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Appropriations Committee
January 25, 2010

[LB740 LB776 LB793]

The Committee on Appropriations met at 1:30 p.m. on Monday, January 25, 2010, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB740, LB776, and LB793. Senators present: Lavon Heidemann, Chairperson; John Harms, Vice Chairperson; Danielle Conrad; Tony Fulton; Tom Hansen; Heath Mello; John Nelson; Jeremy Nordquist; and John Wightman. Senators absent: None.

SENATOR HEIDEMANN: I think we're going to go ahead and get started. We got the majority of the committee members here. Senator Fulton is going to be joining us just a little bit later on, I was told. We'll start with just a few brief things from me about who's here and who's on the committee and how things will unfold. We will start with, being as the majority of the committee is here, we'll with self-introductions starting with Senator Nordquist.

SENATOR NORDQUIST: Jeremy Nordquist, I represent downtown and south Omaha, District 7.

SENATOR HANSEN: Tom Hansen, District 42, Lincoln County.

SENATOR CONRAD: My name is Danielle Conrad. I represent north Lincoln's "Fightin' 46th."

SENATOR WIGHTMAN: John Wightman, District 36, most of Dawson County and all of Buffalo County except Kearney.

SENATOR HEIDEMANN: Senator Lavon Heidemann, District 1, Chair of this committee. To my right is Jeanne Glenn, she's a fiscal analyst at the present time. Way over to the left is Anne Fargen, she's the committee clerk. And our page for the day's name is Matthew. If you need something, Matthew can help us. With that...

SENATOR HARMS: I'm John Harms, 28th District, Scottsbluff, God's country.
(Laughter)

SENATOR NELSON: John Nelson, District 6, central Omaha.

SENATOR FULTON: Tony Fulton, District 29, south Lincoln.

SENATOR MELLO: Heath Mello, District 5, south Omaha and Bellevue.

SENATOR HEIDEMANN: At this time, we would like to remind you if you have cell phones to please shut them off so they are not disruptive later on. Testifier sheets are

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on the table near the back doors. We ask that you would please fill this out completely and put them on a box on the table when you testify. At the beginning of the testimony, for the transcribers following, we ask that you would please state and spell your name. Nontestifier sheets near the back doors, if you do not want to testify but would like to record your support or opposition, you only need to fill this out if you will not be publicly testifying. If you have printed materials to distribute, please give them to the page at the beginning of testimony. We need 12 copies. And a matter of time, we ask...also ask to keep your testimony concise and on topic. With that, we will start the public hearing on LB740. Senator Carlson.

SENATOR CARLSON: Thank you, Senator Heidemann and members of the committee. I am Tom Carlson, spelled C-a-r-l-s-o-n, and I'm pleased to present LB740 on behalf of the Ag Committee as the introducer. LB740 would simply remove the text authorizing transfers at the direction of the Legislature to the General Fund that were placed into six statutes creating cash funds administered by the Department of Agriculture by LB3, enacted during the special session. I understand that placing this authorization into these funds was necessary to allow the actual transfers that are to occur under LB1 enacted in the special session. You'll note that the bill contains an operative date of July 1, 2011, to not interfere with transfers from the affected cash funds that were approved by the Legislature. I've been outspoken in my reservations about withdrawing from certain cash funds deriving from revenues collected for one purpose and redirecting those funds for an unrelated purpose. However, I do want to make it clear that LB740 was not introduced in any manner to be critical of the Appropriations Committee. As my statement of intent indicates, the goal is to merely reinstate a mechanism for the Legislature to exercise its policy discretion if future transfers from these funds is ever contemplated. I do understand the difficulty of balancing a budget and the challenges that it brings. But I continue to believe that we need to be very circumspect when dipping into certain cash funds, such as those that are repositories of license and inspection fees that cover the cost of regulatory programs self-financed by the regulated industry. Obviously, we would never have had the political consensus to enact these programs if the original enactment stated that the Legislature could redirect inspection program revenues to other purposes. And so the purpose of this bill is to take that language out which would require that it be inserted again if future budget balancing sessions are necessary. And with that, I'll attempt to answer any questions you may have. [LB740]

SENATOR HEIDEMANN: Are there any questions of Senator Carlson? Senator Nordquist. [LB740]

SENATOR NORDQUIST: Thank you, Senator. Just briefly on the funds here. Obviously, these all pertain to agriculture. And just in general, your sense and the sense of your committee about other funds that regulate, for instance, CPAs, realtors, things like that. Is there a sense of your committee that that similar philosophy should apply to

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those funds as well? [LB740]

SENATOR CARLSON: I think so, Senator Nordquist. [LB740]

SENATOR NORDQUIST: Okay. [LB740]

SENATOR CARLSON: Although we simply talked about those that related to ag. [LB740]

SENATOR NORDQUIST: Sure, sure. Okay. Thank you. [LB740]

SENATOR HEIDEMANN: Senator Conrad. [LB740]

SENATOR CONRAD: Welcome. [LB740]

SENATOR CARLSON: Thank you. [LB740]

SENATOR CONRAD: Senator, I just wanted to clarify for the record and seek your input in relation to this issue which really gained significant amount of attention during the most recent special session and related to the budgetary issues that we looked at during that time. But to be clear, some of the transfers and questions that were proposed in terms of finding solutions to balance the budget did not originate with this committee but were rather issues that we had to be reactive and responsive to. And I think we were able to find a good resolution thereof. So I appreciate you being proactive. But I do want to clarify for the record that some of those ideas didn't originate in this in this room. Would you agree with that? [LB740]

SENATOR CARLSON: I agree with that. [LB740]

SENATOR CONRAD: Okay, thank you. [LB740]

SENATOR HEIDEMANN: Are there any other questions? Seeing none...oh, Senator Fulton. [LB740]

SENATOR FULTON: Thank you, Mr. Chairman. Is this priority bill material for you or do you know yet? Kind of depends on what we do, I suppose. [LB740]

SENATOR CARLSON: I would say it's a priority. We'll have to see whether it's a committee priority or not. [LB740]

SENATOR FULTON: Okay, thank you. [LB740]

SENATOR HEIDEMANN: Seeing no further questions, thank you. [LB740]

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SENATOR CARLSON: Thank you. [LB740]

SENATOR HEIDEMANN: Is there anyone else wishing to testify in favor of LB740? Seeing...come on forward. [LB740]

CONRAD REESON: My name is Conrad Reeson, last name is spelled R-e-e-s-o-n. I am president of Seed Enterprises, Inc. at West Point, Nebraska. I am here today representing the Nebraska Seed Trade Association in support of LB740. I'm the current president of the Nebraska Seed Trade Association, which is comprised of approximately 45 active and associate members who are very actively involved in the seed industry in Nebraska and involved in all aspects of the industry, be it research, production and/or marketing. We feel our industry is very vital to the agricultural success of this state and we feel that this bill does impact that to a great extent. We are testifying today because of our concern with the current status of the seed bill and that of the transfer of the cash funds that has occurred and under the current bill could occur in the future. Obviously, I'm going to reiterate part of what Senator did say. But the source of the funds is fees collected from the seed industry itself to protect and administer the seed law. And we feel that's very important to the integrity of our industry and to the overall welfare of agriculture. The...obviously the implementation of the seed law involves inspectors going out and drawing samples, analyzing those samples and then the actual...in the case of a violation and off sale that occurs through the Department of Agriculture. Without this regulatory process in place and without protection of that, we feel Nebraska could easily become a dumping ground of poor quality and noncompliance seed. And, of course, that would be an obvious detriment to Nebraska farmers. As the source of the funds themselves are our seed industry, we feel those should remain with the intent of what they were collected. And that's very briefly what we have to say. We feel it is essential that funds be made available for the full implementation and the enforcement of the Seed Act of Nebraska. Again, quality seed is an essential part of the agricultural process in this state. And we feel that maintaining these funds where they are is very, very essential to that. So thank you very much for your time. And I will take any questions. [LB740]

