Health and Human Services Committee March 01, 2017

[LB343 LB344]

The Committee on Health and Human Services met at 9:15 a.m. on Wednesday, March 1, 2017, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB344 and LB343. Senators present: Merv Riepe, Chairperson; Steve Erdman, Vice Chairperson; Sue Crawford; Sara Howard; Mark Kolterman; Lou Ann Linehan; and Matt Williams. Senators absent: None.

SENATOR RIEPE: Good morning. In the interest of time, why don't we get going? This is a happy birthday to the state of Nebraska, and we're pleased that you're all with us here this morning. My name is Merv Riepe. I'm chairman of the Health and Human Services Committee. I represent District 12, which is Millard, Omaha, and also Ralston, if you will. Today, if we have individuals that are here for the second hearing, which is LB343, we would ask some of you, because we've checked to see and we don't have an overflow room as we do and sometimes during hearings...so we want to make sure that the people that are here for LB344, which is going to be the first bill that we hear, have an opportunity to access the room. So if there are any of you that would be willing to, we would ask you to go to the hall and as soon as we finish up, that we will certainly beckon you to come back. That said, I've got a piece that I'm going to read in, but I wanted, first of all, introduce the members of the Health and Human Services Committee, starting with my far right. Sir.

SENATOR KOLTERMAN: I'm Senator Mark Kolterman from Legislative District 24: Seward, York, and Polk Counties.

SENATOR HOWARD: I'm Senator Sara Howard. I represent District 9 in midtown Omaha.

SENATOR ERDMAN: Steve Erdman, District 47: ten counties in the Nebraska Panhandle.

KRISTEN STIFFLER: Kristen Stiffler, legal counsel.

SENATOR CRAWFORD: Good morning. Senator Sue Crawford, District 45, which is eastern Sarpy County, Bellevue, and Offutt.

SENATOR WILLIAMS: Matt Williams, Legislative District 36: Dawson, Custer, and the north part of Buffalo County.

SENATOR LINEHAN: Good morning. Lou Ann Linehan, District 39: Waterloo, Valley, and Elkhorn.

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TYLER MAHOOD: Tyler Mahood, committee clerk.

SENATOR RIEPE: Also with us today, and over here to my extreme left, are two pages, and that's Robert Micheels and Marilyn Synek. And we're pleased to have them with us, as well. To start off today, we do invite you...this is part of the legislative process is your engagement...we encourage that. You will also see at times that some of our committee members will be working on their laptops; we encourage this. Some of us work on paper; some of us work on laptops. And so that...they're not being distracted; they are...it's simply part of our process. We also see committee members, at times, coming and going. It's not that they have a disinterest in your piece of legislation. They simply have other bills that they may be introducing for this morning or they'll be testifying at those meetings, as well. To better facilitate our process, we ask individuals to silence their cell phones as they come up. We ask you to move to the front. There's no front anymore, but if you can make your way to the microphone so that we don't lose time, because we are...we have a number of people that want to testify, and we want to give everyone an opportunity, if best we can. The process works with: the bill introducer makes opening comments--there's no time limit then; then we follow with proponents; we go to...or then we go to opponents; then we go to any neutral testimony; then we go to any letters that may have been submitted, which I'm sure we will have; and then the senator who has introduced the bill will have an opportunity to come back and make concluding remarks or they have the opportunity, if they want to...if you see them wave, it's not that they're being friendly; that just means that they have no more further comments. When coming to the mic, we ask you to state your name and to spell your name. We need that for the record, and all of this is recorded. You will see, at times, that I will be asking different senators--I'll be calling them by names, and that's so that we can get it into the record. It's part of the formality. We also ask you to be concise and, if something has been already said, please try to make your comments complement theirs and so that we can get as many people in to testify as possible. This morning, given that the size of our attendees here, we're going to have a three-minute clock. We will be going two on the green, one on the amber, and then we'll come up with a red light, and we'll ask you to try to pull it together, make your final comments and, if it goes beyond that, I may have to interrupt and ask you to pull your comments together. Just...and that is out of respect and interest for other people that want to testify. If you will not be testifying at the microphone but want to be on record as having a position on a bill being heard today, there are white sign-in sheets at each entrance where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record at the end of today's hearing. If you are coming forward to testify, written materials may be distributed to committee members as exhibits only, and you'll be giving your--I think it's an--orange sheet to one of the pages and any handouts. What we request is we need 10 copies of anything so that we can give those to the members. If it happens that you're here and you don't have the 10 copies, please make sure that you share with our pages, and they are very efficient and they will get copies made for us. We're also...I wanted to read in a press release piece that talks about today, because this is going to talk about...we have...we are, by law,

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required to give a fair hearing to every bill and so we have to be fair in this. And so we...if we have one bill that runs too long, it cuts into the other one. We have to finish up; we have legislative session this afternoon. It was because of the state's birthday that we flip-flopped and had to come around for hearings this morning instead of this afternoon. That's why the change in the agenda. The letter, or the press release, reads, and I'll just read through. It says, "On March 1, 2017, the Health and Human Services Committee will be holding hearings at 9:15 to 12:00 p.m. on both LB344, the change credentialing and regulation of mental health substance abuse centers, and LB343, the change credentialing and regulation of cosmetology, nail technology, audiology, massage therapy, and barbers." The change in the schedule is due, as I said, because of the statehood events that are going on today. Due to the constrained hearing schedule, the hearing for LB344 will begin at 9:15 and is...and will end at 10:35--10:35, that's when we will end the first hearing. And we'll...and the completed of LB344 will be at 12:00 noon. In order to have all viewpoints represented during each hearing, the order of testifiers will follow a pattern of proponents, opponents, neutral, and repeat, as time allows. On LB344, what we're going to do is ask any associations to testify...they'll be testifying in support, we expect, and so we will take them first, before we go to the individuals, just to make sure that we get your professional organizations into the record. This is...it is the goal of the Health and Human Services Committee to provide a full and fair hearing for each bill discussed in front of this committee. Adhering to these procedures during a time-restricted hearing will be best achieved by using this approach. On behalf...as chairman, I thank you.

