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Transportation and Telecommunications Committee
February 02, 2009

[LB10 LB110 LB211 LB225 LB329 LB398 LB642]

The committee on Transportation and Telecommunications met at 1:30 p.m. on Monday, February 2, 2009, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB110, LB10, LB211, LB225, LB329, LB642, and LB398. Senators present: Deb Fischer, Chairperson; Arnie Stuthman, Vice Chairperson; Kathy Campbell; Tim Gay; Galen Hadley; Charlie Janssen; Scott Lautenbaugh; and LeRoy Louden. Senators absent: None. [LB110]

SENATOR FISCHER: (Recorder malfunction) ...and I am Chair of the committee. At this time I would like to introduce our committee members to you. On my far right is Senator Charlie Janssen from Fremont; next to Senator Janssen is Senator Kathy Campbell from Lincoln; next we have Senator Tim Gay from Papillion; next is our Vice Chair, Senator Arnie Stuthman, he is from Platte Center; on my immediate right is our committee counsel, Mr. Dustin Vaughan; on my immediate left is our committee clerk, Laurie Vollertsen; on down we have Senator Galen Hadley, and Senator Hadley is from Kearney; and our committee member on the far end is Senator LeRoy Louden from Ellsworth, Nebraska. Our pages today are Justin Escamilla from Scottsbluff and Jamie Myers from Stuart, Nebraska, and they will be happy to distribute any materials for you. We will be hearing the bills in the order that they are listed on the agenda. Those wishing to testify on a bill should come to the front of the room and be ready to testify as soon as someone finishes testifying in order to keep the hearing moving. I ask that you complete the yellow sign-in sheet at the on-deck table so it's ready to hand in when you testify. We do have a computerized transcription program that we use and so it's very important that the directions on the sign-in sheet are followed. You will need to hand in the sign-in sheet to our clerk before you testify. For the record, at the beginning of your testimony I ask that you spell your last name and also your first name if it can be spelled several different ways. And I would ask that you keep your testimony concise and try not to repeat what someone else has covered. If you don't want to testify but you want to voice your support or opposition to a bill, you can indicate so at the on-deck table on the sheet provided. This will be part of the official record at the hearing. If you want to be listed on the committee statement however, you will need to come forward and testify even if you just state your name and your position on the bill. If you do not choose to testify you may submit comments in writing and those will be read into the official record. At this time I would ask that you turn off your cell phones. In this committee we do not allow cell phones to be on and that means no text messaging. We have been joined by Senator Scott Lautenbaugh. Senator Lautenbaugh is a member from Omaha. And with that, I will turn the hearing over to Senator Stuthman. []

SENATOR STUTHMAN: Thank you, Senator Fischer. Senator Fischer has the first bill, LB110. Good afternoon, Senator Fischer. [LB110]

SENATOR FISCHER: (Exhibit 1) Good afternoon, Senator Stuthman and committee

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members. For the record my name is Deb Fischer, F-i-s-c-h-e-r, and I am the Senator representing the 43rd District here in the Nebraska Unicameral. I come before you today to introduce LB110. LB110 creates a speciality license plate program administered by the Department of Motor Vehicles. The qualified nonprofit organization may apply to the DMV to design speciality plates for that organization. One hundred fifty prepaid applications are required before such plate will be issued. The plates will cost \$100 with \$15 going to the DMV Cash Fund and \$85 going to the Highway Trust Fund. With the bill, on January 1, 2011, the DMV shall begin issuing speciality license plates for qualified organization. The department will work with the organization in designing the plates. In order to be eligible for a specialty plate, an organization must be not-for-profit and provide the department with several qualifying documents. In discussing this bill with the DMV the intent is to put an organization symbol or design in a designated spot on a generic Nebraska license plate. This is similar to how our border state, Iowa, administers its speciality license plate program. Every year this committee sees several bills introduced regarding speciality license plates. I believe LB110 gives these organizations a more fitting avenue to pursue their goal. The DMV is intricately involved with the designing, manufacturing and distribution of our state's license plates. If an organization is serious about showing its support for its cause through a license plate, this bill sets up an administrative process at the DMV to attain this goal. Even though Senator Chambers and I did not frequently see eye to eye, this is one topic where we did agree. I believe a license plate is solely for the state's purpose of identifying a vehicle. Even though I hold a strict view of the use of license plates, I do understand why a person would like to make it more than that. However, the associated fee is still part of the state's revenue. We pay for our highways through three main user fees: the gas tax, the sales tax on motor vehicles, and motor vehicle registration fees. The plate fee is part of that registration cost and thus the money should go to the Highway Trust Fund. The bill also increases the cost for personalized message plates from \$30 to \$60. Fifty percent of the fee will go to the DMV Cash Fund and 50 percent will go to the Highway Trust Fund. The fee for Cornhusker Spirit Plates will also increase from \$70 to \$100 under this bill. Thirty percent of the fee will go to the DMV Cash Fund and 70 percent will go to the Highway Trust Fund. A portion of the current fee is going to the Spirit Plates Proceed Fund. The Proceed Fund is used to provide financial support to former University of Nebraska athletes to pursue undergraduate and graduate degrees, and for academic services of the University of Nebraska systems athletic departments. This bill repeals the Proceed Fund. Obviously, my goal of increasing the fee for these plates is to begin a stream of revenue to the Highway Trust Fund. I am continuing to discuss the adequate price for these plates with our fiscal office and the DMV, and I'm open to adjusting the price to that which will bring in the maximum revenue possible whether that be through a price increase or a decrease. Finally, LB110 redirects the \$5 extra fee charged to all existing military plates to the Nebraska Veteran Cemetery System Fund. If we are charging our veterans an extra fee to obtain these plates, I feel it is more an appropriate fund that we send this money to. With that, Mr. Vice Chair, I'd be happy to answer any questions. [LB110]

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SENATOR STUTHMAN: Thank you, Senator Fischer. Does the committee have any questions for Senator Fischer? Senator Janssen. [LB110]

SENATOR JANSSEN: Thank you, Mr. Chairman. Senator Fischer, a question I had, just right there at the end I was following it pretty good. You mentioned the veterans plates and a portion of that...go through I guess how a portion of the plates would be broken down for the veterans plates, and that is different than the others? [LB110]

SENATOR FISCHER: The veterans plates last year or two years ago, we passed the Gold Star plates and the money from that went to the cemetery fund, to the Nebraska National Veterans Cemetery Fund. And with this bill we're just saying that money from any veterans plate should go to that fund, where in the past I believe it's gone to the DMV. And I believe the Cemetery Fund is the appropriate place for the veterans plate money, and in this case I would not be pushing for it to go to the Highway Trust Fund. [LB110]

SENATOR JANSSEN: Okay. Thank you. [LB110]

SENATOR STUTHMAN: Thank you. Senator Gay. [LB110]

SENATOR GAY: Thank you, Senator Stuthman. Senator Fischer, if...and that's a worthy cause, noble cause and all that, but you said it's all nonprofits that would be doing this, which I would assume those are all going to be worthy causes too. What's to prevent in the future that, you know, whoever, another organization comes up and says we're nonprofit, great organization, here's an exemption. Why shouldn't we get that as well because it could be, you know, there are a lot of worthy organizations that would be asking that question, I would think, year after year when we're not here. What's to prevent or I guess nothing to prevent it, but why just one exemption and not others? [LB110]

SENATOR FISCHER: I guess you could say we would be opening the door by allowing the veterans plate money to go for the veterans cemetery. And yes, I believe that's a worthy cause and I know there are many other organizations that have worthy causes. My hope with this bill is that we would only have that one exemption and my hope with this bill is that we would not see organizations come to this committee and to the Legislature every year wanting a license plate, but also wanting the proceeds from it. As I said, I agreed with Senator Chambers that license plates are identification, specifically I believe for our law enforcement to be able to identify vehicles. I don't view license plates as billboards. I don't view license plates being used as a bake sale for an organization so they can raise money. I do understand how people want to have license plates, whether they're for the Shriners, volunteer fire departments, nature conservancy. There's a variety of organizations that have to come to us in the past, but I think if this

