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Health and Human Services Committee
January 23, 2009

[LB132 LB146 LB150 LB195]

The Committee on Health and Human Services met at 1:30 p.m. on Friday, January 23, 2009, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB146, LB132, LB195, and LB150. Senators present: Tim Gay, Chairperson; Kathy Campbell; Mike Gloor; Gwen Howard; Arnie Stuthman; and Norman Wallman. Senators absent: Dave Pankonin. []

SENATOR GAY: All right, thank you all for coming today. We'll get started with the Health and Human Services Committee hearing. We've got four bills on the agenda today, and we'll get right to them. Before we get started, just a few housekeeping things I wanted to go over. If you're going to testify, we have testimony sheets there where you print out your name, and then we need you to turn it into the clerk. When you come up to testify, please spell out your name too for the transcriber that she has to do. Please, if you have any cell phones, silence those now; out of respect for everybody else that's going to be hearing. We have a time system here in this committee in order that a person at the last hearing of the day gets the same attention as the first hearing of the day. Otherwise our days get very long and it will be, quite honestly, it's hard at 5:30 p.m. to give that person the same attention as the 1:30 p.m. person. So what we do is we have a five, we get five minutes to testify. If you're opening on a bill though, which the senators get as much time as they want. When we are asking you questions or anything like that, you know, we don't have a timer going. But if you can summarize your testimony in five minutes, a green light will be going; at four minutes, a yellow lights will come on; and then the red light will come on. We'll let you summarize, get to the end; we're not just going to cut you off, but when that red light is on, let's...that means it's about time to wrap it up. So we'll get going. Also I should mention, too. We, new to the Legislature this year, we're having a streaming web video, so this is being broadcast; well, worldwide actually. So that is going on now. It's a new transparency. I think it's a great, a great new tool we have. We'll get started. I'm Senator Tim Gay from Papillion-La Vista, the chair of the committee. And we'll start introductions over here. []

SENATOR GLOOR: I'm Senator Mike Gloor, District 35, which is Grand Island. []

SENATOR CAMPBELL: I'm Senator Kathy Campbell, District 25, East Lincoln. []

JEFF SANTEMA: Jeff Santema, legal counsel to the committee. []

SENATOR STUTHMAN: Senator Arnie Stuthman, District 22, which is Platte County and the north half of Colfax County. []

SENATOR WALLMAN: Senator Norm Wallman, which is south of here, Beatrice, Wymore, and Adams. []

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ERIN MACK: I'm Erin Mack, the committee clerk. []

SENATOR GAY: Okay, and I'll, and Senator Howard will be introducing a bill, from Omaha. And Senator Pankonin is Vice Chair of the Committee. He's not with us now. He's testifying in another committee which people will be coming and going during the hearing because we've all got bills that we have to go testify on. So if you see Senators getting up and going, it's not that they're not interested in what you have going on; it's just that we've got other committees going on as well, and we need to testify in those committees. So be patient with us. We all care a great deal what you're saying, but don't take any offense if somebody gets off, if you've got testimony you'd like to hand out to the committee, we'd like to have 12 copies. And the pages, Blair and Justin, will take care of you with that. Just, they can get you the copies, and they'll get them handed out. So with that, we'll get started, and we have LB146, Senator Howard. []

SENATOR HOWARD: Good afternoon, Senator Gay and members of the Health and Human Services Committee. For the record, I am Senator Gwen Howard, and I represent District 9. Today I bring LB146 for your consideration. This bill is being introduced on behalf of Creighton University School of Pharmacy and the University of Nebraska College of Pharmacy. I might add both of those are in my district. We're a very medical district in 9. Under existing pharmacy statutes, pharmacy education programs cannot order, stock, or otherwise handle prescription drugs. And the board of pharmacy does not have the authority to grant a waiver for the school or college programs. This represents a challenge to providing an academic environment where students have the opportunity to apply the information they are charged with learning. The purpose of LB146 is to allow simulated pharmaceutical teaching laboratories to purchase and dispose of prescription drugs for educational purposes only. Following my testimony, representatives from Creighton University, the University of Nebraska Medical Center, and the Nebraska Pharmacists Association will provide more detailed information about the technical aspects of this bill. And I would ask that you wait to ask any questions regarding the technical aspects of this bill for those people that would have that information. As Vice Chair of the Education Committee, I respect these institutions and want to be able to provide a thorough and quality learning experience for the pharmacy students. As a member of the Health and Human Services Committee, I appreciate the diligence in wanting to ensure that students enter this critical medical field adequately prepared to serve the public. And there's a piece I was going to save for closing, but I think it's important that you know it now. There is some concern on the part of the Department of Health and Human Services, but they are coming in in a neutral capacity, I believe. And to me, that does demonstrate their willingness to work together--all parties--to address concerns in this issue, and I appreciate that. [LB146]

SENATOR GAY: (Exhibit 1) Thank you, Senator Howard. We do have that letter here from the Department, so we'll put that into the record. [LB146]

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SENATOR HOWARD: Good. Okay. [LB146]

SENATOR GAY: And I think it's neutral. I didn't read the whole thing, so. Okay. We'll save the questions maybe for later. Proponents on LB146, do you want to come on up and state your name. [LB146]

RON HOSPODKA: My name is Ron Hospodka, that's H-o-s-p-o-d-k-a. Chairman Gay and members of the Health and Human Services Committee, my name is Ron Hospodka. I'm a licensed pharmacist in Nebraska. In addition, I'm an associate professor of pharmacy sciences and special assistant to the dean for professional affairs at Creighton University School of Pharmacy and Health Professions. One of my main responsibilities at Creighton is to educate our pharmacy students about the federal and Nebraska statutes and regulations which a licensed pharmacist must comply with in the practice of pharmacy in Nebraska. And I appear today before you to support LB146 which would provide for simulated pharmacies, and our two accredited pharmacy programs in the state of Nebraska. And this is a joint effort of the Creighton University School of Pharmacy and Health Professions and the University of Nebraska Medical Center College of Pharmacy. A simulated pharmacy will be able to purchase prescription drugs to be used in simulated pharmacy exercises for pharmacy students and students enrolled in pharmacy technician training programs. The prescription drugs will include many of the dosage forms commonly dispensed in traditional pharmacies as well as very sterile products. The use of actual prescription drugs in the simulated exercises will provide an optimal learning environment for students. The prescription drugs will not be dispensed or sold. In addition, the prescription drugs will be securely stored in order to prevent loss or theft. Lastly, the prescription drugs will not include any narcotic or nonnarcotic controlled substances. So that would not require us to be a DEA registrant. In other words, for the Drug Enforcement Administration. I would be happy to answer any questions that you may have. [LB146]

SENATOR GAY: Senator Stuthman. [LB146]

SENATOR STUTHMAN: Thank you, Senator Gay. Thank you for testifying, Ron. I have one question. You just stated that the, you know, these prescription...these drugs will not be used or will not be administered. They are prescription drugs though. [LB146]

RON HOSPODKA: Yes, they are. [LB146]

SENATOR STUTHMAN: Okay, are they ever going to be used? [LB146]

RON HOSPODKA: No. [LB146]

SENATOR STUTHMAN: They will be destroyed? [LB146]

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RON HOSPODKA: Well, the...they will be used, again, in our simulated exercises. They will be used until they become outdated, then they would be returned either for credit and/or destroyed appropriately. They would not enter, they would not go back into the stream of interstate commerce, so to speak. [LB146]

SENATOR STUTHMAN: Okay. But they will be used...the simulated pharmacy will be utilizing that as long their...the, their life on the drug. And then they will be returned. Okay, thank you. [LB146]

SENATOR GAY: Senator Gloor. [LB146]

SENATOR GLOOR: Thank you, Mr. Chairman. Is it, are you a Pharm D, may I ask? [LB146]

RON HOSPODKA: No, I am not. [LB146]

SENATOR GLOOR: Okay, I wanted to refer to you as doctor as opposed to mister. Mr. Hospodka, in my previous life, I was a hospital CEO, so some of this will be the CEO coming out in me. Why is it we need to use, and why do you need to incur the expense of actual drugs when it's a simulated pharmacy, and you'll be distributing these to simulated patients or clients? That's the part of this I haven't understood. [LB146]

RON HOSPODKA: Currently what happens in our situation in a lot of cases is that we have the container without any tablets or capsules in it. And I believe the students have...if they have the ability to see the actual tablets that are currently being dispensed in a pharmacy, so they can identify with that, I think it's... [LB146]

SENATOR GLOOR: Color, size, shape. [LB146]

RON HOSPODKA: Right. Color, size, shape. I think it's of a great benefit to them. [LB146]

SENATOR GLOOR: Is there...I would imagine there is, but I have to ask the question. Is there a quality assurance concern that those medications, if fake, might find their way inadvertently out into patient, actual patient treatment areas? Could that also be part of a liability or risk management component? [LB146]

RON HOSPODKA: I wouldn't think so. I wouldn't think so because, again, our simulated laboratories are in the classroom environment. They're not, say, for example, in the hospital environment or in a clinic environment. So it would be very unlikely that those would ever end up in the actual... [LB146]

SENATOR GLOOR: Okay, thank you. [LB146]

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SENATOR GAY: All right. Any other questions? I don't see any. Thank you. [LB146]

RON HOSPODKA: Okay. Thank you. [LB146]

