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Transcriber's Office

Transportation and Telecommunications Committee  
February 04, 2008

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[LB841 LB911 LB1087]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Monday, February 4, 2008, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB1087, LB841, LB911, and gubernatorial appointments. Senators present: Deb Fischer, Chairperson; Arnie Stuthman, Vice Chairperson; Ray Aguilar; Carol Hudkins; Scott Lautenbaugh; LeRoy Loudon; Dwite Pedersen; and DiAnna Schimek. Senators absent: None. []

SENATOR FISCHER: Good afternoon. I would like to welcome you to the Transportation and Telecommunications Committee hearings and I would like to introduce the members of the committee. On my far right is Senator Dwite Pedersen from Elkhorn; next is Senator DiAnna Schimek from Lincoln; next is Senator Arnie Stuthman, he is the Vice Chair of the committee and he is from Platte Center; next we have Senator Ray Aguilar from Grand Island; to my immediate right is our committee counsel, Mr. Dustin Vaughan; I am Senator Deb Fischer from Valentine, I am Chair of the committee; to my immediate left is Mrs. Pauline Bulgrin, she is the committee clerk; next we have Senator Scott Lautenbaugh who is from Omaha; Senator Carol Hudkins from Malcolm; and last but not least, we have Senator LeRoy Loudon from Ellsworth. Our pages today are Matt Pederson from North Platte and Rhianna Needham from Bellevue and they are out working, they will be here. We will be hearing the bills in the order that they are listed on the agenda. 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. A computerized transcription program is being used, so it is very important that you follow the directions on that sign-in sheet and you will need to hand that sheet to our committee clerk before you testify, please. For the record, at the beginning of your testimony please spell your last name and also your first name if it can be spelled several different ways. Please keep your testimony concise and try not to repeat what someone else has covered. I don't think we'll have a large number of people testifying on the bills, but we do have a large number here for confirmation hearings, so I welcome you today. If you do not want to testify on a bill but you want to voice your support or opposition to it, you can indicate so at the on-deck table on the sheet provided. This will be part of the official record of the hearing. If you want to be listed on the committee statement as a testifier at the hearing, you must complete the yellow sign-in sheet and actually come forward to testify, even if you just state your name and position on the bill. If you do not choose to testify, you may submit comments in writing and have them read into the official record. If you need anything, please signal when you're up here to testify, we will be happy to provide you with water or anything else you would need. At this time, I would ask that you would turn off all of your cell phones. In this committee, we do not allow cell phones to be on or any text messaging to go on. With that, I will open up our confirmation hearings and the first board we have is the Motor Vehicle Industry Licensing Board and Sid Dillon is the first

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person that we would like to hear from, so please come forward. If you want to bring your yellow sheet up here. Good afternoon and welcome. []

SID DILLON: Thank you. [CONFIRMATION]

SENATOR FISCHER: If you would like, Mr. Dillon, you can just give us a short briefing of your background and why you would like to be on this board. [CONFIRMATION]

SID DILLON: Okay. [CONFIRMATION]

SENATOR FISCHER: Okay. [CONFIRMATION]

SID DILLON: (Exhibit 1) I have been in the car business in Nebraska for the last 25 years and have locations in different cities in eastern Nebraska. And I have been on the board for the last four years and so this would be my second term and the reason I'm on the board is that Bill Jackson asked me. I thought it would be a good idea to do whatever he says. (Laughter) [CONFIRMATION]

SENATOR FISCHER: So that's why. [CONFIRMATION]

SID DILLON: Yeah. [CONFIRMATION]

SENATOR FISCHER: Well, thank you. [CONFIRMATION]

SID DILLON: Thank you. [CONFIRMATION]

SENATOR FISCHER: Any questions for Mr. Dillon? [CONFIRMATION]

SID DILLON: Okay. [CONFIRMATION]

SENATOR FISCHER: Senator Stuthman. [CONFIRMATION]

SENATOR STUTHMAN: Thank you, Senator Fischer. First of all, Mr. Dillon, thank you for attending this one this afternoon and I also want to thank you for serving the last four years. What do you feel you can do to help that board the next four years? Have you learned a lot the first four years about the functions of it? [CONFIRMATION]

SID DILLON: You know, I have. I've learned a lot about the functions of the board and also the laws in the state for dealers. And I think in the future I can just help to make sure we're following the laws, that dealers in Nebraska are continue to follow some sort of uniformity and keep on track. [CONFIRMATION]

SENATOR STUTHMAN: Okay, thank you. [CONFIRMATION]

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SID DILLON: Yeah. [CONFIRMATION]

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

SENATOR SCHIMEK: Thank you, Madam Chair. Just a comment. First of all, I'd like to echo what Senator Stuthman said and thank you for being here and thank you for serving. I just wanted to make a note of it, over the years I think we've gotten a little lax sometimes in our appointment confirmation hearings, and so last year we did a study to make some recommendations back to the Legislature and we said that we thought that whenever possible, somebody who is being appointed should be here unless they have a really good reason. I realize you're a reappointment and we would be more flexible in that case, but I think it's really good that you are here, it shows an interest at least in what your appointment is for, and I just want to thank you. [CONFIRMATION]

SID DILLON: Okay, thanks. [CONFIRMATION]

SENATOR SCHIMEK: You're welcome. [CONFIRMATION]

SID DILLON: Thanks for having me. [CONFIRMATION]

SENATOR FISCHER: Other questions? I see none. Again, thank you for being here. [CONFIRMATION]

SID DILLON: Okay. [CONFIRMATION]

SENATOR FISCHER: I think we're fortunate in our committee that many of the folks that are up for confirmations do come to the hearings and we do appreciate that you take the time, all of you, to make the effort and take the time to come here and have a short visit with us. So thank you very much. [CONFIRMATION]

SID DILLON: Okay, thank you very much. [CONFIRMATION]

SENATOR FISCHER: The next nominee is Douglas Rolfsmeier. Good afternoon. [CONFIRMATION]

DOUGLAS ROLFSMEIER: Good afternoon. [CONFIRMATION]

SENATOR FISCHER: If you would like to just tell us a little bit about yourself and also why you want to be on this board. [CONFIRMATION]

DOUGLAS ROLFSMEIER: (Exhibit 2) Okay. I've been in the business about 30 years, I'm a little older than Sid, I'm a third generation new car dealer. And to echo what Sid

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said, I'm a reappointment and have learned a lot being on the board in the past and like he said, when Jackson says to do it, we do it. (Laughs) [CONFIRMATION]

SENATOR FISCHER: That guy must have a lot of power. [CONFIRMATION]

DOUGLAS ROLFSMEIER: He does. [CONFIRMATION]

SENATOR FISCHER: Okay, thank you. Any questions? Senator Hudkins.  
[CONFIRMATION]

SENATOR HUDKINS: Mr. Rolfsmeier, thank you for being here today. My family has bought a car or two from you and we've been very pleased, but can you tell me what you discovered or that you learned in your first term that was maybe a little bit surprising? [CONFIRMATION]

DOUGLAS ROLFSMEIER: Maybe some of the issues that come before the board. The things that we deal with are not just with the new car business but in the motorcycles and trailers and different industries, learned a lot about what they deal with and what they do on a day to day basis as well as what the car dealers do. [CONFIRMATION]

SENATOR HUDKINS: Thank you. [CONFIRMATION]

DOUGLAS ROLFSMEIER: Um-hum. [CONFIRMATION]

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

DOUGLAS ROLFSMEIER: Thank you. [CONFIRMATION]

SENATOR FISCHER: And the next nominee is Fred Stone. [CONFIRMATION]

SENATOR SCHIMEK: For whom we're saving all of our questions. [CONFIRMATION]

SENATOR FISCHER: That could be. (Laughter) [CONFIRMATION]

FRED STONE: Thank you, Senators. [CONFIRMATION]

SENATOR FISCHER: Good afternoon. [CONFIRMATION]

FRED STONE: Good afternoon. My name is Fred Stone, F-r-e-d S-t-o-n-e.  
[CONFIRMATION]

SENATOR FISCHER: Now, see, you've listened to my instructions. [CONFIRMATION]

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FRED STONE: Yes, I did. [CONFIRMATION]

SENATOR FISCHER: I appreciate that. [CONFIRMATION]

FRED STONE: You're welcome. [CONFIRMATION]

SENATOR FISCHER: The other two, we'll talk about you in exec session. (Laughter)  
[CONFIRMATION]

FRED STONE: And I'm... [CONFIRMATION]

SENATOR FISCHER: Could you tell us a little bit about yourself? [CONFIRMATION]

FRED STONE: (Exhibit 3) Sure. I'm here as a member representing the public on the committee, on the Motor Vehicle Licensing Board. Lived in Lincoln, Nebraska since 1976; currently I sell computer software for a company out of Wisconsin, frankly, and the sales office is in Florida. So, I don't mind working out of my house. I think one of the important things is is you have enough time to spend to do the work that you've been asked to do and secondly, I just think it's important to be able to give back to the society and to the government that you're involved in. And this is a small way that I'd like to be able to do that. [CONFIRMATION]

SENATOR FISCHER: Thank you, thank you very much. [CONFIRMATION]

FRED STONE: Um-hum. [CONFIRMATION]

SENATOR FISCHER: Any questions? Senator Pedersen. [CONFIRMATION]

SENATOR PEDERSEN: You've got to be kidding. (Laughter) [CONFIRMATION]

FRED STONE: Thank you for your support. (Laughter) [CONFIRMATION]

SENATOR PEDERSEN: I'd be with you all the way, Fred. You bet. [CONFIRMATION]

FRED STONE: Thank you. [CONFIRMATION]

SENATOR PEDERSEN: It's good to see you. [CONFIRMATION]

FRED STONE: Good to see you. [CONFIRMATION]

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

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FRED STONE: Thank you. Um-hum. [CONFIRMATION]

SENATOR FISCHER: Is there anyone who wishes to come forward in support of any of these three nominees? Anyone in support? Anyone in opposition to the three nominees? Anyone in a neutral capacity? With that, I would like to thank all three of you gentlemen for being here today and we will move on to our next board, then. Thank you. And the next board is the Public Roads Classifications and Standards Board and the first nominee is James Bauer. Good afternoon. [CONFIRMATION]

JAMES BAUER: (Exhibit 4) Good afternoon. My name is James Bauer, B-a-u-e-r, and I'm from the city of Beatrice, and I believe that this is my fifth reappointment. For those of you who may remember, Governor Kay Orr was the first governor that had appointed me to this board and I would like to serve as long as I possibly can, one more term if at all possible. I've been chairman of the board for many years except for the last three or four years when I asked somebody else to serve in that capacity. And I have enjoyed the board and I've enjoyed the process procedure, what we do, and so it's been an enlightening thing to me, it's an honor to be asked by the Governor and to be ratified by the Legislature for the appointment. [CONFIRMATION]

SENATOR FISCHER: Thank you, Mr. Bauer. You said you'd like to serve at least one more term. Do... [CONFIRMATION]

JAMES BAUER: I'd like to retire. [CONFIRMATION]

SENATOR FISCHER: (Laughs) You'd like to retire after possibly this term? [CONFIRMATION]

JAMES BAUER: Yes. [CONFIRMATION]

SENATOR FISCHER: Why do you want to serve another term? Are there some changes you would like to see happen? [CONFIRMATION]

JAMES BAUER: Well, I just sort of...well, we're going through a process procedure right now on some of the design specifications on the roads. We do have, I believe, that hearing coming up, I believe, in the next 30 days or so. I would like to see those things. I do feel that, say, with my past experience to provide some input to that and would like to see that accomplished. [CONFIRMATION]

SENATOR FISCHER: Thank you. Other questions? Senator Hudkins. [CONFIRMATION]

SENATOR HUDKINS: Mr. Bauer, thank you for being here. Since you've been on the

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board for some time, you know what the Board of Public Roads Classifications and Standards does. Tell us what you do. [CONFIRMATION]

JAMES BAUER: Basically in a nutshell, this board is the one that sets the design standards for all the roads in all municipalities, all the counties, in the state of Nebraska. We do have a book that sets out what the minimum standards are and now all the communities must adhere to those specifications. If not, there is a waiver program that they can come to this board and ask for a waiver for a particular reason to not adhere to those minimum specs. [CONFIRMATION]

SENATOR HUDKINS: Who puts together those standards? [CONFIRMATION]

JAMES BAUER: Basically the Board of Classifications and Standards does. It's usually...the basic of those is what we call ASHTO, it is the national standard for roads, and then the state then has adopted those plus some additional standards to be included along with the ASHTO standards of the basics of that. [CONFIRMATION]

SENATOR HUDKINS: Do the... [CONFIRMATION]

JAMES BAUER: The Department of Roads primarily does that. [CONFIRMATION]

SENATOR HUDKINS: Do the members of your board then need to be engineers? [CONFIRMATION]