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committee would choose to advance this bill with the exception being made for the veterans plates, and we could strongly support that on the floor and have it in the legislative record why we are doing that, then that would be helpful. As you said, there's nothing to stop this from being changed in the future though. [LB110]

SENATOR GAY: Okay. Thank you. [LB110]

SENATOR STUTHMAN: Thank you. Senator Lautenbaugh. [LB110]

SENATOR LAUTENBAUGH: Good afternoon, Chairman. Madam Chair, would the purposes of this bill still be accomplished without the increase in fees for the individual plates? [LB110]

SENATOR FISCHER: As I said, we're working with the Department of Motor Vehicles. We received some information from them that shows in some cases if you increase the fee the total revenue will go down because they analyze that people won't pay that. In other cases you might increase the fee and the revenue will go up. I think we, as a committee and in working with the Director of the Department of Motor Vehicles, we need to look at that. And I, of course, am open to doing that. I want people to be able to still get their plates, but I also want this committee and the Legislature as a whole to recognize that when you get a spirit plate or you get a vanity plate, that's a want. And people who get those usually can afford them. I don't want to put them totally out of reach for people though either. But it is not, it is not a need. The state does not require you to spend \$70 right now for a spirit plate. [LB110]

SENATOR LAUTENBAUGH: Thank you. [LB110]

SENATOR STUTHMAN: Okay. Thank you. Senator Gay. [LB110]

SENATOR GAY: Thank you, Senator Stuthman. On the plate, did I hear you say, now would they be designed by the DMV? I mean, when you...let's say somebody comes in and \$150, how we came to that was neighboring states you're saying, to me I think it should be a lot...but if...is it a sticker or is it they design their own plates and we'd have all these different plates? [LB110]

SENATOR FISCHER: The Legislature, the Director can answer this better. But it's as I recall, the Legislature a few years ago passed a bill and the way license plates, the design is decided now is with the Department of Motor Vehicles working with Governor and I believe one other person. I don't know if the Director is going like this or like this behind me. (Laugh) But they, they decide right now the design of the plate. What I picture are generic plates like Iowa uses and then have like a logo for the group, a symbol for the group on the plate. And that's what Iowa uses now in their plates. They don't have a completely new plate for every group that comes. In the past we've seen

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on these bills with license plates, they come and they have kind of a mock-up of a plate they would like. Being a rancher, I always like it when they show the rolling Sandhills and a few cattle that we raise on those hills. That's always a great plate. I don't think that's appropriate for our plates. I think it's a more generic plate where you are fulfilling what I believe is the purpose of license plate which is identification of your vehicle is more appropriate, but still recognizing that group by having their symbol on that plate. [LB110]

SENATOR STUTHMAN: Any other questions for Senator Fischer? Seeing none, thank you. [LB110]

SENATOR FISCHER: Thank you. [LB110]

SENATOR STUTHMAN: We will now hear the proponents on this bill. [LB110]

LARRY DIX: Senator Stuthman, members of the committee, my name is Larry Dix, spelled D-i-x, and I'm executive director of the Nebraska Association of County Officials appearing today in support of LB110. Certainly from the association's point of view, we don't really want to get involved in what the proper fee for these plates are, if it's \$70 or \$50. That certainly isn't our point. When we look at it from a county perspective, the thing that we like about this particular bill is it establishes a standard process. And so many times that sort of gets lost in the shuffle because we, as county officials, end up taking care of that process. This is a little different. The process today is pretty straightforward. Everything goes to the state. They mail out to the counties. But I think it puts in a level of standardization. And so that's from our perspective, that's good. Secondly, this bill also moves some money into the Highway Trust Fund. And for all of you that are aware, the counties, cities and counties share that money that goes into the Trust Fund with the State Department of Roads. And so this provides some revenue that we can move possibly into that Trust Fund. And I know you've heard me many times talk about the need, our road needs and the needs for funding, and so we think that's also an important component of it. Again, not really knowing or saying what the right amount is to go into the Trust Fund because we also realize this bill impacts the DMV Cash Fund. But the concept of putting some of that money to the Trust Fund, we believe, is positive. So with that I'd be happy to answer any questions anybody may have. [LB110]

SENATOR STUTHMAN: Thank you, Mr. Dix. Are there any questions from the committee? Seeing none, thank you. I failed to mention earlier that we're having a 3 minute limit on the testifiers, and since we have so many bills this afternoon, we would like to hold it to 30 minutes per bill. So are there any other testifiers in the proponents for this bill? Good afternoon. [LB110]

CURT SMITH: Good afternoon. My name is Curtis Smith, S-m-i-t-h. I'm the executive

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director of the Associated General Contractors of Nebraska, the highway guys. I come here in support, Senators. Thank you for being here, or letting me be here. In support of the idea partly and echoing Mr. Dix in his testimony, we would see some revenues in the Highway Trust Fund and we're in favor of that. As we all know, the funding problems that continue with the state highways and the...as revenues fall, and inflation takes place, we see fewer and fewer miles of roads being built and in many of the communities across the state they're in dire need of those roads. And we've heard testimony or I've heard conversation with the Highway Commission and so on, and those proponents from various communities across the state asking for those increased funds. So we're here in support of that and besides that we think it's good public policy also, so. If you have any questions, I'd be willing to try to address those. [LB110]

SENATOR STUTHMAN: Thank you, Mr. Smith. Any questions from the committee? I have one. I have one. Do you feel that this fee is too great of a fee? [LB110]

CURT SMITH: I would defer, I would take the same tact that Mr. Dix did on that. I'm not a proponent of...I haven't investigated the economic effects of those or even the amount of monies that would go into the fund. I do not know that. [LB110]

SENATOR STUTHMAN: Okay. Okay. Thank you. [LB110]

CURT SMITH: Thank you. [LB110]

SENATOR STUTHMAN: Any other questions? Thank you. Any other proponents? Good afternoon. [LB110]

LYNN REX: Good afternoon, Senator Stuthman and members of the committee. My name is Lynn Rex, representing the League of Nebraska Municipalities, and we are also in support of this measure. We like the standardization and we are always in support of any effort to put funds in the Highway Trust Fund because we have a huge deficit across the state in transportation funding. I'd be happy to respond to any questions you might have. [LB110]

SENATOR STUTHMAN: Thank you, Ms. Rex. [LB110]

LYNN REX: Thank you. [LB110]

SENATOR STUTHMAN: Any questions from the committee? Seeing none, thank you. Any other proponents? Good afternoon. [LB110]

KARL FREDRICKSON: Good afternoon. Chairperson Fischer and members of the committee, good day. I am Karl Fredrickson, K-a-r-l F-r-e-d-r-i-c-k-s-o-n. I'm here today representing the American Council of Engineering Companies of Nebraska in support of

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LB110. As previous testifiers have said, our infrastructure system as you already know is the foundation of our economic prosperity in Nebraska. The condition of this foundation is deteriorating across our counties, our cities, and our state systems. While the needs for new roads were already in existence, they continue to grow. Funding revenues have decreased while inflation has increased and reduced the buying power. ACEC is in favor of finding and developing sustainable revenue sources to fulfill the needs of the roadway systems in Nebraska. And I want to thank you for your time and your service. I'll answer any questions if you have any. [LB110]

SENATOR STUTHMAN: Thank you, Mr. Fredrickson. Any questions from the committee? Seeing none, thank you. Any other proponents? Seeing none. Any opponents? One. Come forward please. Would you take the yellow sheet to the box up there, please. Thank you. Good afternoon. [LB110]

JAMES GRIESEN: Good afternoon and Madam Chairman, committee members. I'm James Griesen with the University of Nebraska, and I'm... [LB110]

SENATOR STUTHMAN: Would you spell your last name? [LB110]