KRISTEN STIFFLER: (Inaudible).

SENATOR RIEPE: I said that, okay. Okay. We would like to start off with LB344. Doctor...I'm a hospital administrator by background, so I oftentimes call senators doctors. I mean it as a compliment, so... [LB344]

SENATOR ALBRECHT: That would be nice; go ahead. [LB344]

SENATOR RIEPE: Well, not unless you're getting the salary, too. But okay, Senator Albrecht, please proceed. [LB344]

SENATOR ALBRECHT: (Exhibit 1) Thank you. Good morning, Chairman Riepe and colleagues. My name is Senator Joni Albrecht, and I represent Legislative District 17. That's Joni-i, Albrecht, A-l-b-r-e-c-h-t. I'm here today to introduce LB344 on behalf of Governor Ricketts and the Department of Health and Human Services. LB344 is part of the Governor's occupational licensure reform legislative package. It will reduce regulatory burdens by streamlining the separate licensing process for mental health centers and substance abuse treatment centers. Also, this bill provides an alternate method to obtain alcohol and drug

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counseling license or mental health practice licenses in Nebraska through...I always have trouble with that word... [LB344]

SENATOR HOWARD: Reciprocity. [LB344]

SENATOR ALBRECHT: Thank you. Say it... [LB344]

SENATOR HOWARD: Reciprocity. [LB344]

SENATOR ALBRECHT: Thank you. Reciprocity--not a word I use often, but I will be--by recognizing licensure and other requirements from other states. This bill includes additional degrees or substantially equivalent degrees to be considered acceptable for the licensure as a mental health practitioner. Lastly, as of today, an applicant for a provisional license must identify their supervisor at the time of application. LB344 would allow an applicant to obtain a provisional license and then seek employment, registering 30 days after. In order to address concerns for those serving persons with dual disorders, I'm offering AM397. That should be in your packet, correct? Yes? This amendment removes Section 11 through 15, in order to clear up some confusion as to the intent of this bill. The amendment also will clarify the language in Section 22 of this bill. The Department of Health and Human Services will testify after me and will address any technical questions on this bill. And with that being said, I'd love to take any questions that you might have. [LB344]

SENATOR RIEPE: Thank you very much. Are there questions? Senator Howard. [LB344]

SENATOR HOWARD: Senator Riepe, Senator Albrecht looked right at me because I... [LB344]

SENATOR ALBRECHT: We talked a lot yesterday. [LB344]

SENATOR HOWARD: I talked to her about my question. [LB344]

SENATOR ALBRECHT: Yes, yes, yes. [LB344]

SENATOR HOWARD: And so I know that Director Dawson will probably follow you... [LB344]

SENATOR ALBRECHT: Yes. [LB344]

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SENATOR HOWARD: ...and will be able to fill out. But just as a preview... [LB344]

SENATOR ALBRECHT: Yes. [LB344]

SENATOR HOWARD: ...my first question was on page 11, that talks about the alcohol and drug counselors. [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: And I just wanted to know how that's a change... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: ...in their licensure. [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: Do we currently require more hours? Do we...is this taking us down? Just sort of learning a little bit about what they currently have. [LB344]

SENATOR ALBRECHT: Okay, and I have do have several things that I can provide for you after the fact. But...but I don't believe that the hours and time is going to be any different than it would have been, maybe, in the state they're coming from. [LB344]

SENATOR HOWARD: Okay. [LB344]

SENATOR ALBRECHT: Obviously we have to check into all of that before they're able to come on with a company here in Nebraska. [LB344]

SENATOR HOWARD: Perfect. And then my second question was on page 21... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: ...and that's around the SNAP benefits. [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

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SENATOR HOWARD: And I just wanted to sort of understand the intent behind the change... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: ...because it looks pretty similar, but I just wasn't sure if it was sort of the language of "since the date of conviction"... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: ...so why that is put in there. [LB344]

SENATOR ALBRECHT: That one I'd like to refer to someone... [LB344]

SENATOR HOWARD: Director Dawson, okay. [LB344]

SENATOR ALBRECHT: ...who has more information, yes. [LB344]

SENATOR HOWARD: That's great. And then the last one goes to sort of the meat of the issue, which is the definition... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR HOWARD: ...and sort of the reasoning behind changing the definition of a substance abuse treatment center, which is very broad, you know, a facility that could be in a private dwelling, it could be where you provide shelter, food, and care, into a mental health treatment center. And that's pages 22 to 23. [LB344]

SENATOR ALBRECHT: Um-hum. And again, 22 to 23, a lot of the information they'll have to explain, but it is my understanding these are more for centers, not in-home type care. [LB344]

SENATOR HOWARD: Okay, great. Thank you. [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR RIEPE: Okay. Senator Crawford, please. [LB344]

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SENATOR CRAWFORD: Thank you, Chairman Riepe. And thank you, Senator Albrecht... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR CRAWFORD: ...for bringing this bill. And I wonder if you could tell us just a bit of your understanding of what the...what is getting pulled out with the two sections, the two... [LB344]

SENATOR ALBRECHT: Okay, in the amendment? [LB344]

SENATOR CRAWFORD: ...the sections that you say are removed. [LB344]