CHARLES KROBOT: (Exhibit 2) Good afternoon, Chairman Gay and members of the Health and Human Services Committee. My name is Charles Krobot and that's K-r-o-b-o-t. I am also a licensed Nebraska pharmacist, and I'm associate dean for the College of Pharmacy at the University of Nebraska Medical Center. As part of my responsibilities there, I teach the pharmacy law course, in addition to a course which provides students with instruction in the compounding or preparation of sterile products. And that would be products for IV use, such as antibiotics, those types of things. I'm here today to share some of my expertise on the topics covered in LB146 and explain why I believe passage of LB146 would enhance the education students receive at both pharmacy educational programs in Omaha. As a component of our...of the education of our students, it is critically important that we provide them with simulated pharmacy practice exercises. And one example of the exercises is the preparation of sterile products that I mentioned previously. And Senator Gloor, I might comment--even a bag of sterile water, a vial of sterile saline, those types of things--are considered prescription drugs. So for that reason, it might not seem like that would be an issue, but it is an issue to purchase them. The students need to learn proper technique and to practice with the real drug product in order to become appropriately proficient. And I had mentioned that the exercise is deemed to be simulated because a real patient is not being subjected to the products the students prepare. To accomplish these simulated exercises, as we've discussed, we must have access to drug products for which a prescription is required or you might hear the term "legend" drugs. Since we have no reason to pursue licensure as a community pharmacy, we don't have patients and we're not in that facility, the College of Pharmacy is not licensed as a pharmacy. We are unable to purchase the needed legend drug products through routine channels that a licensed pharmacy would use such as wholesale drug distributors because wholesalers are governed by specific regulations with regard to the entities to which they can distribute those prescription drug products and nonlicensed educational programs are not included. To remedy this situation, the concept of a simulated pharmacy is authorized by law in other states. Examples are Iowa and Georgia, and that is what we are asking for with this bill. Specific restrictions are provided which limit the activity of the simulated pharmacy to the provision of simulated exercises only with no dispensing to patients. Appropriate oversight is provided by requiring that a pharmacist-in-charge is designated. In brief, the simulated pharmacy is allowed to procure legend drug products, but specific restrictions limit the pharmacy to using those drug products for educational or research purposes only. In conclusion, we believe that advancing LB146 and creating licensure of a simulated pharmacy will enable both educational institutions to do a better job of simulating pharmacy practice exercises for our students and thus enhance their overall educational experience. I would be happy to answer questions. Thank you. [LB146]

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SENATOR GAY: Thank you. Any questions? Senator Wallman. [LB146]

SENATOR WALLMAN: Thank you, Chairman Gay. Yes, thanks for coming. In regards to this simulation versus actual, would that be a huge cost to the University? [LB146]

CHARLES KROBOT: It will not be a large cost. I teach that pharmacy, the sterile products preparation part, and we're talking \$200-\$300 or less than \$500 for the products that I need to help show those students what to do. I always pick the cheapest products I can find, obviously. So that they can demonstrate preparation of the product, that type of thing. So we're not talking a large expense. [LB146]

SENATOR WALLMAN: Thank you. [LB146]

SENATOR GAY: Thank you, Senator Gloor. [LB146]

SENATOR GLOOR: Thank you, Mr. Chairman. Dr. Krobot, how have we been teaching pharmacy students up to this point in time? [LB146]

CHARLES KROBOT: Well, by scrounging basically. The...our hospital partner is a licensed facility and has assisted us with, as we requested product. But there are questions as to whether they should be doing that or not. So this is a cleaner way to approach it in which we would be a licensed entity and be able to handle the products. [LB146]

SENATOR GLOOR: So you'll actually be in your own location or situation? [LB146]

CHARLES KROBOT: We're in our own building, correct. We have a laboratory now. We've been doing some of these things. This will enable us to do it in a better fashion, I believe. [LB146]

SENATOR GLOOR: But you'll literally set up a mock pharmacy? [LB146]

CHARLES KROBOT: We do. We have a model pharmacy in the College of Pharmacy building. [LB146]

SENATOR GLOOR: But you have one now. [LB146]

CHARLES KROBOT: Yes. [LB146]

SENATOR GLOOR: What I don't understand, maybe I need to ask the question differently. Are we considering this law as potential legislation because the question of having it licensed as a pharmacy has been brought up by someone. [LB146]

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CHARLES KROBOT: It's not been raised by someone, just the propriety of the hospital providing us with drug product, and this was deemed to be the best way for us to approach that so that we don't have any evidence or any indication of a problem. [LB146]

SENATOR GLOOR: But it's been operating this way for a couple of decades or longer? [LB146]

CHARLES KROBOT: It's been, well, you know, at least five years that I've been at the college. I will say that. [LB146]

SENATOR GLOOR: Okay. I'm just trying to figure out why we're having this dialogue obviously and was hopeful that it wasn't that somebody was stirring the pot on it, let's put it that way. [LB146]

CHARLES KROBOT: Not that I'm aware of. There have just been some issues in terms of, you know, maybe it's questionable whether we should purchase these products this way, whether the hospital should sell them to the educational component of the institution. Since there's question raised and interpretations have created some issues, we feel this is a much cleaner way to do it, and it takes those issues away. [LB146]

SENATOR GLOOR: That helps. I appreciate that. Thank you. [LB146]

CHARLES KROBOT: Certainly. [LB146]

SENATOR GAY: Any other questions from the committee? I don't see any. Thank you. [LB146]

CHARLES KROBOT: Thank you very much. [LB146]

SENATOR GAY: Other proponents on LB146? [LB146]

BOB HALLSTROM: (Exhibit 3) Chairman Gay, members of the committee, my name is Robert J. Hallstrom. I appear before you today as a registered lobbyist for the Nebraska Pharmacist Association in support of LB146. Nebraska is fortunate to have two outstanding educational institutions educating our future pharmacists. One of the most important aspects of teaching students in the hands on dispensing and compounding labs that are part of the curriculum at both institutions, and that is now at risk because of some interpretations of existing rules and regulations. The NPA this summer worked in collaboration with the Creighton University School of Pharmacy, the University of Nebraska College of Pharmacy, to draft the legislation that Senator Howard has brought forward for your consideration. The dean of the college and the professor decided by

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default that I would be the one to bring an amendment forward to the committee today. We do have an amendment that primarily makes a few technical changes in wordsmithing and then addresses two substantive issues that I'd bring to the attention of the committee. The first one is an additional exception to the exemptions for the practice of pharmacy. You'll notice in item 12 on the bill, I believe, on page 4 currently, there is an exemption for students enrolled in this simulated pharmacy conducting educational exercises. This one clarifies that also students enrolled in a pharmacy technician training program would similarly be exempted from the practice of pharmacy for conducting these exercises. The second issue has to do with the issuance of the license. The simulated pharmacy license under the proposed amendment would be renewable every five years with the Department of Health to waive any fee associated with the simulated pharmacy license. We have visited, it is my understanding, with the department. I am not sure that we've gotten a final answer back as to whether or not the department expects a fee to be paid by the colleges with respect to the simulated pharmacy, but that is the way that we have drafted the amendment at this time. And I will submit the amendment to the clerk. I'd be happy to address any questions that you may have. [LB146]

SENATOR GAY: Thank you, Mr. Hallstrom. Any questions from the committee? I don't see any at this time. Thank you. [LB146]

BOB HALLSTROM: Thank you. [LB146]

SENATOR GAY: (Exhibit 4) Other people who would like to speak in support of LB146? I don't see any. I would, for the record, we do have a letter of support from the Nebraska Hospital Association. Any...last call for proponents. All right, any opponents to LB146 who would like to speak. Let the record reflect there are none. And neutral position that would like to speak in a neutral capacity on this issue. Don't see any takers, but on...the Department of Health and Human Services has a letter for the record in a neutral capacity, so we'll put that into the record as well. (Previously entered as Exhibit 1.) [LB146]

SENATOR CAMPBELL: Chairman Gay. [LB146]

SENATOR GAY: Yeah, I'm sorry, Senator Campbell. [LB146]

SENATOR CAMPBELL: It would seem after reading the letter and in light of the questions from Senator Gloor, we may just want to review this with Dr. Schaefer because I'm not sure that the letter reflects as much the department's understanding as what the gentlemen are telling us. And I think they're fine, I just want to make sure that Dr. Schaefer understands the testimony that they have given today. Because it might change some of the paragraphs in the letter. [LB146]

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SENATOR GAY: Absolutely. Yeah, absolutely. I'm sure Senator Howard will bring that. I put neutral with strong concerns. So. But with that...and the amendment that we will look at as well, of course. Senator Howard, do you want to close? [LB146]

SENATOR HOWARD: Thank you. Thank you for that observation. And as I said earlier, I think this, the fact that the department has come in neutral and is willing to work with the pharmacists and the Schools of Pharmacy, I hope that is going to enable the learning institutes to mitigate the department's concerns and to reach a compromise so that we can ensure a meaningful learning experience for these students. And with that, I would ask your support in, at this time, giving the parties an opportunity to work together, and hopefully we will be able to advance LB146, in time. [LB146]

SENATOR GAY: Questions from the committee for Senator Howard? Senator, I do have one question for you. On that amendment, were you... [LB146]

SENATOR HOWARD: Actually, I haven't seen that amendment yet. [LB146]

SENATOR GAY: Okay, so you'll look at it and get back to us. [LB146]

SENATOR HOWARD: Well, yeah. [LB146]

SENATOR GAY: Okay. I just wondered if you knew that was coming or? [LB146]

SENATOR HOWARD: I didn't, but maybe it's a step in the right direction. That's what I'd like to think, so. All right. Thanks. [LB146]

SENATOR GAY: Right. Sounds reasonable, okay. Thank you, Senator. All right, with that, we'll close the public hearing on LB146 and go to LB132, Senator Fulton, to change the Barber Act. I see Senator Fulton is here with us. [LB132]

SENATOR FULTON: Good afternoon. Thank you, Mr. Chairman, members of the Health and Human Services Committee. My name is Tony Fulton, for the record, T-o-n-y F-u-l-t-o-n, and I represent District 29 in Lincoln. I bring to you LB132 today on behalf of the Board of Barber Examiners. I do have some folks that will be following after me who will be able to speak more intelligently and probably more eloquently to any questions you might have, but I will endeavor to answer any questions that might come up. LB132 increases licensure efficiency by allowing the board to administer license renewals for barber shops, barber instructors, barbers and barber schools every even-numbered year rather than on an annual basis. Secondly, it clarifies the necessity for licensure for persons using the title of barber or holding one's self out as being in the business of barbering. Third, it creates a permit mechanism for independent contractor barbers who lease space in another's barber shop. And lastly, it addresses a means of licensing without examination for those barbers licensed in another jurisdiction. The

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gentleman who serves on the Board of Barber Examiners who is actually, I believe, the executive director is a constituent of mine and if you look historically, there have been other senators from District 29 that have brought forward barbering legislation. So concluding, LB132 enables the Board of Barber Examiners to better accomplish its mission of providing the public with safe and healthy barber shop environments. If there are any questions, I'll do my best. [LB132]

SENATOR GAY: All right, thank you, Senator Fulton. Any questions for Senator Fulton? We'll wait. All right, thank you. Are you going to stick around or? [LB132]

SENATOR FULTON: I probably will waive closing as I have another bill. [LB132]

SENATOR GAY: Okay. All right. Thank you for joining us. All right. Proponents on LB132. [LB132]