JAMES BAUER: Absolutely not, no. I think you need to be probably those type of people who are very reasonable, that can see both sides of the issue and then make a decision, much like what you folks have to do. [CONFIRMATION]

SENATOR HUDKINS: Thank you. [CONFIRMATION]

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

SENATOR LOUDEN: Yes, thank you for being here, Mr. Bauer. Are you familiar with...while I'm introducing LB1068 and that would be to require a new classifications for rural roads and that is out there in western Nebraska. In some of those places we have some...what we called oil strips... [CONFIRMATION]

JAMES BAUER: Yes. [CONFIRMATION]

SENATOR LOUDEN: And of course they're deteriorating badly. [CONFIRMATION]

JAMES BAUER: Um-hum. [CONFIRMATION]

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SENATOR LOUDEN: And they're wanting to haul...put gravel in them and rock in the place of them and I guess in order to do that, you got to have a 26-foot wide shoulder in order to do that. [CONFIRMATION]

JAMES BAUER: That's correct. [CONFIRMATION]

SENATOR LOUDEN: Anyway, I'm introducing some legislation that would address that so they didn't have to have it quite so wide. What's your opinion of something like that having another classification, a ninth one in there? [CONFIRMATION]

JAMES BAUER: Well, right now whatever that width is, if in the event there is a particular reason why you can't build to that width, you can come back to our board and ask for a waiver. And I think as reasonable people, you know, we're the ones that can grant that waiver to, say, for some particular reason why it needs to be, say, changed. I would hate to see that narrowed. I don't have any problem with what you're saying, but we look at the roads from a safety perspective that, is this going to provide the greatest amount of safety that we can for the area? We look at, say, some of the traffic patterns, we look at some of the safety issues and whatever, and if there is a particular segment that, say, can be narrower for some particular reason or needs to be, I think we're reasonable people, we would grant that waiver. [CONFIRMATION]

SENATOR LOUDEN: Are you... [CONFIRMATION]

JAMES BAUER: To do it as a blanket wide, I think we get into some problems. [CONFIRMATION]

SENATOR LOUDEN: Are you prepared to waiver about 75 miles of that kind of road? [CONFIRMATION]

JAMES BAUER: Sure. If there's a reason to do so. [CONFIRMATION]

SENATOR LOUDEN: Okay, because... [CONFIRMATION]

JAMES BAUER: If it's got to be a good, solid reason. [CONFIRMATION]

SENATOR LOUDEN: I know it and that's the problem in, but what we're up against that if it isn't done different, it won't happen, there won't be a road there anymore. [CONFIRMATION]

JAMES BAUER: Well, and I think that's some of the trade-off that we need to be made aware of in the granting of a waiver. Now, sometimes just because we can't afford it is not a reason in my estimation, because I think we have to look out for the safety of the general public. [CONFIRMATION]

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SENATOR LOUDEN: Usually in those areas, a lot of those roads aren't even fenced out through pastures. [CONFIRMATION]

JAMES BAUER: That's correct. [CONFIRMATION]

SENATOR LOUDEN: So consequently, it doesn't make much sense to put a 26-foot shoulder in there when the cattle are... [CONFIRMATION]

JAMES BAUER: I think a lot of that would also have to do with the amount of the traffic flow, what kind of type of average traffic is there on a daily basis. [CONFIRMATION]

SENATOR LOUDEN: Um-hum. Well, most of them...and that's what that was, they were going to have a...I think to serve no more than seven residences... [CONFIRMATION]

JAMES BAUER: Um-hum. [CONFIRMATION]

SENATOR LOUDEN: ...over a segment in the remote areas of the counties. I just wondered; that will be coming up because it is quite, it's an issue that's come up in the western part of Nebraska in the Sandhills because those oil strips were put in 30, 40 years ago, whenever. [CONFIRMATION]

JAMES BAUER: Yeah. [CONFIRMATION]

SENATOR LOUDEN: Of course, now the price of oil is prohibitive and they... [CONFIRMATION]

JAMES BAUER: Right, and the base on those two does not lend itself to some of that type of construction, either. [CONFIRMATION]

SENATOR LOUDEN: And usually if they can gravel over the top of that basis there... [CONFIRMATION]

JAMES BAUER: We would love to have you come to our board and ask for a waiver. [CONFIRMATION]

SENATOR LOUDEN: I will probably send the county commissioners. But yeah, if you're reappointed, I would like to come and ask for the waiver and then I'd have to think about that the next time we're appointing board members. [CONFIRMATION]

JAMES BAUER: There you are. (Laughs) [CONFIRMATION]

SENATOR LOUDEN: Thank you. [CONFIRMATION]

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SENATOR FISCHER: Oh dear, thank you, Senator Louden. Any other questions?  
Senator Schimek. [CONFIRMATION]

SENATOR SCHIMEK: Yes, thank you, Madam Chair. I was just leafing through some of these appointments for this particular board and I think some of them are reappointments. But I haven't found any yet that have a financial statement of interest attached to it. Do you not have to fill that out for this position? [CONFIRMATION]

JAMES BAUER: No, I don't think we have to. I never have. [CONFIRMATION]

SENATOR SCHIMEK: Because I know for the other, the Motor Vehicle...  
[CONFIRMATION]

JAMES BAUER: Most of us who work for cities don't have any money anyway. (Laughs)  
[CONFIRMATION]

SENATOR SCHIMEK: No, no, your own personal financial interest. [CONFIRMATION]

JAMES BAUER: I understand, I understand. [CONFIRMATION]

SENATOR SCHIMEK: Okay, thank you. [CONFIRMATION]

JAMES BAUER: No, I don't think we do. [CONFIRMATION]

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

JAMES BAUER: Thank you, Senator. [CONFIRMATION]

SENATOR FISCHER: Is there anyone who would like to step forward in support of Mr. Bauer's nomination? Anyone opposed? Anyone in the neutral capacity? I see none. We will move on then to Mr. Roger Figard. [CONFIRMATION]

ROGER FIGARD: Thank you. [CONFIRMATION]

SENATOR FISCHER: Good afternoon. [CONFIRMATION]

ROGER FIGARD: (Exhibit 5) Good afternoon. Roger Figard, F-i-g-a-r-d, R-o-g-e-r. My proposed confirmation would be to serve in the capacity of the representative for municipalities over 50,000. I'm a lifelong Nebraskan, I grew up in the Sandhills of Nebraska. I am currently the city engineer for the city of Lincoln, Nebraska, have been in that capacity for approximately 17 years. I also serve as the executive director of the

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Railroad Transportation Safety District for Lincoln/Lancaster County, which is also very involved in safety and standards. I'm a licensed street superintendent through the Nebraska Department of Roads and I was recently just appointed to the National Committee for Uniform Traffic Control Devices to serve in that capacity. And the only reason I really bring that up is one of the things that I think it most important in serving on this board is the uniformity and the consistency in standards for safety, driver expectation, across...not in just one locality, but also the state and across the nation and all those tied together. This would be my first opportunity to serve in this capacity, I welcome that opportunity, I do not take the responsibility of that lightly in that capacity, so. I would answer any questions. [CONFIRMATION]

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

SENATOR SCHIMEK: Yes, thank you, Madam Chair, and welcome, Roger. It's nice to see you. You have a fantastic resume here, but like the other gentleman, I don't see a financial interest statement attached and you've never been asked to fill one out either?  
[CONFIRMATION]

ROGER FIGARD: No, I haven't. My assumption is in serving it's my professional capacity as a city engineer of Lincoln that is being served on the board and as such I would like to think there wouldn't be any conflict of interest in serving on that board such that standards would be changed that would financially benefit myself. If that were a requirement, I would have no problem in filling that out, but I was not aware that it was a requirement. [CONFIRMATION]

SENATOR SCHIMEK: Well, your explanation does make sense to me and I'm not suggesting that you need to fill one out. I was just curious because the Motor Vehicle Industry Licensing Board, of course, has to fill them out, but that's...you're different, I see what you're saying. [CONFIRMATION]

ROGER FIGARD: Yes. [CONFIRMATION]

SENATOR SCHIMEK: Also, one of your references is the chief of staff to the Governor. I want to know how you ever got a recommendation out of Larry Bare. (Laughter)  
[CONFIRMATION]

ROGER FIGARD: Larry is a great guy to work with and for and I got to know Larry very well when he was chief of staff at the city of Lincoln when Mike Johanns was the mayor and he's a very no-nonsense guy and he likes to get things done, looks for solutions.  
[CONFIRMATION]

SENATOR SCHIMEK: It was a real and rhetorical question and kind of a joke.

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(Laughter) But thank you anyway for your explanation. [CONFIRMATION]

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

SENATOR LOUDEN: Yeah, I'll...since you're from Thedford and you're working for the city of Lincoln, as I understand it, what is your opinion on having another road classification for some of those Sandhill trails out there? [CONFIRMATION]

ROGER FIGARD: I think there's an opportunity to review that need and that use and I think that's one of the things that's perhaps important about the board is to set as a whole group and evaluate the impacts of perhaps a new standard. I think it's also incumbent on the board in considering a new standard is to be able to advise a liability that perhaps would be laid back on the operating entity, whether that be the county, the city, or the state in improving that standard, and I think... [CONFIRMATION]

SENATOR LOUDEN: I think what is...the way they've written the bill, it's a population density of five people or less per square mile...in counties with five people or less per square mile. [CONFIRMATION]

ROGER FIGARD: And I'm familiar with your bill and I'm sure, you know, that just as my predecessor said, I think folks on the board have a lot of common sense and try to apply that and apply that in a way so that you don't put someone at risk from a safety standpoint. But low-volume roads, I think there is at least a reason to consider that. [CONFIRMATION]

SENATOR LOUDEN: Thank you. [CONFIRMATION]

SENATOR FISCHER: Other questions? Senator Pedersen. [CONFIRMATION]

SENATOR PEDERSEN: I would like to ask how you're related to this little lady you were sitting beside here today. [CONFIRMATION]

ROGER FIGARD: At the risk of ruining her reputation, she is my sister. [CONFIRMATION]

SENATOR PEDERSEN: If you serve us as well on the committee as she serves us in the Legislature, you're worth your salt. [CONFIRMATION]

ROGER FIGARD: I could only hope to do as well as she has done over her years of service. [CONFIRMATION]

SENATOR PEDERSEN: She does us a wonderful job. [CONFIRMATION]

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ROGER FIGARD: Thank you. [CONFIRMATION]

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

SENATOR LOUDEN: Well, I...one. How come you didn't put Vicki as a reference?  
[CONFIRMATION]

ROGER FIGARD: I didn't want to ruin her reputation over here and her work ethic.  
(Laughter) [CONFIRMATION]

SENATOR LOUDEN: Good man, good man. [CONFIRMATION]

SENATOR FISCHER: Thank you very much. Is there anyone who would like to speak in support of this nomination? Anyone in opposition? Anyone in the neutral capacity? I see none. With that, we will move on to the next nominee, Mr. Randy Peters. Good afternoon. [CONFIRMATION]

RANDY PETERS: (Exhibit 6) Good afternoon. I'm Randy Peters, P-e-t-e-r-s. This would be my first nomination to be on the Board of Public Roads. I would represent the Department of Roads. I've been an employee of the Department of Roads for 31 years, I served under your father, Chairman Fischer, and it was a good experience for me.  
[CONFIRMATION]

SENATOR FISCHER: Thank you. [CONFIRMATION]

RANDY PETERS: I have...in my capacity at the Department of Roads, I've driven on every mile of every road in this state because my first job was to photograph them in an engineering way. I have...I spent ten years in roadway design and five of those years I was on the ASHTO committee that's in charge of the policy for geometric design standards nationwide. Following that ten years in design, I was the state traffic engineer for ten years and worked with many of you in that capacity. And last July, I was named to be the planning and project development engineer for the Department of Roads.  
[CONFIRMATION]

SENATOR FISCHER: Thank you, Mr. Peters. Can you tell me where Highway 16B Spur is? [CONFIRMATION]

RANDY PETERS: It's in Cherry County. [CONFIRMATION]

SENATOR FISCHER: There you go. (Laughter) Can you be more specific?  
[CONFIRMATION]

RANDY PETERS: Well...is that the Forest Service? [CONFIRMATION]

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SENATOR FISCHER: No. [CONFIRMATION]

RANDY PETERS: 16B. No, I'm sorry. [CONFIRMATION]

SENATOR FISCHER: That's okay, we'll talk. (Laughter) [CONFIRMATION]

RANDY PETERS: Okay. [CONFIRMATION]

SENATOR FISCHER: Any questions? Thank you for your service to the state through the Department of Roads and I appreciate you being willing to serve on this committee. Thank you. [CONFIRMATION]

RANDY PETERS: Thank you very much. [CONFIRMATION]

SENATOR FISCHER: Anyone who would like to speak in support of this nomination? You have to vacate the chair. Anyone in opposition? Anyone in the neutral capacity? I see none. Our next nominee is Richard Pierce and I believe Mr. Pierce could not be here today, so Senator Wightman, would you like to come forward? I see you're on the agenda here for Mr. Pierce. You don't need to fill one of those out. Pauline knows who you are and where to find you. [CONFIRMATION]