SENATOR ALBRECHT: Okay. And I guess mostly it's to clarify. There's a lot of confusion, because the amendment states that there's like two pages are being pulled out. [LB344]

SENATOR CRAWFORD: Um-hum. [LB344]

SENATOR ALBRECHT: So do you...I have a copy if they would like to... [LB344]

KRISTEN STIFFLER: We're getting it; we're getting there. [LB344]

SENATOR CRAWFORD: Okay; we're getting it. Okay, okay. Thank you. [LB344]

SENATOR ALBRECHT: But if you go to page 22...that's not it. Actually we're going... [LB344]

SENATOR CRAWFORD: I didn't know if you just had sort of a sense of a general type of change, or it's pulling out the centers. Or is there some big... [LB344]

SENATOR ALBRECHT: No, it's not pulling out any of the centers. I think... [LB344]

SENATOR CRAWFORD: ...big of change then? [LB344]

SENATOR ALBRECHT: Again, I'm going to refer to Dr. Williams on this one, because I think there's so much in here. They talked about a facility, a mental health substance area. So they're trying to take more language out so that it's not so confusing... [LB344]

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SENATOR CRAWFORD: Okay. [LB344]

SENATOR ALBRECHT: ...to make you wonder what is and what isn't. But it isn't...we worked a lot on it yesterday... [LB344]

SENATOR CRAWFORD: Right, right. [LB344]

SENATOR ALBRECHT: ...after I spoke to you..., [LB344]

SENATOR CRAWFORD: Good. [LB344]

SENATOR ALBRECHT: ...so it's all on the amendment, what they're taking out. [LB344]

SENATOR CRAWFORD: And I think that, from what I heard from your testimony, it pulls out Section 22... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR CRAWFORD: ...which is what part I was actually going to ask about. So that may...she may be able to talk about that issue. [LB344]

SENATOR ALBRECHT: Um-hum, yeah. [LB344]

SENATOR CRAWFORD: That section is one where it says when you're applying for this license, you indicate if you're applying for mental health disorders only or substance abuse disorders only... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR CRAWFORD: ...or both. [LB344]

SENATOR ALBRECHT: Both. Um-hum, um-hum. [LB344]

SENATOR CRAWFORD: Both. All right. So by removing the section, are we not asking people to indicate what they're applying for?... [LB344]

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SENATOR ALBRECHT: I think you would still have to, because when you apply, obviously you want to know if they're, you know, proficient in one area or the other. [LB344]

SENATOR CRAWFORD: Um-hum. [LB344]

SENATOR ALBRECHT: But they have an opportunity to only have one license if it's...if they do both. So there might be somebody that just does substance abuse and somebody else that might just do the mental health. Okay? [LB344]

SENATOR CRAWFORD: Okay. And can I... [LB344]

SENATOR RIEPE: Oh, please go forward. [LB344]

SENATOR CRAWFORD: So one of my questions was...that was my understanding in reading the bill... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR CRAWFORD: ...is so you have one license, and somebody could do both with that one license. [LB344]

SENATOR ALBRECHT: In a center, yes. [LB344]

SENATOR CRAWFORD: Right? [LB344]

SENATOR ALBRECHT: Yes. [LB344]

SENATOR CRAWFORD: And...and that would be focused, really, on inpatient or people in a facility... [LB344]

SENATOR ALBRECHT: Correct. [LB344]

SENATOR CRAWFORD: ...versus the outpatient parts now. [LB344]

SENATOR ALBRECHT: Right. [LB344]

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SENATOR CRAWFORD: And then you...but you could indicate, and you're just doing substance abuse or you're just doing mental healthcare... [LB344]

SENATOR ALBRECHT: Correct, yes. [LB344]

SENATOR CRAWFORD: ...and still call this the same license. [LB344]

SENATOR ALBRECHT: Right, right. Um-hum. [LB344]

SENATOR CRAWFORD: But you're only stepping up to do one. [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR CRAWFORD: So what I...what I don't know and would like to make...to understand is if there are any changes in the qualifications or requirements... [LB344]

SENATOR ALBRECHT: Um-hum, um-hum. [LB344]

SENATOR CRAWFORD: ...to say I'm licensed to do substance abuse or I'm licensed to do mental healthcare. [LB344]

SENATOR ALBRECHT: Yes. [LB344]

SENATOR CRAWFORD: Is there any change in the requirements or is it simply a change in process and allowing people to have... [LB344]

SENATOR ALBRECHT: Um-hum. [LB344]

SENATOR CRAWFORD: ...meet requirements of both at the same time? Does that make sense? [LB344]

SENATOR ALBRECHT: Great questions, great questions. Again, I know they're...the provisional alcohol and drug counselor, there are certain requirements for them and then there's the certain ones for the alcohol and drug counselor. And we have two pages that is referred to, to make certain that those provisions are covered. And I can certainly let them talk more about it. [LB344]

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SENATOR CRAWFORD: Sure. All right. [LB344]

SENATOR ALBRECHT: But I have a copy; I should have made you all copies... [LB344]

SENATOR CRAWFORD: That's okay. [LB344]

SENATOR ALBRECHT: ...because this is a very complicated bill, but we want to make

certain... [LB344]

SENATOR CRAWFORD: Right. [LB344]

SENATOR ALBRECHT: ...that everybody understands... [LB344]

SENATOR CRAWFORD: Right. [LB344]

SENATOR ALBRECHT: ...that we are hitting on all the points. [LB344]

SENATOR CRAWFORD: Right. And this is the facility part. [LB344]

SENATOR ALBRECHT: The facilities, yes, yes. [LB344]

SENATOR CRAWFORD: The facility part, right. Okay, good. [LB344]