RON PELLA: (Exhibit 1) Chairman Gay and distinguished members of the committee. I am Ron Pella, that's P-e-l-l-a, director of the Board of Barber Examiners. The testimony that I give today in support of LB132 is given on behalf of the barber board. Occupational licensing is use of the state's powers to protect the public's health, safety, and welfare by controlling the activities of the persons engaged in various professions, trades, and services. It's an awesome power which must be met with sound judgment, maximum input, and due consideration for impact of such licensing on the public at large. We believe that because the profession enjoys the benefits of government-sanctioned regulations, the public has high expectations of our profession as a whole. Our regulatory body recognizes that special circumstances of our profession which influence the administration of the licensing process. Amendments to the Barber Act are the product of what the board believes to be in the best interest of not only the tuition-paying student but also the instructional personnel and additionally provides the public with a healthy and safe shop and school environment. Certainly students, and ultimately, the consumer deserves nothing less. Members of the committee, I will now identify significant changes to the Barber Act, and then briefly review the amendments to LB132. The first issue starts on page 2, lines 13 through 16--and at various other areas of the bill--where we address the same issues by their licensing of individuals or establishments to the renewal process on or before June 30 of each even-numbered year, starting June 30, 2010. This will give the agency appropriate time to implement these changes by proper notification to our licensees and where warranted, initiate rules and regulation revisions with no increase to our current licensing fees. Example: A barber currently pays \$45 annually; the change would be to \$90 for a two-year licensing period. The second issue--page 3, lines 2 through 16--protect the profession from individuals who use the word barber, display the barber pole, and are not currently licensed pursuant to the Barber Act. Issue three--page 6, lines 4 through 9--he or she has completed one year of instructor training under the direct inhouse supervision of an active full-time registered barber instructor or, in lieu

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thereof, has completed the requirements of a barber instructor course developed or approved by the board. The board may develop such course or approved courses developed by educational institution or other entities which meet requirements established by the board in rules and regulations. This amendment would provide for alternative and options to our current requirements. It will allow the individual to receive instructional development through professional career, college instructions, provided through an online course program at minimal cost to the individual. For the online courses, there are no \$300 to \$500 facility fees for our students. Senators, the current requirements in place since 1997, we have not had one complaint by a participant of the availability, the facilitator for the classes, or any other aspect of the educational program in place. Example: One year of direct supervision of an active, full-time registered barber instructor or the alternative option by this law; to take a four to five week course--five of them--done at their own pace, at a cost of \$149.95 per class for a total of \$749.95 for the entire educational program. Fourth issue: requires any barber who leases space on the premises of a barber shop to engage in the practice of barbering as an independent contractor or a self-employed person shall obtain a booth rental permit. The program will start July 1, 2010 which will provide the board with adequate time to submit detailed information to implement this program. Applications will be submitted to all shop...licensed shop owners to provide all of their lessees with an application form and advise where their additional copies can be obtained on our Web site or upon request from our office. The responsibility for licenses after notification to the shop owner will be entirely on him or her, the lessee. The holder of a booth rental permit shall provide the board with 10 days written notice before changing his or her work address. There will be no fee changes for change of location regardless of the number of transfers. If the board is to maintain its unannounced inspection procedures as required by the law, the amendments are critical to its success in providing a clean and orderly shop environment and enabling the agency to be more effective and proficient in our duties. Fifth and final issue: the board may issue a license without examination to a person licensed in a state, territory, or country with which the board has not entered into a reciprocal agreement. The handouts you have received is the current list of states where we have reciprocity agreements. Some states have the statutory authority and some do not. Credential and sufficient documentation of education and experience by the applicant, we believe, should be the only determining factor in the licensing process. Nebraska current requirements will not change for individuals licensed in other states, territories, or countries as stated in 71-242. The requirements for licensure or registration are substantially equal to those in force in this state at the time of licensing. That concludes my testimony, and I'd be happy to answer any questions you may have. [LB132]

SENATOR GAY: Thank you, Mr. Pella. Is there any questions from the committee on this? Senator Campbell. [LB132]

SENATOR CAMPBELL: I don't really have a question, but I want to thank Mr. Pella

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because he had stopped in to mention a bill, and we were talking about the history of the barber pole, and he included it, so. [LB132]

SENATOR GAY: Yeah, I saw that, all right. [LB132]

SENATOR CAMPBELL: And I also--just as a personal privilege, was reading a book last night--and one of the lines in the book was: And the gentlemen were licensed by Henry the VIII as barber-surgeons. And without the visit the other day, Mr. Pella, I wouldn't have known what that meant, so I appreciate your courtesy of putting it in. [LB132]

SENATOR GAY: All right. It is interesting. No, any other questions? All right, I don't see any at this point. All right, thank you. [LB132]

RON PELLA: Okay, thank you. [LB132]

SENATOR GAY: Other proponents who would like to speak on LB132? Okay. Any opponents to LB132? Any neutral. I don't see any. With that, we'll close...oh, we've got a neutral, okay. Sorry about that. [LB132]

PATRICK J. TROUT: My name is Patrick J. Trout, T-r-o-u-t. I have been a registered barber in the state of Nebraska for 42 years. Senator Gay, other committee members, I come to you as a neutral testifier today to LB132. With respect to Director Pella, who has long served this organization--he has done an honorable job. He has brought our organization forward and represented us very, very well. In regards to LB132, after discussion with Mr. Pella yesterday, I still have some reservations which include license expiration. It will go from one year to two years, which along with the above, allows for inspection by law to be once every two years as opposed to once a year. I'm not sure, after discussing with Mr. Pella, that this is in the best interest of the public. Today we have barbers working in beauty shops. We have beauticians working in barber shops and vice versa. We have an overlapping of different and sometimes the same rules and regulations. As to duplicity, it seems to me that to have an inspector from each board go into the same business to inspect very similar type things--I have not read the cosmetology rules and regulations. I am not a licensed cosmetologist, but to have an inspector going in there to inspect the same things--in many instances, two times--seems to me a waste of both of those individual's energies and a waste of our time. And I see this number as ever increasing. There's a lot of people moving through this industry. Many people getting in, many people getting out; many people getting in and out for varying reasons. Over a year's time, over several years' time. So this increasing number is just going to add to the magnitude of what's required of those inspectors. By indicating that I have not read the rules and regs regarding cosmetology, I know the rules and regs regarding barbering. With that in mind, it would seem to me that not having asked Mr. Pella how much of a level of cooperation is there between the

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two boards--not knowing that--it would seem to me that a high level of cooperation should exist for inspecting very similar, dissimilar activities that are going on within those two businesses. What is being changed in the Barber Act is huge. I'm not sure...it will take time. It will be 2011-2012 before we know if some of those things are going to be effective. I'm willing to go along with the balance, but at the public's best interest, I think there is some lack...something lacking there. With that, I conclude, willing to answer any questions if I could. [LB132]

SENATOR GAY: All right, thank you, Mr. Trout. Any questions from the committee? Senator Wallman. [LB132]

SENATOR WALLMAN: Chairman Gay, thank you. Thank you for being here. Thank you for testifying. So in other words, are you trying to tell us if it ain't broke, don't fix it? The rules, I mean, the inspections? [LB132]

PATRICK J. TROUT: Yes. [LB132]

SENATOR WALLMAN: Thank you. [LB132]

PATRICK J. TROUT: In asking Mr. Pella yesterday, is this economically driven? He indicated to me, no. [LB132]

SENATOR GAY: All right, thank you, Pat. I also thank you for coming and putting the perspective on this. Thank you. Anyone else who would like to speak neutral on LB132? [LB132]

DWAYNE RICE: My name is Dwayne Rice, R-i-c-e. I was just going to read a little bit of a statement because this is sort of fine tuning. We've been doing this for a long time, and it would just help out with a lot of things. The current board directive to inspect schools of barbering quarterly, inspections conducted, student examinations, information provided, and period for questions and answers. Our intent and commitment is to divert a greater portion of our travel time, which it does help with our, you know, fees, to some degree because, as you know, expenses have went up a lot. It is our intent to commit, to commit with this to divert a greater proportion of our travel time and resources to those establishments where violations have been issued. So if you have ones that are continually doing things, we can inspect them, you know, as often as we need to, so we can stay on top of it. And assess fines and callback inspections and things of that nature. So like I said, this is just upgrading this. And it isn't necessarily broke, you know, we don't need to fix it, but everything needs to be fine tuned a little bit. Once you buy a house, you don't just let it go. You have to have maintenance and stuff. So that's basically all I have to say. [LB132]

SENATOR GAY: Okay. Hold on one minute. Any questions? Any can you, I have a

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question for you, now what, can you state what's your interest in this? [LB132]

DWAYNE RICE: Yeah. Oh, I've been a barber for close to 40 years. [LB132]

SENATOR GAY: As an, so you're testifying as a... [LB132]

DWAYNE RICE: And I'm a board member also. [LB132]

SENATOR GAY: As a board member? [LB132]

DWAYNE RICE: Yeah. [LB132]

SENATOR GAY: So you want to testify as a board member or? [LB132]

DUANE RICE: Yeah, yeah. I'm sorry I didn't explain that. I hadn't planned on talking and so I... [LB132]

SENATOR GAY: No, that's okay. That's all right, I just wanted to know for the record. [LB132]

DWAYNE RICE: Okay, you bet. [LB132]

SENATOR GAY: All right. I don't see any questions. All right, thank you. Appreciate it. [LB132]

DWAYNE RICE: Okay, thank you. [LB132]

SENATOR GAY: All right. Last call. Neutral? All right, with that, we'll close the public hearing on LB132. If it's okay with the committee, I am going to be asked to be going pretty soon, and Senator Heidemann is actually testifying in another committee and he will be here soon. If I could go ahead and introduce LB195, the trauma bill, we do have people here, and it shouldn't be too long. [LB132]

SENATOR STUTHMAN: Go ahead. [LB195]

SENATOR GAY: Thank you. [LB195]

SENATOR STUTHMAN: Senator Gay, welcome. [LB195]

SENATOR GAY: Thank you, Senator Stuthman. All right, for the record my name is Senator Tim Gay, District 14, introducing LB195. I'll be very brief as LB195 is simply a cleanup bill of the Statewide Trauma Systems Act and was brought to me by the State Trauma Advisory Board. Changes proposed under LB195 include redefining the