SENATOR HEIDEMANN: Are there any questions? Senator Hansen. [LB740]

SENATOR HANSEN: I have one, thank you. Thank you for coming today. Is it Mr. Reeson? [LB740]

CONRAD REESON: That is correct. [LB740]

SENATOR HANSEN: Okay. I want to talk a little bit about your fine system. I mean you have fees and fines and that's what goes into your cash fund. Is that correct? [LB740]

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CONRAD REESON: I don't think it's involved very much with fines. But there's a registration fee that each labeler, seed labeler that sells seed in Nebraska has to pay on an annual basis. It's based primarily on the volume of seed sold. And it's a ratcheted fee structure. And it's an annual fee that we pay for registration. And that whereby the Department of Ag knows that we're labeling in Nebraska and that we are trying to be in compliance. Now it also does...the registration does also red flag companies who are not doing business properly in Nebraska. [LB740]

SENATOR HANSEN: And are there fines involved in that? [LB740]

CONRAD REESON: For the most part it involves a nonsale, a stop sale of seed, I think. And if it went probably beyond that there are potential fines. I'm not familiar with that mechanism. [LB740]

SENATOR HANSEN: Is there any reason the Attorney General's Office would ever be contacted in any of these proceedings? Or do you have the authority to say just stop selling that seed? [LB740]

CONRAD REESON: That authority is really with the Department of Ag. [LB740]

SENATOR HANSEN: Okay. [LB740]

CONRAD REESON: And I'm not sure how far that would go. [LB740]

SENATOR HANSEN: Okay, thank you. [LB740]

CONRAD REESON: I'd be going out of line to comment. Thank you. [LB740]

SENATOR HANSEN: Okay, thank you. [LB740]

SENATOR HEIDEMANN: Are there any other questions? Senator Wightman. [LB740]

SENATOR WIGHTMAN: Thank you, Mr. Reeson, for being here. I've always felt that there is a difference between those who just promote a particular product that may be an association that relies upon the state for enforcement. I think that's probably what Senator Hansen was getting at as well. Right now I would probably support the bill. But I do make a distinction between whether the state has some function other than merely promoting a product. And again, as I say, I may well support the bill but I still draw a distinction there. And if the state is involved then maybe there is more of a reason than if it's strictly holding the funds for promotion of a product. And, I guess, I am interested in knowing what does the state do as far as the regulation of your seed industry? [LB740]

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CONRAD REESON: Well, obviously, it would mandate compliance. And in the event of a violation, if there's a sample pulled out at a dealer that comes in, analyzed at the lab and not to be in compliance...not to be compliant with the claims on the label, they can enforce a stop sale order on that particular bunch of seed, take a lot of seed. So that would take it off market. [LB740]

SENATOR WIGHTMAN: As a follow up question, your particular portion of the Department of Ag is operated all under the canopy of the Department of Agriculture, unlike the soybean and the corn that have their own separate director. Is that correct? You don't have a separate agency for seed as they do. [LB740]

CONRAD REESON: It's all under the Department of Agriculture, yes, sir. [LB740]

SENATOR WIGHTMAN: Okay, thank you. [LB740]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thank you for your testimony. [LB740]

CONRAD REESON: Thank you very much. [LB740]

SENATOR HEIDEMANN: (Exhibits 1 and 2) Is there anyone else wishing to testify in favor of LB740? Is there anybody wishing to testify in opposition of LB740? Is anybody wishing to testify in the neutral position on LB740? With that, Senator Carlson has an opportunity to close. Senator Carlson waives closing. We will close up the public hearing on LB740 and open up the public hearing on LB776, the one and only, Senator Hansen. [LB740]

SENATOR HANSEN: Thank you, Chairman Heidemann and members of the Appropriations Committee. My name is Tom Hansen. I represent the 42nd District in the Legislature, mostly all of Lincoln County. The Nebraska Respite Network was established in 1999, with six offices statewide, sharing spaces with other providers. The testifiers who will follow my introduction will tell you how many thousands of family caregivers there are in Nebraska. And they will explain the fiscal impact to families that are caregivers for loved ones of all ages with disabilities that are living at home. Keeping our seniors at home is truly a great concept. They're more comfortable there. They have familiar surroundings, they have familiar neighbors around, but there are costs when families become the caregivers. The Nebraska Respite Network helps by, number one, providing awareness of services to families; (two) providing information assistance, an example is that they had 3,720 calls from family caregivers requesting additional resources and answered questions by the Respite Network in 2007 and '08. Three, they provide financial assistance for respite care, subsidy and other services. LB776 addresses barriers to the expansion and enhancement of the Respite Network. The respite service programs serving six regional areas in the state have not received

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an increase in state funding since 2001. In underserved rural areas, travel distance plays a critical role in finding and providing respite caregivers. Training of caregivers is of utmost importance. Additional funding would allow for spreading awareness of available training. Continual updating of new resources is vital to the delivery of respite services and increasing staff hours will assist in updating that database. Coordination of caregivers of respite services and information in a centralized location is needed to address the growing demand of respite services. LB776 provides for an annual increase of \$240,000 for the Respite Network and \$60,000 annual increase for the Respite Subsidy. Thank you. Are there any questions at this time? [LB776]

SENATOR HEIDEMANN: Thank you, Senator Hansen. People have come up to me in the last month or two and said that will any bills with cost be introduced? And I said that if it's a priority for that senator and it if becomes a priority of the Legislature that we need to at least hear them and take it from there. This, evidently, is enough of a priority for you to bring it before the Appropriations Committee or you wouldn't be here. Knowing the times that we're in, do you feel that this would be a priority enough that we need to find savings someplace so that we could do this? [LB776]

SENATOR HANSEN: I do believe in the Respite Care Network. And I've been through it. My family has been through it several times where we are the caregivers for our family. And at times, and it wasn't in our situation, I guess, because we had enough family members at home. But these people, these family caregivers need a break. And the only break they get is if there's some service, like the Respite Network, that they can call and say, we need some time off, we need a little bit of a time, you know, for ourselves. And these Respite Network people come in and there will be testifiers following me that will give examples of those times. I am...we started this process in July. That will give you a little bit of a clue why I'm still passionate about this. I am passionate about it. We realize the concerns of the fiscal note on it. But we need to talk about this. They are providers. We talk about, in every session we talk about provider rates. And this has not been increased since 2001. So they're a very frugal group, very frugal. And we'll...I just want to bring it up to the forefront. We want to talk about it now. And sometime in the future we can maybe address it a little more fiscally. [LB776]

SENATOR HEIDEMANN: Senator Wightman. [LB776]