SENATOR ALBRECHT: Yes. [LB344]

SENATOR RIEPE: Are there additional questions form the committee members? Senator Kolterman. [LB344]

SENATOR KOLTERMAN: Just a question. Are we going to get a copy of the amendment? [LB344]

SENATOR RIEPE: Yes. [LB344]

KRISTEN STIFFLER: It will be coming from our office. [LB344]

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SENATOR KOLTERMAN: Okay. [LB344]

SENATOR RIEPE: Okay. Additional questions from the committee? Senator Albrecht, thank

you very much. [LB344]

SENATOR ALBRECHT: You're welcome; thank you. [LB344]

SENATOR RIEPE: We will now go to proponents but, as we do that, how many...do we have a show of hands so...in the crowd that, on this particular bill, will be proponents? Okay, I see one. Are there any opponents? I see one; okay. And neutral? One. [LB344]

KRISTEN STIFFLER: Okay. [LB344]

SENATOR WILLIAMS: There's one back there, too. [LB344]

SENATOR RIEPE: And we'll be talking. [LB344]

SENATOR ERDMAN: There's one over there, too, so there's two. [LB344]

SENATOR RIEPE: Okay, okay. It's not overwhelming, so we're...we're in good shape. I would like to take the first proponent, please. If you'll state your name and spell it, and then... [LB344]

SHERI DAWSON: Yeah. [LB344]

SENATOR RIEPE: ...it is...the microphone is yours. [LB344]

SHERI DAWSON: (Exhibit 2) Okay; I hope I can get organized here. All right. Good morning.

[LB344]

SENATOR CRAWFORD: Good morning. [LB344]

SENATOR RIEPE: Good morning. [LB344]

SHERI DAWSON: Senator Riepe and members of the Health and Human Services Committee,

my name is Sheri Dawson, S-h-e-r-i D-a-w-s-o-n. [LB344]

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SENATOR RIEPE: Thank you. [LB344]

SHERI DAWSON: And I serve as the director of the Division of Behavioral Health. And I'm here to testify in support of LB344, which is part of the Governor's occupational licensure reform legislative package. And I want to thank Senator Albrecht for introducing this bill. I will speak to the overall behavioral health aspect of this bill, and my colleague, Dr. Williams, will follow me to speak to the licensure-specific aspect. LB344 combines mental health centers and substance abuse treatment centers statutes into one single healthcare facility type that can provide both mental and substance use disorder treatment services. For mental health and substance use disorder treatment centers, this single healthcare facility type will allow a provider to determine the focus of their services without having to obtain multiple licenses and, to better ensure for those individuals with both mental health and substance use disorder, that the conditions are treated at the same time, which can lead to better outcomes. So this proposal allows for a provider to determine the focus of their services: mental health disorders, substance use disorders, or both mental health and substance use disorders. In order to address concerns for serving persons with co-occurring disorders, I have reviewed and supported AM397. This amendment will clarify language, and specifically in Section 22. Mental health centers have not had a requirement for licensure for outpatient services. For consistency and administrative simplification, the bill also removes outpatient services from the requirements for licensure as a substance use disorder treatment center. I thank you for the opportunity to testify before you today, and I would like to thank the Platte Institute and other national partners for working with us to eliminate some regulatory burden on occupations in Nebraska. We believe LB344 will help DHHS continue in our mission of helping people live better lives. And I ask the committee to advance LB344 to General File. And I'm happy to answer any questions you have. And I have a green copy that has highlighted the amendments, if that would be helpful to walk those through. [LB344]

SENATOR RIEPE: Okay. Are there questions from the committee? Senator Howard. [LB344]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for visiting with us today. So I'll save the licensure questions for Dr. Williams, but can you talk to me a little bit about sort of the reasoning behind...so why take the definition of a substance use center and put it into the mental center? [LB344]

SHERI DAWSON: Sure. Well, Nebraska, for the last, probably, four or five years, we have really been working to serve consumers in a, in a better way when they access services. [LB344]

SENATOR HOWARD: Okay. [LB344]

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SHERI DAWSON: If we look at the National Survey for Substance Abuse Treatment Centers (sic: Services), people seeking substance abuse services, about 47 percent of those have a mental health disorder, okay? [LB344]

SENATOR HOWARD: Um-hum. [LB344]

SHERI DAWSON: If you look at NAMI studies, people that access mental health services, anywhere from 39 to 43 percent of those individuals also have substance use disorders. So we have engaged, in our strategic planning over the last years, to really provide and serve the whole person, so that they can come and access services and really receive, you know, holistic treatment for both of those. [LB344]

SENATOR HOWARD: So I guess my question goes to the way that substance abuse treatment was, in statute, was as a private...a facility or a private dwelling where shelter, food and care, treatment, maintenance, or related services are provided in a group setting. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR HOWARD: Does this change preclude that type of facility or place? [LB344]

SHERI DAWSON: No, no. So for what was always licensed as a mental health center for inpatient residential, if you will, that will continue under this licensure type. [LB344]

SENATOR HOWARD: Okay. [LB344]

SHERI DAWSON: Substance use treatment centers will also have that inpatient or residential licensure. The only thing that's being removed is on the substance use side, they also had a requirement to be licensed outpatient, and that is coming out. [LB344]

SENATOR HOWARD: Okay. But then could a mental health substance abuse treatment center be in a private dwelling? [LB344]

SHERI DAWSON: A private dwelling...I guess I'm going to have to look at that language, Senator Howard. If you... [LB344]

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SENATOR HOWARD: So the original language says that it means a facility including any private dwelling where shelter, food and care, treatment maintenance, or related services are provided in a group setting. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR HOWARD: And all of those sort of added provisions have been removed, when you put it into the new facility act. [LB344]