JAMES GRIESEN: Oh, I'm sorry. G-r-i-e-s-e-n. And I'm testifying on behalf of the entire university system. As a member of the committee, the systemwide committee which has overseen the development of plans to use the Spirit Funds that were accumulated under the law that first passed. We are now to the point where with the accumulated revenue in the first endowment that's called for, where we will at the end of this fiscal year have enough money that we can start steady state funding of scholarships at \$140,000 per year. That money would go to all three campuses that support NCAA athletic teams. We value this very much. We think this is a way to help our student scholar athletes and we've been waiting for 12 years to start spending the money because we wanted to start a program that would have steady state funding. We didn't want to start dribbling it out in small amounts until we had the endowment established as the law calls for. This is a very important program in helping students complete their college degrees. It does give the departments more flexibility to help them within the division one schools, 6th year funding. Under NCAA rules in Division one you're allowed to fund five years of aid over a sixth year period, and we have a number of students who need a sixth year to complete their degree. And this would give us funding we could use in that sixth year after they've completed their eligibility and exhausted their five years of scholarship aid. NCAA approves scholarship aid. Division two, this would go for fifth year funding. They have different rules they work under. This also would help us, will help us when we start spending it deal with injured athletes. We're required by law in Nebraska to keep funding the scholarship for any injured athlete. They're considered exempt from counting on rosters, so if there's a limit of 85 players for example in football, they don't count towards that 85 because they're not able to compete there. They're permanently medically injured and unable to compete, yet we

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have to come up with the money to fund those students. We also participate in the, in the national consortium dedicated to helping students who sometimes have been out of school 20, 30 years, complete their degrees. And through the consortium we get special NCAA permission to give additional aid. They have to do some things in return for the aid, basically work for the department some. But this would be eligible to be used for that. We are asking...we're not opposed to the total bill. We are particularly opposed to the last sections there that deal with the elimination of the Spirit Fund. And we're even...what we're asking for is, we would like to keep receiving income from these Spirit plates until we have the two endowments fully funded. The first a \$3 million endowment for scholarships. The second a \$10 million endowment to help our academic support units on all three campuses. I have a document here which estimates how much money would go to each campus if we, when we start next year, \$140,000. Sixty thousand and change would go to UNL, \$38,000 to UNK, and \$41,000 to UNO. That's just for the scholarships. Now, if we can keep the legislation in place long enough to get the next two million, roughly two-thirds of that amount would then be available split proportionately to the three campuses to give more resource to our academic support units, which are very costly operations. We're fortunate at Lincoln to have a reasonable amount of fan support which allows us to do so much, but even here in Lincoln we're very strapped. And the other two campuses tell me they need the money even worse than we do. And so our request to the committee is, and again we're not in opposition to the total bill...do I have to stop right now? [LB110]

SENATOR STUTHMAN: Finish your comment, yes. [LB110]

JAMES GRIESEN: One more sentence? [LB110]

SENATOR STUTHMAN: Yes. [LB110]

JAMES GRIESEN: Our request to the total, to the committee is, rather than stop now, let us please finish the funding of the two endowments. And beyond that, the money would go into a building fund for all four campuses, the University of Nebraska and the three state colleges. We wouldn't...we're not arguing to keep that going but we think the Spirit Fund athletic purposes should be maintained. [LB110]

SENATOR STUTHMAN: Okay. [LB110]

JAMES GRIESEN: And if...we also would be willing to say, just continue us receiving the amount of dollars that we have received each year as you raise the fee. We're not asking for the new amount on the raised fee. We're just asking for a continuation of what we had coming to us and should that even fail, at least don't repeal all of Statute 60-3129 because that's our spending authority. [LB110]

SENATOR STUTHMAN: Okay. Thank you. Are there any questions? Senator Hadley.

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[LB110]

SENATOR HADLEY: Thank you. Dr. Griesen, in your best judgment, do you think we will lose people from the program if proceeds are not going to the designated... [LB110]

JAMES GRIESEN: No. No, I understand what you're saying. I don't think we'll lose people from the program per se but we'll lose some graduates who we'd like to see continue on and graduate. And in fact, that also helps us in terms of meeting NCAA requirements for graduation rates, etcetera. [LB110]

SENATOR STUTHMAN: Any other questions from the committee? Senator Campbell. [LB110]

SENATOR CAMPBELL: Thank you, Vice Chair. If you proceeded at the same amount to get to the, to get to the endowments, how many years are we talking? I don't know if you covered that. [LB110]

JAMES GRIESEN: To reach \$5 million we would have to go out until 2015 at the current rates of income. [LB110]

SENATOR CAMPBELL: To get to the \$5 million for both? [LB110]

JAMES GRIESEN: At the end of the year for our principal to be at \$5 million, it would take us through the fiscal year 2015. [LB110]

SENATOR CAMPBELL: Okay. Mr. Vice Chair, can I follow up with another question? [LB110]

SENATOR STUTHMAN: Yes, you may. [LB110]

SENATOR CAMPBELL: Okay. Thank you. Dr. Griesen, would the students who are eligible for these scholarships, and I recognize that they would be competing with all other students at the university, but other scholarships at the university they might be eligible for if this, if you couldn't fully fund both of these? [LB110]

JAMES GRIESEN: Would they be eligible for other scholarships? Only the federal programs, most likely. I mean, I can't say that somebody wouldn't get a merit scholarship but most likely these students would only be eligible for federal programs like the Pell Grant and guaranteed student loans and nonguaranteed student loans. [LB110]

SENATOR STUTHMAN: Okay. Thank you. Any other questions? Seeing none, thank you, Doctor. [LB110]

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JAMES GRIESEN: Thank you. [LB110]

SENATOR STUTHMAN: Any other opponents? Anyone who is going to testify in the neutral? In order to abide by the 30 minute, you have 1 minute. (Laughter) [LB110]

BEVERLY NETH: (Exhibit 2) Well, you know me pretty well, Senator Stuthman. I'm not sure that's realistic but I will try. (Laughter) [LB110]

SENATOR STUTHMAN: Continue, yes. You get your time allotment. [LB110]

BEVERLY NETH: Vice Chairman Stuthman and members of the committee, I'm Beverly Neth, B-e-v-e-r-l-y N-e-t-h, director of the Department of Motor Vehicles. I'm here today to offer neutral testimony on LB110. Each year bills are introduced to create specialty license plates creating a variety of groups and causes. This year is no different. In past years, the creation of special license plates seemed impractical for a number of reasons. However, in 2003, the Department of Corrections, Cornhusker State Industries, and the DMV implemented a digital plate production system which, among its many other benefits, provides plate design and production flexibility and allows for a cost effective method of implementing special plate designs for which there is either a limited or undefined market. Whether or not we expand Nebraska's speciality plate program and how it's done, is purely a policy decision that is appropriately placed with you. If the Legislature chooses to give the DMV the administrative responsibility for the program, we will promulgate the rules and regulations and do our best to carry out the intent of the law. My goal today is to cover the current legal environment relating to license plates and to discuss the fiscal impact to the DMV of the original LB110. The current federal circuit court decisions pertaining to specialty license plates are divided. In 2008, the Illinois Circuit Court ruled that license plates are state speech. As such, the state has a legitimate interest in regulating the content of specialty plates, so long as it does so from a viewpoint that is neutral and reasonable. The neutral and reasonableness test flows both to the content of the message and to the group or groups represented by the specialty plates. Meanwhile, in the Sixth Circuit Court of Arizona they came to an opposite conclusion and held that license plates once issued to any public organization become public forum for private speech. Attempts by the state to regulate private speech are usually met with First Amendment freedom of speech challenges. The Arizona court ruled that the state could not deny a controversial specialty license plate applicant. The Arizona decision has been appealed, but so far there has been no ruling. There is no specialty plate decision in the 8th Circuit, which is the court that would include Nebraska. Faced with a controversy, a decision in this circuit could go either way until there is a U.S. Supreme Court ruling. The fiscal note that has been filed with LB110 reflects a negative fiscal impact to DMV Cash Funds. There are three reasons why we are predicting a revenue decline. One, the doubling of the cost of the message plate is likely to result in people choosing not to renew an

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existing plate. Second, increasing the cost of the Cornhusker Spirit Plate is likely to have the same result. Finally, we anticipate that some people who currently have a message plate, may choose instead to purchase an organizational plate. In that program the amount transferred to the DMV Cash Fund is \$15 as opposed to \$30 in the message plate program. A loss of revenue equivalent to what is portrayed in the fiscal note would have a substantial impact upon the DMV's operations. Although the committee has several plate proposals to consider today, this is the only bill upon which I will be testifying representing the department. If the committee is considering advancing any of the other bills, I respectfully request the opportunity to work with the committee to make certain the bill or bills are drafted technically correct. I'll be happy to answer any questions you may have. [LB110]