SENATOR WIGHTMAN: Senator Hansen, I can understand where there could be a lot of savings for the state if these people who need this care are on Medicaid. But I assume a lot of these would just be Medicare patients that are not getting aide, is that correct, people that stay in their own home and do it through some source other than a nursing home or... [LB776]

SENATOR HANSEN: That's right. And you know, we talk about it. When I served on the HHS Committee, that was a goal, to keep seniors in their home, to keep children with

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disabilities in their home. And that's what they're doing. At the respite care luncheon last Friday, we found out that that saves the state \$2 billion a year. [LB776]

SENATOR WIGHTMAN: How much? [LB776]

SENATOR HANSEN: Two billion dollars, with a B as in boy. [LB776]

SENATOR WIGHTMAN: And I don't...I find that believable. I can believe that it probably is. At the same time, we get into the situation sometimes where people spend more to keep money...spend more money to keep people in their home, a retired person, than it would cost even at a...because if you were to pay \$10 an hour around the clock, it would probably cost more money to keep someone in his own home or her own home than it would to be in a nursing home or as much as. And they still, of course, have their home. But many of these people would not be Medicaid patients. To Medicaid patients it would very often be cost-effective for the state of Nebraska or for the federal government or a combination of the federal government and the state of Nebraska for them to be kept in their own home. Because a lot of people could be kept there a lot cheaper than they could at \$70,000 a year in a nursing home. So the problem is you open up the gates to a lot of people who were not getting any state assistance at the present time and maybe are providing this through the respite care system. Can you address that? Do you agree that that's probably true that many of these people aren't drawing any state aide? [LB776]

SENATOR HANSEN: Senator Wightman, I really don't know. I think the people that are coming behind me you could ask that same question of. [LB776]

SENATOR WIGHTMAN: Thank you. [LB776]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thank you. [LB776]

SENATOR HANSEN: Thank you. [LB776]

SENATOR HEIDEMANN: Is anyone else wishing to testify in favor of LB776? Welcome. [LB776]

CHRISTINE STEWART: (Exhibits 3 and 4) Thank you. My name is Christine Stewart, C-h-r-i-s-t-i-n-e Stewart, S-t-e-w-a-r-t. I'm here as the cochair of the Nebraska Respite Coalition. Senators, it's an honor to be before you today. Thank you, Senator Hansen, for introducing LB776. The 2008 report estimated that there is 177,000 family caregivers in Nebraska. As you were discussing, the care that these family members and friends provide to their loved ones with chronic condition in the home save...has an "unpriced" market value of \$2 billion a year. The Nebraska Respite Network serves family

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caregivers of all incomes, caring for loved ones of all ages with all disabilities. There are over 1,000 providers on the Nebraska Respite Network database that family caregivers can hire to, of course, provide respite but also other necessary and needed services like transportation and hands-on care. Also, for over 50 percent of our family caregivers are still working outside the home. And so these providers can offer the family coverage while they continue to work outside the home and bring in incomes to support their families. Education is a key component of what the Nebraska Respite Network offers. Working in collaboration with other community organizations we offer education on a variety of topics to make the family caregivers as well as the providers feel more confident in providing that hands-on care. The most important aspect of the Nebraska Respite Network is outreach. Reaching the family caregivers and educating them about the resources within their particular community before the crisis occurs and before they prematurely place their loved one in a facility because they believe that's the only recourse they have available for services. The Nebraska Respite Network and the Nebraska Respite Subsidy, as Senator Hansen mentioned, has not received an increase in state funding since it was begun through legislation ten years ago. In 2009, the Nebraska Respite Network saw a 9 percent decrease in our outreach activities due to the budget shortfalls. The Nebraska Respite Network and the Nebraska Respite Subsidy have been good stewards of the state dollars. The Nebraska Respite Subsidy was designed to serve 540 families by providing up to \$125 a month for respite reimbursement. In 2009, the subsidy served 998 families. In the eastern area, due to federal funding, the host agency, the Eastern Nebraska Office on Aging, provided additional funding. With this funding the eastern area was able to employ two full-time staff. In that year there was a 91 percent increase in the number of family caregivers served. The Nebraska Respite Network serves over 1,000 new contacts with family caregivers each year. If we keep just 31 of those family caregivers caring for their loved one in the home it is less than the proposed budget for the Nebraska Respite Network and the Nebraska Respite Subsidy. As you know, senators, the number of family caregivers is going to continue to increase as is the cost of facility care. The only way families and the state is going to be able to curb and control the long-term care costs is through programs like the Nebraska Respite Network and the Nebraska Respite Subsidy. Thank you for your time and attention. I would be privileged to take any questions you might have. [LB776]

SENATOR HEIDEMANN: Thanks, Christine. Senator Wightman. [LB776]

SENATOR WIGHTMAN: Yes, Christine, I asked Senator Hansen the question with regard to how many of these maybe are drawing Medicaid. And you gave us a figure of 177,000 are being cared for in their homes. Can you give us a percentage or any kind of a figure of how many of those may be Medicaid patients? [LB776]

CHRISTINE STEWART: Right. Well, the providers that the network recruits are available for anybody. I would have to say in the eastern area the vast majority, 80

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percent, are middle income families that aren't eligible for any state program. They aren't able to pay for the in-home agencies that are fantastic because they take care of all the paperwork for the families. Or for example, in the case where a family needs less than three hours of a provider, most of the in-home agencies have a requirement of at least three hours. Some families just want somebody to drop in and check on them. Again, the providers that the network recruits can do those sorts of things as well. So the family is in control of how much care they need. That doesn't quite answer your question. I'd have to look into the exact number who are actually on Medicaid. But I would say the vast majority are the middle income families who can't afford... [LB776]

SENATOR WIGHTMAN: Who can't afford... [LB776]

CHRISTINE STEWART: Who cannot afford, because they don't...they're not eligible for any help in paying for services. They're paying out of pocket for it. [LB776]

SENATOR WIGHTMAN: And, of course, we have to keep in mind I think that some of these families, if they were in a nursing home, for example, would soon get to the point that they are Medicaid patients because they would deplete their resources so quickly. [LB776]

CHRISTINE STEWART: In less than a year, yeah. [LB776]

SENATOR WIGHTMAN: Well, a lot of them in less than a year. All of them or a big, big percentage, if you were to go two or three years in a nursing home. [LB776]

CHRISTINE STEWART: Right. [LB776]

SENATOR WIGHTMAN: So I think we have to be cognizant of that, that sometimes they aren't Medicaid eligible, but would be Medicaid eligible if they were in a nursing home for three or four years. [LB776]

CHRISTINE STEWART: Yes. [LB776]

SENATOR WIGHTMAN: Because I would assume that might constitute 60 or 70 percent of the families in Nebraska that if they had to pay for a nursing home for one and sometimes two members of the same family, they would run out of resources within a two- or three-year period. [LB776]

CHRISTINE STEWART: And if I can just mention, that was an excellent point that Senator Wallman made at the luncheon on Friday. He asked how many of our family caregivers actually pass away before the person that they're caring for. What we tend to run into a lot is the family caregiver lets their own health issues go by taking care of the loved one. And what do you do when the family caregiver has to be hospitalized? Who

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can care for that person with disabilities? And by being able to provide resources through grants and whatnot, like that, we're able to provide the funding so that that person can remain in the home or go to a facility short-term so that that family caregiver can be hospitalized and also have the treatment afterwards. [LB776]