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advanced level trauma center, basic level trauma center, comprehensive level trauma center, general level trauma center, trauma, trauma team, trauma system, and communication system. Replacing the term medical controller with physician or qualified physician surrogate, requiring the statewide emergency medical services and trauma plan to be updated every five years instead of every two years, amending the duties of the Department of Health and Human Services with respect to the Statewide Trauma System Act, and changing provisions with respect to designation of the trauma centers. And we do have somebody here from the board that will go into more detail on this bill. [LB195]

SENATOR STUTHMAN: Okay, thank you, Senator Gay. [LB195]

SENATOR GAY: Thank you, Senator. [LB195]

SENATOR STUTHMAN: Are there any questions from the committee? Seeing none, thank you. [LB195]

SENATOR GAY: Thank you. [LB195]

SENATOR STUTHMAN: We will now have the proponents for LB195. Good afternoon. [LB195]

JOSEPH STOTHERT: Good afternoon. My name is Joseph Stothert, S-t-o-t-h-e-r-t, I am the medical director for the state of Nebraska under the Department of Health and Human Services. It is my committee, the Trauma Board, that put together these changes in the Trauma Systems Act to correspond to what we are currently doing or proposing to do in the designation and maintenance of the trauma system for the state of Nebraska. The amendments that we are suggesting are, I don't think, very contentious. And they are based on our now six years of experience going across the state, inspecting hospitals, and developing the trauma system for the state of Nebraska, which I might say is doing quite well at this point. Over a third of the hospitals in the state have been now inspected and designated. What that means, though, is two-thirds of them we are still working on. The basic approach of what we have done in this LB195, is to make better definitions, eliminate the time line which was in the original bill and of course the original bill wasn't approved before the time line actually expired, so, it really is up-to-date now with the new changes. The major substantial changes that were made, which are reasonably minor, are defining the response of medical professionals to the side of a trauma patient in the basic and general trauma center from 15 minutes to 30 minutes. The reason this was done was to make it consistent with the Critical Access Hospital System in existence in the state of Nebraska. The advanced and comprehensive trauma centers, which are the higher level trauma centers, still have a 15 minute response time. So if you are injured in the state of Nebraska and you go to a trauma center, you can expect someone to be coming to your side rather quickly in the

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advanced and comprehensive systems and pretty darn quick in the basic and general centers. A second major change that we have instituted is something that we have determined is a necessity based on the system being up and running now for six years. And that is, the EMS System. We did not, by rule or regulation, have the ability to ask a rescue company or an ambulance system for the data of how they took care of the patient in the pre-hospital system. If they were transported from one hospital to another hospital across the state. And the way the system is set up, if you're badly injured, you may go to an initial hospital to get stabilized, to get IVs put in, to get blood, and to get intubated and to be put in an ambulance and then sent to a higher level of care. And the higher level of care system did not have the ability to directly ask for any of the information that occurred prior to arrival at the first hospital. This system...this bill cleans that up so that all people that are involved in the care of the patient at a specific instance will have access to those records across the state. Those are the substantial changes and I would be happy to answer any specific questions you might have in relation to this bill at any time, whether I am testifying or someone else is testifying. I'll be happy to add technical assistance if need be. [LB195]

SENATOR STUTHMAN: Okay. Thank you, Mr. Stothert. Any questions from the committee? Senator Gloor. [LB195]

SENATOR GLOOR: Thank you, Mr. Chairman. Mr. Stothert, would you explain to me the language that no longer restricts people from...restricts participants in the trauma system from transferring rehab potential patients. [LB195]

JOSEPH STOTHERT: What do you mean? What are you referring to specifically? [LB195]

SENATOR GLOOR: Prohibits the trauma system from restricting transfers for rehabilitation services. It's in the language, I understand. Deletes language. I'm reading a statement of the bill overview. [LB195]

JOSEPH STOTHERT: Okay. [LB195]

SENATOR GLOOR: Deletes language in the definition of trauma system that prohibits the trauma system from restricting transfers for rehabilitation services. I'm trying to understand what that means. [LB195]

JOSEPH STOTHERT: Well, I'm trying to understand what that means too. The...from...basically what this statement is saying is that the system, the development of the system when this bill was initially put together, it was a given that we weren't going to restrict the ability of moving patients from one place to the other because of the system. And I think that just...because that's what we currently...we don't restrict it, it's voluntary. And so, that was just removed, I believe, because no one restricts it at this

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point. [LB195]

SENATOR GLOOR: I'm concerned that the wording makes it look like we are giving people the opportunity to say no, I don't want that patient. [LB195]

JOSEPH STOTHERT: No, that is not the intent of this. [LB195]

SENATOR GLOOR: Okay. Thank you. [LB195]

SENATOR STUTHMAN: Thank you. Senator Howard. [LB195]

SENATOR HOWARD: Thank you, Senator Stuthman. Just so I have a clear concept of it, I understand that the advance level trauma center will be available...the trauma team will be available to an individual within 15 minutes. And I would imagine that means the most severe cases that come into that level that need immediate care will have that within 15 minutes. [LB195]

JOSEPH STOTHERT: Yes. [LB195]

SENATOR HOWARD: But I see that, now you'd explained this earlier, that on basic level, care in the bill is changed from 15 to 30 minutes. Can you explain to me why that you feel it's comfortable with extending that an extra 15 minutes. I just view it from the perspective from a parent that comes in with an ill child, may not be a child that is bleeding but a child that they are really worried about. And I...do you feel that that's a comfortable window of time in that situation? [LB195]

JOSEPH STOTHERT: Yeah, and this was put in there primarily for the rural hospitals where people aren't necessarily as close to a hospital as they can be in an urban environment. And many of the smaller hospitals, the ten-bed hospitals, couldn't always meet these criteria because they'd have one or two practitioners that exist for their whole region, and it sometimes takes them a little longer to get there and it also...they have other patients that they are caring for. They don't have the medical backup and resources that the urban, larger hospitals have. The other reason that we did that was because that is the number that is used in the Critical Access System and the critical access hospital, the practitioner is required to be there within that 30 minute time frame for an emergency. And this is another emergencies, so we were just trying to be consistent with the rules and regulations as they currently exist. No one is going to...basically we, when we go out and review these centers, almost always when there is a bad accident that's occurred and people are notified about it, the practitioners are there before the patient arrives frequently because of radio communications. So it isn't a big problem, but it's just trying to make things more consistent within this system as it exists. [LB195]

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SENATOR HOWARD: Well, that's helpful. You know, you always hear about these stories of people that are waiting for extended periods of time in hospital settings, and I wouldn't want us to become participants in that problem. [LB195]

JOSEPH STOTHERT: Well, I can tell you being a physician and working at a comprehensive hospital, the time it takes us to get to the patient is negative time. In other words, we are waiting for the patient and they arrive and we get on them right away. And that's true in the advanced centers and many of the ones out in rural Nebraska. It really is remarkable how much people respond to these bad traumas and how many people want to care for them. [LB195]

SENATOR HOWARD: Oh, I appreciate that and I remember when my children were younger and we'd have various things happen, you want medical attention as soon as you hit the door. So thank you. [LB195]

SENATOR STUTHMAN: Any other questions? Senator Wallman. [LB195]

SENATOR WALLMAN: Thank you, Senator Stuthman. Yes, Doctor, thank you for testifying. Is that realistic, 30 minutes in some of the rural areas of our state? [LB195]

JOSEPH STOTHERT: It's a fairly realistic number and that's why we use it. And the reason it's fairly realistic is because in most towns that have a hospital the physician usually lives within the town. And so 30 minutes is an outside number, it's not the usual number. [LB195]

SENATOR WALLMAN: Okay, thank you. [LB195]

SENATOR STUTHMAN: Thank you. Any other questions? Seeing none, thank you for your testimony. [LB195]

JOSEPH STOTHERT: Thank you. [LB195]

SENATOR STUTHMAN: Any other ones that want to testify in the proponent of LB195? Welcome, Dr. Schaefer. [LB195]

JOANNE SCHAEFER: (Exhibit 1) Thank you, it's nice to be here although you should see the weather outside. [LB195]

SENATOR STUTHMAN: Is it really snowing? [LB195]

JOANNE SCHAEFER: It's changed considerably since you entered the room. Senator Gay and members of the Health and Human Services Committee, I am Dr. Joann Schaefer, J-o-a-n-n S-c-h-a-e-f-e-r, M.D., and I'm chief medical officer and the director

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of the Division of Public Health for the Department of Health and Human Services. I am here today to provide support for LB195. Some of this I am going to limit since it has been discussed already, but the goal of the statewide trauma system is to make the delivery of care cost effective, reduce the incidence of inappropriate and inadequate trauma care, and prevent unnecessary suffering, reduce the personal and societal burden resulting from trauma. We are supportive of this. Emergency Medical Services Trauma Program is supported by the Nebraska Emergency Medical Systems Operations Fund, that is the 50 cent per life fund, it generates about \$1.2 million per year. The bill proposal updates the current law and will allow the department to fulfill the requirements outlined within that statewide trauma systems act. The bill revises two important items. First, the bill revises the response time for emergency trauma of the comprehensive centers that you heard, for advanced level trauma centers to 15 minutes and general level trauma centers to 30 minutes. No prior time limit was in the law prior to that. This would also make them consistent with the American College of Surgeons National Standard. The bill also revises the response time for emergency trauma at the basic level to 30 minutes, which there was some discussion I'd be happy to answer questions on that as well. This would make it consistent with critical access federal conditions of participation that require emergency services within 30 minutes. Many traumatic injuries occur in rural areas where geography and population density, weather, and various factors affect the ability of timely care. We have all heard about, probably, the golden hour, and how important it is to get services to a patient, and many of you probably know somebody who has been saved by this system. Second, this bill also allows that hospitals involved in the care of the trauma patient have unrestricted access to all the pre-hospital Emergency Medical Services reports of that trauma patient, for the trauma registry for each specific incident. Currently, trauma facilities may only have access to pre-hospital Emergency Medical Services reports which transport patients directly to their hospital. In other words, if there is a hospital they get transferred to the first hospital, potentially to a second, and then to a third, there are some gaps in the information that can flow all the way to the third hospital. And access to these reports is particularly an issue in the rural areas. Information collected from these reports are used in research and to advance our knowledge of injury and it's a QI portion of how we take care of the state's trauma system. It's very valuable information, it helps us prove the access to care, the standards of care that we deliver, and ultimately make improvements in what we do. So I urge you to support this bill and I'd be happy to answer any questions. [LB195]