SHERI DAWSON: Okay. I'm going to have to relook at that. [LB344]

SENATOR HOWARD: All right. [LB344]

SHERI DAWSON: You know there are even residential or inpatient centers that could be in a private dwelling... [LB344]

SENATOR HOWARD: Right. [LB344]

SHERI DAWSON: ...that would have that inpatient provision. [LB344]

SENATOR HOWARD: Right. I am sort of thinking about... [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR HOWARD: ...like Community Alliance. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR HOWARD: They have houses in... [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR HOWARD: ...in my district and elsewhere, and they're considered private dwellings; they're not considered facilities, but they do fall under this act. [LB344]

SHERI DAWSON: That for a mental health center... [LB344]

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SENATOR HOWARD: For a mental health center, yeah. [LB344]

SHERI DAWSON: ...in the Community Alliance case, they still would be licensed. [LB344]

SENATOR HOWARD: They would be licensed under the mental health? [LB344]

SHERI DAWSON: Under the mental health center. [LB344]

SENATOR HOWARD: Not a substance abuse? [LB344]

SHERI DAWSON: That's how they're currently licensed. Now it would be...what we're doing is combining that. [LB344]

SENATOR HOWARD: Um-hum. [LB344]

SHERI DAWSON: So the mental health center standards, if you will, and the substance abuse standards are going to be combined so that a facility still is going to have, you know, assessment, treatment planning, safety, food...those kinds of things that were in both will continue to be in there. [LB344]

SENATOR HOWARD: Okay. So, so maybe that's a conversation for later, is seeing if we need to make sure that those provisions remain... [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR HOWARD: ...under the, under the new combined definition. [LB344]

SHERI DAWSON: I appreciate that. We'll look at that language. [LB344]

SENATOR HOWARD: Thank you. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR RIEPE: Senator Crawford, please. [LB344]

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SENATOR CRAWFORD: Thank you, Chairman Riepe. And this, I think, is along that same question. So in the bill itself it's pulling that definition of the substance abuse center out, because we have a single-named center... [LB344]

SHERI DAWSON: Um-hum; um-hum. [LB344]

SENATOR CRAWFORD: ...so for the licensure. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: And then the question is whether or not the qualifications, or what you have to meet to get that license, is changed at...I don't that changed in the bill for this inpatient...provide the licensure. It looks like it's...you indicate I'm going to do...now I guess it's the Unicameral...to primarily substance abuse or primarily mental health. And then does that determine which of those standards that you meet, or do...or are the standards really somewhere else in regulation or statute... [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: ...really the same for these two centers? [LB344]

SHERI DAWSON: Um-hum, um-hum. What will happen is there used to be two sets of licensure standards, one for mental health and one for substance use. So those are being integrated now, okay? So there still will be the requirement for everybody. For example, in both of those separately now, have to have an assessment, have to have service plan, have to have physical plant safety, have to have food safety--those kinds of things. And so it's just that those are coming together. So what happens is, if I am a provider that would apply for, say, a mental health only, okay, or a mental health primary, that means that individuals that come to my door...I serve them under this new combined category, so I have to follow all of those things. And I'm primarily serving individuals with mental health. Why we wanted to combine them was we know that people come to us that also, as you discover during treatment, have both. And so we wanted to make sure that individuals had access to services, but also respect that providers can, you know, specialize or have their focus, as well. And then what would happen in the regulations is they would have their program plan. So if you're primarily serving individuals with mental health and you discover that somebody has substance use disorder, what's your plan? And so that would be written into the program plan, which is a requirement of those regulations. [LB344]

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SENATOR CRAWFORD: So the requirements to be met, if you're primary substance abuse, primary mental health, or both, and then the standards or requirements, if you're primary mental health but need to (inaudible) substance, is all of that...is the language for all of those established in regulation versus statute? Or is there also some statute issues with that? [LB344]

SHERI DAWSON: Yeah. [LB344]

SENATOR CRAWFORD: Not in the... [LB344]

SHERI DAWSON: Well, this statute tries to clarify that we have the ability, then, to promulgate regs that will... [LB344]

SENATOR CRAWFORD: It will. [LB344]

SHERI DAWSON: ...have that together, and we do have a draft set if this...you know, we hope this moves forward to be able to move those forward through the public hearing process. [LB344]

SENATOR CRAWFORD: Right. And those standards, then, will be clarified in regulations. [LB344]

SHERI DAWSON: Yes. [LB344]

SENATOR CRAWFORD: All right. Okay; thank you. [LB344]

SHERI DAWSON: Yes. [LB344]

SENATOR RIEPE: Are there...Senator...oh, I'm sorry. Senator Linehan. [LB344]

SENATOR LINEHAN: Thank you, Chairman Riepe. Thank you for being here today. I have a question kind of in that area, too. But first I want to ask...on the sheet here, Section 14, it says add mental health substance use treatment center to coverage requirements if the health plan provides coverage for serious mental illness. So we're adding that to...I'm sorry; I didn't read the bill on that. I'm just reading this little... [LB344]

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SHERI DAWSON: Yeah. So just to clarify...so you all don't have, it sounds like, the copy of the amendment. And so...or you do. So Sections 11 through 15 are being struck, so the section... [LB344]

SENATOR LINEHAN: So that's not going to be in there anymore. [LB344]

SHERI DAWSON: ...the section, correct. That is coming out. [LB344]

SENATOR LINEHAN: Okay. [LB344]