SENATOR WIGHTMAN: Okay, good. [CONFIRMATION]

SENATOR FISCHER: Good afternoon. [CONFIRMATION]

SENATOR WIGHTMAN: (Exhibit 7) Good afternoon, Chairperson Fischer, members of the committee. I appear this afternoon on behalf of Richard Pierce for his appointment to the Board of Public Roads Classifications and Standards. I've known Dick Pierce...I'm John Wightman, representing District number 36. Richard Pierce is a county commissioner currently in Buffalo County and a resident of District 36. I've known Richard Pierce, I guess, Dick Pierce, for probably 40-some years, known his family. Dick has been on the Buffalo County Board of Supervisors for the past 11 years and is currently serving as chairman of the board of commissioners in Buffalo County and he's held that position for four years. He has served in various capacities on the county board, among them past member and chairman of the Highway Committee. He has served on the Cherry Avenue By-Pass Task Force since its inception. This task force was charged with the job of lobbying the State Highway Commission and State Department of Roads to get Kearney a second interstate overpass and exit. Their efforts have been successful and they are waiting for funding sources to come through. Mr. Pierce has served on the State Board of Roads Classifications and Standards for the past year, finishing the term left vacant by Tim Schram. His experiences have served him well in this capacity and he has been an asset to this board. Accordingly, we

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would ask for your consideration of Mr. Pierce's reappointment to the Board of Roads Classifications and Standards. I might say that I probably got to know Dick Pierce better, he was my opponent for the District 36 seat, but I have known Dick and his family, I've represented him as an attorney for many years, so I do know the family well, it was about as cordial as you will get on a campaign, so. There were certainly no bitter feelings left in that capacity, so again, I would urge your reappointment and would try to answer any questions if you have any. [CONFIRMATION]

SENATOR FISCHER: Thank you, Senator Wightman. Are there questions? Senator Aguilar. [CONFIRMATION]

SENATOR AGUILAR: Thank you, Chairman. So he's the second-best representative in your district? [CONFIRMATION]

SENATOR WIGHTMAN: Well, I think so. (Laughter) [CONFIRMATION]

SENATOR AGUILAR: Okay. [CONFIRMATION]

SENATOR WIGHTMAN: Now, maybe the best one wasn't even running. (Laughter) We don't know that, Senator. [CONFIRMATION]

SENATOR FISCHER: Mr. Pierce was before this committee a year ago when he was appointed to fill out Mr. Schram's term, so we did have a chance at that time to meet him and visit with him. But appreciate you coming forward today to speak on his behalf, so thank you very much. [CONFIRMATION]

SENATOR WIGHTMAN: Thank you. [CONFIRMATION]

SENATOR FISCHER: (Exhibit 8) Anyone wishing to speak in support of this nomination? I do have a letter from the Nebraska Association of County Officials signed by Larry Dix, the executive director, in support of Mr. Pierce's nomination to the Board of Public Roads and Classifications and Standards. Anyone else wishing to come forward in support? Anyone in opposition? Anyone in a neutral capacity? I see none. We will move on to the next appointee, Richard Ruby. Good afternoon. [CONFIRMATION]

RICHARD RUBY: (Exhibit 9) Good afternoon. And my name is Richard Ruby, R-u-b-y, and if you see fit, why, this will be my third term on the Board of Classifications and Standards. Currently, I'm the District 1 engineer for the Department of Roads here in Lincoln and my career with the Department of Roads spans the last 45 years, which five were in construction in McCook, and 20 were in railroad design, and 20 here in Lincoln at District 1. [CONFIRMATION]

SENATOR FISCHER: Thank you. Do you know where 16B Spur is located in the state?

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[CONFIRMATION]

RICHARD RUBY: Only because Randy tried to show me on a map. [CONFIRMATION]

SENATOR FISCHER: Oh, now, you guys. (Laughs) Any questions for Mr. Ruby?  
Senator Hudkins. [CONFIRMATION]

SENATOR HUDKINS: Thank you. Mr. Ruby, you're familiar with the Highway 34  
Northwest 27th overpass off-ramp on-ramp by Kawasaki? [CONFIRMATION]

RICHARD RUBY: Yes, I am. [CONFIRMATION]

SENATOR HUDKINS: Were you in favor of that...I don't know what the word I want  
is...were you in favor of the end result of that before there was an end result? Did you  
want to do it that way or would there have been a better way? [CONFIRMATION]

RICHARD RUBY: Are you referring to the construction of the interchange there by  
Kawasaki? [CONFIRMATION]

SENATOR HUDKINS: Yes, the on-ramp, the off-ramp, the widening of the road under  
the overpass? And tell the truth. (Laughter) [CONFIRMATION]

SENATOR FISCHER: You're not under oath here. (Laughter) [CONFIRMATION]

RICHARD RUBY: Well, from an engineering point of view, there could have been some  
things that in my estimation could be better than they are. It functions for what it was  
wanted for. And I was not privy to all of the reasons why that happened so quickly, so I  
don't know that I know all of the...everything that went on. But some things could be a  
little bit different if you had the room and the finances to be able to design and construct  
it that way. [CONFIRMATION]

SENATOR HUDKINS: Yeah, thank you. [CONFIRMATION]

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

SENATOR SCHIMEK: Thank you, Madam Chair. Mr. Ruby, are you related to Jim  
Ruby? [CONFIRMATION]

RICHARD RUBY: No, I'm not. [CONFIRMATION]

SENATOR SCHIMEK: Oh, okay. I just...something in the way that Senator Hudkins  
questioned you. Her staffer is named Jim Ruby and I thought, well, maybe there's a  
connection there. [CONFIRMATION]

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SENATOR HUDKINS: No, Mr. Ruby and I have had dealings over the years. (Laughter)  
[CONFIRMATION]

SENATOR SCHIMEK: Oh, okay. (Laughs) Thank you. [CONFIRMATION]

SENATOR FISCHER: Thanks Mr. Ruby. Any other questions? I see none. Thank you very much. [CONFIRMATION]

RICHARD RUBY: Thank you. [CONFIRMATION]

SENATOR FISCHER: And I would like to thank you also for your service to the state for these many years. Anyone who wishes to come forward in support of this nomination? Anyone in opposition? Anyone in a neutral capacity? I see none. With that, we will move on to Darold Tagge. Good afternoon. [CONFIRMATION]

DAROLD TAGGE: Good afternoon. How are you? [CONFIRMATION]

SENATOR FISCHER: Good. [CONFIRMATION]

DAROLD TAGGE: (Exhibit 10) I'm Darold Tagge, I represent the 3rd District, was appointed back when Johanns took office. I have an engineering firm out of Holdrege, Nebraska, which we represent about five counties and 35 small towns. We also have an interest up in the Valentine Niobrara Valley Consultants company and Rockwell and Associates out of Grand Island. So I've been in business for the past 35 years out of Holdrege and being in this ward has been a challenge, but it's really been something that I felt like I could support and also be an asset to with the area that I'm...business that I'm in, so. I hope that can continue. I like the board we're working with and I think that I can contribute to it. And I hope that anybody in the 3rd District feels free enough that if they ever need to, I don't hardly get any calls, but if I were I'd be glad to accept them. [CONFIRMATION]

SENATOR FISCHER: Thank you, Mr. Tagge. [CONFIRMATION]

DAROLD TAGGE: And I don't know where Spur 16 is at either. (Laughs) Sorry about that. [CONFIRMATION]

SENATOR FISCHER: That's okay. [CONFIRMATION]

DAROLD TAGGE: Okay. [CONFIRMATION]

SENATOR FISCHER: I have to give the Department of Roads guys a hard time...  
[CONFIRMATION]

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DAROLD TAGGE: Yeah. [CONFIRMATION]

SENATOR FISCHER: ...when they say they know every road in the state.  
[CONFIRMATION]

DAROLD TAGGE: Thank you. [CONFIRMATION]

SENATOR FISCHER: Any questions for Mr. Tagge? I would like to ask, you want to be reappointed to the board...is there anything that you would like to change on how the board works or possibly change some of the definitions that you've been using in the past or just... [CONFIRMATION]

DAROLD TAGGE: Well... [CONFIRMATION]

SENATOR FISCHER: ...just continue on with the process like you have been?  
[CONFIRMATION]

DAROLD TAGGE: No, I think there's always kinds of things that you would like to change because not all the rules and regulations can be applied to western Nebraska, but you have to hit a happy median so that it works for everybody. And I realize that it's...even though we can say that we're the ones that are setting the rules and standards and stuff, we have to follow an awful lot of guidelines. And one of the big things, I think, probably is safety is that you're trying to protect out there.  
[CONFIRMATION]

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

SENATOR LOUDEN: Yeah, how many people are on this board? [CONFIRMATION]

DAROLD TAGGE: I think there's 13, isn't there? [CONFIRMATION]

\_\_\_\_\_: Eleven. [CONFIRMATION]

DAROLD TAGGE: Eleven. I knew it was an odd number. [CONFIRMATION]

SENATOR LOUDEN: Okay. There's...let's see...and there's eight of you being reappointed this time? [CONFIRMATION]

DAROLD TAGGE: Yeah, that's true, it just happened that way, I believe.  
[CONFIRMATION]

SENATOR LOUDEN: There wasn't very many left, then, this last time, then, I guess.

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[CONFIRMATION]

DAROLD TAGGE: No, no, there...yeah. [CONFIRMATION]

SENATOR LOUDEN: What do you think about where we're going to have to do something about some of these rural roads? Do we need another standard in there to help guide this thing or will they be willing to waiver? I think one of the members testified that he'd be willing to waiver, you know. If a county had to have 75 miles or more road waived, they'd be willing to do that, but would that be kind of a timely process?  
[CONFIRMATION]

DAROLD TAGGE: Well, those who live in the rural areas, I think, have to admit that the population growth is decreasing continually and when you're talking about the Sandhill areas, I think there's no question that you can't spend the money out there. It's not that you can't, but is it better spent where you really need the major highways and stuff? So that's one issue. The other issue Mr. Bauer talked about is...and I think that's the best way to approach that is at this stage, unless that gets changed, is for them to come in and ask for a waiver and that we can take a look at each situation separately because not all applications work in the same way. [CONFIRMATION]

SENATOR LOUDEN: How long does it take you to work on an application? How long would it take...you if somebody brought, a county brought an application in for, oh, five or six miles in an area, how long would it take you to come up with a plan?  
[CONFIRMATION]

DAROLD TAGGE: I think you're probably looking...we meet once month and I think it...obviously we would have the Department of Roads look, the all the other agencies look into it. But I would guess that you'd probably have some answer at least within a two- to three-month period. [CONFIRMATION]

SENATOR LOUDEN: Could your group come up with a different classification for those rural areas if they were asked to do something? [CONFIRMATION]

SENATOR FISCHER: So you can see, Mr. Tagge, Senator Louden is lobbying for his bill... [CONFIRMATION]

DAROLD TAGGE: Oh. [CONFIRMATION]

SENATOR FISCHER: ...that he plans to have a hearing on shortly. [CONFIRMATION]

SENATOR LOUDEN: Well, I'm lobbying for Sheridan and the western end of Cherry County because that's where...it's counties that have to pay for those roads out there. This isn't state-funded roads out there, and that's the reason I'm...and we have like

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some of those counties are right up to their maximum levies. So we're going to have to find alternate ways of building roads out there because you got to have roads or else you won't have nothing. [CONFIRMATION]

DAROLD TAGGE: Well, the big item is safety, obviously. [CONFIRMATION]

SENATOR LOUDEN: I mean, a gravel... [CONFIRMATION]

DAROLD TAGGE: Yeah. [CONFIRMATION]

SENATOR LOUDEN: ...a gravel road on a 20-foot base would be a lot safer than a 10- or 11-foot oil strip that's full of kangaroo rat runs, wouldn't it, is what I'm wondering. That's usually what's happened to a lot of those roads. Or have you ever driven on those roads out there? [CONFIRMATION]

DAROLD TAGGE: Oh, I've been on those roads. (Laughs) [CONFIRMATION]

SENATOR LOUDEN: Okay, then you know what I'm talking about. [CONFIRMATION]

DAROLD TAGGE: Yeah, yeah, I know what you're talking about and I can understand your motive. [CONFIRMATION]

SENATOR LOUDEN: Okay, thank you. [CONFIRMATION]

DAROLD TAGGE: You bet. [CONFIRMATION]

SENATOR FISCHER: Other questions? I see none. Thank you, Mr. Tagge, for coming today. [CONFIRMATION]

DAROLD TAGGE: Thank you. [CONFIRMATION]

SENATOR FISCHER: I do appreciate that you made the trip from Holdrege, thank you. [CONFIRMATION]

DAROLD TAGGE: Well, I thought the roads were going to be icy, but they weren't. [CONFIRMATION]

SENATOR FISCHER: They were okay, good. Anyone wishing to speak in support of this nomination? Anyone in opposition? Anyone in the neutral capacity? I see none. With that, we will move on to Mr. Henry...is it Tieman (phonetic)? Teeman (phonetic)? Teeman. Good afternoon. [CONFIRMATION]

HENRY THIEMAN: (Exhibit 11) Good afternoon. I'm Henry Hank Thieman...