SENATOR STUTHMAN: Thank you, Director Neth. Any questions from the committee? Senator Campbell. [LB110]

SENATOR CAMPBELL: Thank you, Vice Chairman. Director, I just happened to see that you brought audio visual, or visuals, not audio visuals, unless you're going to talk about, could you show us your examples? [LB110]

BEVERLY NETH: I can. Senator Gay this goes to your question to Senator Fischer about what type of plate would we be anticipating producing. This plate that I'm showing you is the current design for the ex-prisoner-of-war plate for, in Nebraska. In this program and in many of the programs, you see here is the sample, Disabled American Veteran Plate. What we do is try to design, use a space that is somewhat limited in its size and occupy that space with a design that would represent something appropriate, to represent the organization or the plate for which the person applied. In this case, the ex-prisoner-of-war there is a logo that is used by that group. These plates only have five characters available to them. The DAV plate, this one shows a six character although the flag is somewhat smaller. In this program, we would anticipate probably five characters would be the maximum you could do. This type of logo would be about the size of the ex-prisoner of...ex-prisoner-of-war logo is about the size we'd be looking at. It does not mean that this logo could be, would have to be two color. What we would anticipate in order to maintain a cost efficient schedule of trying to produce these types of plates, that we would be using a generic graphic, this type of graphic or a white graphic background and then print all the rest of the information on the plate. So the more colors that you use, the printing, the more expensive it is. What we look to in Nebraska, and many states look to, is kind of a three color printing process. It's the most cost efficient printing process that you can use. [LB110]

SENATOR STUTHMAN: Senator Gay. [LB110]

SENATOR GAY: Are you limited about the amount of colors though? [LB110]

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BEVERLY NETH: Not really, because you have the whole pallet of colors that you can, you can, in some states they've got thousands of colors available to them. It's just that you can't say exactly it's going to be, I want a ten color plate. [LB110]

SENATOR GAY: And then you answered the question about controversial people coming up and the number of 150. To me, you know, we'll see how that works. But you're looking at other states, but wouldn't you have more flexibility if you can create a better plate, you'd sell more. If the idea is to raise revenue, why would we want to limit it to the consumer of your choices. I mean, that might work but do other states...does your printing press or however this thing works, can you do a lot of different things? Because if you do a lot more different things I think you can sell more at a higher price and just more flexibility. What are other states doing I guess? [LB110]

BEVERLY NETH: The way the technology works is, it's truly unlimited the type of graphic we could print. I've brought plates in here before that have multicolor graphics with all kinds of things on them. But there are really two reasons why we would look to limiting and most states do use this kind of organizational logo concept. One reason is for law enforcement purposes. This is easier than trying to identify 500 different plate types across the spectrum for law enforcement. I mean, they already, already have monumental challenges. So we would look to this. It would be very clear this is a Nebraska plate and this is the type of organization that qualified under the statutory construction. And then going...I think that's really the primary reason. Also following the model that many other states have adopted. It's really kind of a logo type of plate that's adopted out there. And some states do allow for a full color graphic but that plate is generally very expensive for the organization to obtain. [LB110]

SENATOR STUTHMAN: Okay. Thank you. Senator Hadley. [LB110]

SENATOR HADLEY: Senator Stuthman, thank you. Director Neth, just a little bit of history. When the pricing came out on the spare plates and such as that, was the pricing high and then had to come down and can you just give the committee just a snapshot of kind of how that worked? [LB110]

BEVERLY NETH: I Can. When the message plate program originally began in Nebraska, I believe the plates, the message plates themselves were priced at \$70. That program never really took off. There were just very minimal sales in the program until they decided to drop the plate fee to \$30. That is the point and I think that happened sometime in the...gosh, I'm going...I should have looked more closely, could have been in the mid '90s when they dropped the plate to \$30. At that point we began to see a fairly steady increase in the plate program. Currently, there are roughly 58,000 message plates out on the street now. There are some 7,000 Spirit Plates on the street. To give you a context, there are 2.2 million vehicles in Nebraska, so we're still talking about a very finite set of vehicles that are out there with message plates. Although it seems to

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me every other vehicle has a message plate on it. So when, when both...in the DMV, our...my account and finance manager did quite a few projections trying to determine what's a reasonable plate fee, and also I know the legislative fiscal office has been working very hard on trying to figure out what will happen projecting out the current state of the economy, consumer price index. All kinds of things went into the equations to try to say as going forward if we raised the price the way we were raising it, we would probably see a decline in the participation of applicants. [LB110]

SENATOR STUTHMAN: Okay. Thank you, Senator Hadley and Director Neth. Any other questions from the committee? I see none. Thank you, Director Neth. [LB110]

BEVERLY NETH: Thank you. [LB110]

SENATOR STUTHMAN: Any other in the neutral? Seeing none, that closes the hearing. No, Senator Fischer, would you like to close? [LB110]

SENATOR FISCHER: Thank you. Thank you, Senator Stuthman and members of the committee. I appreciated the testimony here today. I would ask when we discuss this in Exec Session, the bill, that we do need to look at the pricing on the plates. The numbers as I said, we just recently received that information from fiscal and DMV and I think that's important information for us to have. Also the information that came forward from the university, I think we need to look at that carefully too and the program that they have in place. I do appreciate their compromise that they've offered on that that we can reach their \$5 million goal that they kind of set out for that program, and I think we can work at that also in the committee here. So with that, I would close. Thank you, Senator. [LB110]

SENATOR STUTHMAN: Thank you, Senator Fischer. Any other questions from the committee? Seeing none, that closes the hearing. And I will now turn it back over to Senator Fischer. [LB110]

SENATOR FISCHER: Thank you, Senator Stuthman. I would at this time open the hearing on LB10. Senator Langemeier is here to open. Welcome, Senator Langemeier. [LB10]

SENATOR LANGEMEIER: Chairman Fischer and members of the committee, this is the first time I've ever testified in this room. [LB10]

SENATOR FISCHER: And we welcome you. [LB10]

SENATOR LANGEMEIER: In my five years here. As you can tell as you just heard, LB110, this is LB10. It's much simpler, it's much more straightforward. It basically has two components. It's similar to LB110. It allows the Department of Motor Vehicles to

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work with a particular organization to design a plate at a fee of \$75, with a minimum production run of 500. I think the number needs to be a little higher. I think that demonstrates you have a true group out there and a charitable form that wants to participate in that. I do have it at \$75 with \$5 going to the Department of Motor Vehicles and that, listening to their testimony prior to this bill, that may need to be higher percentage. I do have the \$75 drafted to go to the Highway Cash Fund, Highway Trust Fund. I don't think that is a big sticking point. I think the chairman and the Department of Motor Vehicles and with her expertise could figure out whether it should be the Cash Fund or the Trust Fund. I don't...to be honest with you, I don't know what the difference is. But anyway, with that, that's brief and I'll keep you on your 30 minute time frame. Are there any questions? [LB10]

SENATOR FISCHER: Thank you, Senator Langemeier. Are there questions? Senator Campbell. [LB10]

SENATOR CAMPBELL: Thank you, Senator Fischer. Senator Langemeier, does your bill presume to start with any new plates, with any new specialty plates, rather than like the university that's already in existence? [LB10]

SENATOR LANGEMEIER: This would create...allow a group that is a 501(c)(3) to work with the Department of Motor Vehicles to create a plate, like the volunteer firefighters, for example. They would have to demonstrate and have preorders for at least 500 plates before this program could be kicked in. And then they could add additional plates from there on. I've had the opportunity to go to 3M and watch them print these plates. It's a whole lot like running a color copier. There's nothing to it. You design the graphics on the computer and put it on. I've had some discussions with law enforcement and what these plates look like really has no bearing on law enforcement. [LB10]

SENATOR CAMPBELL: Thank you. [LB10]

SENATOR FISCHER: Other questions? Senator Lautenbaugh. [LB10]