SHERI DAWSON: So I think some of your questions on SNAP and those kinds of things is in that section. As you know, when a bill drafter does their job, it's quite broad to try and find all of the terms. We're trying to keep it, you know, focused on our regulation simplification. So that 11 through 15 is being struck in the amendment. [LB344]

SENATOR LINEHAN: Okay. [LB344]

SENATOR RIEPE: Okay. Are there additional questions from the committee? [LB344]

SENATOR LINEHAN: Oh, I just...I have one more; I'm sorry. [LB344]

SENATOR RIEPE: Oh, go. Please go ahead. [LB344]

SENATOR LINEHAN: So when you...is this an effort to make sure you're combining, because I realize your percentages--I've heard those before? But not everyone with mental health does have substance abuse, and not everyone with substance abuse has mental health problems. [LB344]

SHERI DAWSON: Correct. [LB344]

SENATOR LINEHAN: So...what...I think the numbers are about 50/50. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR LINEHAN: So this is not going to end up where everywhere you go, if you...you have both, right? [LB344]

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SHERI DAWSON: Correct, correct. So for example, right now we have 31 mental health centers. We have 112 substance abuse treatment centers. [LB344]

SENATOR LINEHAN: Okay. [LB344]

SHERI DAWSON: Okay. And we only have five that have both, all right? [LB344]

SENATOR LINEHAN: Okay. [LB344]

SHERI DAWSON: So you can still be the mental health... [LB344]

SENATOR LINEHAN: Okay. [LB344]

SHERI DAWSON: ...check that on your application; or just substance use primary...check that;

or both. [LB344]

SENATOR LINEHAN: Okay. [LB344]

SHERI DAWSON: But what it does is, because we want to serve individuals, you know, and build our co-occurring capacity, it combines those regulations for simplification. So mental health will still be covered in those regs; substance use will still be covered in those regs. [LB344]

SENATOR LINEHAN: So but are you saying that every place that does mental health has to do substance abuse then? When you say they're...I don't understand...covered in the regs, or the person is going to be licensed to do both. [LB344]

SHERI DAWSON: Um-hum. The person can check whether they want to have primary mental health or primary substance use or both. In the regulation, if you are serving individuals that have mental health or substance use, the process that you go through is very similar. So you're going to do an assessment, you're going to have a treatment plan--those kinds of things. So that's why we're trying to bring those together because, while you can have a focus on mental health, all of those regulations are the same. [LB344]

SENATOR LINEHAN: So you get licensed for both, is what you're saying, henceforth, which is not the case now. [LB344]

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SHERI DAWSON: We're going to have...we're going to have one licensure category, so it's going to be an umbrella--mental health/substance abuse treatment center. But if you're a provider and you feel like your competency, for example, is mostly in mental health, you check mental health. The regulations you follow will be very similar. [LB344]

SENATOR LINEHAN: Okay, all right. Thank you. [LB344]

SHERI DAWSON: Okay, um-hum. [LB344]

SENATOR RIEPE: Any...okay; thank you very much. Additional questions? I'll start with Senator Kolterman. [LB344]

SENATOR KOLTERMAN: Thank you, Senator Riepe. So how many do you think will expand? How much growth will you have to have the dual? I mean, they'll be licensed that way. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR KOLTERMAN: But you know, we've got so many mental health, so many substance abuse, but we only have five that are serving. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR KOLTERMAN: Do you see that expanding dramatically? [LB344]

SHERI DAWSON: I do, and I don't know exactly how many, Senator Kolterman, to be honest with you. Again, as when I was talking with Senator Howard, we are really trying to serve customers in a more holistic fashion. And so we are really trying to build what we call co-occurring capability. And so I don't know what that future opportunity will be to see how many facilities will check the dual, you know, the both. But that an individual that even goes to a mental health center or a substance use center, that there's a recognition they might also have something that needs to have a referral or be addressed, I think, is important. [LB344]

SENATOR KOLTERMAN: But will...I guess what I am getting at is, will they then have to go out and add people to their staff in order to, through the regs, to become qualified as both? [LB344]

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SHERI DAWSON: Currently, no. Even with our new...if you're mental health center only and you check that, then you would staff according to that. But...but I think the opportunity we have is that they could, then, make sure they have a partnership or know, at least, where to send somebody that has the other disorder. And currently, there's no requirement, if you will, for that. [LB344]

SENATOR KOLTERMAN: Okay; thank you. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR RIEPE: Senator Erdman. [LB344]

SENATOR ERDMAN: That was my question. [LB344]

SENATOR RIEPE: Oh, that was your question? Okay. Senator Howard. [LB344]

SENATOR HOWARD: Thank you. I wanted to go back to page 23 and learn a little bit more about where the definitions came from for mental illness and why we're changing the definitions for substance use disorder. [LB344]

SHERI DAWSON: One of the opportunities with statutes is to continue to catch up with science and terminology. And so substance abuse is actually a term that the science has moved forward, and it's now substance use disorders. [LB344]

SENATOR HOWARD: Um-hum. [LB344]

SHERI DAWSON: And if you look at the diagnostic and statistical manual and our ASAM Criteria, that is also the terminology that's being used. [LB344]

SENATOR HOWARD: So these are just aligning with DSM? [LB344]

SHERI DAWSON: Yes, and ASAM. [LB344]

SENATOR HOWARD: Okay, great. Thank you. [LB344]

SHERI DAWSON: Yes. [LB344]

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SENATOR RIEPE: Senator Crawford, please. [LB344]