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[CONFIRMATION]

SENATOR FISCHER: Thieman. [CONFIRMATION]

HENRY THIEMAN: ...spelled T-h-i-e-m-a-n. I'm from Petersburg, Nebraska, in northeast Nebraska and Boone County is our county seat. I'm a county commissioner up there, I'm in my 30th year as a county commissioner. And I'm not positive, I think this is my third time that I've...trying to get reappointed, maybe fourth. I'm not sure, time gets away. But I've enjoyed serving on the board, I think we have a lot of responsibilities serving on that board, and I would ask for your reappointment. I also want you to know that we as board members are divided up in different classifications on that board. Some of us...my role is to serve with the small counties in Nebraska. We have engineers from the state of Nebraska serve on, we have people that serve the small villages and the big cities and so. I represent the small counties is my representation on the board and I've enjoyed doing so. We did have a representative from Valentine on that board, I can't remember what her name was, a lady. [CONFIRMATION]

SENATOR FISCHER: Lila Churchill. [CONFIRMATION]

HENRY THIEMAN: Yes, yeah, Lila. [CONFIRMATION]

SENATOR FISCHER: Um-hum. [CONFIRMATION]

HENRY THIEMAN: And I took her place. So I've enjoyed serving the board, so I ask for your consideration, okay. [CONFIRMATION]

SENATOR FISCHER: Thank you, Mr. Thieman. [CONFIRMATION]

HENRY THIEMAN: Um-hum. You bet. [CONFIRMATION]

SENATOR FISCHER: Any questions? Senator Schimek. [CONFIRMATION]

SENATOR SCHIMEK: Thank you, Madam Chair. Hank, it's nice to see you again. [CONFIRMATION]

HENRY THIEMAN: Yeah, you too, Senator. [CONFIRMATION]

SENATOR SCHIMEK: Thank you for being here. You know, it's easy to tell who's going for reappointment because at the top of your application, you have to put in who your state senator is, but when you filled this out the first time, it was Jerry Schmitt, and that was a number of years ago, so. [CONFIRMATION]

HENRY THIEMAN: Okay, okay, okay. [CONFIRMATION]

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SENATOR SCHIMEK: So I don't know how many years ago you first applied, but it's been a while. So thank you. [CONFIRMATION]

HENRY THIEMAN: Okay, thank you for helping me out there. (Laughs)  
[CONFIRMATION]

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

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

HENRY THIEMAN: How you doing, Arnie? [CONFIRMATION]

SENATOR STUTHMAN: Hank, good to see you. You stated that, you know, you represent the rural small counties and stuff like that. [CONFIRMATION]

HENRY THIEMAN: Right, that's correct. [CONFIRMATION]

SENATOR STUTHMAN: Are you very influential to get some things passed as far as classifications that are meaningful for the rural areas? [CONFIRMATION]

HENRY THIEMAN: I would hope so. That's a role I play and especially when it comes to consideration of relaxation of standards that become a financial hardship on a small county, you know. I think we need to consider that. As Senator Louden had alluded to, you know, these small counties, it's up against the lid, you know, the lid limits on the levies and so forth and it's getting tougher and tougher with decrease of population there, the tax base being eroded. And so we need to take that into consideration, Senator, but at the same time, we have to consider the safety of our public out there, too. [CONFIRMATION]

SENATOR STUTHMAN: Yeah, thank you. [CONFIRMATION]

HENRY THIEMAN: You bet. Thank you. Good to see you. [CONFIRMATION]

SENATOR FISCHER: Other questions? I see none. Thank you, Mr. Thieman, for coming down today. [CONFIRMATION]

HENRY THIEMAN: Thank you, Senator. [CONFIRMATION]

SENATOR FISCHER: Appreciate it. [CONFIRMATION]

HENRY THIEMAN: Appreciate it, okay. [CONFIRMATION]

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SENATOR FISCHER: (Exhibit 12) Is there anyone wishing to come forward in support of the nomination? I do have a letter to read into the record, this is from the Nebraska Association of County Officials, signed by Larry Dix, the executive director, expressing support for Mr. Thieman to the Board of Public Roads and Classifications and Standards. Anyone in opposition to the nomination? Anyone in a neutral capacity? I see none. With that, we will move to our last confirmation hearing and that is for Edward Wootton. Am I right, Wootton? [CONFIRMATION]

EDWARD R. WOOTTON SR.: Edward Wootton. [CONFIRMATION]

SENATOR FISCHER: Wootton. Wootton? [CONFIRMATION]

EDWARD R. WOOTTON SR.: Wootton. [CONFIRMATION]

SENATOR FISCHER: Okay. Thank you. [CONFIRMATION]

EDWARD R. WOOTTON SR.: It's kind of a hard name for (inaudible).  
[CONFIRMATION]

SENATOR FISCHER: Oh, no. Once I can just hear it, I think I'll be all right. (Laughs)  
Good afternoon. [CONFIRMATION]

EDWARD R. WOOTTON, SR.: (Exhibit 13) Good afternoon. I'm Edward Wootton from Bellevue, Nebraska. I'm a lay citizen from Congressional District number 2, and I've been on the board several years and you spell my name E-d-w-a-r-d R. Wootton, W-o-o-t-t-o-n, Sr. And I reside at 804 West Mission Avenue, Bellevue, Nebraska. For the last several years, I've been retired...kind of. I presently teach motor grader courses for the Technology Transfer Center here in Lincoln. And my past has been: I've been a highway superintendent for Sarpy County, Nebraska, 15 years; when I got out of high school, I was a street superintendent in Bellevue for 12, 15 years; and I've been a construction superintendent for dirt-moving crew for many, many years. So my whole background is nothing but building roads and bridges and etcetera, that's all I know. I don't know anything else, so. That sums it up. I've been a volunteer fireman 59 years in Bellevue, so. [CONFIRMATION]

SENATOR FISCHER: Thank you, Mr. Wootton. [CONFIRMATION]

EDWARD R. WOOTTON, SR.: Thank you. [CONFIRMATION]

SENATOR FISCHER: Any questions? Is this your first appointment? [CONFIRMATION]

EDWARD R. WOOTTON, SR.: No. [CONFIRMATION]

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SENATOR FISCHER: A reappointment? [CONFIRMATION]

EDWARD R. WOOTTON, SR.: A reappointment. [CONFIRMATION]

SENATOR FISCHER: And how many years did you say you had served on this board? [CONFIRMATION]

EDWARD R. WOOTTON, SR.: I've been on since 2002. [CONFIRMATION]

SENATOR FISCHER: Okay. And what do you think is your strongest contribution as a member of this board? [CONFIRMATION]

EDWARD R. WOOTTON, SR.: Well, I think that the knowledge of the highway system in the state of Nebraska. I don't know anything else. I've been on...I've built them from the bottom up, I know how they're supposed to be built. When somebody comes in with something, we know how to handle that because like there's different, a lot of different circumstances and that's what we deal with, so. I just enjoy being on the board and hope I am a value to them. [CONFIRMATION]

SENATOR FISCHER: Thank you very much. I appreciate your service and your willingness to continue to serve. [CONFIRMATION]

EDWARD R. WOOTTON, SR.: Thank you. [CONFIRMATION]

SENATOR FISCHER: Thank you. Any other questions? Thank you for being here today. [CONFIRMATION]

EDWARD R. WOOTTON, SR.: Thank you. I appreciate it. [CONFIRMATION]

SENATOR FISCHER: Is there anyone who wishes to come forward in support of this nomination? Anyone in opposition? Anyone in the neutral capacity? I see none. With that, I would like to thank all of you for being here today, for making the trip to come down. We do appreciate that you take the time and take this process seriously, as Senator Schimek alluded to at the beginning of our hearing. We take this process seriously, so thank you all for coming down. And with that, I will close our confirmation hearings. And I would like to open the hearing on LB1087. This is Senator Dierks's bill? [CONFIRMATION]

LINDA PLUMMER: Yes. [LB1087]

SENATOR FISCHER: He is in committee? [LB1087]

LINDA PLUMMER: He's in Education Committee right now. [LB1087]

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SENATOR FISCHER: Okay. And it's a busy day in Education Committee? [LB1087]

LINDA PLUMMER: It certainly is. (Laughs) [LB1087]

SENATOR FISCHER: So thank you for being here. [LB1087]

LINDA PLUMMER: You're welcome. Ready? [LB1087]

SENATOR FISCHER: Go ahead. [LB1087]

LINDA PLUMMER: (Exhibits 1, 2, 3) Chairwoman Fischer, members of the committee, my name is Linda Plummer, that's spelled L-i-n-d-a, Plummer is P-l-u-m-m-e-r, and I am here on behalf of Senator Cap Dierks who represents District 40. Senator Dierks is introducing a bill in another committee, so I am here today to introduce LB1087. I have several handouts for the committee, including an amendment to the bill adding section 60-365, which is actually the section of law that we should be dealing with in this bill, and I'll explain that more in just a little bit. Senator Dierks was contacted by a constituent last year who said he had been stopped by a patrolman. He was issued a ticket because he did not have a copy of his certificate of title in the vehicle. He was told by the patrolman that state statute allowed him to ask for both a bill of sale and a certificate of title. Our constituent had the paperwork for the bill of sale and proof of insurance and everything that he thought he needed, but...and explained that most people do not carry their certificates of title with them and many times it takes the full 30 days allotted by law for all liens to be removed and a title to be actually transferred over to the new owner. After receiving the ticket, our constituent went to Antelope County court. He thought, no problem, I'll just tell the judge my story and the ticket will be dismissed. Well, the judge ruled against our constituent because the way state statute is right now, and that is 60-365, the patrolman could ask for both and had the power to do so. Our constituent is a car dealer and has been a car dealer for 35 years, so when the bill was originally drafted, I spent three days studying state statute because I'm not a lawyer and thought I found a section of law dealing with car dealers and what they were required to carry. I sent the bill to him and he said, gee, Linda, that's a nice bill, but it's the wrong statute. So I said, what, you know, tell me what I need. And then this makes a little more sense because it shows where it actually does require both the bill of sale and the certificate of title. So I said, we would just add an amendment to the bill and that's fine if you want to just take out what was in the bill and put this in if you would so choose to go with this bill. Basically, we just thought that he made a good issue because sometimes you just do not have a certificate of title within the first 30 days. I recently licensed a vehicle here in Lancaster County and I received this envelope with my title and on the bottom it says, keep in a safe and secure place and do not keep in the vehicle. So I kind of thought, well, that really helps my point here today. So anyway, we wanted to present this to the committee and just tell you that one of our citizens had

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a problem with this section of the law, he thought he was treated unfairly because, you know, he couldn't necessarily have this. He was told by the judge that if, you know, maybe he would want to appeal this if he disagreed with it. He looked into that; an appeal would cost \$150 just to file the paperwork and he said it was a \$67 ticket. He didn't want to go through any further litigation, but he did bring it to Senator Dierks's attention and Senator Dierks wanted to at least draft a bill and bring this to the committee's attention, so. With that, I'll stop and thank you for your time. [LB1087]

SENATOR FISCHER: Thank you, Linda. [LB1087]

LINDA PLUMMER: Um-hum. [LB1087]

SENATOR FISCHER: Questions? Senator Schimek. [LB1087]

SENATOR SCHIMEK: Yes, thank you, Madam Chair. Linda, I just bought a car last Monday and I just got the title in the mail on Saturday, they sent it by certified mail, so I didn't have anything to even have with me. But so I think this does need to be addressed, but what else did you say needed to be with the person who just bought a car? [LB1087]

LINDA PLUMMER: He had a bill of sale and the statute says that you can require the certificate showing the date of transfer, so he had a bill of sale and he had proof of insurance with him at the time, but because this said "and" instead of "or," the trooper said that he could ask for both. So you could have been asked for both as well. [LB1087]

SENATOR SCHIMEK: I think I need to get that off of my kitchen counter where I left it (laughs) and carry it around with me. But thank you for the information. [LB1087]

LINDA PLUMMER: (Laughs) Yes, it was enlightening to us, too. [LB1087]

SENATOR FISCHER: Other questions? Senator Louden. [LB1087]

SENATOR LOUDEN: Yeah, thank you, Senator Fischer. As I look at your green copy and then look at your amendment, you've changed that and you've left certificate of title in there and just took out "if required"? [LB1087]

LINDA PLUMMER: Yes, because we thought there may be cases where someone might actually have that and if they have it and they're going home and they have it with them, we didn't want to take that out of the statute if it's proof that they actually were the true owners of the vehicle. [LB1087]