SENATOR LAUTENBAUGH: Thank you, Madam Chair. I think I might have misunderstood Senator Campbell's question. I think she...I want to know, I guess, is it...would it affect currently existing plates? [LB10]

SENATOR LANGEMEIER: No, I affect nothing as far as current plates that are out there. This would be for any future plates. I don't affect fees to other plates. My goal is to allow new people to come into this realm of specialty plates. I'm not dealing with anything as far as what's out there for specialty plates. [LB10]

SENATOR LAUTENBAUGH: Thank you. [LB10]

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SENATOR FISCHER: Other questions? Senator Hadley. [LB10]

SENATOR HADLEY: Just so I'm clear, the university would still continue to get funding for its scholarship fund under your bill because they have an existing Spirit Plate. [LB10]

SENATOR LANGEMEIER: Correct. This would strictly be for a newly designed Spirit Plate and new funding source to go to the Highway Cash Fund, is the way it's written. It would not affect any specialty plate that's out there, veteran plate, university plate, nothing. I didn't go that far. [LB10]

SENATOR FISCHER: Senator Gay. [LB10]

SENATOR GAY: Thank you, Chairman Fischer. Did you...when you came up with the 500, why 500? I asked them why you want 50 and, but why 500? [LB10]

SENATOR LANGEMEIER: Well, we could go to 49 and we could all get them but, (laughter) I guess I started to look at what is a credible 501(c)(3) group out there and I think a little larger number is, it demonstrates it's not just a small group. Nebraska State Recyclers Association doesn't have 500 members. Knights of Columbus, firefighters, Shriners, those type of groups would have 500 members across the state. [LB10]

SENATOR GAY: Thank you. [LB10]

SENATOR LANGEMEIER: And I guess if it was going to fluctuate, I might make it more than 500 if I was going to change it, than less. [LB10]

SENATOR FISCHER: Other questions? Senator Hadley. [LB10]

SENATOR HADLEY: Thank you, Senator Fischer. Senator Langemeier, just one other question. A couple of times you mentioned 501(c)(3). Would it be limited only...or could a group that is not a 501(c)(3) group who decided they wanted a specialty plate and came up with 500 people who were willing to pay for it? [LB10]

SENATOR LANGEMEIER: I would limit it to a 501(c)(3) versus Peter Kiewitt saying we're going to have the Peter Kiewitt plate in private industry. I think you need to limit it to that type of an organization. [LB10]

SENATOR FISCHER: Other questions? I see none. Thank you, Senator Langemeier. [LB10]

SENATOR LANGEMEIER: Thanks. And I'm going to waive closing. I think you've heard enough from me. [LB10]

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SENATOR FISCHER: You will waive closing. Okay, thank you very much. Are there proponents for the bill? Any proponents? Good afternoon. [LB10]

KARL FREDRICKSON: Good afternoon, Chairman Fischer and members of the committee. I'm Karl Fredrickson, K-a-r-l F-r-e-d-r-i-c-k-s-o-n. I need to add a little bit to, as my message here you had multiple license plate bills. Our message, I'm here representing the American Council of Engineering Companies of Nebraska, and the intent of our message in proponent is the fact that our highway needs across the state, both in counties and cities, do not have adequate revenue, either with the cost of doing business, inflation, and mother nature out there, and the shortfall in revenue due to other needs in our area, economy. There's a tremendous need out there for roadways and the roadways are somewhat our backbone in this, in our state to providing economic growth. And therefore, ACEC, American Council Engineering Companies, is in favor of mechanisms to provide revenue to adequately serve those needs. And so that's why we are here in proponent. And thank you, and if you have any questions, I'd... [LB10]

SENATOR FISCHER: Thank you very much. Are there questions? I see none. Thank you. [LB10]

KARL FREDRICKSON: Thank you. [LB10]

SENATOR FISCHER: Other proponents, please? Other proponents? I see none. Are there any opponents to the bill? Anyone wishing to testify in the neutral capacity? I see none. Senator Langemeier did waive closing, so with that I will close the hearing on LB10 and open the hearing on LB211. I do not see Senator Pirsch yet. I understand he has been called though. We will give him a couple of minutes. I do see Senator Pirsch here. Welcome, Senator Pirsch. We are ready for LB211 whenever you, whenever you are ready to begin. [LB10]

SENATOR PIRSCH: Thank you very much, Chairman Fischer. I am state Senator Pete Pirsch representing the Legislative 4th District, also the sponsor of LB211 before the Transportation and Telecommunications Committee here today. LB211 allows veterans who are eligible to obtain disabled American veteran license plates or prisoner-of-war license plates to be able to license any number of their vehicles or trailers. Under current law, those who are eligible to obtain Purple Heart license plates are currently able to license any number of their vehicles or trailers. In addition, LB211 allows surviving spouses of American veterans to retain their veterans specific specialty plates in the veterans name. Eligibility ceases once the surviving spouse remarries. LB211 would bring the provisions for disabled American veterans and prisoner-of-war license plates on an equal footing with the provisions for Purple Heart license plates. Thank you. [LB211]

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SENATOR FISCHER: Thank you, Senator Pirsch. Are there questions? I see none. Thank you very much. [LB211]

SENATOR PIRSCH: Thank you. [LB211]

SENATOR FISCHER: Next we will begin with proponents to the bill. Good afternoon and welcome. [LB211]

DENNIS PAVLIK: (Exhibit 4) Good afternoon. My name is Dennis, D-e-n-n-i-s, Pavlik, P-a-v-l-i-k. My name is Dennis Pavlik, ex-prisoner of the Korean War, currently commander of the Nebraska Department of the American ex-prisoners-of-war, which will cease to exist in Nebraska July 1, 2009, due to the lack of new members, and thank God for that. I might put in here now, the license plate you've seen had an emblem on it. That emblem will no longer be represented in the state of Nebraska. That is a national emblem, that is not a state one. I have talked to the gal out in the hallway. We originally requested that POW medal be put in that place and there was a mix-up along the way. Okay. I am here to support LB211 which is in regard to license plates to veterans. These veterans that we will support with this bill have done their job that they were asked to do. We are here today to honor them for their services in which they proudly served. This license plate that they so proudly display helps them tell the public where they served and how. This is a very good way to letting people in other states know that we in Nebraska have service people that did their duty to keep freedom as freedom is not free. I have had the public wave to me, salute, roll their windows and say thanks. One person drove up beside me with a sign saying thanks. Yes, these veteran plates are being noticed and they also know that we are from Nebraska. Thank you. Any questions? [LB211]

SENATOR FISCHER: Thank you, sir. On behalf of the committee I would like to thank you for your service and your sacrifice to our country. [LB211]

DENNIS PAVLIK: Thank you, ma'am. [LB211]

SENATOR FISCHER: Thank you very much. Are there questions? I see none. Thank you for being here today. [LB211]

DENNIS PAVLIK: Thank you. [LB211]

SENATOR FISCHER: Are there other proponents for the bill? Any other proponents? Any opponents to the bill? Anyone wishing to testify in a neutral capacity? Senator Pirsch, would you like to close? [LB211]

SENATOR PIRSCH: No, I think I'll waive closing, Chairman Fischer. [LB211]

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SENATOR FISCHER: (Exhibit 3) Thank you. Senator Pirsch waives closing. With that we will close the hearing on LB211, and I will open the hearing on LB225. I see Senator Haar is here. Oh, I would like to say on LB211 we have in front of us a letter in support of the bill from John Hilgert, which is the Department of Veterans' Affairs Director. And welcome to you, Senator Haar. [LB225]

SENATOR HAAR: Thank you. Thank you, Senator Fischer and members of the committee. I got caught in...as a new Senator, introducing legislation without talking to all the right people. So I would just say that my bill is not nearly as good as Senator Cornett's and leave it at that. I would urge you to go forward with her bill. It's more complete. [LB225]

SENATOR FISCHER: Okay. Thank you, Senator Haar. But of course you support the concept of the plates? [LB225]

SENATOR HAAR: I support the concept. Yeah, I...in fact, during the campaign I went around and talked to various volunteer fire departments and when I asked them what they wanted, many of them said we'd like a license plate. And so, yeah, I support the concept and next session I'll do more research. (Laugh) [LB225]