SENATOR STUTHMAN: Okay, thank you, Dr. Schaefer. Any questions from the committee? Seeing none, thank you. [LB195]

JOANNE SCHAEFER: Thank you. [LB195]

SENATOR STUTHMAN: Are there any other proponents to LB195? Good afternoon. [LB195]

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PAUL DONGILLI: (Exhibit 2) Good afternoon. My name is Paul Dongilli, D-o-n-g-i-l-l-i, and I am the rehab professional on the State Trauma Board. But today I'm here in my capacity as chief operating officer representing Madonna Rehabilitation Hospital. Before I start, I want to thank Dr. Stothert for his leadership in organizing and directing a group of individuals who have worked very hard in order to assure that there is a comprehensive trauma system in place to meet the needs of all Nebraskans. As the rehab professional on that board, I have the responsibility to assure that rehab is represented in this comprehensive continuum. I also had the responsibility to assure that a definition of comprehensive rehabilitation centers was included in LB195. Unfortunately, I did not confirm that this definition was included in the bill. I want to apologize for any inconvenience that this oversight has caused Dr. Stothert, the committee or the board. My goal today is to introduce an amendment to correct this oversight. I have communicated this intent to representatives from Health and Human Services and to the advisory board. I would like to call your attention to the handouts that I would like to use briefly to explain what the amendment would do. The very first handout overviews the current trauma system structure. As you will see, there are four levels of trauma centers, the highest of which is comprehensive with the least comprehensive level of care being provided at a basic level. For rehabilitation centers, there are three levels, with the advanced level providing the highest or most comprehensive level of rehabilitation services. What the amendment would do is visually depicted in handout two. It would introduce a comprehensive level of rehabilitation center, so that the language used to describe either rehabilitation or trauma centers would be consistent and would mean the same thing so that the comprehensive rehabilitation centers would provide the most comprehensive level of rehabilitation services, much like a comprehensive level trauma center. The final handout that I have is just the amendment that I would like to offer here today, and I would be happy to entertain any questions surrounding this request. [LB195]

SENATOR STUTHMAN: Thank you, Mr. Dongilli. Does the committee have any questions? [LB195]

SENATOR GLOOR: Mr. Chairman. [LB195]

SENATOR STUTHMAN: Dr. Gloor, I mean Senator Gloor. (Laughter) [LB195]

SENATOR GLOOR: Thank you. That could have gotten me in big trouble. Mr. Dongilli. How subjective is this? Does...would the state of Wyoming have a...be able to have...does the state of Wyoming have what you would consider to be a Madonna-like facility? [LB195]

PAUL DONGILLI: I'm not sure if they do or not. [LB195]

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SENATOR GLOOR: Okay, my guess is they do not from my experiences with that state. I'm trying to decide would the state of Wyoming have a comprehensive level facility if they were using these same criteria? That being, the largest rehab department in a traditional acute care hospital, as an example. How subjective is this listing? [LB195]

PAUL DONGILLI: Right. Well, the statute that I'm trying to amend would include the categories. Following this, if it would be approved, what I would be charged to do would be collecting a group of rehabilitation providers statewide to begin to identify the specific criteria. What we will propose, in order to eliminate that subjectivity, is to base level designation on accreditation standards that have been formulated by CARF, which is the Commission on Accreditation of Rehab Facilities. So accreditation by CARF and then specialty program accreditation in the areas of brain injury, spinal chord injury, would be used to help delineate the levels of rehabilitation centers, so it would be based on a standard much like the trauma systems are based on the American College standards. [LB195]

SENATOR GLOOR: My question probably would need to be directed more at one of the previous testifiers. Is that allowable? [LB195]

SENATOR STUTHMAN: We will hear all of the proponents first and then possibly allow that. [LB195]

SENATOR GLOOR: Okay, thank you. [LB195]

SENATOR STUTHMAN: Thank you. Thank you for your testimony. [LB195]

PAUL DONGILLI: Thank you. [LB195]

SENATOR STUTHMAN: Are there any other proponents? Now as a permission of the Chair, Mr. Gloor, which proponent would you like to have read? [LB195]

SENATOR GLOOR: I believe I would like to talk to Dr. Stothert. [LB195]

SENATOR STUTHMAN: Okay, at this time, Dr. Stothert has been asked to come to the chair for questions. [LB195]

SENATOR GLOOR: Thank you for the consideration, Mr. Chairman. [LB195]

SENATOR STUTHMAN: Yes. [LB195]

SENATOR GLOOR: Dr. Stothert, do we have the same level of delineation when it comes to the more traditional acute care trauma that we are trying to apparently amend when it comes to the rehab component? [LB195]

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JOSEPH STOTHERT: What we are currently doing is setting up the acute trauma system. Our phase two of the entire program is then to do a similar process with the rehabilitation system. So it's actually in a two-tier process, and we have not started, as was indicated, the rehabilitation portion of the Trauma Act yet. [LB195]

SENATOR GLOOR: When the acute care component was established, there was, as I recall, a pretty broad spectrum of individuals involved in making determinations on the categorization, level 1, level 2, level 3, although I am sure that there are national standards that relate to that, is that correct? [LB195]

JOSEPH STOTHERT: Yes, sir, as was indicated by Dr. Schaefer, the preeminent organization that does this is called the American College of Surgeons. And they have a whole list, category of how you rank a hospital based on its ability to care for patients, and that's based on the level 1,2,3,4 system. Because we are Nebraskans, we called it different. We called it comprehensive, advanced, general, and basic. But they are essentially the same things, and I hate to say this, when we designed the system we copied their document. [LB195]

SENATOR GLOOR: Obviously it confused me and I was in the business. I believe I heard Mr. Dongilli say that that same sort of process will be undertaken when it comes to rehab? [LB195]

JOSEPH STOTHERT: Yes, and this isn't something that all states have done, but we choose to do that because we feel that rehabilitation is extremely important. And after you save the patient's life, getting them back to a productive life is most important, and the rehab professionals are the ones that do that the best. And that's why we are going to start dealing with that fairly soon once we get the rest of the system set up. [LB195]

SENATOR GLOOR: Well, it makes sense to me but I...we have a lot of excellent rehab centers in this state, and Madonna, clearly by name, is one of those excellent rehabilitation centers. I want to make sure that I am not dealing with an amendment, here, though, where someone is trying to carve out a niche for themselves. [LB195]

JOSEPH STOTHERT: No, no, and I agree with that whole process and, again, there is no requirement, and I believe that statement you were asking me earlier maybe confused me a little bit. But we actually aren't forcing people to do anything or go anywhere in this system, and that's why that statement was taken out. [LB195]

SENATOR GLOOR: My question lent itself to confusion, so I apologize. [LB195]

JOSEPH STOTHERT: And I'm sorry I got confused. [LB195]

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SENATOR GLOOR: Thank you [LB195]

JOSEPH STOTHERT: Because I couldn't see...we're trying to take all of the 'Thou Shalt Do' somethings out of things, and hopefully hospitals do what's right. [LB195]

SENATOR GLOOR: We love the language. [LB195]

JOSEPH STOTHERT: And we have, I think, got a great group of hospitals in this state, and every one of them that I have inspected, which are most of them, have done a wonderful job, and they are always trying to do the right thing. And we're going to do the same thing with the rehab system. [LB195]

SENATOR GLOOR: Thank you very much, Doctor. [LB195]

JOSEPH STOTHERT: Thank you. [LB195]

SENATOR STUTHMAN: Thank you, Senator Gloor. Any other testifiers in the proponent? Seeing none, any in the opposition? Seeing none, any neutral testifiers? Seeing none, Senator Gay, would you close please? [LB195]

SENATOR GAY: Thank you, Senator Stuthman. I just wanted to again thank you for the courtesy of allowing me to do this, I do have to...will be stepping out of here very quickly, but also thank the people patiently waiting behind, and Senator Heidemann, his staff are accommodating me, so thank you. [LB195]

SENATOR STUTHMAN: Yes, you're welcome, thank you. And that closes the hearing on LB195, and we will open the hearing on LB150. Senator Heidemann, would you come forward please? [LB195]

SENATOR HEIDEMANN: Good afternoon, Senator Gay and members of the Health and Human Services Committee. I am Senator Lavon Heidemann, spelled H-e-i-d-e-m-a-n-n, and I represent District 1 in the southeast corner of the state. I am here today to introduce LB150. LB150 repeals the Nebraska Prostitution Intervention and Treatment Act. Since its passage in 2006, this act has not been funded by the Legislature. Senator John Synowiecki introduced LB1086 in 2006, and it was passed by the Legislature. However, the corresponding A bill was vetoed by the Governor and no motion was offered to override this veto. Although the Legislature could have opted to provide any level of funding to initiate services, the A bill would have appropriated \$750,000 for both fiscal year 2006 and 2007 and 2007-2008. In the intervening years since the passage of the bill, there have been no requests to fund this program. HHS has indicated that there are behavioral health services available within the communities that can be accessed by persons convicted of prostitution. Therefore, as Chairman of the Appropriations Committee, I believe that it is appropriate to appeal the section of

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statute that created this unfunded program. If you have any questions, I would be happy to try to answer them. Probably in a nutshell, this was brought to me. It's a program that has been there for approximately four years now, has never been funded. We tend to, in Appropriations, if there's things that just sit there for so long and never have any money put into them, we try to take them out of statute, and that's our attempt to do that right now. Sometimes you find out whether a program has a lot of support or not by doing this, and we may find that out. There might be more support for this than we realize. That we will probably find that out later today on hearing on this bill. But I think it's something for us to at least look at and see if this is a priority. If we want to continue this program or even fund it. [LB150]

SENATOR GAY: Thank you, Senator Heidemann. Senator Howard. [LB150]

SENATOR HOWARD: Thank you, Chairman Gay. Thank you, Senator Heidemann. I appreciate your open-mindedness regarding the need for this program, and I can assure you that in my district there continues to be a need. It's not costing the state anything at this time, which is your very point, too, to come in and say it's not funded at this time. But I think from the testimony that we're going to be hearing is there's an ongoing need, and we have a responsibility, if you will, to address that. So thank you. [LB150]

SENATOR HEIDEMANN: Yes. [LB150]

SENATOR GAY: Any other questions for Senator Heidemann? Senator Stuthman. [LB150]