SENATOR LOUDEN: Well, if... [LB1087]

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LINDA PLUMMER: But we just not want to require them to have to carry it with them. [LB1087]

SENATOR LOUDEN: Yeah, if you go to a farm sale or something like that and buy a used one or something, that's all, you don't get a bill of sale, you get a certificate of title. [LB1087]

LINDA PLUMMER: Right, that's why we did not want to remove it from the statute. [LB1087]

SENATOR LOUDEN: Okay, now, how come this...you've got this ticket and this citation there and everything, how come this person got the citation? They didn't have, what was it they didn't have? [LB1087]

LINDA PLUMMER: They did not have the title. They had the bill of sale or the proof of the transfer of ownership, but they did not have the title at the time. There was a lien against the title when the car was bought. [LB1087]

SENATOR LOUDEN: But when you buy a new car, you don't get that certificate of title until you take your bill of sale and the manufacturer's origin into the county clerk, do you? That's where they issue the certificate of...they issue your title. [LB1087]

LINDA PLUMMER: It wasn't a new car. Yeah, it wasn't a new car, this was a private sale. [LB1087]

SENATOR LOUDEN: Private car. [LB1087]

LINDA PLUMMER: So that's why I drafted the bill wrong, I thought it was a... [LB1087]

SENATOR LOUDEN: Did they buy it from a licensed dealer or just... [LB1087]

LINDA PLUMMER: It was between two individuals. [LB1087]

SENATOR LOUDEN: Two individuals. And...okay, yeah, and then they didn't have the... [LB1087]

LINDA PLUMMER: The certificate of title. [LB1087]

SENATOR LOUDEN: The certificate of title and you probably got to have that, don't you? Because otherwise you could write out a bill of sale and all a bill of sale is is a piece of paper and then two people sign it. [LB1087]

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LINDA PLUMMER: Well, you will eventually need it, but sometimes it takes, you know, you're given 30 days to get the certificate of title and get all the liens off of it if it's a used vehicle, so. [LB1087]

SENATOR LOUDEN: Then the certificate of title is probably in a lending agency someplace? [LB1087]

LINDA PLUMMER: Possibly, yes. I think that was the case in this situation. [LB1087]

SENATOR LOUDEN: Okay, thank you. [LB1087]

LINDA PLUMMER: Um-hum. [LB1087]

SENATOR FISCHER: Other questions? Thank you, Linda. [LB1087]

LINDA PLUMMER: You're welcome. [LB1087]

SENATOR FISCHER: Will you stay for closing? [LB1087]

LINDA PLUMMER: I sure will, yes. [LB1087]

SENATOR FISCHER: Okay, thank you. [LB1087]

LINDA PLUMMER: Um-hum. [LB1087]

SENATOR FISCHER: Are there proponents for the bill? Good afternoon. [LB1087]

LOY TODD: Senator Fischer, members of the committee, my name is Loy Todd, that's L-o-y T-o-d-d. I'm the president and legal counsel for the Nebraska New Car and Truck Dealers Association. I thought the explanation of the reason for this bill was quite good. We received a similar phone call and were contacted by Senator Dierks's office and we're grateful for that. And my first reaction was the same as everybody else's, well, how can they do that? I've had this job about 20 years now and never had the problem, the statute's been there. And I reread the statute and I...in my reading of it, the original draft of the legislation addressed the law that has a dealer transfer, and I thought, no, this doesn't require a certificate of title, it allows that as one of the documents you can have. Because I'm sure, as this committee is pretty well aware, we're a title-holding state, so you know, many customers never see their certificate of title, it goes directly from the courthouse to the lienholder. And so having any statutory scheme that requires a certificate of title in a motor vehicle is not only unworkable but foolish because good advice is not to keep that certificate in the vehicle any more than you have to. And so we...I couldn't understand why the patrolman wrote the ticket, I couldn't understand why the county attorney charged the person, I certainly couldn't understand how the judge

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found him guilty after a hearing. And now we learn the rest of the story, I guess, where it was really a private party transfer, so we're dealing with a different section of law, which is the amendment that has been offered to you. But still, darn good reason to change it because similar circumstances do happen. On a...as Senator Louden correctly pointed out, on a new car, there's a manufacturer's statement of origin, which is like the birth certificate for a vehicle, and that then gets turned into a title after all the other stuff happens and that section of law on a dealer transfer deals with that. But on a private party transfer, there is a good likelihood that there may be a title present. There's also a pretty good likelihood that there isn't a certificate of title present, and therefore there would be a bill of sale or some other contractual document that would clearly point out who the proper owner of the vehicle is or why that person is driving it during that time period. Also, if law enforcement is concerned about the issue, they can then investigate further. If it's a bill of sale and they're questioning it or they're suspicious or just want proof, that can be verified later and it can be explored. So, I think the proposal made has a great deal of merit and I certainly would like to see this committee adopt that amendment and move forward with this legislation if the opportunity presents itself. I think it clears up a problem that we didn't know existed. [LB1087]

SENATOR FISCHER: Thank you, Mr. Todd. Are there questions? Senator Schimek. [LB1087]

SENATOR SCHIMEK: Yes, thank you, Madam Chair. Loy, can you clear this for me, we have a e-mail we got from one of the county clerks, register of deeds, etcetera. And she said she'd like to go on record in favor of this bill and she says, "We will support this bill as long as it is" only for "Manufactures Statement of Origins...If this bill goes for any dealer on any title we strongly oppose as there would be too many attachments and more cause for errors." You know what she means there? [LB1087]

LOY TODD: I think she means that she misread the bill. [LB1087]

SENATOR FISCHER: I think that's the next bill, Senator Schimek. Is it? [LB1087]

SENATOR SCHIMEK: Oh, am I on...oh, you are right, this is LB1087 and this is about LB841. No wonder it's confusing. [LB1087]

LOY TODD: Oh, that makes sense. Now we're... [LB1087]

SENATOR SCHIMEK: So sorry. (Laughs) [LB1087]

LOY TODD: Once again, we're all confused. No, that's exactly, that makes great sense in that bill. [LB1087]

SENATOR SCHIMEK: Right, okay, thank you. [LB1087]

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SENATOR FISCHER: Other questions? I see none. Thank you, Mr. Todd. Any other proponents to the bill? Anyone in opposition to the bill? Anyone in a neutral capacity? Ms. Plummer, would you like to close? Waives closing. With that, we will close the hearing on LB1087 and open the hearing on LB841. Good afternoon. [LB1087]

DUSTY VAUGHAN: Good afternoon, Senator Fischer and members of the Transportation and Telecommunications Committee. For the record, my name is Dustin Vaughan, spelled V-a-u-g-h-a-n, and I'm the legal counsel for the committee. LB841 authorizes the attachment of a dealer assignment form to a manufacturer's statement of origin, also known as an MSO, when all reassignments spaces have been used on the MSO. The form will be described by the DMV. The reassignment of the MSO allows a dealer to transfer vehicles in stock to another dealer without having to apply for the certificate of title. LB841 does not authorize a reassignment form to be attached to an issued certificate of title. Current practice requires a dealer to resubmit the full MSO to the manufacturer and request a new MSO to be issued. This can obviously be a time-consuming process. And the bill also does correct a drafting error in section 2 by striking confusing language. With that, I will close my testimony. [LB841]

SENATOR FISCHER: Okay, thank you. Any questions? Thank you, Mr. Vaughan. Proponents for the bill, please. Good afternoon. [LB841]

LOY TODD: Senator Fischer and members of the committee, my name is Loy Todd, L-o-y T-o-d-d, president and legal counsel for the Nebraska New Car and Truck Dealers Association. I want to thank Senator Fischer for introducing this legislation. If passed, this bill would correct two significant problems that dealers have in Nebraska law. The first is that on a manufacturer's statement of origin or the birth certificate of a motor vehicle, any manufacturer that makes a motor vehicle prepares this certificate. And they vary somewhat from manufacturer to manufacturer, but one thing that's consistent about them is there will be on the document several places where a licensed franchise dealer for that particular product can transfer it on the document itself, a reassignment to someone else. That is not available to the public, it isn't a document that is used by anyone other than the dealer to the first retail customer or dealer to dealer reassignments. And what happens with my dealers is...there are many times a dealer ends up owning a vehicle that they just can't sell or a vehicle that doesn't fit their mix. Sometimes a manufacturer sort of force them onto a dealer, saying, yeah, you can have five of these vehicles that you really want, but you have to take four of these dogs that we can't get rid of anyplace else, and then you try to sell them and they can't. Or it's a vehicle they think maybe they've got some buyers for, order it, have them in inventory too long, need to move it somewhere else, and transfer it to another dealer, perhaps in a more favorable location for that kind of vehicle or just simply someone who thinks they may have a customer that can use it. So it's very common to have several of these reassignments as the new car dealers and truck dealers pass these vehicle on to each

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other, trying to find that willing buyer. And then at that point, it is transferred to the retail customer. Unfortunately, sometimes we fill up that document. Let's say there are three dealer reassignments on it and if their dealer gets it, under Nebraska law, once that's filled up, there's nothing more you can do except either go get a certificate of title, which turns it into a used car or which can trigger a warranty to start to run or it can do other negative things to the value of that vehicle and so nobody wants to do that. And so what happens instead is, they send that back to the manufacturer and the manufacturer then reissues a new birth certificate for that vehicle, and I think unfairly and inappropriately, that chain of possession and chain of ownership disappears. You may have had three various owners, that vehicle be in three or four different locations, and that disappears from the vehicle history once a new manufacturer statement of origin has been issued. Therefore, I think their current practice is not good and ought to be reformed. Well, in visiting with the DMV, we found what many, many other states do and that is simply that they allow an attachment on that document. It will be on secure paper as I understand it, it will be designed by the department so it can't be altered and it would be void if you tried to erase it or change it, and it would only be for licensed dealer to licensed dealer transfers. It would not involve the public in any way until you got to that last reassignment to the retail customer. Then, it would go to them, they would go through the courthouse, go through the whole process of getting the title. We just don't see any significant risk to anyone on that, there's no way to cause mischief, we've looked at it pretty hard to see if it was anything that weakened our system. I think it actually strengthens it and gives you a clear history of that vehicle. The department in their discussions with me indicated they only want one, so we are, you know, however many reassignments are on that document, once that's filled, then we're finished apparently with that document and they will have to go get a title or something like that. So there will be some marginal risk to the dealers using this and using one up, so that last one better be a good one, I guess. But that's our intent on that and we really could use this change because it is very time consuming, it's difficult to get the manufacturers to timely come up with these documents. And then I will very briefly talk about the second thing that the bill as introduced does. Last year, this committee and the legislature changed Nebraska law so that on a lost certificate of title...we were allowed to have a licensed dealer who had lost a certificate of title to ask for a replacement for that certificate of title. You may recall the circumstance that happens is we'll take a vehicle in trade, we'll get the title transferred over to the dealer, and then, you know, titles are kind of like socks, sometimes they just disappear. Nobody knows where they go, but they just disappear. Well, previously, before the change that the Legislature made last year, the dealer was stuck with only one option and that is they had to go back to that trade-in customer and ask them to ask for a duplicate title. And sometimes you couldn't find the trade-in customer and sometimes they were just simply uncooperative, they said, no, wait a minute, I already gave you the title to the vehicle, I'm not, just don't bother me, I don't want to be involved. Because they would be suspicious, just naturally, or concerned or didn't want the obligation or simply you can't find them. We had circumstances with people out of the country, just real problems. So the Legislature

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changed the law last year to allow us that if we kept a photocopy of the front and back of a title that had been assigned to the dealer that we could go in then and seek a duplicate title in the dealer's name. And it really worked well in a few circumstances, but then eventually we got to looking at the language that was adopted and these words were in it, "A photocopy of the dealer's records of the front and back of the lost or mutilated original certificate of title assigned to a dealer." Then this language, "with a reassignment to a purchaser." Now, I had assumed in my reading of that that what was going to happen is...because we were going to reassign that to the next buyer...and I had assumed that it was just going to be one big transaction, we were going to go in, apply for the lost certificate of title, show the reassignment to a customer, and everything was going to be fine. We get a new title in the dealer's name, transfer it to the new owner. Well, this came from Missouri law, it they do it in two steps; there's no such thing as a reassignment to the other customer as a separate document in Nebraska. So what happened is the only time the statute worked is when we lost the title after we sold it, so we'd get the title from Senator Hudkins on the trade-in vehicle, we would then turn around, reassign that title to Senator Schimek, and then it would get lost in the mail or somehow there. The law works great for that because the reassignment is on there, so now we go get the title and then correct it. Unfortunately, if we lost it before we reassigned it to you, there is no relief under the current law. So this fixes that and gets us back to what we all thought we were doing last year and that is that once...if the dealer keeps a photocopy of the front and back of the assigned title, then loses it, we can then go and apply for a new certificate of title in the dealership's name and then complete the transactions later. So I think this only fixes what we thought was broken the last time. And it's pretty much fixed, but there are circumstances where we lose it at the wrong time. With that, I'd answer any questions. [LB841]