SENATOR FISCHER: We all, we all are always working. [LB225]

SENATOR HAAR: Oh, for sure. [LB225]

SENATOR FISCHER: Thank you, Senator Haar. [LB225]

SENATOR HAAR: Thank you very much. [LB225]

SENATOR FISCHER: Are there questions? I see none. Thank you very much. [LB225]

SENATOR HAAR: You bet. [LB225]

SENATOR FISCHER: Are there proponents for the bill? Any opponents to the bill? Anyone wishing to testify in a neutral capacity? Senator Haar I believe has waived closing. (Laughter) With that I will close the hearing on LB225 and open the hearing on LB329. We will need to pause on LB329. I understand Senator Cornett is in another committee right now introducing a bill so we will see if we can move on to Senator Schilz and get in touch with him to see if he will be able to come. [LB225]

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SENATOR FISCHER Thank you so much, Senator. I will open the hearing on LB641 and we do appreciate you being flexible here on our schedule today. We seem to be

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moving pretty quickly through these bills which we did not anticipate, so welcome.
[LB642]

SENATOR SCHILZ: That's okay. Thank you, Senator Fischer and members of the Transportation Committee. Don't worry, I needed the exercise anyway. LB642, we created a Nebraska agricultural specialty plate. And this plate would permit individuals to express themselves as supporters of Nebraska's agricultural history while this would contribute to the Highway Trust Fund. And I would just like to say that, as I said before, you know, people in agriculture in the state of Nebraska, it being our largest industry, would like to have the opportunity to express themselves as supporters and I think this is one great way of doing that. It gives everybody the opportunity to do that. And it gives us the opportunity to charge a little bit for it on the other side, so I think that's a...it's what we like to call a win-win, right? [LB642]

SENATOR FISCHER: There you go. [LB642]

SENATOR SCHILZ: So and when I think...one of the things that, you know, that I'd like to say is we've had the athletics supporting license plates for a number of years now. In fact, I think I remember I was one of the first ones that put my name in to see if I could get, you know, the number 1, ended up with 385, but still, still have it on my car. So I guess what that tells me if people are interested in this they'll go ahead and do that. And so as this being my first bill that I've introduced, it's a pretty good one to start out with, hopefully not too controversial. And so with that I would end my testimony and take any questions if there are. [LB642]

SENATOR FISCHER: Thank you, Senator Schilz. Are there questions? Senator Stuthman. [LB642]

SENATOR STUTHMAN: Thank you, Senator Fischer. Senator Schilz, what type of a design would you say, would that be like an ear of corn or would it be a cow or what kind of a thing? (Laughter) [LB642]

SENATOR SCHILZ: You know what, and I think, I think that maybe I have no preconceived notions as to what it should be, but both of those are great. And I think that maybe, maybe that would be something that we could have some conversations. And I think those are both worthy icons for this plate and so...but I haven't, I haven't gone so far as to think that I know exactly what should be on there. [LB642]

SENATOR STUTHMAN: Would this fall in the nonprofit group or not? [LB642]

SENATOR SCHILZ: These days? (Laughter) You could probably say yes, but hopefully not, no. Hopefully, this is for folks that are out there working in the private industry to do this. So, no, this would be for, this would be for private individuals to do, whether they

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belong to any association or not. [LB642]

SENATOR STUTHMAN: And it wouldn't necessarily be an agricultural designed plate that one size fit all, and it would be more or less, depending on what your organization, if you were with cattle or hogs or anything like that, huh? [LB642]

SENATOR SCHILZ: You know, I hadn't thought about that. I guess that's all, that's all up for discussion as well. I had...I just, I guess in looking at this just wanted to get the foot in the door. Up-front I know that as you move down the line with the Spirit plates they change design every once in a while and so maybe that's what this would do as you move down the line different designs would come into play and you could change that from cattle to hogs or corn or whatever you'd do. [LB642]

SENATOR STUTHMAN: Okay. Thank you. [LB642]

SENATOR SCHILZ: Yeah, but I think, but I think you'd...I don't think we'll have too many designs out there, so I think you'd do one at a time and not try to have 50 of them or so. The lima bean, right? [LB642]

SENATOR FISCHER: Are there other questions? Senator Hadley. [LB642]

SENATOR HADLEY: Senator Fischer. Senator Schilz, just so I...you wouldn't expect any of the fee or anything such as that to go back to any particular group? The fee would be kept with the DMV and the road funds. [LB642]

SENATOR SCHILZ: That is correct, yes. [LB642]

SENATOR FISCHER: Senator Louden. [LB642]

SENATOR LOUDEN: Yes, thank you, Senator Fischer. Well, Senator Schilz are you old enough to remember when we did have agricultural plates? At one time, you know, we had plates that said, "farm," on there. [LB642]

SENATOR SCHILZ: Right. [LB642]

SENATOR LOUDEN: And a few years ago, why in their infinite wisdom around here they took the "farm" off and they put "not for hire" on there, and the question always was, was you going to let your wife drive that pickup to town. (Laughter) And I have never, have never liked that since. So I'm all for you. Let's go back and put that "farm" back, back on that license plate. It shouldn't be hard to do. We were there one time with it and they went with what we were doing. [LB642]

SENATOR SCHILZ: That's right. Well, I can't, I can't... [LB642]

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SENATOR FISCHER: Do you need to answer that Senator Schilz? [LB642]

SENATOR SCHILZ: Yeah, I don't know. (Laughter) I was going to say, I won't disagree with you but I had to think for a second exactly what you were saying there. But I'm all for the agriculture plate and I hope that the committee will see in its infinite wisdom to allow it to happen. [LB642]

SENATOR FISCHER: Other questions? Did you have a chance to look at other bills that were introduced this session dealing with license plates? [LB642]

SENATOR SCHILZ: Well, I noticed you had a few of them here today. [LB642]

SENATOR FISCHER: Yeah, specifically, Senator Langemeier introduced a bill and I introduced a bill and it was for not-for-profit groups that would be able to have these. If those...if that idea would advance from this committee, that would knock out your idea for an ag plate. And as you know, I support agriculture. Is there, is there some way that they're groups out there in agriculture that are not-for-profit that would be able to have that symbol on their license plates? Do you know specifically of any that you think might be interested in that? [LB642]

SENATOR SCHILZ: Oh, I'm sure. I'm sure there would be some that would be interested in that, but I have not had any conversations to that. [LB642]

SENATOR FISCHER: Okay. Okay. Thank you, Senator. Appreciate you being here. [LB642]

SENATOR SCHILZ: Thank you very much. Thanks. [LB642]

SENATOR FISCHER: Are there proponents for the bill? Any proponents? Any opponents to the bill? Is there anyone here to speak in the neutral capacity? I see none. Senator Schilz, would you like to close? Senator Schilz waives closing. With that I will close the hearing on LB642. I believe Senator Cornett's aide is here to introduce LB329. Good afternoon. [LB642]

BRENDA LARSON: Thank you, Chairwoman. Good afternoon. Senator Cornett is upstairs in Business and Labor so you're stuck with me this afternoon. [LB329]

SENATOR FISCHER: I appreciate that you could come down. No, we're happy to have you here and I'm glad you could make it. Thank you. [LB329]

BRENDA LARSON: All right. Chairwoman Fischer and members of the Transportation Committee. I'm Brenda Larson, L-a-r-s-o-n, aide to Senator Cornett who represents the

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45th Legislative District and this is LB329. LB329 would allow the firefighters in the state of Nebraska who so choose, to purchase license plates which would designate them as firefighters. These plates would be designed so as to conform to the standards of any other license plate issued. The plates would be consecutively numbered or could be personalized if a person chooses. Not just anyone would be able to receive these plates. Applicants would have to have a signed letter from their fire chief in order to receive the plates. When purchasing the plates, the fees would be distributed to the Department of Motor Vehicles Cash Fund and the remainder going to the Firefighter Response Cash Fund. If the cost of manufacturing the firefighter plates at any time exceeds the amount charged, the money would have been credited to the Firefighter Response Cash Fund will go to the Highway Trust Fund. The Firefighter Response Cash Fund would be used to provide training for fire department personnel and other emergency response personnel, for updating, upgrading, and establishing response capabilities for emergencies handled by local emergency response organizations. Thank you for your time and consideration of LB329. I think we have a couple of people to speak on this that might be able to answer your questions a little more than I could, but I'd give it a go. [LB329]