SENATOR WIGHTMAN: And I've seen that happen where a family member takes so much burden upon themselves that they end up dying ahead of the person they're providing the care for. [LB776]

CHRISTINE STEWART: Right. [LB776]

SENATOR HEIDEMANN: Senator Nelson, then Senator Fulton. [LB776]

SENATOR NELSON: Thank you, Ms. Stewart, for coming here today. On your handout I'm interested in the information on the next to the last paragraph. You're talking about the Nebraska Respite Subsidy providing 540 caregivers with up to \$125 a month. How does that work? Are they given a certain amount of money and then they go out and get their own respite? [LB776]

CHRISTINE STEWART: They do decide on their own. They can pay another family member or friend or an agency or one of the independent providers, whoever the family chooses. But it's a reimbursement program. So they get billing forms which they fill out, show how much they paid the provider per hour, total it up to \$125, if that's what they've been approved for, and then the state will either send the provider a check or the caregiver a check, whichever they mark on their sheet. [LB776]

SENATOR NELSON: What...540 families, for instance, or caregivers, how...what special category are they in that they qualify for the subsidy or only need the subsidy? That's less expensive, isn't it, maybe than other... [LB776]

CHRISTINE STEWART: A day in a nursing home? [LB776]

SENATOR NELSON: Yeah. [LB776]

CHRISTINE STEWART: Yeah, it is. (Laugh) [LB776]

SENATOR NELSON: Well, yes, absolutely. But I mean, outside the subsidy program that probably costs a little more. I'm just guessing. Maybe... [LB776]

CHRISTINE STEWART: Well, there again, being able to choose their own providers, because especially if you're working with a person with dementia or a child with some sort of mental challenges you want someone familiar with that person. Bringing in a total stranger is not a good idea. So they can pay their own family members like \$2, \$3 an

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hour and get a lot more hours. For the in-home agencies you're probably only looking at four hours maybe a month out of the \$125. But it does serve the lifespan. The original idea is that we would hold slots for...so many slots for children, so many for the 19 through 60, and so many for the 61 and above. That didn't work out that way because the kids really needed the respite. The 19 through 60, an awful lot of them are paying for their providers and so they aren't eligible if they're paying the primary caregiver. The primary caregiver also has to live in the home with them and they have to be of a condition that they can't be left alone for any period of time. So their health issues have to be such that they need pretty much constant supervision at least. Does that answer your question? [LB776]

SENATOR NELSON: Well, it does. One hundred and twenty-five dollars, how far does that go? How many hours of respite on the average would say that provides? [LB776]

CHRISTINE STEWART: If it's a family member, it goes a lot farther than if it's an agency. Typically, the independent providers that a family can hire that aren't family members are, for a companion level, are anywhere from \$10 to \$12 an hour. [LB776]

SENATOR NELSON: Okay. Thank you. [LB776]

CHRISTINE STEWART: Sorry. The family caregiver decides how they're going to us it, basically. [LB776]

SENATOR NELSON: No, that's all right, that's fine, that's fine. Thank you. [LB776]

SENATOR HEIDEMANN: Any other questions? Seeing none, thank you, Christine. [LB776]

CHRISTINE STEWART: Thank you very much. [LB776]

SENATOR HEIDEMANN: (Exhibit 5) Is anyone else wishing to testify on LB776, in favor of? [LB776]

JULIE CARLSON: Hi. [LB776]

SENATOR HEIDEMANN: Welcome. [LB776]

JULIE CARLSON: (Exhibit 6) My name is Julie Carlson and I would like to testify. And you can spell that C-a-r-l-s-o-n. I'm just going to talk a little bit about my story. ALS is what I have and that stands for Amyotrophic Lateral Sclerosis. It is commonly also referred to as Lou Gehrig's disease. It's named after the famous baseball player who brought it to international attention in 1939. And seventy years have passed and there's still no cure. However, it's not just his disease; it knows no boundaries, it can strike

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anyone. But anyway, ten years ago I was like many of you, I led a very active life. I was raising three children and working outside the home and enjoyed many activities and I had no health issues. Then all of a sudden I noticed one day when I walked...went out for my jog that my foot was tripping me up. And a year and a half and three neurologists later, I had a diagnosis of ALS. That meant that I was going to lose a lot of my mobility. And anyway, I soon lost the use of my arms and legs and then my husband as well. He decided to end our marriage and it left me really in a very bad financial situation. Anyway, I was only 43 years old when that happened. And I fell into a gap in which I was too young to qualify for a lot of benefits. So I had no idea what I was going to do and where the money would come from. And that's where the Respite Network really helped me out. I ended up moving to live with my sister and she was about two hours away. She had a granddaughter to raise and she was working full-time and that's where the respite really helped because if we wouldn't have had that she would have had to quit her job. After that, I moved to Omaha to live with my daughter. And she is working two jobs and taking 12 hours towards a degree in occupational therapy. And, you know, I am on state assistance but I do need extra care. And, you know, I just don't have enough hours provided by the state assistance. My daughter has to help care for me. So the respite is really important to give her a break so that it doesn't all fall on her as a burden. But she knows that it's really important for me to try and stay in the home. I would thrive more in an environment which I could get the quality care that I need and that I could be around the ones I love. Even though I am unable to move, my mind is completely intact. Mental stimulation and interaction with others is really critical for me to the importance of my well-being. And it's important to me to be able to go out every day and be around people and enjoy doing as many things as I can do normally. A lot of this would not be possible without some help. An illness such as ALS is really devastating. You want to try and stay in your home. It requires a lot of special equipment, higher skilled care. But if families want to try and keep their loved ones in the home...anyway, I just wanted to say that the resources from the Respite Network have really been critical for us in order for me to get the care that I need and give my caregivers a break. [LB776]

SENATOR HEIDEMANN: Senator Conrad has a question, if you could take it for us. [LB776]

SENATOR CONRAD: Hi, Julie. Thank you so much for coming down today and sharing your very personal story in a very succinct and compelling manner. This question occurred to me as Christine was leaving. And so I don't want to catch you off guard, but what I'm trying to find out is it's my understanding that this appropriation has not been increased since inception of the program about ten years ago. But has there been attempt to bring this forward that just have not been successful? That's the information I'm trying to get. I don't know if Christine or Senator Hansen has that or if you knew off the top of your head. If not, I can get that off the mike. [LB776]

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JULIE CARLSON: I wouldn't know that. Yes, I don't know about that. [LB776]

SENATOR CONRAD: Okay. Well, thank you again. This is a fantastic presentation. And it's always helpful to hear about personal stories and how our public policy decisions really affect people and families at the front lines of these challenges. [LB776]

JULIE CARLSON: Well, and I think it's real important to realize that, you know, living independently is so important. [LB776]

SENATOR CONRAD: Absolutely. Well, and that critical quality of life piece, I think, is so important. [LB776]

JULIE CARLSON: You know, because it doesn't always happen to people who are old. [LB776]

SENATOR CONRAD: Right. Thank you. [LB776]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thanks, Julie. [LB776]

JULIE CARLSON: Thank you for your time. [LB776]

SENATOR HEIDEMANN: Is anybody else wishing to testify in favor of LB776? Welcome. [LB776]