SENATOR FISCHER: Thank you, Mr. Todd. Are there questions? Senator Louden. [LB841]

SENATOR LOUDEN: Yes, how many places are there for transactions on those manufacturer's origins or whatever, bill of sales? [LB841]

LOY TODD: Yeah, I'm embarrassed to say I don't know because they vary. There's not a lot because the biggest I've ever seen one is 8.5 x 11 and that's typical of like a certificate of title, there's about four or five on that. But I, you know, there isn't a prescribed form as far as I know. [LB841]

SENATOR LOUDEN: Some of those move around through those dealers that many times, some of those vehicles? [LB841]

LOY TODD: In this market, Senator, yeah, it's pretty common. Especially when they go back and forth from maybe a more metropolitan area to a more rural area, you get a lot of that reassignment. [LB841]

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SENATOR LOUDEN: Well, I know I bought them when they've come from North Dakota and Colorado and every place else, it was on that deal, but I never thought about it running out of room on there, I guess. [LB841]

LOY TODD: It does happen and it also happens uniquely in Nebraska if...I have dealers who own five or six dealerships, five or six stores, and each one of those locations has a separate license. And you can only do business in the name of the one licensee, so I can actually get transfers from the same ownership group from one dealership to another and start using them up that way simply by them taking it from a lot in one of their locations to another location. It...lot of things are possible because it's so technical. [LB841]

SENATOR LOUDEN: Okay, thank you. [LB841]

SENATOR FISCHER: Other questions? I see none. Thank you. [LB841]

LOY TODD: Thank you. [LB841]

SENATOR FISCHER: (Exhibit 1) Are there other proponents for the bill? Any proponents? Anyone in opposition to the bill? Oops, I'm sorry, thank you, Mrs. Bulgrin. We do have a e-mail that was received from the Jefferson County clerk, Sandra Stelling, in support of LB841. Anyone in opposition to the bill? Anyone in a neutral capacity? I see none. We'll waive closing and with that we will close the hearing on LB841. I would like to now open the hearing on LB911. Senator Hudkins is here to open. Good afternoon. [LB841]

SENATOR HUDKINS: Good afternoon, thank you, Senator Fischer and members of the Telecommunications and Transportation Committee. I am Senator Carol Hudkins, C-a-r-o-l H-u-d-k-i-n-s, and I represent the 21st Legislative District. I'm here today to introduce to you LB911...and the number of that bill is purely coincidental...on behalf of the Department of Motor Vehicles. The director of the department, Beverly Neth, will be following me to provide you with a more detailed explanation of the bill and to answer any of your more detailed questions. But basically the purpose of LB911 is to adopt a central card production and issuance process of driver's licenses and establish regional DMV service centers. It will remove county involvement in driver license and state ID card processing and only the state will issue Real ID-compliant documents. This proposal anticipates modifying the driver license process in such a way that addresses systems and process security issues and places Nebraska on a path toward Real ID compliance. Some of the main statutory changes include granting the DMV the statutory authority to develop and implement central issuance card production. This means the driver's license or state ID card will be mailed to the applicant within five business days. There will be no over-the-counter issue of documents. The DMV will issue a paper

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document with driving privileges that will contain a photo of the holder and will be valid for up to 30 days. This document will not be valid for ID purposes, only driving purposes. The bill would also statutorily remove the counties from the driver's license and ID card process. This means that there will no longer be service in all 93 counties. County treasurers' staff will no longer be involved in the process and DMV personnel will conduct all driver's license services. It would also grant the DMV the authority to implement regional service centers and currently there are 27 proposed service centers throughout Nebraska with a mixture of full-time stations and part-time stations. It would also adopt a statutory legal presence requirement: An applicant must either be a U.S. citizen, a naturalized citizen, or be in the U.S. legally to obtain a driver's license or state ID card. It would allow for the adoption of a temporary driver's license and ID for all legal immigrants. This limits the validity of the document to the length of stay allowed by the United States Customs and Immigration Service. If the immigration documents don't have an expiration date, then the applicant can only receive a card that's valid for one year. The applicant must renew each year and provide proof that he or she is still in the country legally. It would grant the Department of Motor Vehicles the authority to copy and retain all applicant source identification documents. Real ID enrollment would require that the applicant bring a combination of the following documents: A certified copy of a birth certificate; the original or certified copy of any document that would show a name change; a social security card; two documents that prove principle residence, for example bank statements, utility bills and so forth, that are not older than three months; a valid, unexpired U.S. passport; naturalization or citizenship documents; a consulate report of birth abroad; an unexpired permanent resident card issued by DHS, and forgive me, I do not know what DHS is, hopefully Ms. Neth will be able to tell you; an unexpired employment authorization document; an unexpired foreign passport with a valid, unexpired U.S. visa affixed. We currently accept about 39 different documents to provide identity of the applicant, so this is a pretty drastic reduction going from 39 to 10 in acceptable source identity documents. The bill would also provide for modifications to the fee structure. We're proposing three stages of fee modifications. The first stage is effective when the bill is effective. It modifies the existing fees so that they are all round numbers, no more \$29.95. The counties have requested this for some time. The fee changes are in the DMV portion of the fee and are supposed to be revenue neutral. Some fees were increased by \$0.25 and others were decreased by \$0.25 or \$0.50 or whatever was appropriate. The second stage of fee change occurs when the DMV moves all of the duties and responsibilities under the DMV and the Regional Service Center. This modification shifts the existing county fee portion to the DMV. And the third stage is the addition of a surcharge to cover the costs of the federal requirements. This fee will go into effect when the DMV begins to issue Real ID-compliant cards, which is January of 2011. The DMV is asking for the authority to set the surcharge once it has a better and more complete understanding of the total costs of compliance. And finally, the bill draft allows the director of the DMV discretion to implement this bill as appropriate. Right now, the DMV anticipates moving toward Real ID compliance in a phased-in manner. So as you can see, there are a lot of things in the bill, but as I said,

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the director of the Department of Motor Vehicles is here to supply what I fail to cover or to answer any questions. Thank you, Madam Chair. [LB911]

SENATOR FISCHER: Thank you, Senator Hudkins. Are there questions? I see none. Thank you very much. [LB911]

SENATOR HUDKINS: Thank you. [LB911]

SENATOR FISCHER: Are there proponents for the bill? Are we receiving binders today? [LB911]

BEVERLY NETH: You are. My testimony is brief, however. [LB911]

SENATOR FISCHER: Thank you, Director. Good afternoon. [LB911]

BEVERLY NETH: (Exhibit 1) Good afternoon, Chairwoman Fischer, members of the Transportation and Telecommunications Committee. I am Beverly Neth, B-e-v-e-r-l-y N-e-t-h, director of the Department of Motor Vehicles. I'm here today to offer testimony in support of LB911. Throughout the past three years, this committee has held three interim study hearings, one bill hearing relative to the federal driver licensing standards. You have all patiently sat through hours of testimony. You've also participated in hours of briefings relative to the Real ID Act. Even though the Department of Homeland Security issued its 285-page rule on January 11, 2008, there is not much more to say. The nuts and bolts of compliance have been thoroughly discussed, the underlying principles of security and audit controls to ensure the integrity of the process that are the driving force behind the dramatic business process modifications requested in LB911 are still very much intact. Rather than to go into the minutiae, I have prepared a document, a multi-segmented document that covers the details and I ask that that be placed into the record. The policy decision for the Legislature is whether the state of Nebraska will issue Real ID-compliant driver's licenses and identification documents or will it not. If the answer is no, then compliance will have a direct impact on the citizens of the state of Nebraska. Unlike most federal mandates, Real ID does not carry with it a sanction of the loss of federal highway funds. Noncompliance will mean citizens will be left to their own in attempting to determine which identification documents will be accepted to gain access to federal facilities, for commercial airline travel, and for any future official purposes as allowed under the act. However, if the answer is yes, Nebraska is going to comply with the federal driver licensing standards, then the bill before you today sets the stage and provides the greatest opportunity for compliance. In the United States, state-issued driver licenses have become a critical gateway document to accessing many services and privileges as well as establishing one's identity or age. However, a driver license is also a critical method to protect our society from criminal activity, such as identity theft and fraud that cost businesses \$50 billion annually and consumers \$5 billion every year, according to the 2005 figures from the

Federal Trade Commission. New secure ID technologies and features such as digital watermarking and tamper-evident materials have helped to increase driver license security, making it harder to counterfeit or tamper with the actual credential. As the security of the ID document has increased, would-be criminals are turning to the vulnerabilities in the issuance process to obtain false IDs. For example, in Nebraska an applicant can present valid ID source documents that belong to the applicant, obtain a certificate of issuance from the DMV examiner, and then walk out the door. On the way to the treasurer's office, the applicant can hand their certificate to someone else, who then goes on to get a document issued, thereby assuming the identity of another. It happens in Nebraska and it is just one way that our current process is exploited. With security concerns in the national spotlight, state DMVs are under unprecedented pressure to ensure the critical identity documents are only being issued to credible individuals with proper credentials and to prevent falsification and fraudulent use. DMVs are faced with this challenge with limited funding and with the expectation that the DMV will not compromise customer service. ID issuance and usage is a multiphase process and the most reliable and cost-effective approach to ID security is to build in protection at each phase of the process and throughout the useful life of the ID document. This is a concept known as Secure ID Lifecycle process. LB911 allows the DMV to implement a Secure ID Lifecycle. LB911 calls for removing the county treasurers from all parts of the process. It gives the responsibility for all phases of driver licensing to the DMV. LB911 establishes regional customer service centers in Nebraska in which the DMV will conduct applicant enrollment, photo capture, written and drive testing, and issuance of the receipt with driving privileges. Although the number of service centers is not expressed in the bill, the DMV has identified 27 sites across Nebraska in which to establish the centers. I have a map of the sites included in your packet for your review, actually there are three different maps in there. As the legend indicates on the second map, 84 percent of Nebraskans are already accessing driver licensing services in these 27 communities. LB911 requires the DMV to adopt a central card production and issuance procedure that will provide the highest levels of security for personnel involved in card production, the facilities in which cards are produced, and the inventory associated with card production. Many states have already adopted a central card production issuance process; in those states, the norm for the receipt of a driver license document is five or fewer days. The Nebraska DMV will expect no less from its vendor. LB911 also requires the applicant to present a limited number of source identity documents that will be vetted against the original issuing entities. It calls for proof of citizenship or verification that an immigrant is here legally. In the case of legal immigrants, it requires the DMV issue a temporary document that expires upon the expiration of the immigration documents. The bill also provides that a federal identity security requirement surcharge not to exceed \$35 can be assessed to pay for the cost of Real ID compliance. As written, the bill provides a surcharge can be assessed at the discretion of the director. It's the DMV's position the surcharge would most probably be assessed when the DMV reaches the materially compliant stage as expressed in the Department of Homeland Security's final rule, which is currently on or before January 1,

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2010. Senator Fischer, I'd be happy to answer any questions that you or the committee might have regarding this matter. [LB911]

SENATOR FISCHER: Thank you, Director Neth. Are there questions? Senator Schimek. [LB911]

SENATOR SCHIMEK: Thank you, Madam Chair. Beverly, I confess, I have not read this bill yet, I just read the summaries and that kind of thing, so I probably could find the answer myself. But am I to understand that what this bill does is turn over to the department the authority to go ahead and implement Real ID without any further input from the Legislature? I surely didn't understand that right. [LB911]

BEVERLY NETH: Well, what it does is say that, it gives the department the authority to comply with the Real ID Act and the rules which have been promulgated by the Department of Homeland Security. It also goes on then to essentially express how we would go about complying, which is we would stand up the regional facilities, we would begin a central issuance and production for cards, we would limit the number of source identity documents. It gives us the authority to vet those documents against any databases that eventually will be developed. The Department of Justice is developing a database of passports that the states will be vetting those documents against. And it goes on to essentially detail how Nebraska would go about complying with Real ID. [LB911]

SENATOR SCHIMEK: I don't...I'm trying to think of another situation when we might have given over the last word on any big issue like this...just when we implemented the voting act several years ago, it went through a huge process and that eventually had to come back to the Legislature for approval. This makes me very nervous because I don't know and I bet other members of the Legislature don't know what are the fine details of that federal act. And it seems to me we're just saying, okay, go ahead, do what you will. And I'm not very excited about doing that at this point. [LB911]