SENATOR STUTHMAN: Thank you, Senator Gay. Senator Heidemann, do you feel that there may be a time when we could fund this in the future if times got better? [LB150]

SENATOR HEIDEMANN: That would, you know, if it was a priority of the Legislature and...to fund it. I mean, we fund everything on priorities in Appropriations. I will say this coming two years, we are looking very hard at priorities because this is a tough economic times. Revenues are down. It would be very tough to do that this year, in my mind. Even if this is considered a priority, it would be very tough to do it in this biennium budget. [LB150]

SENATOR STUTHMAN: Well, thank you, Senator Heidemann. But the fact that I'm looking at...would it be better to repeal this whole thing and then reintroduce something sometime when we have some money, or would it be just as simple to keep the bill and then hopefully make it a priority in the future? [LB150]

SENATOR HEIDEMANN: If you would repeal it, at that time, the reintroduction could bring about more awareness, more information brought forth. There are advantages to

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that, too. And I never thought about that, but I mean, um, then there are the instances...I'm going to be up front. I'm not trying to be dishonest about anything. If a program is already in place, you know, they come into Appropriations, and we can actually do it inside of Appropriations. We can't do this on our own. A bill would have to be introduced if it was repealed. If it's in statute and there's enough interest in this, we could deal with it inside of Appropriations at that time. [LB150]

SENATOR STUTHMAN: Okay, thank you Senator Heidemann. [LB150]

SENATOR GAY: Senator Campbell. [LB150]

SENATOR CAMPBELL: Thank you, Chairman Gay. Senator Heidemann, I may have missed this somewhere, so I apologize if I did, but when the bills were originally introduced, do you remember what the A bills were? The amounts? [LB150]

SENATOR HEIDEMANN: It should have been...it should have been for \$750,000 in both fiscal year 2006-2007 and 2007-2008. It was pretty generous funding to begin with, and I think there was even some, what surprised them, the amount of money that the Legislature appropriated. The Governor did veto it at that time, and there was no attempt to override those vetoes at that time. [LB150]

SENATOR GAY: Senator Howard. [LB150]

SENATOR HOWARD: Well, and not to disagree with you, but I was involved with that issue and I worked with Senator Synowiecki, and my memory is that it was \$60,000 that was vetoed by the Governor. Am I thinking of another funding? [LB150]

SENATOR HEIDEMANN: I believe in the following year after that, if my memory is correct, and this is all by memory; we run a lot of figures through my head. I think that the second year after this was vetoed, Senator Synowiecki came back for that \$60,000 at that time and the Governor vetoed it again. And I believe at that time, he actually tried to override the veto if my memory serves me and the votes fell short to do that at that time. [LB150]

SENATOR HOWARD: You're right. That was that second year that he came back with the \$60,000 request. So thank you. [LB150]

SENATOR GAY: Any other questions? Senator, I have a question for you. We appreciate your work on the Appropriations Committee, you and all your members. It's a very tough committee to be on, but is this a...are there going to be other instances where you're looking at things that maybe had been supposedly getting funding and didn't, that you're going to go to other committees, or is this a specific? [LB150]

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SENATOR HEIDEMANN: This is the only one that we made this initial attempt at. There were actually other agencies and commissions that have not been funded that, in another committee, which would be the Government Committee that they're actually being taken out a statute because we haven't funded them. [LB150]

SENATOR GAY: Okay. So then do you think in the future this might be a possibility then if...if, you know, something hasn't consistently been not funded, that you'll take the initiative and seek this? [LB150]

SENATOR HEIDEMANN: If others don't, yes. [LB150]

SENATOR GAY: Okay. I just wondered because first we're seeing, this is the first I've seen of something like this. But I understand what you're saying and we'll have a hearing today and hear some more about it. So I just kind of wondered what the theory was behind it if, in the future. So. [LB150]

SENATOR HEIDEMANN: We tend to repeal things if nothing has been used, if it hasn't been used for a while. If other people have the intent to bring it back up again, they would have to reintroduce the legislation. It gets people a little bit more aware of what they're dealing with, and it also takes things off the books so people don't come in and try to fund things that haven't been funded for a while. [LB150]

SENATOR GAY: All right. Okay. Any last questions for Senator Heidemann. I don't see any, thank you. Are you going to stick around? [LB150]

SENATOR HEIDEMANN: Thank you. I am going to waive closing and get back to committee. Thank you very much. [LB150]

SENATOR GAY: Okay, thank you. Thank you also for your patience and everything. Proponents? [LB150]

SCOT ADAMS: (Exhibit 1) Good afternoon, Senator Gay and members of the Health and Human Services Committee. My name is Scot Adams, S-c-o-t A-d-a-m-s. I am the director of the Behavioral Health Division, Department of Health and Human Services. I would like to thank Senator Heidemann for introducing this bill on behalf of the Department of Health and Human Services, and I am here today to testify in support of LB150. LB150 would repeat the Nebraska Prostitution Intervention and Treatment Act. This act was passed as LB1086 in 2006 and then as Senator Heidemann noted, LB1086A, the appropriation bill, was vetoed by the Governor. The veto was sustained, and funding has never been provided to carry out the provisions of this act. There are two major reasons for our support of this bill. There are services for mental health, substance abuse, and problem gambling that are available in the community through current programs and funding. Therefore, current behavioral health services are

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available for consumers through the Behavioral Health Regions and for Medicaid recipients. Secondly, this act creates a state-financed benefit program specifically for individuals who participate in prostitution-related activities. Creating a program financed with general funds to specifically benefit a population that is engaged in illegal activity may be objectionable to many Nebraskans. We urge your support for LB150 for the repeal of the Nebraska Prostitution Intervention and Treatment Act. And I'd be happy to respond to questions you may have. [LB150]

SENATOR GAY: Thank you, Director Adams. Senator Howard. [LB150]

SENATOR HOWARD: Thank you, Chairman Gay. Scot, I just have to comment on the wording to the paragraph. That...the prostitution issue wasn't brought in to support the prostitutes in any way. It was really to address a societal problem that's very prevalent in a part of my district. And it was...the intent was to direct individuals if you want to say participating in this activity to a means rather than adjudication, a means that hopefully would assist them in leaving that activity. And there was never an intent to, in any way, provide a benefit for that population. I just find that, the terminology here, very, very confusing. It makes it sound pleasant. And I don't think that's your intent, but maybe...maybe this has gone the wrong way here. (Laughter) [LB150]

SCOT ADAMS: Let me simply perhaps expand briefly upon that a moment. The original language of the bill proposed to be repealed actually provides for services and benefits beyond simple behavioral health services. It speaks about education. It talks about housing and some other kinds of things, and so those are services that otherwise Nebraskans qualify for by virtue of income or condition or diagnosis or that. And in this case, the whole kit and caboodle, if you will, comes as a result of a particular set of behaviors. It just seems a little odd to us, and we thought that this would be better backed out of statute at this time. [LB150]

SENATOR HOWARD: Well, and I can understand that statement, but the cost to the community, the cost to society is, was really the deciding factor in bringing this forward. The cost to a neighborhood, if you will, it's an activity that is pretty visible to children on their way to school, if people are out engaging in this activity. And neighborhoods are very concerned about having a wholesome, healthy environment for children to grow up in. I don't see that the act or the request for funding was in any way to provide an enhancement of the prostitution. It was really to address a critical problem that's very, very much still prevalent in my district. Thank you. [LB150]

SCOT ADAMS: Yes, ma'am. [LB150]

SENATOR GAY: Senator Stuthman. [LB150]

SENATOR STUTHMAN: Thank you, Senator Gay. Mr. Adams, I look at this as a

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situation where we have a group of individuals that are at the mercy of drug dealers and that need to raise money. And I just think that, you know, I wish, I wish we could support that in any way because, in my opinion, this is the only way that we're going to turn that group of people around by some education information. You know, if we repeal this, yes, I know that there is no money this year and there was no money for the program. But maybe we, maybe we should address our attention to stronger penalties of drug dealers or information there to try to, try to curb, curb that part of it. [LB150]

SCOT ADAMS: Senator, I agree that it is a very complex social phenomenon with multiple actions appropriate for intervention and that kind of thing. We simply, we simply believe that on this side, that there are the behavioral health side, the addiction treatment services and those kinds of services available through the community-based services and that keeping that system as broad as possible and as open as possible is a positive dynamic for, to characterize the behavioral health system. [LB150]

SENATOR STUTHMAN: Okay, thank you. [LB150]

SCOT ADAMS: Certainly. [LB150]

SENATOR GAY: Okay, any other questions. Senator Campbell. [LB150]

SENATOR CAMPBELL: Thank you. Have, has anyone in any community taken advantage of existing services because in your letter you talk about the fact that there are services in mental health, substance abuse, and problem gambling that relate to this. To say well, they are already accessing services, so we really don't need additional. Do we have any proof of that? [LB150]

SCOT ADAMS: Well, I would reach back to my prior experience a bit to respond to your question. When I was at Catholic Charities in Omaha at the Omaha Campus for Hope, I can certainly verify that Senator Stuthman's connection among addiction and substance abuse disorders and prostitution activities were a common phenomenon. And I think that drug abuse and addictions are typically involved in lots of ways around prostitution and other criminal activities very often. And so yes, I can certainly verify that those kinds of activities were part of the treatment experience in the Catholic Charities experience at that time. Women who were, and men, both involved in prostitution for drugs, at that time, were in treatment experiences at that location. I should also note that the Salvation Army in Omaha has specialized services for, to help women, especially, and I'm not sure about men, but especially women, to leave prostitution in the Omaha area. [LB150]

SENATOR CAMPBELL: Interesting. Um, just because I know that issue has been raised here in our community here in Lincoln ever-increasingly because of looking at the core neighborhood of which you are not very far from--from the Capitol at 13th and

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F--and we are seeing an increasing prostitute problem. And so I was just curious as to whether anybody used existing services to deal with the prostitution rather than looking at new dollars. [LB150]

SCOT ADAMS: I would expect that it's a relatively common phenomenon across the...especially the chemical dependency treatment services spectrum. [LB150]

SENATOR GAY: Any other questions? I don't see any. Thank you. [LB150]

SCOT ADAMS: Thank you very much. [LB150]

SENATOR GAY: Any other proponents to LB150? All right, we'll go to opponents. Anybody who would like to speak on this issue, come on up to the front and we'll start with opponents. How many people would like to speak? Opponents. Come on up, you can start making your way up. [LB150]