PATRICIA JARECKE: (Exhibit 7) Thank you. My name is Patricia Jarecke, Patricia P-a-t-r-i-c-i-a Jarecke is unusual. It's J-a-r-e-c-k-e. First of all, I'd like to thank you all for your support of the Nebraska Respite bill. Honorable Chair and members of the state Appropriations Committee, I became a full-time caregiver almost four years ago. My dear mother, Bernice Stypa, who suffered from vascular dementia, pulmonary fibrosis, and strokes, after her last stroke the doctor said she was not able to be left alone. [LB776]

SENATOR HEIDEMANN: Take your time. You have time. We have patience here. [LB776]

PATRICIA JARECKE: Thank you. My unbelievably supportive husband allowed me to quit the best job I ever help up until that time to care for my mother. I am here today to share with you, one, how emotionally and physically rewarding it was; (two) how emotionally and physically exhausting it was; and (three) how I emotionally and physically recharged myself to continue being a caregiver. Caregiving was emotionally and physically rewarding. It was emotionally and physically rewarding to see that sparkle in my mother's dark eyes when we would do things together like take short

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walks, bake cookies together or when I would put my head on her lap and just put my arms around her and she would stroke my head. It was emotionally and physically rewarding to give my mother, who gave me so much during my life, a beautiful, peaceful, Catholic death, not in some noisy hospital or nursing home, but in the tranquil atmosphere of my own home, amidst the consolation of the attending priest and family members. I have repeatedly said that I was making wonderful memories by caregiving and now these memories are such a treasure to me. Caregiving was emotionally and physically exhausting. It was emotionally and physically exhausting to jump out of bed two or three times a night to run to her side to make sure she safely toileted without hurting herself by tripping on the oxygen cord or getting it tangled in her walker. It was emotionally and physically exhausting to lift her wheelchair and oxygen tanks in and out of the car and house in order to take her to her doctor or physical therapy appointments or just to get her out of the house for a change of pace, or to coax and beg her, in her confused state of mind, to get up and go to bed. There were nights when I slept on the couch next to her while she fell asleep stubbornly waiting my dad to come home. My dad has been dead over 30 years. How I got emotionally and physically recharged: I was able to become emotionally and physically recharged with the tremendous help of respite funds. My sister took annual leave from her job to come from Idaho to provide care for my mother while my husband and I took much needed breaks away from home. I could leave my mother knowing that she was getting the very best of care from my sister and knowing also that my mother truly was comfortable having her daughter and not some stranger with her. I was really able to relax and recuperate with peace of mind so that I could return being recharged and ready to again be a daily care provider for my mother. I was also able to use these funds to have a wonderful friend from church come and provide care for my mother for shorter intervals and again feel comfortable knowing that my mother was familiar with this woman. I chose to give them the money that otherwise would have gone to strangers. Thinking back now if more funds were available how much more I might have been able to do for her. Because being a caregiver is rewarding along with being exhausting, I'm here to advocate for respite care funds for care providers to enable them to be recharged and to continue their mission of providing the best of care for their family members, which in the long run is also good for all Nebraska. Thank you for allowing me to speak on this subject so dear to my heart. [LB776]

SENATOR HEIDEMANN: Thanks, Patricia. Are there any questions? Seeing none, thank you for coming in and testifying today. [LB776]

PATRICIA JARECKE: Thank you. [LB776]

SENATOR HEIDEMANN: Is anyone else wishing to testify in favor of LB776? Welcome. [LB776]

ROBBIE NATHAN: (Exhibit 8) Thank you, thank you very much. My name is Robbie

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R-o-b-b-i-e, Nathan N-a-t-h-a-n and I'm speaking on behalf of AARP. AARP supports LB776. We see this bill as a step toward renovating Nebraska's long-term care system in order to make it sustainable and to provide the services that people want. If I were to design a long-term care system from the ground up, the foundation would be a family caregiver support program like the Nebraska Lifespan Respite Program. I would first make sure that families had the resources and support that they need to care for their loved ones and still meet all of the other social and economic demands that are placed on them. I would do this because I know that caregiver support is the most cost-effective means of meeting the needs of disabled adults. It strengthens families which is good for the state of Nebraska in so many ways. The Nebraska Lifespan Respite Program has a proven track record of helping families care for their disabled family members at home. The program has played a role in the actual reduction in Medicaid spending for people over the age of 65. Medicaid vendor payments for people over 65 were less in fiscal year 2009 than they were in fiscal year 2003. Control of spending on long-term care services and prescription drugs has led to this phenomenon. In long-term care, costs have been controlled by reducing the number of persons who receive Medicaid-covered care in institutions. This would not have been achieved without community support services like the Lifespan Respite Program. And if it had not been achieved, we would be facing a much more difficult fiscal situation than we are today. AARP does recognize that the state faces difficult budgetary challenges. We are backing away from a number of legislative proposals that in normal years we would actively support due to their budgetary impact. But we continue to support the full funding level that is included in LB776 because we believe that the return on investment is too good to pass up. By 2040, there will be twice as many Nebraskans who are over the age of 80 as there are today. If we don't begin to build that sustainable long-term care system, future Legislatures will pay the price for our inaction today. We encourage you to move LB776 to General File. Any questions? [LB776]

SENATOR HEIDEMANN: Thank you for coming in and testifying today. Are there any questions? Seeing none, thank you. [LB776]

ROBBIE NATHAN: Okay, thank you. [LB776]

SENATOR HEIDEMANN: (Exhibit 9) Is anybody else wishing to testify in favor of LB776? Seeing none, is anybody wanting to testify in opposition of LB776? Seeing none, is anybody wishing to testify in the neutral position on LB776? Seeing none, we will close the public hearing on...actually, we're going to give Senator Hansen an opportunity to close, if he so desires. [LB776]

SENATOR HANSEN: Thank you, Mr. Chairman. Very briefly, I think that one reason that we don't know very much about the respite care network is because they are not...they don't network, they don't have a big Web site, they're very frugal in what they do. They use the funds, they co-op with other agencies to have a low, you know, a one

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person desk in a area on aging in Omaha, and a YWCA in another area. And caregivers change. I mean, the folks that we're talking about they don't...some of them pass on quicker than we would think so they're gone. And they don't network well, even the corn growers can network better than the caregivers in the state of Nebraska. But yet they do provide a function, they really do. And I appreciate the opportunity to bring this bill forward. Thank you. [LB776]

SENATOR HEIDEMANN: Thank you, Senator Hansen. With that, we will close the public hearing on LB776 and open up the public hearing on LB793, Senator Dubas. Welcome. [LB776]