BEVERLY NETH: Well, part of the detailed information included in the packet, Senator, is an overview, which is...it's a matrix of...it compares LB911 to the federal requirements as well as the material compliance benchmarks that are outlined in the federal requirements. It's probably the best sort of high-level summary document that you could refer to to give you an assurance that we're not straying and we're not attempting to stray from the requirements of the federal standards. We're saying, these are the federal standards, they're expressed in the federal register. The initial rule that was issued was, as I said, 285 pages long, a lot of it is comment in detail about how the process occurred, but there is certainly a segment of it, a lengthy segment of it, that is the expression of the requirements. Now, those are certainly printed and available for anyone to see, but when you take those and you put those into, what does that really mean about the process in Nebraska? I guess that's what we're saying...the Nebraska

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DMV has spent hours reviewing those requirements and trying to figure out and we have certainly projected a number of different business models, how could we comply? Now, I'd be happy to share all that detail with you about the number of different processes we've tried to explore to get us to compliance and in the end what we came up with is, this is probably the best way we can comply to, one, hold the cost down as best we can, and two, actually meet some level that the Department of Homeland Security will say is compliance. We have to present to the Department of Homeland Security a plan essentially as well as a detailed security plan associated with how we're complying and they will ultimately either certify or not certify Nebraska's process. [LB911]

SENATOR SCHIMEK: Don't misunderstand me, I don't distrust our own department. Don't misunderstand me, I don't. [LB911]

BEVERLY NETH: I don't. [LB911]

SENATOR SCHIMEK: But the devil is often in the details and I'm afraid to just simply turn this whole thing over and say, okay, go ahead and do it. I don't think the Legislature will be very crazy about doing that, but I may be...they may be persuaded. [LB911]

BEVERLY NETH: I can appreciate that. [LB911]

SENATOR SCHIMEK: Anyway, we've had lots of discussions about this and you know I have questions, but... [LB911]

BEVERLY NETH: Absolutely. [LB911]

SENATOR SCHIMEK: That last part that I just gleaned from this hearing makes me especially nervous because ultimately everybody is going to come back to the Legislature and say, how could you do this? How could you do this? And we say, well, we didn't know, or we didn't have the final word on this. And that part of that is in just the federal mandate itself, so I understand that. And I'm not going to take any more of this committee's time to rant and rave anymore. Thank you. [LB911]

SENATOR FISCHER: Thank you, Senator Schimek. Other questions? I see none. Thank you very much. [LB911]

BEVERLY NETH: Thank you. [LB911]

SENATOR FISCHER: Other proponents for the bill? Are there any proponents? Anyone here in opposition to the bill? Good afternoon. [LB911]

DARCY TROMANHAUSER: (Exhibit 2) Hi, my name is Darcy, D-a-r-c-y, Tromanhauser,

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T-r-o-m-a-n-h-a-u-s-e-r, and I'm here for Nebraska Appleseed Center for Law in the Public Interest, which is a nonprofit, nonpartisan public interest law project dedicated to equal justice for all Nebraskans. And I'm here today to testify in opposition to LB911. I won't read the entire testimony, but I'll start with a summary and then hit the high points. We continue to oppose the implementation of Real ID in Nebraska, as did the Legislature in a resolution passed last year. There remain serious concerns about the privacy, security, and practical problems that this law would cause for Nebraska as well as a high cost of implementation for the state. Furthermore, given the signs of significant opposition to Real ID around the country and the potential that it could be repealed or changed at the federal level, Nebraska should not at this time move forward with the great expense of implementation and implementing something that is severely flawed. So I come to this originally...I'm the director of the immigrant program at Appleseed, so the first look I took at this was out of a concern for refugee Americans, for example, who might not be able to get an ID if they've fled war, persecution, and don't have the source documents the very strict requirements that are under Real ID. But the more that Appleseed looked at this law, the more we realized that it's a problem for persons across the board, Nebraskans who earn low incomes, rural residents, all of us. A few examples are that the Real ID Act would require that the cards have a bar code on the back that would not be encrypted, but would hold personal information so that any bar or bank could capture for example your home residence. Another example is that Real ID requires the Department of Transportation to keep copies of the source documents like birth certificates in a centralized location in electronic files or hardcopy files for many years, which essentially creates a honey pot sort of scenario for identity theft. So, and these are concerns that have not been addressed in the new regulations that just came out from the Department of Homeland Security. At the same time, we're seeing that while Department of Homeland Security is making a last-ditch effort to keep Real ID alive, there are serious indications that it's falling apart. So the Senate killed funding for Real ID last spring; 17 states so far have passed either laws or resolutions rejecting Real ID; 11 others have passed a law, a resolution against Real ID in one chamber; and even others have introduced other legislation to oppose it. The National Governors Association endorsed a bill by Senator Collins, who is a Republican of Maine, to reduce Homeland Security's power to order states to comply with Real ID. So we have lots of evidence that there is growing concern and formal objections that could lead to Real ID at the federal level having to shift gears. And as you know, there are new regulations that were just introduced by Department of Homeland Security; these don't address the many serious concerns that advocates, from domestic violence advocates to left wing and right wing privacy concern advocates, have brought up. And it also doesn't address the cost concerns for the states. The new regulations do create a much longer time table for implementation, sort of kicking the can down the road, as they say, to the year 2017 for the final deadline, showing the difficulties that they're having in trying to find a way to make this possible for states to comply with. So all in all, this is showing that it doesn't make sense for Nebraska to move forward with implementation of Real ID at this point in time when things are hanging in the balance

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that possibly soon there we could see a repeal or change of Real ID at the federal level. It does seem to me that the Department of Transportation here has learned a lot from the process of having to figure out how one would implement Real ID. And I remember hearing in the interim study that the department has learned a lot about, you know, what might be some good ways to strengthen our identification procedures here in Nebraska, but trying to strengthen those procedures according to Real ID is the problem. So I would say let's take those lessons learned and apply them in the way that makes sense for the state, but not at this time attempt to implement Real ID. It's simply not the best way to do it. And I've provided you with a couple of articles that update you to sort of the federal...where do things stand right now at the federal level after the new regulations and some other resources. I see that a representative from the ACLU is also here to speak and they've created a great sort of, what do you call it, scorecard of how the new regulations only address 11 percent of the very serious concerns that came out of more than 21,000 comments from the public during the public comment period. And I believe that's it, unless there are any questions. And I'm happy to provide additional resources if you all come up with questions after this. [LB911]

SENATOR FISCHER: Thank you, Darcy. Are there questions? Senator Stuthman. [LB911]

SENATOR STUTHMAN: Thank you, Senator Fischer. Darcy? [LB911]

DARCY TROMANHAUSER: Yes. [LB911]

SENATOR STUTHMAN: In your comments, you said the final date was...implementation was extended to 2017? [LB911]

DARCY TROMANHAUSER: That's the very last deadline of a long series of potential deadlines. So the very first deadline that states faces in May and many states are saying, we have a short session or we actually don't have a session this year and now that you've taken this long to give us the regulations which just came out in January, it's simply impossible to even meet that first deadline. The ACLU also has information showing that in order to be in material compliance with what they've set as the standard so that residents of Nebraska could continue to use their state ID for federal purposes, material compliance pretty much is leaving things as they are. So we could...according to what I've read from the ACLU, it looks like we could do nothing and still be in material compliance in order to use our state ID until 2014, I think...2014. [LB911]

SENATOR STUTHMAN: The thing that concerned me was in Director Neth's...materially compliant stage, you know, on or before 2010. That is still correct, huh? Or is that extended to 2017? [LB911]

DARCY TROMANHAUSER: I don't think that it is. So you're reading that there needs to

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be material compliance by... [LB911]

SENATOR STUTHMAN: 2010. [LB911]

DARCY TROMANHAUSER: By 2010. [LB911]

SENATOR STUTHMAN: Yeah. [LB911]

DARCY TROMANHAUSER: That could be. [LB911]

SENATOR STUTHMAN: That's a concern that I had and then and now... [LB911]

DARCY TROMANHAUSER: Though I... [LB911]

SENATOR STUTHMAN: This 2017 needs something totally different? [LB911]

DARCY TROMANHAUSER: So there are a series of deadlines, apparently, in according to the new regulations, so the very last one when everything has to be in compliance is 2017. So they've extended the time frame because they're having such difficulty with states being able to comply. And during that time, we're seeing states pushed back heavily saying, you know what, this just isn't the right way to do it. [LB911]

SENATOR STUTHMAN: Okay. Thank you. [LB911]

SENATOR FISCHER: Other questions? Darcy, it's my understanding that if the state of Nebraska would not say we were going to comply by May of this year, our citizens would not be able to use a Nebraska driver's license for identification to get on an airplane. There's the possibility that our citizens also would not be able to enter a federal building with a Nebraska driver's license. I don't know if that includes a post office, that is a federal building, and we would have to, we would all have to have passports. I just returned from a meeting with some of my colleagues, the chairs of transportation committees in other states, and they are very split on this issue of Real ID. As you can imagine, there's a number of border states which feel that they have to...not only do they have to comply, but it is a wise decision on the part of the United States government to have Real ID to states like Montana, where the governor has asked other governors not to send letters and say that the state is going to comply even to meet this first deadline. Director Neth gave us this packet of materials and in that we have a list of states, I didn't add them up, but there's a list of states that have applied for and received the extension. This was at the end of January, the number, and here again, I anticipate that number is going to grow because the deadline is not until May and it looks like there's over half already of the states that have requested the extension saying, we're going to comply. Do you know of any states besides Montana that's been in the news who are saying they're not going to comply, who are not going to request

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that extension deadline, and if so, do you happen to know what their plans are for the citizens of that state? [LB911]

DARCY TROMANHAUSER: Um-hum. So again, a total of 17 states have now passed either laws or resolutions... [LB911]

SENATOR FISCHER: But we were one of those states, too... [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: ...that passed a resolution last year and Nebraska is now listed that we have applied for and received an extension from the Department of Homeland Security as of January 31 of this year. So I guess I'm asking, do you know of any specific states that are saying, besides Montana... [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: That governor has said so publicly, so I imagine he's not sending a letter saying they're going to comply. [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: But do you know of any state specifically that is saying they are not going to comply, which then means they won't have that extension granted? [LB911]

DARCY TROMANHAUSER: Right. I would be very happy to look into that because I have the total numbers here from the legislation. Off the top of my head, one of the articles refers to Washington State saying outright, we're not going to comply. But the quote if I remember it came from a senator who's the head of the transportation committee. So I could look back to see, you know, at what level...but that quote was very adamant that, our state is not complying and has no plans to comply and in fact can't because we don't have enough of a legislative session this year to actually move forward on it. [LB911]

SENATOR FISCHER: I did visit with a member of the Washington State delegation... [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: ...not the committee chair. My understanding is the reason that they are saying they're not going to comply is because they have an agreement now with British Columbia. And I can't recall off the top of my head what...the Western Hemisphere Travel Initiative. Thank you. [LB911]

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DARCY TROMANHAUSER: Of course. [LB911]

SENATOR FISCHER: And they have that agreement now with British Columbia specifically so that they can move easily across the border there and they...at least this representative who I talked to, she believed that that would work for Real ID in their state. [LB911]

DARCY TROMANHAUSER: Hum. [LB911]

SENATOR FISCHER: I told her I didn't think it would, but I don't know that much about the Western Hemisphere Travel Initiative. But I wouldn't think it would work, so I think that might be a case where Washington is saying they're not going to comply because they think they already have something that will work. But I'd be interested to know if you could find any information. [LB911]

DARCY TROMANHAUSER: Okay. [LB911]

SENATOR FISCHER: I know committee counsel has called other states trying to see what they're doing and how they're handling this, but if you have any information I would be very grateful if you would give that to us. [LB911]

DARCY TROMANHAUSER: Okay. To your other point, I do think it's wise to look at how to improve our federal and our state IDs. But again, Real ID was passed without a hearing in the Senate or the House, it was hastily attached to an appropriations bill, so this simply isn't...if we're looking for the best way to secure our licenses, this is probably not the framework for that. And that's where I think a lot of the opposition if coming from. And if I heard you right, did you say that it also requires that we all have a passport? [LB911]

SENATOR FISCHER: No. [LB911]

DARCY TROMANHAUSER: Oh. [LB911]

SENATOR FISCHER: We would have to have a passport if...Nebraskans would have to have a passport in order to get on a plane... [LB911]

DARCY TROMANHAUSER: Oh, I see. [LB911]

SENATOR FISCHER: ...if we had not received that extension. [LB911]

DARCY TROMANHAUSER: Right. And then the other thing that I would be interested in following up on, because I just found it today before I came here, is the ACLU's general

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legal assessment that material compliance for most states, we would actually already be meeting the terms and so could afford to wait to see at the federal level, is this form of ID reform actually going to stick around or is it going to take another form before we rush forward paying for something that could shift. [LB911]