SENATOR FISCHER: Thank you, Ms. Larson. Are there questions? Senator Louden. [LB329]

SENATOR LOUDEN: Yes, thank you, Senator. Why, I'm kind of interested in this Firefighters Cash Fund. Now is that, is that an agency? I mean, do they get...does that, state fire marshal, is that who would have control of that fund? [LB329]

BRENDA LARSON: If you don't mind, I'll defer to the people that are going to testify behind me that will probably know more about that than I do. [LB329]

SENATOR LOUDEN: Oh, okay. [LB329]

BRENDA LARSON: If you don't mind. [LB329]

SENATOR LOUDEN: I thought maybe you did the writing so you knew something about the Cash Fund, so. Okay, thank you then. [LB329]

BRENDA LARSON: I do, but I don't, if that makes any sense. [LB329]

SENATOR LOUDEN: Enough to be dangerous? [LB329]

BRENDA LARSON: Yes, exactly. [LB329]

SENATOR LOUDEN: Thank you. [LB329]

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BRENDA LARSON: Uh-huh. [LB329]

SENATOR FISCHER: Senator Hadley. [LB329]

SENATOR HADLEY: Yes, thank you Senator. Is the amount going to the, this Firefighters Fund? Do you think that's crucial in the passing of this bill because we've had a number of bills that have and have not had that kind of... [LB329]

BRENDA LARSON: I would say that was something that could be negotiated on, either out or stay in. [LB329]

SENATOR HADLEY: Okay. Whether, I guess, whether I'm kind of asking is, is having the plate the important thing. [LB329]

BRENDA LARSON: Yes. Yes. [LB329]

SENATOR HADLEY: So a person is designated as a firefighter. [LB329]

BRENDA LARSON: Right. And it's more for the volunteers who show up in their personal vehicles at a call and that way there's a plate you can obviously tell when they have their red and blue lights flashing, or whatever they're using, that they're a volunteer and they're heading for a call. [LB329]

SENATOR FISCHER: Other questions? I see none. Thank you for being here. Will you be here for closing? [LB329]

BRENDA LARSON: If you want me to. [LB329]

SENATOR FISCHER: Okay. Are there proponents for the bill? Good afternoon. [LB329]

JOEL CERNY: Good afternoon, Chairman Fischer. Senators, my name is Joel Cerny, C-e-r-n-y. I'm currently the second assistant chief at the Linwood Volunteer Fire Department. I am as the second vice president of the state firefighters association and I'm also on the board of the fire chief's association, so. Well, I'm here today to testify in favor of this bill. The Cash Fund going to the fire marshal is a big part of why we chose this bill over the rest to support. As you know, the fire marshal's budget gets, seems to be cut every year and this is just a way that we can help him out. They are the people that supply all the training to the firefighters and as far as the EMS people also because they do all the extrication training. So that's a good point there. I guess I really don't have anything else. As far as the money, yes, we definitely would like to see it go to the fire marshal's office but I don't believe that would be a big sticking point. The firefighters really would enjoy this. I travel all over the country. I'm also an avid memorabilia collector and it's always good to, when I see somebody, pass somebody maybe on the

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interstate and they have their firefighter plates you always give them a big wave and stuff like that, so. Okay. I'd be happy to answer any questions. [LB329]

SENATOR FISCHER: We appreciate you being here today. And again, thank you for your service and other volunteer firefighters. In my legislative district I believe all of my communities have volunteers and they are an important and valuable part of my communities, so thank you. Are there questions? Senator Stuthman. [LB329]

SENATOR STUTHMAN: Thank you, Senator Fischer. Mr. Cerny, does your fire department in Linwood have these little plates that you put on above the license plates that says Linwood Rural Fire Department? [LB329]

JOEL CERNY: Yes, we do. In fact, we're lucky enough to get several new members in the past year and we're considering ordering more of them, but then I told them, hold on. Maybe we can get a whole plate that says that instead, so. [LB329]

SENATOR STUTHMAN: You know, that's what we have at Columbus too, you know, we have that you put it above it. And hey, you know, I will say, you know, when you see that, you do try to wave at them or try to speak to them and stuff like that, so that is very important. So I think that is effective also, so. Thank you. [LB329]

SENATOR FISCHER: Thank you, Senator. Other questions? I see none. Thank you very much for being here today. [LB329]

JOEL CERNY: Thank you. [LB329]

SENATOR FISCHER: Are there other proponents? Good afternoon. [LB329]

JERRY STILMOCK: Hello, Senators. My name is Jerry, J-e-r-r-y, Stilmock, S-t-i-l-m-o-c-k, lobbyist on behalf of the Nebraska State Volunteer Firefighters Association, testifying in support of LB329 offered by Senator Cornett. The...our association...in the administration of our association, looked at all of the bills that were dealing with license plates and carefully selected LB329 to throw its support at principally because it does recognize volunteers, and secondly, over Senator Haar's proposal, it also recognizes, of course, the funds going to the fire marshal's office to support additional training. The...because our membership is made up of both firefighters and emergency medical rescue personnel, the bill generated discussion because the bill offered by Senator Cornett references only firefighters. And we try to bring the two families together as much as we can. And the membership through the board of directors has requested that rather than firefighters or volunteer firefighters, that the reference simply refer to volunteer emergency responders. And in that manner, both houses, if you will, those firefighters and those emergency medical personnel could be brought under one plate, at least so in this one instance instead of multiplying and

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going to two plates, one for EMTs and one for firefighters. LB329, we'd ask the committee's consideration in placing one mechanism and that's for emergency responders. But we're very much in support of the effort of Senator Cornett and ask the committee to consider LB329 as you deliberate the bills at your Executive Session. Thank you. [LB329]

SENATOR FISCHER: Thank you, Mr. Stilmock. Are there questions? I have a question for you. Under the bills that were heard earlier, Senator Langemeier's bill and my bill which is more generic, I guess, in who would have license plates, and both of them would say it would be for not-for-profit groups that could apply for these license plates. Would the volunteer firefighters qualify as a not-for-profit and the EMT organizations, would they each qualify? [LB329]

JERRY STILMOCK: No. Before...the reason is, not all fire departments have gone to the step of organizing as a 501(c) and then fill in the number of the appropriate IRS designation, (c)(3), (c)(4), (c)(5), (c)(6), not all departments have done that. Some that were formed and wanted protection for its membership did that in the '60s and '70s for liability purposes. But I would venture to say, it's probably a handful as compared to, as compared to the norm. [LB329]

SENATOR FISCHER: Your association would not cover them? If they belonged to your association, would it cover them? [LB329]

JERRY STILMOCK: They could apply...if they belong to the association then that would be the, out of the forum. Yes, Senator, because... [LB329]

SENATOR FISCHER: So they still could get a license plate if the volunteer departments were, and the EMTs were members of your association? [LB329]

JERRY STILMOCK: Yes, absolutely. Because our association is a 501(c)(6), so yes, that question, yes, they would be able to able to. [LB329]

SENATOR FISCHER: And how many of the departments belong to your association? [LB329]

JERRY STILMOCK: At last count, we had 7,300 members, individual members. I'm unable to put a number on a specific department, but... [LB329]

SENATOR FISCHER: Do you know what percentage that would be of firefighters? [LB329]

JERRY STILMOCK: Probably about 60 percent, 60, 60 percent, 60 to 65. [LB329]

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SENATOR FISCHER: Okay. And does that include EMTs also? [LB329]

JERRY STILMOCK: Yes. Yes. [LB329]

SENATOR FISCHER: Okay. Any other questions? Senator Hadley. [LB329]

SENATOR HADLEY: Yes, just one quick one. The way this bill is written though it is not just volunteer firefighters, is that correct? That a member of the Omaha Fire Department, I believe, could also and the Lincoln and Grand Island, such as that...at least that's what I felt when I read the bill. [LB329]