JAN QUINLEY: (Exhibit 2) Good afternoon, Senators. My name is Jan Quinley, and I am past chairperson of the Southeast Precinct PAC Prostitution Task Force in Omaha. When I was notified of this action by e-mail very late Friday before the three-day weekend, it was like somebody kicked me in the stomach with a sledgehammer. I was stunned. And I'm still reacting. LB1086, the Nebraska Prostitution and Treatment Act, which we passed in 2006. This law didn't just happen. It was a large group of people who worked for so many years. We had senators, we had city and county officials, we had social service agencies, we had mental health professionals, we had law enforcement agencies, and we had people--just average citizens like me who were concerned about the women they saw walking up and down in front of their houses. And we felt that we were banding together to do something to address an extremely marginalized part of our population, and do it in a more compassionate way than a judicial way. The services that were enumerated were created so that we could create, in this state, a system that would be very comparable to what we call the Drug Court that is used in Douglas County. And that was a collective group of services that led to the ability for a person to address multiple problems so that when they came through the process, they would be able to be a functioning and productive part of society. It was tied in conjunction with the change in statute to the legal definitions and the legal punishment and I didn't write the number down, it was LB12-something in 2006 that gave the judges the option to not just incarcerate those men and women who were involved in prostitution, but to sentence them to this type of a treatment program, where they would be required by court to be responsible and to take, take the court serious, the process seriously. But today really is not the time to redebate the merits of the law; 38 senators voted just three short years ago, that they believed in this law. They believed in the merits of what we were trying to do. Twice the majority voted to fund the program. Twice the Governor vetoed the funding. The first year was like we had spent so much time and so much energy; we didn't have the emotional energy to go forward

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with the fight to override the veto. We just couldn't do it. The second year, we again came forward. We again got a majority of the senators to fund it, and again, the Governor vetoed it, and this time, we did take on the fight. We were prepared, we had planned and 27 senators voted to override the veto. On that particular vote, we only needed 30. So it's not like it's just a couple of people that think this program is important. But the vetoes are why we're here. After multiple conversations with the Governor, with then-Senator Synowiecki, our group made a very fateful decision. We chose not to go forward with our quest for funding. We made this decision thinking we were taking a realistic approach. We understand the financial constraints. We understand why the concerns came forward, and we believed that if we were being...that we were being responsible. We thought we were doing the right thing for not only this law but for the state, for all of us, by taking the realistic approach of putting this bill up on the shelf until such a time as the political and the fiscal atmosphere in Nebraska would allow it to be funded. There are silly laws in this state that are still on the books. But this isn't one of them. Please don't throw this program in the garbage. Allow the law to remain. It was too hard, it was too much work, it's too important to those of us that spent so many years putting it together. If it has to be funded to make it legal, put a dollar in the General Fund budget for behavioral services, and put a line item that says prostitution if that will make it legal, or change this to say it's suspended until it can be funded. But please don't throw it out. Thank you. [LB150]

SENATOR GAY: All right, thank you. Senator Howard. [LB150]

SENATOR HOWARD: Thank you, Senator Gay. Jan, I'd like to thank you publicly for the record for being a person that would really stand up and fight hard issues, sometimes with no end in sight, basically. And you've committed yourself to living in an area of Omaha, in my district, District 9, that some people would describe as a hard-core inner city area. And I...you have been a champion. You have been there, you have been there for the tough fights and always trying to help people that had no other voice. And I want you to know how much I appreciate that, and I think your testimony coming in here today really gives the needed information to the committee to look at this and say, why would we take out something that really is to benefit society? Why would we send the message that this is of no importance and this activity could continue. And indirectly we're saying that we support that going on and in inner city areas especially. So I thank you and I am very glad you're here today. [LB150]

JAN QUINLEY: Well, thank you for your kind words and your support. [LB150]

SENATOR GAY: Any other questions from the committee? I don't see any. Thank you. [LB150]

JAN QUINLEY: Thank you. [LB150]

SENATOR GAY: Other opponents? [LB150]

KIM CARPENTER: (Exhibit 3) Good afternoon. My name is Kim Carpenter, C-a-r-p-e-n-t-e-r, and I am representing Trauma-Informed Nebraska and Nebraska Coalition for Women's Treatment. I am here today to oppose LB150. The Prostitution Intervention and Treatment Act has struggled over the years for funding as the need only grows stronger. The only reason I can see that the Legislature would consider repealing this act is that there must be a lack of understanding of the overwhelming need that exists for some of our most vulnerable citizens. People typically do not want to talk about prostitution. The harmful effects seem to be consistently ignored and empathy nonexistent. Sometimes I wonder if it is just the verbiage. If we use the term sexual trafficking, it seems that we receive more sympathetic and concerned views. When we use the word prostitution, we sometimes perceive that there was consent and therefore...there were, there was consent, there was blame. This type of oppression and victim blaming has a long history. When we talk about rape victims, we discuss whether there was consent; when we discuss domestic violence, we question why a woman would stay in a relationship like that. When we talk about sexual harassment we ask if she did anything to provoke the abuse. Melissa Farley, Ph.D. with Prostitution Research wrote in her paper Invisible Harm, "The line between coercion and consent is deliberately blurred." It seems that in order to see the need for intervention and treatment for those prostituted, we need to understand that prostitution is...what prostitution is and understand the deliberate use of coercion in maintaining the victim in the cycle of prostitution and violence. So what is prostitution? Prostitution is sexual harassment, it is rape, domestic violence, verbal abuse, childhood abuse, exploitation, and a violation of human rights. It is not a victimless crime, a form of entertainment, harmless, inevitable, or a freely-made choice when alternatives exist. Prostitution is linked to many serious social problems including poverty, homelessness; illegal drug use and trade; sexual, physical, and emotional abuse which begins in childhood and is continually perpetrated against people while they are being prostituted; trafficking in persons; gang activity; mental illness; and a score of health problems including HIV/AIDS, hepatitis C, other sexually transmitted infections, brain injury, complex post-traumatic stress disorder, nutritional deficits, and a variety of stress related ailments. Currently, there is only one program in the entire state intended to assist people who are trying to get out of prostitution and this is the Wellspring Program at the Salvation Army in Omaha. And that program is significantly understaffed and underfunded. The reason we are here today seems to be to determine if there is a need for intervention and treatment for those being prostituted. Trauma-Informed Nebraska, a project contracted by Health and Human Services to assess for trauma-informed services within a behavioral health system recognizes that this population has one of the most highest rates of posttraumatic stress disorder. In one study, 130 people working as prostitutes in San Francisco were interviewed regarding the extent of violence in their lives and symptoms of PTSD; 57 percent reported that they had been sexually assaulted as children. This is often said, it is often said that childhood sexual

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abuse is actually a boot camp for prostitution. And 49 percent reported that they had been physically assaulted as children. As adults in prostitution, 82 percent had been physically assaulted, 83 percent had been threatened with weapons, 68 percent had been raped while working as prostitutes and 84 percent reported current or past homelessness. Sixty-eight percent of our respondents...of the respondents in this study met the criteria for PTSD diagnosis. Seventy-six percent met criteria for partial PTSD. To give you an idea of how high that statistic is, the National Center on Posttraumatic Stress Disorder reports that Vietnam war veterans have a rate of 30 percent and Iraq veterans have a rate of 20 percent for PTSD. The rates for prostitution and PTSD are so high because those prostituted have long histories of childhood sexual abuse and live with consistent violence, a lack of resources, and cultural indifference towards sex trade in general. The need could not possibly be more clear, but the stigma still exists and as we sit here trying to decide if these people, these citizens are worthy of intervention and treatment, of funding, of help, of resources. Maybe we continue to ask, can't they just get out? Can't they just quit? And it's a good question. And the answer lies in defining choice. Choice can only be present when other things are present such as real alternatives, equal power, and physical safety. In the article, Invisible Harm, Melissa Farley recalls one woman equating prostitution as volunteer slavery because there is the appearance of choice and then there is coercion behind that choice. One study regarding choice reported that when prostituted women were asked if they want to leave prostitution, consistently around 90 percent say they want out immediately, but their decision is out of their hands and in the hands of their pimps, their husbands, their landlords, their addictions, and their children's bellies. A recent study of street prostitutes in Toronto found that 90 percent wanted to leave but could not, and a five-country study found 92 percent wanted out of prostitution. If they are there because they cannot leave, they are not choosing to be there. If prostitution were really a choice, it would not be those populations with the least amount of choices available to them far disproportionately pushed into it. If prostitution were a choice, there would be no billion-dollar black market trade in coerced, tricked, kidnapped, and enslaved people known as human trafficking. The most vulnerable population needs treatment. But before that can happen, it seems that we as a community need to see them as people, not unlike our daughters, nieces, aunts, and mothers; worthy of our attention and of our outreached hand. The crime greater than prostitution is the crime of maintaining the lack of concern and the lack of visibility of those victimized. Gary Ridgeway of Washington, also known as the Green River killer, reported that he killed 90 women in the 1980s and he was charged for murder or convicted of murder for 48. Most of these women were prostituted. He said he chose prostitutes because they were easy to pick up without being noticed. I knew that they wouldn't be reported missing right away or ever. I picked prostitutes because I thought I could kill as many as I wanted without getting caught. As a society, we collude with johns, pimps, and other perpetrators when we deem prostitution as an unimportant issue, and those affected and victimized by it unworthy of our help. Opposing LB150 and working to fund treatment and assistance for these citizens, these families, these community members, demands that we acknowledge that

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prostitution is a form of violence perpetrated on those most in need of our care. Thank you. [LB150]

SENATOR GAY: Thank you. Any questions from the committee? Senator Stuthman. [LB150]

SENATOR STUTHMAN: Thank you, Senator Gay. Kim, do you feel that with the economic times that we're having now, are there more getting into prostitution or are there more getting away from it? [LB150]

KIM CARPENTER: It certainly would hold the argument that more people are going to reach out to a lot of different means of raising money and that would be one of them. [LB150]

SENATOR STUTHMAN: And you're in favor of keeping the bill, even if we don't have any money and...because that homework is all done. And then when money would be available it would be ready to go. [LB150]

KIM CARPENTER: Exactly. Yes. [LB150]

SENATOR STUTHMAN: Okay, thank you, Kim. [LB150]

SENATOR GAY: Senator Wallman. [LB150]

