LB401]

SENATOR SCHIMEK: How does that work with organ donation? Do you...does anybody say to that person that's getting the drivers' license, there is information available on the program? [LB401]

BEVERLY NETH: If they ask any kind of question then they are directed to the brochure. If they, you know, if they just answer the question, no, as a general rule... [LB401]

SENATOR SCHIMEK: That's it. [LB401]

BEVERLY NETH: ...we don't send them to the information or anything like that. There

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was one other statement that was made by individuals that there would be a card that would be, I believe that was by Ms. Brown of the Greater Omaha End of Life Coalition, that there would be a card that would go along with this. I would just like to caution as well, groups and entities that they could not define those people using the DMV information. The Privacy Act would prohibit the Department of Motor Vehicles from giving anyone a mailing list or names of individuals who have indicated they have an end of life or an advanced directive or anything like that. [LB401]

SENATOR FISCHER: Other questions? I see none. Thank you, Director Neth. [LB401]

BEVERLY NETH: Thank you. [LB401]

SENATOR FISCHER: Anyone else wishing to testify in the neutral capacity? I see none. Senator Schimek, would you like to close? [LB401]

SENATOR SCHIMEK: I think I'll waive closing. [LB401]

SENATOR FISCHER: Senator Schimek waives closing. And I will close the hearing on LB401. Our last bill of the day is Senator Hudkins. And I will open the hearing on LB663. Senator Hudkins, would you like to open, please? [LB401 LB663]

SENATOR HUDKINS: (Exhibit 1) Thank you, Senator Fischer and members of the committee. I will try to keep my opening very short as the hour is getting late. I'm Senator Carol Hudkins, C-a-r-o-l H-u-d-k-i-n-s. I represent the 21st Legislative District. And today I am introducing LB663. The transportation infrastructure is the one governmental business that does the greatest good for the greatest number of people. It provides for efficient emergency services responses; it allows for transportation of farm products and manufactured goods to be delivered to the retail sales outlets so that business can timely move product to the ultimate consumers; and makes sure that families can get to relatives homes for holidays, weddings and funerals. The highway, county and city road system affect every aspect of our daily lives, from commuting to work, to enjoying the social events in Lincoln and Omaha and all points west. The ability of the motor vehicle fuel tax and sales tax on automobiles to finance the construction and maintenance of our road infrastructure has been losing out to higher costs of almost every product, piece of equipment, and labor used in constructing and maintaining our roads. LB663 looks to the registration fee on apportionable vehicles and says that this fee is more related to the use of our road system than it is to the current distribution formula, and redirects the funding from the Motor Vehicle Tax Fund to the Highway Allocation Fund for use by the counties and cities for maintenance and construction of their road systems. The formula set up for distribution of the funds in a Highway Allocation Fund is more equitable between counties and cities than the formula set forth in the Motor Vehicle Tax Fund. And by placing the funds in a Highway Allocation Fund, the monies are then dedicated to the road infrastructure and cannot be diverted for

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other uses as it may be under the Motor Vehicle Tax Fund. I would ask that you move LB663 to General File. And I do have a letter from the Lancaster County Board of Commissioners indicating their support for this bill. [LB663]

SENATOR FISCHER: Thank you, Senator Hudkins. Are there questions? I see none. Thank you very much. How many people are wishing to testify on this bill, please? We have three. Would the proponents come forward, please. And we will enter in the Lancaster County Board of Commissioners as a proponent. [LB663]