SENATOR CRAWFORD: Thank you, Chairman Riepe. And thank you, Director...Director

Dawson; this is very helpful. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: And I do appreciate this effort. I know we've had conversations about

this challenge of having the two different licenses with... [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: ...meeting a population that often has co-occurring disorders. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: So I appreciate your work on this issue. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: Just to clarify, the bill also is, as I understand it, removing outpatient services from the licensure requirements. So what we are doing is we are creating a license for inpatient...we're, we're reforming our licensure for inpatient services by having this new umbrella license. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: And then for outpatient services, we're really relying on the individual's professional licensure for our quality management, and we're not trying...we're not licensing or regulating the space in which they work; we're licensing the person for those outpatient services. Is that correct? [LB344]

SHERI DAWSON: That's accurate. That is accurate. I think, you know, on the mental health side right now, under the mental health center treatment license, there isn't an outpatient provision. So people go to their provider for outpatient services for day rehabilitation, for those kinds of things. And that is not licensed now. Substance abuse treatment center had that provision for outpatient. And so we're trying to make those consistent. Again, you have individuals that have

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licenses. You know, you could think of it...you go to many physicians and clinics, and that isn't licensed. But you go to them as a provider. [LB344]

SENATOR CRAWFORD: The person is. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR CRAWFORD: Excellent; thank you. [LB344]

SHERI DAWSON: Um-hum. [LB344]

SENATOR RIEPE: Okay. Any additional questions from the committee? Okay; thank you very much. I would like now to go to Dr. Williams, who's the medical director, to make sure that we get this tied in, as the next proponent. And then we will go to the proponents from the audience. Dr. Williams, welcome. [LB344]

THOMAS WILLIAMS: (Exhibit 3) Thank you, and I am glad to be here. Good morning, Senator Riepe and members of the Health and Human Services Committee. My name is Thomas Williams, T-h-o-m-a-s W-i-l-l-i-a-m-s, and I am chief medical officer and director of the Division of Public Health for the Department of Health and Human Services. I am here to testify in support of LB344, which is part of the Governor's occupational license reform legislation package. And thank you, Senator Albrecht, for introducing this bill. LB344 provides alternative methods to obtain an alcohol and drug counseling license or a mental health practice license in Nebraska through reciprocity. Nebraska currently allows for reciprocity only from a state or organization that is a member of the International Certification and Reciprocity Consortium. Nebraska, as well as 77 other groups, have a membership agreement with IC&RC, which allows the members to use this examination--and they have one--for licensure purposes. As part of this agreement, licensing groups must agree that reciprocity will only be acceptable if the applicant comes from an organization that currently holds membership in the IC&RC. The proposed change will provide an alternative method to individuals who are licensed by a state or organization that is not a member of IC&RC to obtain licensure in Nebraska. The bill includes: additional degrees or substantially equivalent degrees to be considered acceptable for licensure as a mental health practitioner; to allow an applicant for provisional license to obtain employment and then register his or her supervisor; and to remove the specific time frame in which supervised experience hours can be earned. The proposed change will allow the department, with the recommendation of the Board of Mental Health Practice, to determine equivalency of a master's degree for those programs that do not grant a master's degree while an applicant is pursuing the doctoral degree. Currently, statutes require that the...receipt of a master's or doctoral degree to qualify for licensure. However, there are doctoral programs that do

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not issue a master's degree. This change would allow applicants to qualify for a license prior to completing the doctoral program. The bill will allow an individual to apply for a provisional license without having a supervisor in place at the time of application. Procedural question: do I have five minutes? I'm...the yellow light is what I was looking at. [LB344]

SENATOR RIEPE: Why don't you go ahead on. I want to get the full... [LB344]

THOMAS WILLIAMS: Oh, okay. I apologize if it's long. I can delete some of the explanatory comments, but I think they're important. Current regulations require that the applicant must begin employment and have a supervisor in place at the time she applies or he applies for a provisional license. This can cause delays in the application submission when a person needs to obtain employment first and also have a supervisor in place before submitting the application. The bill removes...involves removing the time frame in which 3,000 hours of experience must be gained prior to submitting the application for a mental health practice license or an independent mental health practice license. Current statutes require that experience must be gained within five years of the application for mental health practice and not less than two years nor more than five years for independent mental health practice practitioners. The bill would expand a listing of acceptable educational programs. A number of other accredited programs provide coursework in psychotherapy and assessment of mental disorders. Currently, if an applicant graduates from a program that is not listed as an accredited program under the regulations, the applicant must submit syllabi for each of the classes he or she took, at the time they took the classes, to meet the eight educational areas identified in the regulations; and then these descriptions must be reviewed for equivalency. Finally, the bill will enhance mobility from state to state by substituting five years of practice after licensure in another state in lieu of the 3,000 hours of supervised experience earned after receipt of the degree and require successful passage of the Nebraska jurisprudence examination as a condition of reciprocity licensure. Thank you for the opportunity to testify. We believe LB344 will help DHHS continue in our mission of helping people live better lives. I ask the committee to advance LB344 to General File, please, and I am happy to answer any questions you may have. [LB344]

SENATOR RIEPE: Thank you, Dr. Williams. Are there questions from the committee members? Senator Howard. [LB344]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you, Dr. Williams, for visiting with us today. [LB344]

THOMAS WILLIAMS: You're welcome. [LB344]

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SENATOR HOWARD: And I had brought a lot of my questions to Senator Albrecht beforehand about this. So in essence, this allows for reciprocity from other states. [LB344]

THOMAS WILLIAMS: It does. [LB344]

SENATOR HOWARD: And then it doesn't lower our hours; it just allows you to get them outside of the period of time that we've already specified? [LB344]