SENATOR FISCHER: And I don't disagree with you on that. I'm concerned about the cost to the state of Nebraska. [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: And that was one of my main reasons for introducing the resolution. And I believe one of the main reasons the resolution last year had so much support was the cost... [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: ...involved to the state. And I don't disagree with you on how Real ID was passed in the first place, being attached onto the tsunami relief bill without public hearings. But it's done, you know. We can't go back two, three, four, five years and redo that, and Congress it doesn't look like is going to be open to making those changes. Our own congressional delegation, I don't know if you've spoken to them, but I don't know if they're open to repealing Real ID. So what we're left with is a law that the final rules have come out on and the question is, how do we move forward with that? I think it's also good that last year we did pass that resolution as a number of states did because I think it did influence the final rules that came out from Homeland Security. [LB911]

DARCY TROMANHAUSER: Um-hum. [LB911]

SENATOR FISCHER: But now we're faced with, how do we move forward? And that's the big question that this committee is going to be dealing with over this bill. So any information you could give us would be appreciated. [LB911]

DARCY TROMANHAUSER: Great. [LB911]

SENATOR FISCHER: Thank you. [LB911]

DARCY TROMANHAUSER: Thank you. [LB911]

SENATOR FISCHER: Other questions? I see none. Thank you very much. [LB911]

DARCY TROMANHAUSER: Thanks. [LB911]

SENATOR FISCHER: Other opponents? Good afternoon. [LB911]

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LAUREL MARSH: (Exhibit 3) Good afternoon. My name is Laurel Marsh, spelled M-a-r-s-h, and I am the executive director of ACLU Nebraska here in opposition to LB911. I have two handouts today that I hope are a little bit for fun, they talk about the governor of Montana and his opposition to Real ID and some proposed actions that that state is taking. Montana is also a border state, though they border Canada as opposed to Mexico and are not always thought of in that way. ACLU Nebraska stands in opposition to LB911, which would place Nebraska on a path towards Real ID compliance. Last year, ACLU Nebraska stood in support of LR28, which was passed by the Legislature and in opposition to LB285, which were on the same subject. The Real ID Act is a law signed by President Bush in May, 2005, which if it is accepted by and carried out by the states, would turn state driver's licenses into a genuine national identity card and impose numerous burdens. If we look on page 6 of the green copy of LB911, you can see that the department is required to apply to the United States Department of Homeland Security for initial certification of its program for issuing operators licenses and identification cards under the requirements of the Real ID Act of 2005. And then each year it goes on to say that the DMV would review its compliance with the Department of Homeland Security, so presumably you might have multiple bills over multiple years that address a need to update whatever those compliance rules are. To put it simply, LB911 turns Nebraska driver's licenses into a national identity card and by doing so would have a very destructive impact on Nebraskans' privacy. Implementation of Real ID would dramatically accelerate a surveillance society that has been...being constructed in the United States. Once put in place, it will be used more and more for the routine tracking, monitoring, and regulation of individuals' movements and activities. It will be exploited by the private sector and it will expose individuals to greater risk of identity theft. A centralized database will inevitably over time become the repository for more and more data on individuals and it will be drawn on for an ever-wider set of purposes. And Senator Fischer has already detailed some of the purposes for which it would be used which are to get on an airplane, to have access to a federal building. The common machine-readable technology on Real IDs will allow for easy computerized transfer of data on the cards, not only to our government at checkpoints like airports, but also to private entities. Many bars already collect customers' information including information such as height and weight when they ask for a license to be handed over to prove that you are of legal drinking age. And that might prove to be just the tip of the iceberg as every big box retailer, convenience store, or liquor mart learns to access the data, retain it, and to sell it to database list creators for profit. The result would be that even if states and federal government do successfully protect the data, it could be harvested by private companies which would then build up a parallel for-profit database on Americans, free from even the limited privacy rules that are in effect for our government. And it is my understanding that you do not have to take an affirmative action, you don't have to hand your card to or swipe your card in order to have it be read, that there are readers that are activated by proximity and can access your data, can read your card whether or not you understand that you are giving your

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private information. Although individual states' driver's licenses may continue to exhibit cosmetic differences under Real ID, they contain a standardized set of information collected by all 50 states in the standard format encoded on a standardized machine-readable zone. And although individual states would still maintain their own databases, by requiring them to be interlinked Real ID would bring into being what is for all practical purposes a single distributed database. In short, underneath each state's designs is a standardized national identity card. DMV offices may appear to be state offices, but under Real ID they would become agents acting on behalf of the federal government, charged with administering what amounts to an internal passport which no one would be able to go without in the United States for real and practical purposes. I'm old enough that when I was growing up, you had a lot of World War II movies, all of my relatives had been in World War II. And there were characters that would say in highly accented voices, you know, "May I haf your papers please?" (spoken in a German accent) And when you think about it, when I was growing up it was kind of a joke, but when did that become okay to ask for our papers in the United States or to require the producing of a standardized set of papers in order for us to move freely about our own country? A couple of additional points, though I think pretty much they have been addressed by others: ACLU Nebraska takes no position on whether or not the DMV should administer the provision of driver's licenses through the 93 county systems currently in place or through 27 regional offices. We note that the regionalization of services does not...it is not dependent upon the adoption of Real ID or the lack thereof. If the DMV needs or wants to regionalize its services, it can do so without adopting federal Real ID legislation or moving in that direction. We do feel that it's a pretty good example of the burden that might be placed on Nebraskans who would have to drive further for services that they now already have. And the fiscal note is pretty darn significant, especially when you start thinking that the combination of the license charge and the surcharge would be about \$59 for a driver's license instead of the current \$24 or \$23.75. LB911 imposes significant administrative burdens and expenses on DMV. It means higher fees, longer lines, and bureaucratic nightmares for individuals. So, what should Nebraska do? Nebraska should keep its own counsel. We should reaffirm our commitment to the direction that is set in LR28, we should acknowledge that Real ID threatens the privacy and liberty of every driver's license and identification cardholder in the United States. I can guide you to the ACLU web site that has been previously cited, it's [www.aclu.org](http://www.aclu.org). You want to go down a right-hand menu to the title "Privacy and Technology" and you want to push the button that says, "Real ID" or enter it into a dialogue box, enter "Real ID" into a dialogue box. There are maps, information on states, deadlines, and much more than one body or one brain will retain over time, but that's why it's all written down. There are many other pages also. That's the end of my testimony and I'm ready to answer questions if you have any. [LB911]

SENATOR FISCHER: Thank you, Laurel. Are there questions? I have a question. Driver's licenses now, is there a bar code on a Nebraska driver's license now? [LB911]

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LAUREL MARSH: There is a magnetic strip on the back of our driver's licenses. [LB911]

SENATOR FISCHER: And what does that contain, do you know? [LB911]

LAUREL MARSH: I don't know specifically the individual identifying information that's on it. I would assume it would be pretty darn similar to what you would put on your application. [LB911]

SENATOR FISCHER: Have you ever run your driver's license through any kind of machine to read that strip? [LB911]

LAUREL MARSH: I have, but because it was out of... [LB911]

SENATOR FISCHER: What did you do that you did that? [LB911]

LAUREL MARSH: I have because it was out of state, it wouldn't allow itself to be read, which I thought was interesting because that meant that people in Colorado could not, in fact, gather data from a Nebraskan, even though at that moment in time I wanted to make a purchase and was willing to give it. So I thought that that was a unique demonstration of the fact that databases are not now interlinked. And that was okay with me. [LB911]

SENATOR FISCHER: Do you know, the bar code on the Real ID card...are there any rules on what that is supposed to contain? [LB911]

LAUREL MARSH: There is a list within LB911 that details the type of information that would be on the bar code. [LB911]

SENATOR FISCHER: Is that required by the federal government, would you imagine? [LB911]

LAUREL MARSH: To the best of my knowledge, it's that information which is required. The idea is to produce the standardized set of data. [LB911]

SENATOR FISCHER: (Exhibit 4) Okay, thank you. Other questions? I see none. Thank you very much. Anyone else in opposition to LB911? Anyone else in opposition? Anyone...oh, thank you. We did receive an e-mail from the Knox County Board of Supervisors in opposition to LB911 and that will be entered into the record. Anyone wishing to testify in a neutral capacity? Good afternoon. [LB911]

LARRY DIX: Good afternoon, Senator Fischer and members of the committee. My name is Larry Dix, spelled D-i-x, I'm the executive director of the Nebraska Association of County Officials appearing today in a neutral capacity. As you can tell from LB911,

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certainly there is some impact to counties. There's been a number of discussions about how it does impact counties and counties have been discussing this for a number of years, we've been talking about Real ID and sort of some of the impacts. It's one of those that as we as counties talk about it, I don't know that anybody jumps up and down and says, gosh, we'd love to do it. We don't know that anybody really loves to do it, but we think that with the federal law coming down, it's the reality of it. And so we've taken the approach that since that is the reality, we need to start to talk about it and we need to discuss the needs and the requirements of our taxpayers and our citizens. We certainly understand today that you can go into 93 counties and get a driver's license and we know that if Real ID passes, that reality will not exist as we know it today in the state of Nebraska. And our counties, some of our counties...and as you see, you have a letter of opposition in there...some of our counties would say, we think it's time that Real ID comes about and that we regionalize this. Certainly we would have some counties that would say, no, we want to hold onto that, we want those folks to come into our courthouses. Once again, we understand in the driver's licensing process, we as county treasurers are really nothing more than agents of the state when it goes to that process; we just happen to be in 93 locations. And what counties really do is the tail end of the process, take some pictures, collect some money, send the data back to the state. But really we are agents of the state in that process. Some of the things that I did hear...and I know a little bit about this from bouncing around county government for a while...certainly the information that you have on your driver's license today is not a magnetic stripe, that is not magnetic data on there, it is bar coded data. And if you were to take and analyze that bar code data, I think you would find that in my instance it would probably have my name and my address, certain demographics about my...probably if it has my height and if I was truthful about my weight, it would probably have my truthful weight on there. It would not, however, contain information with my photo, that is not in that demographic, nor is my signature in that bar code. And that's what we have today, that demographic information is on there. And again, it is a bar code, which is different than a magnetic stripe, much, much different. But I thought I would interject that because I know there have been some questions about it, but that is what's on there. So with that, certainly I would close in saying, yeah, we'll have some counties that are going to say, yeah, I wish we could keep it. But some other counties I would tell you that would say, you know, it's fine, if the state wants to issue it, they pretty well tell us what we can and cannot do today on those issues, let them have it. And so that's really why we're here today in the neutral capacity. I'd be happy to answer any questions anyone would have. [LB911]

SENATOR FISCHER: Thank you, Mr. Dix. Are there questions? I see none. Thank you very much. [LB911]

LARRY DIX: Thank you. [LB911]

SENATOR FISCHER: Anyone else wishing to come forward in the neutral capacity?

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Senator Hudkins, would you like to...oh. Senator Hudkins, would you like to close?  
[LB911]

SENATOR HUDKINS: I would, thank you, Senator Fischer. [LB911]

SENATOR FISCHER: Pauline was trying to tell me I had something else, and I said, no, I'm not going to do it. [LB911]

SENATOR HUDKINS: As you have heard, this is going to be a federal requirement. I'm not happy about the mandates because it is going to cost our state a lot of money, but we have to consider our citizens. If we are going to do business in a federal facility, if we're going to be on a plane. You know, personally it doesn't bother me because I have a passport, I'm covered either way; but there are a lot of people that don't. And so they're going to say, well, what do you mean I can't get on this plane? I just showed you my ID. Well, if we don't have Real ID, the airlines are going to say, that isn't the most current, up-to-date, lawful, legal document. And to get that document, you have to have certain background information that we can verify, we want to know that you are who you say that you are. You heard that there are 285 pages of rules in this mandate. That's pretty awful no matter how you look at it because if you have 285 pages of rules and you get 185 attorneys, you're going to have 185 different interpretations of those rules. But you also heard how fraud is being committed now with the licenses that we have. If you have the people that you know, you can get a copy of a driver's license for any state you want. If you're underage, you got the money, you can get it. This will help stop that. We heard Mrs. Marsh say the words, could be, might be, apt to be. Well, I think what she's referring to is these could be used for commercial purposes. Well, they can be now. What's the difference? We heard about the possible \$59 for five years; that's \$11.80 a year if my math is correct. How much does a movie ticket cost? \$8.50. What is a six-pack of water? I don't know, I drink mine out of the tap; that was given to me. Four gallons of gas? So \$11.80 a year for identification purposes is not that bad. Granted, we do need to figure out how to make licenses and identification cards tamperproof, but the reality is that the federal government has said, thou shalt do this. And until they change their mind, I don't know what recourse we have. We can fight it until we're blue in the face, and that's fine; if that's what you want to do, terrific. Like I said, it's not going to affect me, but it's going to affect a lot of people. Thank you.  
[LB911]

SENATOR FISCHER: Thank you, Senator Hudkins. With that, I will close the hearings for today, thank you all very much for coming. If I could have the committee just wait a minute. [LB911]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Transportation and Telecommunications Committee  
February 04, 2008

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Disposition of Bills:

LB1087 - Indefinitely postponed.

LB841 - Indefinitely postponed.

LB911 - Advanced to General File, as amended.

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Chairperson

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Committee Clerk