LARRY DIX: Senator Fisher, members of the committee, for the record, my name is Larry Dix. I'm the executive director of the Nebraska Association of County Officials. I appear today in front of you in support of this bill brought forward by Senator Hudkins. Last year, to bring you a little bit up to speed, last year there was a very similar bill, practically identical to this, LB77. That bill made it to the floor, was debated, in the end we were unable to get it passed last year. What I would like to talk to you about...a little bit about this particular piece of registration fees. And it's in regards to motor vehicle pro-rate and currently the way that money is distributed. Currently, it goes into what is called the Motor Vehicle Tax Fund. And if I could describe that to you, every dollar that goes into there comes back to the counties and then is distributed like a tax dollar. So if you were to pull out your tax statement that you received from your official, if a dollar goes in, you can see that that money then would be distributed according to the tax dollar. Counties would receive some, cities would receive some, schools would receive some of that money, NRDs, Ag Society, so on and so forth, just like your tax dollar. What this bill proposes to do is to move that into the Allocation Fund. Now in our minds from the county officials, that makes a tremendous amount of sense because this is one of the very, very few motor vehicle registration fees that is not distributed through the Highway Allocation Fund or through the Highway Trust Fund, so that those fees are definitely allocated and can only be used for our roads. Once again, as I described the previous allocation, it goes right down the list, like a tax dollar. And then that can be put into any one of these political subdivisions General Fund; it can be spent however they want to because it is distributed like tax dollar. So for this particular...these particular fees, we believe that they should be distributed more like any the other registration fees that are paid by our citizens, and that they be allocated and put towards road fund products. When you pay the registration...when you go and register your car, you have a couple of registration fees that are in there. One of those, the registration fee, that's about \$20.50 fee, that all goes into the Highway Trust Fund, DMV Cash Fund, State Recreational Road Fund. And then you have another component of that motor vehicle fee, which typically people will talk about that's another fee and it's based on the age and value of your vehicle. That money then goes to the Highway Allocation Fund. And that's how it's handled on a car. So this is one small piece of revenue that typically is collected by counties, but it is not identified as one that should be used only for road fund purposes. So that's really what we're advocating here. It's one of those things that over the years just has never been allocated. In our estimation it (inaudible) so it can

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only be used for road fund purposes. So with that, I'd be happy to answer any questions that anyone may have on the distribution side or why NACO supports this legislation. [LB663]

SENATOR FISCHER: Thank you, Larry. Any questions? Senator Louden. [LB663]

SENATOR LOUDEN: Yes, Larry. How much money are we talking about here? [LB663]

LARRY DIX: I think the fiscal note lays it out pretty well. It talks about right now when you look at it, it talks about there's \$7,975,000 going to the Motor Vehicle Tax Fund, and now that money would go to the Highway Allocation Fund. There was a small amount of fees that typically were used and went to property tax administration. And now under this bill it would go into Department of Motor Vehicles. [LB663]

SENATOR LOUDEN: Okay. And then...but it wouldn't go into the school...what is it, School Trust Fund where the other part of it went to or where did the other part... [LB663]

LARRY DIX: The other part of it was distributed like a tax dollar. And so on your normal tax statement you would have a certain percent of that money that would go to your schools. When this would be a revenue reduction, which would be made up through the school funding...state funds...state funding formula. [LB663]

SENATOR LOUDEN: Okay. That goes to like state apportionment or where does that go when it...I mean, what fund did it go into to be distributed by the schools? [LB663]

LARRY DIX: It would have went and the money would have...30 percent of that money would have come back to the counties. It then would have been distributed just like a tax dollar. So once you would have broken that out, it would have went to every taxing district, school district, and the county treasurer would have sent that back to the school district. [LB663]

SENATOR LOUDEN: Oh, I see. Okay. [LB663]

LARRY DIX: So it would go through that normal distribution process, just like a real estate tax dollar. [LB663]

SENATOR LOUDEN: Okay, thank you. [LB663]

SENATOR FISCHER: Other questions? I see none. Thank you. [LB663]

LARRY DIX: Thank you. [LB663]

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SENATOR FISCHER: Next proponent, please. Good evening. [LB663]

MIKE HYBL: Good evening. Senator Fischer, members of the committee, my name is Mike Hybl, spelled H-y-b-l. I'm the registered lobbyist for the Nebraska Trucking Association, also testifying this evening on behalf of the Nebraska State Chamber of Commerce and Industry. As Mr. Dix said, this is, I think, the second or third time around for this particular bill. To the extent that there is a desire to change the way that these funds are allocated back, it's the view of the Trucking Association that, to the extent that they are funds are basically handled now as a local tax dollar, to use the Highway Allocation Fund as the means of distributing those dollars does make a lot of sense to us. It's shared equally by the cities and counties, and then is used as other registration fees are, as dollars for road construction and maintenance purposes. With that, unless there are any questions, that would conclude my testimony. [LB663]

SENATOR FISCHER: Any questions? Senator Mines. [LB663]