JERRY STILMOCK: You are correct. Yeah, Section, Section 6 refers to generically a firefighter as compared to volunteer. Yes, sir. [LB329]

SENATOR FISCHER: Any other questions? I see none. Thank you very much. [LB329]

JERRY STILMOCK: Okay, thank you Senators. Appreciate it. [LB329]

SENATOR FISCHER: Thank you. Are there other proponents to the bill? [LB329]

LYNN REX: Senator Fischer and members of the committee, my name is Lynn Rex, representing the League of Nebraska Municipalities, and quite frankly, I didn't know if I should be here in a proponent position or a neutral positive position. So I'm going to testify in favor of this measure but indicate as much as we support the firefighters paid and volunteer having these plates, we do not support the diversion of funds from the Highway Trust Fund. We do, however, think that the State Fire Marshal's office does need more money for training and we intend to be at their hearing before the Appropriations Committee regarding that issue. And also, I think as Jerry Stilmock indicated, the 501(c)(3) distinction itself would probably not be enough to cover them. You need to put some other 501(c)(6)'s in there as well. So I'd be happy to respond to any questions you might have. [LB329]

SENATOR FISCHER: Ms. Rex, can you tell me on the paid firefighters such as the Lincoln Fire Department, how can we get them covered under either my bill or Senator Langemeier's bill where it says not-for-profit group? Are they in...do they have an association of any kind of, in Lincoln, do they have a firefighters association, something like that? [LB329]

LYNN REX: I would...I don't know. I can find out for you and get back to you. It would seem to me the easiest way of dealing with it, which you may or may not want to do, is simply insert "paid or volunteer firefighter." And in that way you, for sure, have covered them. [LB329]

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SENATOR FISCHER: Oh, but there's a lot of other volunteers who would...you know, to cover it too, so. [LB329]

LYNN REX: I know. I know and I fully understand that and that's why we would strongly support your measure. [LB329]

SENATOR FISCHER: We think we have the simple idea that always becomes more complicated doesn't it? [LB329]

LYNN REX: Well, there should be a way to do this. But I think there literally are only a handful of 501(c)(3)s as volunteer fire departments that have organized in that regard. [LB329]

SENATOR FISCHER: Okay. Thank you very much. Questions? [LB329]

LYNN REX: I'll find out that information and get back to you, Senator. [LB329]

SENATOR FISCHER: Okay. Thank you. [LB329]

LYNN REX: Thank you very much. [LB329]

SENATOR FISCHER: Thank you. Are there other proponents for the bill? Any other proponents? Any opponents to the bill? Anyone wishing to testify in the neutral capacity? I see none. Ms. Larson, would you like to close? Closing is waived. With that, we will close the hearing on LB329 and open the hearing on LB398. And welcome, Senator Nordquist. [LB329]

SENATOR NORDQUIST: Thank you, Madam Chair and members of the committee. My name is Jeremy Nordquist and I represent District 7 in Omaha. LB398 expands the existing collegiate spirit license plate system to include Nebraska's private, nonprofit colleges and universities. However, instead of sending the money of the increased revenue of these license plates to the same University of Nebraska-specified fund that receives proceeds from the Nebraska Cornhusker Spirit License Plates, this bill would take the funds received from the sale of spirit license plates for private, nonprofit schools and put it into the Nebraska Scholarship Fund. The Nebraska Scholarship Fund distributes annually about \$12.7 million in the current year to Nebraska's colleges, including the University of Nebraska, based on the financial need of their student body. The bill dictates a fee of \$70 for the specialized plate, which is the current cost of the Cornhusker Spirit Plate. The bill also allocates the money in the same percentages as the Cornhusker Spirit Plates--43 percent to the Department of Motor Vehicles and 57 percent to the Nebraska Scholarship Fund. Plates would only be produced if the DMV received 150 prepaid applications for a particular school's plate. At the time, the entity would work with the college or university to design an appropriate license plate. LB398

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would give Nebraska's colleges and universities the same opportunity to express themselves that students, alumni, and fans of the university currently have, while distributing the increased proceeds across all of Nebraska's institutions of higher learning. I appreciate the committee's time and your consideration of LB398. Thank you. [LB398]

SENATOR FISCHER: Thank you, Senator Nordquist. Are there questions? I may have a couple here. Did you have a chance to look over Senator Langemeier's bill or my bill that was introduced earlier? [LB398]

SENATOR NORDQUIST: I didn't, I haven't had a chance to look it over, but I know generally the concept, you know? [LB398]

SENATOR FISCHER: I would assume you would support it in that the private colleges and universities could have plates. [LB398]

SENATOR NORDQUIST: Sure. [LB398]

SENATOR FISCHER: Could you support it with the money going to the trust fund, though, instead of to the Nebraska Scholarship Fund? [LB398]

SENATOR NORDQUIST: You know, it wouldn't be my ideal bill I would prefer to see. Maybe, you know, there's a lot of good causes here, but separating out higher education and certainly I would not be opposed to having my bill amended to include every university, state colleges, for-profit privates, and the money going to higher education, although, you know, if the committee so chooses to go that direction to include them in your package, that would be the will of the committee, I guess. [LB398]

SENATOR FISCHER: The problem we have is there are a lot of great causes out there and everyone would like some more funding. I think you heard at the end there the firefighters are looking for funding, too, and we're trying to reach a consensus I think. [LB398]

SENATOR NORDQUIST: Yeah. And I certainly know the committee has a tough position. We have needs in our transportation infrastructure and needs in higher education, so I would, you know, hope you give it full consideration and deliberate on that and do what's best for the state. [LB398]

SENATOR FISCHER: Such faith. Thank you. [LB398]

SENATOR NORDQUIST: (Laugh) Thank you. [LB398]

SENATOR FISCHER: Thank you, Senator. Are there proponents for the bill? Good

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afternoon. [LB398]

JAN McKENZIE: (Exhibit 5) Good afternoon, Chairman Fischer, members of the Transportation Committee. For the record, my name is Jan McKenzie and I'm appearing before you today as a registered lobbyist for the Association of Independent Colleges and Universities of Nebraska. I know that's usually Tip O'Neill. [LB398]

SENATOR FISCHER: Could you spell your last name? [LB398]

JAN McKENZIE: Certainly. My last name is M-c-K-e-n-z-i-e. [LB398]

SENATOR FISCHER: Thank you. [LB398]

JAN McKENZIE: Tip, unfortunately, had to be in Washington, D.C., today, so he asked me to fill in for him. We support Senator Nordquist in his attempt to pass a bill allowing the issuance of collegiate spirit plates for our independent colleges and universities. We enroll more than 28,000 students in Nebraska and at last count we number around 65,000 residents as alumni. Among the many students and alumni are diehard fans and supporters--I think some of them are blue--who would like to show off their school spirit by purchasing collegiate spirit plates. Although we haven't done a survey, we expect a majority of Nebraska independent colleges and universities to be able to meet the minimum number of prepaid order applications in order to justify the issuance of the plates. We also support Senator Nordquist's effort to place a portion of the proceeds from the sale of plates into the Nebraska Scholarship Program. Financial aid is increasingly important to students attending colleges in Nebraska and efforts to enhance those programs are to be commended. Thank you for your support of LB398. Tip says I would be happy to answer any questions but, honestly, I would prefer that you wait until he gets back to ask those questions. But I'd be happy to convey any of those that you might have to him. [LB398]

SENATOR FISCHER: Thank you. Are there questions? I see none. Thank you very much. [LB398]

JAN McKENZIE: Especially the one about the bunny. (Laugh) Thank you. [LB398]

SENATOR FISCHER: Thank you. Are there other proponents for the bill? Other proponents? Any opponents to the bill? Anyone wishing to testify in the neutral capacity? I see none. Senator Nordquist waives closing. With that, I will close the hearing on LB398 and that closes the hearing for today. Thank you very much. [LB398]

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Disposition of Bills:

LB10 - Indefinitely postponed.
LB110 - Placed on General File with amendments.
LB211 - Indefinitely postponed.
LB225 - Indefinitely postponed.
LB329 - Indefinitely postponed.
LB398 - Indefinitely postponed.
LB642 - Indefinitely postponed.

Chairperson

Committee Clerk