SENATOR WALLMAN: Thank you, Chairman Gay. Yes, Kim, if you did have the money, where would you feel the best place would be to spend this money? [LB150]

KIM CARPENTER: Well, I think there's the one program, Wellspring, in Omaha, in the Salvation Army, that their program could certainly be expanded. There is a need for people that are prostituted to have a variety of different services including housing and vocational training. As well as, you know, I said that there is a complex or chronic posttraumatic stress disorder syndrome associated with this population. That would need to be addressed as well. So it would have to be expanded and then also maybe identifying current programs in place for addiction or mental health care. But making those services friendly and open to people that are prostituted. I acknowledge what Mr. Adams said that, you know, there's probably people that are being treated within treatment programs across the state that have been prostituted but not as a very high number and I don't think they're probably identifying with themselves. I work with women, I've worked with women in the jails and I work with women in the community just as a volunteer and an addiction and trauma support group. And the women that are prostituted that I have talked to, and this is just anecdotally; don't feel like they can go to those programs. They cannot talk about being prostituted because there is such a high stigma associated with it. And a lot of these programs are not going to offer the

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comprehensive needs of this population. Many women, you know, start prostituting when they're in their teens. And they've worked at prostitution when, you know, through their teens, their 20s and 30s; they don't have any other job skills. If you look at just vocational issues alone; let alone the addiction issues and the mental health disorders. So all of that needs to be addressed in a whole manner. [LB150]

SENATOR WALLMAN: Thank you. [LB150]

SENATOR GAY: Any other questions? Senator Howard. [LB150]

SENATOR HOWARD: Well, I just have to add this comment. I've been told by police in Omaha that frequently these women will just disappear off the street and never be seen again. Which, they're easy targets, as you brought up in your information; they really are easy targets for people to use, abuse, and dispose of. [LB150]

KIM CARPENTER: Absolutely. And not just from pimps, but also boyfriends and also other people on the street. So street-level prostitution is very, very dangerous, yes. [LB150]

SENATOR GAY: Thank you for coming today. [LB150]

KIM CARPENTER: Thank you for your time. [LB150]

SENATOR GAY: Other opponents? [LB150]

JACK CHELOHA: Mr. Chair and members of the Health and Human Services Committee. My name is Jack Cheloha. The last name is spelled C-h-e-l-o-h-a, and I'm the registered lobbyist for the city of Omaha. I wanted to testify in opposition to LB150. Basically increasing prostitution in Nebraska is harmful to communities and neighborhoods. It contributes to both incidents of crime and the fear of crime. Prostitution strains law enforcement which would be one of the reasons why I'm here because I do represent the city of Omaha which employs the largest law enforcement agency in our state. And it leads to the reduction of the quality of life for our residents and businesses in the area where prostitution trade is practiced. The city of Omaha has experienced the strains of this crime. Additionally, statistical evidence supports the theory that prostitution is used by individuals to support alcohol and drug addictions. Many prostitutes suffer from mental health disorders that lead to their dependency on drugs and alcohol. When panderers are involved, prostitutes are subject to incidents of physical and psychological abuse. These addictions and dependencies include both the solicitors and the sellers. Resources are needed to treat the individuals involved in the prostitution trade. We need the community-based services to address these issues discussed and stated by me here. If I could, that's essentially why the city of Omaha is here. And I've worked for the city now for 15 years, and a lot of times when I'm invited to

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go to these meetings that are community-based organizations, based on the fact that I've worked, you know, as the city's rep, I've become sanitized to the issue and think of it just as, you know, another piece of paper to carry. But as you could see from Ms. Quinley's testimony today, this becomes a very emotional issue for the core, where this trade is practiced in our city. I happen to live out in west Omaha, and so I'm not, you know, familiar with it personally, but I know it's a problem. I've heard the reports and seen the reports from our police department. Typically, the arrests for this trade will bump and rise in the summer months. The latest statistics that I have, as I pulled out the folder, because you've heard the history on these bills, essentially for prostitution and the soliciting of, we'll have our highest numbers through the summer, summer months. And a lot of times, based on these four separate crimes of lewd conduct, lewd conduct/soliciting, prostitution itself, and prostitution/soliciting, you know, the arrests through a quarter may approach and get beyond 150 incidents, if you will. And so that's a significant number. And as Omaha looked at this back in 2006, I remember we, we pursued stricter penalties at first, initially. But then as our elected officials from the mayor and the city council who ultimately give me my orders to study the issue and heard from the neighborhood groups, we found out that we can't just take, you know, the law and order approach. We had to do a one-two punch, if you will. And so that's why there were two bills back in 2006. We took one bill on the penalties to judiciary, and that bill passed overwhelmingly where we put tougher penalties in place, not only for prostitution, but for the soliciting and in fact, the soliciting was targeted by the Legislature as an even more severe crime. For a second offense, it became a Class IV felony. And when I say soliciting, sometimes we get confused by these terms. Soliciting typically is known, you know, as the John or the person trying to hire them and that could be a male or female. And so I just wanted to let you know that apparently we as a group did a good job in Judiciary and we did a good job with the Legislature in terms of the crimes and the punishment. And then, ultimately, we thought we did a pretty good job in terms of the treatment, but we failed. And I'll take responsibility for that. We need to do a better job convincing the Governor and his staff that this is an important problem for the state, and we need to fund it. And I would ask you, as this is part of your domain, to work with Appropriations and let them know we should fund this. I know there's going to be a push by our Metro area Senators in Appropriations to ask for funding this year in the budget. And so hopefully you'll be sympathetic to the cause because you were, at least your group was, in 2006, and you moved the bill forward and set up this treatment act. So I'll close, because I see the lights are coming on. But it's important, so I'd ask you to, you know, indefinitely postpone this bill and work with us to try and secure some funding. Thank you. [LB150]

SENATOR GAY: Thank you, Mr. Cheloha. You'd be considered a professional at this, so. Senator Gloor. [LB150]

SENATOR GLOOR: Thank you, Mr. Chairman. Mr. Cheloha, I'd like the record to show that my question shouldn't in any way infer that I am blind to the fact that prostitution

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also exists outside of the Omaha and Lincoln areas. And that I also understand that as this body sits here, we are responsible to watch out for all Nebraskans who are being sexually exploited, not just those in Omaha and Lincoln. However, I have to ask the question. Most of what we have been talking about here is an Omaha problem. What is Omaha doing dollars and centwise to try and address the problem in Omaha? [LB150]

JACK CHELOHA: Right. I appreciate that question. I appreciate the point that you brought out, too. That it's primarily in Omaha, but it could be a statewide problem as well. We've done some things within Omaha where we've utilized some money through, that we've raised through keno revenue which is supposed to be allocated for community and community betterment and improvement. And so we've tried to fund some of the social programs, but it's never been specifically dedicated to, you know, the Wellspring program, or a treatment program dedicated to this. and just like the state, we run into you know, priorities and problems with funding. We've funded, like I mentioned, some overall, you know, social and welfare programs, if you will, but not specifically towards this. [LB150]

SENATOR GLOOR: So Omaha is doing about the same thing that the state of Nebraska is doing? [LB150]

JACK CHELOHA: Well, a little bit. I know there's been...and maybe some of the other ladies could have commented more on it, but we've approached both the County of Douglas and the City to try and seek some funding. But that's, if you will, specifically is more of a work in progress. But there has been some general overlay of funds. [LB150]

SENATOR GAY: Senator Howard. [LB150]

SENATOR HOWARD: Thank you, Chairman Gay. I'd just like to make a comment on one of the things you said. I think this is a lot more prevalent across the state of Nebraska than people want to admit. Well, in my opinion. [LB150]

SENATOR GLOOR: That's why I made my statement. I don't doubt that. [LB150]

SENATOR HOWARD: Yeah, you know, you hear about it in inner city Omaha because it is so visible, but you also; many stories have been, um, I've been told many stories about activities at truck stops and that's throughout Nebraska or across the system and maybe they don't make the headlines because maybe they're less visible, I don't know. But they're, it's certainly not happening. I mean not, not happening. And I wanted to thank you, Jack, for coming in. You always give a very diligent testimony that you can tell that you've looked into your assignment and done your job. But also, on things like this, it's moving to see that you're affected as well. It isn't...it isn't just a black and white issue. It's an issue that affects human lives. And I appreciate your sensitivity. [LB150]

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JACK CHELOHA: Thank you. [LB150]

SENATOR GAY: Any other questions? I have one for you. Somewhat of a follow up to Senator Gloor's question is where I was going with it, too, but it says here you work with...may obtain additional funding from the cities and counties to provide a coordinated program of treatment with the Behavioral Health Regions under one of the bills that was...one of the prior testifiers gave to us. So on this, it is a difficult situation here with everybody's budget, yours included. But do you think down the road that you would have a coordinated program with the region that would say more of a firm commitment? And I'm not saying Omaha doesn't have a commitment because I've been following this issue as well, and I know your commitment in law enforcement is tremendous. That's a tremendous amount of money. But on that other coordinated, coordinated programs of education for individuals, do you think down the road in the future that a city or county would approach that and fund some direct dollars towards those programs? [LB150]

JACK CHELOHA: Good question, Senator Gay, and I appreciate that. I think...I think ultimately they would. But much the same as we've had an education process down here in Lincoln at the state legislative arena, we've had the same going on locally. And much of the praise, you know, belongs to the two other testifiers against this bill and they've worked diligently, you know, to get the local elected people involved and to move forward. I know there's been attempts to specifically move some money and address it, but the political will sometimes just hasn't been there. [LB150]

SENATOR GAY: Yeah, and I know probably if you want...if some of those attempts you'd like to get to us, we could distribute those to the committee before we make any decision on this. So we'll put the burden on you to get us any information or past history that might help us to make a decision. [LB150]

JACK CHELOHA: Okay. Right, right. Thank you. [LB150]

SENATOR GAY: Any other questions? I don't see any at this time. Thank you. [LB150]

JACK CHELOHA: Thank you. [LB150]

SENATOR GAY: Any other opponents who would like to speak on this issue? Anybody who would like to speak in a neutral capacity on this? Okay. And Senator Heidemann waived his closing, so with that we'll close the public hearing on LB150. Thank you all. [LB150]

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

Health and Human Services Committee
January 23, 2009

Disposition of Bills:

LB132 - Placed on General File with amendments.
LB146 - Held in committee.
LB150 - Indefinitely postponed.
LB195 - Placed on General File with amendments.

Chairperson

Committee Clerk