SENATOR MINES: Thank you, Madam Chair. Mike, why has this fallen apart before? Why didn't the bill pass before? It had nothing to do with your ability, I know that. (Laughter) [LB663]

MIKE HYBL: I think to some extent there was some time issue, there were other issues relating to highway finance that I think people were working to put the half cent on sales tax dollars that we did last year. [LB663]

SENATOR MINES: Right. [LB663]

MIKE HYBL: You know, I think there was some concern expressed also in the past by some of the other political subdivisions in terms of currently taking from this particular allocation that under the bill you do lose out. [LB663]

SENATOR MINES: Thank you. [LB663]

SENATOR FISCHER: Other questions? Mr. Hybl, I have a couple. When was the Motor Vehicle Tax Fund set up and why was it set up in that way to deal with this money? [LB663]

MIKE HYBL: The Motor Vehicle Tax Fund is a fund that...only registration fees that are paid under the International Registration Program. And it's in essence an in lieu of property tax for the interstate registered motor vehicles that nationally the system for both registration fees and fuel tax collection for interstate fleets is a two-tier system: it's fuel tax and registration fees. The typical motor vehicle tax is not applied to the fleets in interstate commerce. And so when Nebraska first entered the IRP, I believe it was in the early to mid-seventies, there was this particular fund that was set up to handle basically

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a property tax component of the registration of the trucks. As I understand where we've gotten here with this today, the issue was initiated by the state property tax administrator. Because when we take this \$7 million pot of money and distribute it back to local government, as Mr. Dix said, as a property tax like dollar, when you get down into some of the smaller subdivisions, you're cutting checks that are pretty small. And there's an administrative issue there. We see the value if that formula is going to be changed for administrative purposes, handling of that as proposed by the bill, I think keeps it closest to what the purpose of those dollars were, local dollars. And then has the added benefit of dedicating it back to infrastructure purposes. [LB663]

SENATOR FISCHER: Other questions? I see none. Thank you very much. [LB663]

MIKE HYBL: Thank you. [LB663]

SENATOR FISCHER: Good evening. [LB663]

PAUL O'HARA: (Exhibit 2) Madam Chair, members of the Transportation and Telecommunications Committee, my name is Paul O'Hara, that's O-'-H-a-r-a, registered lobbyist, appearing today on behalf of the city of Lincoln, submitting a letter from the city of Lincoln to the committee in support of LB663. And in light of the admonition of the Chair, I'm not even going to summarize it. If you have any questions, I'd be happy to answer. [LB663]

SENATOR FISCHER: Thank you, Mr. O'Hara. Any questions? Thank you very much. And we have one more proponent, I believe. Good evening. [LB663]

CURT BECK: Chairman Fischer, members of the committee, good evening. My name is Curt Beck, C-u-r-t B-e-c-k. I'm the executive director of the Associated General Contractors of America, the Nebraska Chapter. I am testifying today in support of LB663. As all of you are well aware, an efficient and safe transportation network is essential to Nebraska's quality of life. One of the underlining philosophies of a Highway Trust Fund was the concept of a user fee. LB663 falls into this category. Clearly, the argument could be made that the registration fees on these trucks is logically within the user fee concept of the Highway Trust Fund. LB663 would provide more funding for road construction without an increase in the gas tax, and therefore I ask you to advance LB663. And I thank you for being here yet this evening. [LB663]

SENATOR FISCHER: Thank you, Mr. Beck. Are there questions? I see none. Thank you. [LB663]

CURT BECK: All right. [LB663]

SENATOR FISCHER: (Exhibits 3 and 4) Other proponents? I see none. Are there

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opponents? Back to the proponents. I was handed two letters in support of this bill. One is from the League of Municipalities. No opponents? Anyone in the neutral position? I have a letter from the Property Tax Administrator, Catherine Lang, in a neutral position on this bill. I believe every committee member has that in their book, and that explains some of the situation on it. Any other testimony on this bill? Senator Hudkins, would you like to close? Senator Hudkins waives closing. With that, I will close the hearing on LB663 and close the hearings for the day. Thank you. [LB663]

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Disposition of Bills:		
LB266 - Held in committee. LB681 - Advanced to General File. LB401 - Held in committee. LB663 - Advanced to General File.		
Ch sim and an	Committee Clark	
Chairperson	Committee Clerk	