SENATOR DUBAS: Good afternoon, Senator Heidemann and members of the Appropriations Committee. My name is Senator Annette Dubas, that's A-n-n-e-t-t-e D-u-b-a-s, and I represent the 34th Legislative District. First and foremost, I would like to thank you, the Appropriations Committee, for removing the checkoff programs from consideration when we were discussing budget issues during the special session. It became quickly and abundantly clear where farmers stood when it comes to checkoff dollars that we pay to support our industry. When you can get farmers out of their combines through a very difficult harvest season and cause them to travel to Lincoln to make their voices heard, you can safely assume that this a matter of utmost importance. The agricultural sector rose to the occasion and had their opportunity to make their case. So again, I do want to thank you for your support and for your understanding of this issue. I would also like to state that I am definitely not here to criticize you or your work. We all have tough decisions to make when it comes to budget, but you are the ones that do the yeoman's work when it comes to putting together a responsible and balanced budget. So I do thank you for that also. But after the special session, my thoughts were directed towards how do we make sure that checkoff dollars are protected and kept in place for their intended purpose. I spoke with the Fiscal Office and Bill Drafting so that I could better understand how we traditionally handle cash-funded agencies and their funding. It is already clearly stated that cash funds cannot be transferred unless there's authorizing language. They also gave me a history lesson which demonstrated that the Legislature does not make a habit of relying on cash funds to help out with General Fund obligations. I remember my first year as a state senator and I went through the Cash Fund Book. I wanted to know why some of those balances appeared to be so large and if there was that kind of money laying around, surely we could find something useful to do with that money. But I quickly learned, again through visiting with Fiscal and Bill Drafting and other people who had been around for a while, just exactly how those different agencies worked. And quite often, as with the checkoffs, that money comes in only at certain times of the year and then they have to budget accordingly to be able to meet their obligations throughout the year. So while it may appear to those who aren't quite as educated about the process that we just have bags of money laying around the state coffers with no place to go with them, that is definitely not the case. So as I said, it became pretty clear the language is already in place to

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protect those cash balances. It was pointed out during the floor debate that with the advent of term limits many senators are now no longer here that have that institutional memory about those cash-funded agencies, where those dollars come from, how they work, how those agencies budget those dollars. And I heard many of my colleagues say, you know, this is a good discussion for us to have. We need to be talking amongst ourselves and also in the public forum to not only educate ourselves but educate our constituents about this issue. So while the language is clear that we can't take those dollars without at least having very clear and thorough debate, I decided to introduce LB793 just to give those commodity boards as well as other cash-funded agencies one more time to come before you and make their case. I totally do respect your time and the committee process. And I don't mean for this to be just another bill for you to have to sit through. But I think again it's good for all of us to have that understanding and that background as to how these cash-funded agencies work. And I just, you know, the farmers and the ag groups really, as I said, rose to the occasion. They came here en masse, they made their point. But not all the cash-funded agencies were either able to rally their troops quite as quickly or had that opportunity. So, you know, in visiting with some of the commodity groups, I don't know if they're all going to come forward and make their case, but I think they have at least submitted a letter to you that they've all signed onto. And I believe there will continue to be some...this is an issue that I will continue to look at and work on. And how do we make our commodity statutes and our commodity boards...I think they do a great job working for the producers in the state of Nebraska. I wouldn't want to see anything jeopardize those checkoff dollars in the future. You know, so if there's things that we can do to again help educate people about those dollars or shore those dollars up a little bit more, I'm certainly willing to look at it. But again, I introduced LB793 just for that opportunity to talk about how this issue works and give people another opportunity to come forward. So I'd be happy to answer any questions you may have. [LB793]

SENATOR HEIDEMANN: Senator Wightman, first. [LB793]

SENATOR WIGHTMAN: Thank you, Senator Dubas. I think the attempt to reach this is worthwhile. At the same time I think we may be usurping the judicial function of our three branches of government in our declaring that a particular action of the Legislature is unconstitutional. Because I think that is a duty of the judiciary. And I think probably...you know, if you read this, it's exactly what the Attorney General writes opinions on, it's what courts do. I think we might be usurping a function of another branch of government. I guess, I'd be interested in hearing your thoughts on that. [LB793]

SENATOR DUBAS: Well, when I visited with Bill Drafters about my original intent, can we do something really to put some additional protections in place for checkoff dollars? They pretty much said, well, they're already there. You know, that language is already there. And we do have that Attorney General's Opinion that's based on this portion of

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the constitution. And so their suggestion to me was, let's just put that, you know, let's just say you know you can't do it and this is why you can't do it. That was their suggestion to me. And again, it was with that understanding that it really is in the statutes. We can't take those cash funds unless we provide that authorizing language. We went through the process, we had the debate, it apparently works. It hasn't been the history of the Legislature to just do that whenever the fancy strikes them. So in working with Bill Drafters, they understood what my intent was. And they said, if you really want to make a point, let's just reiterate the current statute and say this is where that came from. [LB793]

SENATOR WIGHTMAN: I realize, too also, that we do discuss whether it's constitutional as part of our debate frequently in the Legislature. But that might be different than passing into statutory law a statement that it is. Because it certainly would somewhat tie the hands of future Legislatures. And I hope their hands would be already tied in this regard. But I have some concern as to the constitutionality as far as the division of power by the three branches of government. Thank you. [LB793]

SENATOR DUBAS: And I understand, I have those same concerns. And again, it will go back to that point with term limits and as we have more and more regular turnover of large numbers of senators we're going to have to keep having these kinds of discussions so that everybody...you know, so when that next class of senators comes through and they pull out the cash-funded agency book and say, hey, I know where I could use those dollars for something that I'm particularly working on. I just think it's a discussion we're going to have to have on a regular basis. [LB793]

SENATOR WIGHTMAN: And it might have some effect down the road, I agree, as to a future Legislature. I don't know how much effect it would have upon the courts. But... [LB793]

SENATOR HEIDEMANN: Senator Conrad. [LB793]

SENATOR CONRAD: Senator Dubas, thank you. One quick point for the record that I do want to definitely commend Senator Dubas on is I think from our very first days together in the Legislature she was and continues to be someone who consistently is touching base with fiscal analysts and with members of the Appropriations Committee, keeping very careful attention on the budgetary process and substantive issues related thereto. So I know that you're very busy within the context of your jurisdictional committees. But you know, really off the top of my head I can't think of another senator in our class and beyond this committee who's been more active in monitoring taxpayer funds in regards to these uses and others. So I commend you for that, Senator Dubas. Secondly, really I did want to follow up in regards to the intent here and how important I think it is that we put in as many red flags as possible to the legislators who will come after us. You know, this issue was something that I think took us all by

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surprise in terms of the fact that it was really unprecedented in terms of the proposal that we saw from Governor Heineman and how he wanted to balance the budget in part or in whole, and something that this committee acted very aggressively in terms of turning down. But, I think, the economy being what it is will continue to ebb and flow. And as we do lose institutional knowledge and memory, it's so critically important we do everything that we can to put red flags into place for additional consideration and to provide somewhat unnecessary protections because they may be necessary. I think there's no harm in that. And so if you would be open maybe to working with the committee in terms of addressing specific substantive drafting issues on this to accomplish the same goals, I think that we could definitely give that some careful attention. [LB793]

SENATOR DUBAS: I would certainly be open to any suggestions the committee may have. I never quite thought about phrasing it like you did as far as putting a red flag, but that essentially was what I was trying to do. It's for those legislators down the road to help them learn what we've learned through this. And just, you know, I think in the course of the debate that we had on the floor, many senators said, I didn't realize this. We really shouldn't be doing this, but you know, we're under extraordinary circumstances here, so that's why we did it. So anything that will trip that ability to have that conversation, to ask those questions, get that historical perspective, talk to those people in the Fiscal Office or in the Bill Drafting Office who understand how the process works. They've helped me immensely. Part of my interest in the Appropriations Committee was I initially thought I wanted to be on Appropriations. But after the special session I decided you guys are doing such a good job that, no, I'm not going to seek that position. (Laugh) [LB793]

SENATOR CONRAD: Well, and just on a final process note, I know that the various commodity and ag groups that were affected by that initial proposal were active and very informative and helpful in terms of providing information on these issues to the committee. And that definitely helped guide our decision. But as you mentioned, that did happen in the midst of a harvest season and it's never a bad thing to give people another opportunity if they didn't have a chance to visit with us, then to come in now and reiterate those points. So I think this is a great piece for procedural and substantive reasons. [LB793]

SENATOR DUBAS: Thank you, Senator Conrad. [LB793]

SENATOR HEIDEMANN: Senator Hansen. [LB793]

SENATOR HANSEN: Thank you. Thank you, Senator Dubas, for coming here today. I was not disrespecting you by looking at my Blackberry while you were testifying. [LB793]

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SENATOR DUBAS: I didn't even notice. [LB793]

SENATOR HANSEN: I do have...what I was looking for was a list that I have of all the cash agencies, strictly cash, no General Fund, no federal funds, strictly cash agencies. And there's a lot of them. [LB793]

SENATOR DUBAS: There certainly is. [LB793]

SENATOR HANSEN: There's a lot of them that pay fees in there to regulate their business: the barber board, the electrical board, the real estate appraisers, the real estate commission, they pay the money to regulate their industry. And if they have a problem with someone in their industry they hire the Attorney General's or someone from the Attorney General's Office and pay them out of those fees. How do we go about making sure that the rest of the cash-funded agencies are handled in a similar way? [LB793]

SENATOR DUBAS: Well, I guess, that's when I started this conversation with Fiscal and Bill Drafting. That was, you know, when I initially talked to them it was about commodity checkoffs. But, yes, we have a large number of strictly cash-funded agencies that if we do take any amount of their money they don't have much recourse except to go back to the people that are funding them and funding the services. And it's clearly stated in statute for those agencies as well as the checkoffs, we are not allowed to take that money unless we provide the enacting language. So if people would say, is there a protection in place? Well, yes, there's a protection in place. But we also have a mechanism in place that if we decide we want those dollars, so I mean I'm definitely open to suggestions. But outside of just flat out saying no, under no circumstance can you ever go into this and take these dollars, I also understand we have certain cash-funded agencies that have that flexibility that allows us to use those dollars on occasion. So if we just make it across the board saying, no, you can't do it, then we tie our hands in other ways. So as we've learned with so many other issues, it's never quite as simple as we'd like it to be. [LB793]

SENATOR HANSEN: Let me just say that the Appropriations Committee was looking under all the rocks last year for money and so was the Governor's budget folks. But some of those rocks weren't government rocks. Thank you. [LB793]

SENATOR DUBAS: And again, it is a conversation we need to have to make sure everybody understand that. [LB793]

SENATOR HEIDEMANN: Are there any other questions? Senator Fulton. [LB793]

SENATOR FULTON: Thank you, Mr. Chairman. Thank you, Senator Dubas. This thought is something that I have thought of personally. And I want to bounce it off you to

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get your reaction and maybe some testifiers after, if there are any. Another strategy to ensure that the Legislature does not, you know, reach into a cash fund is to maintain that cash fund such that the Legislature could not go into it. So for instance, cash fund X has ten bucks in it and only five bucks is actually needed. The Legislature may say, hey, there's \$5 we can access. But if the cash fund balance carried in that fund were \$5 and those \$5 are all needed, then the Legislature would not be or we would have a harder time accessing that money. So it seems to me that another way to control the Legislature going into different cash-funded agencies is to control the amount of fee that's paid into that cash fund. And I've done some research on this. I didn't actually get any bills introduced. There was one particular that I saw that carried a pretty high cash balance. And so my proposal was, well, why don't we reduce the amount of fee that gets paid into it such that there isn't such a high cash balance? It's another way without having to, you know, change the statute as it relates to the Legislature's power to access cash funds, but it's a way to control the amount of money that the Legislature...has that been discussed? Is that something that... [LB793]

SENATOR DUBAS: Yes, I have discussed that with some of the agencies and even the checkoff boards themselves, too, where basically they said, well, we just need to make sure we're spending this money. Well, we don't want to encourage spending just for the sake of spending so nobody else can have that money. But we also don't want them taking money where they're building up these huge extra excesses of money. Again, I think it goes back to that budgeting process and how that money comes in and how they have to make that money last throughout the year. And I also know that some agencies...there's a range that they can use, you know, you can go from this amount to this amount. And we just then just periodically come back and reaccess where they're at. So I don't know if shortening that range or making them come, you know, make them come back more often to ask for that ability. But I think, as I said, I did visit with some agencies about is that an option. Do we just make sure you don't have any extra money in there for us to have access to? So that's definitely something that I've heard about and have thought about also. And I'd be happy to continue to investigate that with you. [LB793]

SENATOR HEIDEMANN: Sometimes that's more...it's easier said than done because you look at the Corn Board where they have a fee, but you never know what the bushel's produce is going to be. And that's what determines the amount of money coming in, so you can set a fee, and as production goes up, you're going to bring in more money. [LB793]

SENATOR DUBAS: Some of those are a little more easy to control than others. And you know that Corn Board or commodity checkoff, they might have a really good year one year, but then they're going to have to make that money last if the next year is not so good and they don't generate those same revenues. [LB793]

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SENATOR HEIDEMANN: Correct. [LB793]

SENATOR DUBAS: So it's just like farming. [LB793]

SENATOR HEIDEMANN: Senator Wightman. [LB793]

SENATOR WIGHTMAN: Senator Dubas, I brought up this question earlier that there may be quite a distinction between checkoff boards and the money that is set aside solely for promotion of a product, then one where the state is involved in the licensure proceeding and enforcement. Do you make any distinction there? Because I realize a lot of those licensing boards are also state funded or I mean cash-funded. But I do see a distinction there that the state has some interest in that fund beyond what they would have on checkoff funds, which are used strictly for promotion. One of the problems that I have with your proposed language is that it provides that it would talk about all state funds that are...cash-funded agencies that are cash-funded. And some of those I don't see as being equivalent to the checkoff boards. Checkoff boards, to me, is easy. But those are promotion dollars. And I see a big distinction as opposed to licensing procedures where the state does have some enforcement responsibilities and perhaps there's a big distinction as far as in times of real crisis perhaps applying some of those funds to the General Fund. Do you see a distinction? [LB793]

SENATOR DUBAS: I definitely do see a distinction. But I also have not spent the time looking at the statutes that control some of those other state-funded agencies. So I don't exactly know how they're set up. I'm familiar with how the checkoffs are set up. And really that money is directed towards a very specific purpose. And so I understand that. So you raise a very valid point though that how are these different agencies doing? What are they supposed to do with that money? [LB793]

SENATOR WIGHTMAN: What is the state's role with regard to this agency. [LB793]

SENATOR DUBAS: Right. [LB793]

SENATOR WIGHTMAN: I see that as being an issue. Now I also see where it would be very difficult to just change your checkoff dollars all the time as Senator Fulton proposed. Perhaps licensures, I think, maybe fit that category that he's discussing a little more easily, because you could cut back our license fees. But you don't know when these funds are going to be expended or when an opportunity is going to come that you can promote a particular product. And you may have a real pause out here two years from now, and yet you would hate to cut back and then go back in and increase the amount of checkoff at that point, I would think. Do you... [LB793]

SENATOR DUBAS: I would agree with you. And again, I wouldn't want to see us go a direction where we're just telling people spend the money just for the sake of spending

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money. That's not a responsible behavior either. So, yeah, but again those commodity dollars come in, in a different fashion than some of the other cash-funded agencies do. [LB793]

SENATOR WIGHTMAN: Thank you. [LB793]

SENATOR HEIDEMANN: Senator Conrad. [LB793]

SENATOR CONRAD: Yeah, sorry, one last question, Senator Dubas. And I just really want to clarify the record from Senator Fulton's line of questioning. It's not as if these particular cash funds or commodity funds in particular have increased their balance due to some haphazard increase of fees imposed upon them by the Legislature or otherwise, but rather there is a separate and deliberate process related thereto. And so just simply going in and saying we're going to cut fees, it doesn't really get after the issue. [LB793]

SENATOR DUBAS: Right, yeah. [LB793]

SENATOR CONRAD: Thank you. [LB793]

SENATOR HEIDEMANN: Any other questions? Seeing none, thank you. Is anyone wishing to testify in favor of LB793? Welcome. [LB793]

STEVE EBKE: (Exhibit 10) Thank you. Yes, Chairman Heidemann and members of the Appropriations Committee, my name is Steve Ebke, and that's spelled S-t-e-v-e E-b-k-e. This afternoon I'm here to represent several agriculture groups: the Nebraska Cattlemen Association, the Nebraska Corn Growers, the Nebraska Farm Bureau Federation, the Nebraska Pork Producers, the Nebraska Poultry Industries, the Nebraska Soybean Association, and the Nebraska Wheat Growers Association. And I want to just say that these groups, in the interest of time, have pooled together. We did a little networking, Senator Hansen. But these groups believe that LB793 will protect self-funded commodity checkoff programs from diversion to General Fund or other state programs. We appreciate Senator Dubas' support within that special session that's been discussed and her continued support by introduction of this bill. In addition, we want to thank this committee for their support of Nebraska's commodity checkoffs during the special session. Your understanding and action during that special session was greatly appreciated by the groups that I mentioned today. And again, these groups would ask that you continue your support for the Nebraska commodity checkoff programs and to be able to support LB793. [LB793]

SENATOR HEIDEMANN: Thank you for coming in and testifying today, Steve. Are there any questions? I'd like to make a statement that the Appropriations Committee definitely thanks you for getting everybody together and testifying as one. We need to

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see that more often here. Thank you very much. [LB793]

STEVE EBKE: Okay, thank you. [LB793]

SENATOR HEIDEMANN: Welcome. [LB793]

MARTY LINK: (Exhibit 11) Good afternoon. My name is Marty, M-a-r-t-y Link, L-i-n-k, and I'm a board member and I represent the Nebraska Board of Geologists. And I'll just read you my letter here. The Nebraska Board of Geologists would like to offer testimony in support of LB793. The board believes the registration fee that individual geologists submit each year to become and to retain the status of professional geologist should be used solely for the purpose of running the Professional Geologist program. The Nebraska Board of Geologists was established in 1999 to oversee the licensing of geologists whose work affects public health and safety, and to enforce the Geologist Regulation Act. There are nearly 300 people licensed in the state of Nebraska to practice geology as a licensed professional geologist. Geologists are highly trained scientists with special knowledge of earth processes and earth materials, including natural rocks, soils, minerals, and fluids, specifically surface water and ground water. Geologists are trained to investigate how earth materials interact with natural agents and processes that cause changes in the earth or its surface. Examples of geological work include investigation, planning, surveying, and mapping of structures that impact natural materials and processes. Thank you very much for this opportunity to offer testimony on this bill. And then it was signed by our chairperson, who is Dr. Jack Schroder from University of Nebraska-Omaha, and he's the chair. Any questions? [LB793]

SENATOR HEIDEMANN: Thank you for coming in today and testifying. Are there any questions? Seeing none, thank you. [LB793]

MARTY LINK: Thank you. [LB793]

SENATOR HEIDEMANN: Is anyone else wishing to testify in favor of LB793? [LB793]

DAYTON CHRISTENSEN: Thank you. I left my jacket in my pickup over at the Cornhusker. I wore my leather coat over here, so forgive me. [LB793]

SENATOR HEIDEMANN: I feel a lot more comfortable without a coat, too, so I agree with you, [LB793]

DAYTON CHRISTENSEN: (Exhibit 12) Senator Heidemann, and members of the Appropriations Committee, my name is Dayton Christensen, D-a-y-t-o-n C-h-r-i-s-t-e-n-s-e-n. I'm a wheat producer from Big Springs and a member of the executive office of the Nebraska Wheat Growers Association, and I'll sometime refer to

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that as the NWGA. Nebraska Wheat Growers appreciate the opportunity to speak to you today. The Nebraska Wheat Growers Association would like to express our support for LB793, introduced by Senator Annette Dubas. NWGA thanks Senator Dubas for her support of Nebraska's commodity checkoff dollars. We believe that LB793 would further protect farmer established self-funded checkoff programs from diversions to the General Fund or other state programs. The Nebraska Wheat Resources Act was enacted in 1955 to protect and foster the health, prosperity and general welfare of its people by protecting and stabilizing the wheat industry and the economies of the areas producing wheat. As such, it is one of the oldest checkoff programs...commodity checkoff programs in our great state. Nebraska wheat producers came to the Legislature to establish this checkoff. It was and is a producer-initiated, producer-funded program that enables wheat producers to do the heavy lifting required to conduct wheat research, development, new markets for Nebraska wheat, both domestically and internationally, and educate the public on the importance of wheat and a healthy diet. Nebraska's 8,000 wheat producers have been self-supporting in its efforts for the past 54 years. The programs are 100 percent self-supported and general tax funds are not used to support any of the checkoff program activities. The Nebraska Wheat Growers Association believes that farmers, investments and commodity promotions should be...should not be treated as a general tax dollar nor should these funds be transferred to any governmental use. NWGA urges the members of the Appropriations Committee to move LB793 forward in order to assure that the self-initiated checkoff funds continue to be used as they were intended over 50 years ago. The Nebraska Wheat Growers Association believes that LB793 will further strengthen and protect the future of all state commodity checkoff programs. Thank you. [LB793]

SENATOR HEIDEMANN: Thank you for coming in and testifying today. Are there any questions? Seeing none, thank you very much. [LB793]

DAYTON CHRISTENSEN: Okay. Thank you for your time. [LB793]

SENATOR HEIDEMANN: Is anyone else wishing to testify in favor of LB793? Seeing none, is anybody wishing to testify in opposition on LB793? Seeing none, does anybody wish to testify in the neutral position on LB793? Seeing none, would Senator Dubas like to close? [LB793]

SENATOR DUBAS: Very briefly. Committee members, again, thank you very much for your attention. If there is some language that we can put in to, like I said, put that little red flag in place, I'm definitely open to any suggestions or comments you may have to make. But I appreciate your attention to the issue. Thank you. [LB793]

SENATOR HEIDEMANN: (Exhibits 13-15) All right, thank you. With that, we will close the public hearing on LB793 and we're done for the day. [LB793]