THOMAS WILLIAMS: Let me take the first questions first; there may be two things. At the current time, reciprocity is limited to those participating in this consortium for alcohol and drug counseling licenses, which is a huge impediment to people, including neighboring states, Colorado and Kansas being examples, which are not members of the consortium. And so people coming into Nebraska essentially need to start over, and they have to accumulate, I believe, it's 6,000 hours of experience and they're not even permitted to bring that with them, if they have the experience in a nonconsortium state. So this will hugely free of the ability of people to move across state lines and into our state, and it's very helpful to them. Now you had a second question, and I'm sorry. [LB344]

SENATOR HOWARD: Oh, now I forgot. Oh, the time period. [LB344]

THOMAS WILLIAMS: Oh. [LB344]

SENATOR HOWARD: So we used to have...or current statutes require that you have to get your experience within a certain period of time. And we're removing the period of time? [LB344]

THOMAS WILLIAMS: We are. The problem is that people, if they exceeded the...it's limited to five years after the application for mental health practice and not less...well, let's leave it at that. People who exceeded that five-year period then, it's...it's basically a removing tract on your continuing education or, rather, your experience accumulation, so the way that...the way it is written now, if a person proceeds beyond five years, they progressively lose that accumulated experience, which is limited to a five-year period. This will permit them to have more time, not lose that accumulated experience... [LB344]

SENATOR HOWARD: So... [LB344]

THOMAS WILLIAMS: ...and apply it. [LB344]

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SENATOR HOWARD: I am trying to, I am trying to think of why we put that in place in the first place, right? [LB344]

THOMAS WILLIAMS: Again, I think that the general principle of all of this effort is to make regulations less restrictive and safely prove the ability of people to transit into our state and practice in our state. [LB344]

SENATOR HOWARD: Oh, and I absolutely appreciate that goal. [LB344]

THOMAS WILLIAMS: Yeah. [LB344]

SENATOR HOWARD: I think more I am trying to think of, you know, Director Dawson talked about how mental health and substance abuse...this is a changing field. [LB344]

THOMAS WILLIAMS: Yes. [LB344]

SENATOR HOWARD: And so if I had gotten my 3,000 hours in 1981, would this field be different and would I still be able to apply that time, once we remove the five-year limit? [LB344]

THOMAS WILLIAMS: I am not aware that there is a time limit duration on the long side. It does state, in testimony, not less than two years nor more than five years. But that's independent mental health, so I do not know the answer to that, if your question is, if they were applying experience gained in 1985, is that permissible. [LB344]

SENATOR HOWARD: Right. You know, I've retired, but I want to get back in the game. [LB344]

THOMAS WILLIAMS: Yeah, right. You know, I...I am not sure about that. I would...I would need to find that out for you, Senator. [LB344]

SENATOR HOWARD: Sure. And can you tell me a little bit about the jurisprudence exam? [LB344]

THOMAS WILLIAMS: No. I am sorry; I can't. [LB344]

SENATOR HOWARD: Okay. [LB344]

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THOMAS WILLIAMS: I did not have to take a jurisprudence exam when I was licensed. [LB344]

SENATOR HOWARD: Okay, okay. [LB344]

THOMAS WILLIAMS: Some states do have them for medicine; Missouri does have one, and they're required to do that. [LB344]

SENATOR HOWARD: Sure. And then I had meant to ask Director Dawson, but I'll ask you as well...the SNAP changes on page 21, where the requirement is at the time of conviction, can you just tell me a little bit about the intention behind that? [LB344]

THOMAS WILLIAMS: I am not sure that I can; I need to see it. Currently, current statutes do not have any limitations regarding previous convictions, and this particular section of the bill talks about having had a date of conviction and, I believe, also adds that the board has to conclude that there is still an issue. In other words, I don't believe that it's an absolute limitation to them being certified. [LB344]

SENATOR HOWARD: For the SNAP, you added "since the date of conviction," so you can't be eligible for food stamps unless you're participating, or have completed, a substance abuse program. I just wanted to learn a little bit more about the intention behind that. [LB344]

THOMAS WILLIAMS: Oh, I... [LB344]

SENATOR HOWARD: Are we seeing that people completed the substance abuse program previously, and now we're adding this "since the date of conviction" to clarify that? [LB344]

THOMAS WILLIAMS: I don't think I can address that. [LB344]

SENATOR HOWARD: Oh. [LB344]

THOMAS WILLIAMS: I'll need to find out for you; I'm sorry. [LB344]

SENATOR HOWARD: Sure, all right. Thank you, Dr. Williams. [LB344]

THOMAS WILLIAMS: Sure. [LB344]

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SENATOR RIEPE: Okay, are there additional questions? Senator Crawford. [LB344]

SENATOR CRAWFORD: Thank you, Dr. Williams, and thank you, Chairman Riepe. So in your testimony, you are discussing the reciprocity agreement, and I just want to clarify...in the testimony it speaks to the fact that the reciprocity will only be acceptable if an applicant comes from an organization that currently holds membership in that consortium. So I'm wanting us to be very careful to make sure we don't do something in our state statutes that restricts or limits our ability to practice within that consortium. So if we have other mechanisms by which someone can come into our state and gain licensure in our state, does that, in any way, put that reciprocity agreement at risk? [LB344]

THOMAS WILLIAMS: No; it is my understanding it does not. [LB344]

SENATOR CRAWFORD: For their next move or...so that was my concern... [LB344]

THOMAS WILLIAMS: Yes. [LB344]

SENATOR CRAWFORD: ...was just to make sure that we are not doing something that violates... [LB344]

THOMAS WILLIAMS: Right. [LB344]

SENATOR CRAWFORD: ...that reciprocity agreement or, in terms of making sure that yes, that we're in good standing on the reciprocity agreement. [LB344]

THOMAS WILLIAMS: Also relating to that consortium, there are at least four levels of drug counseling licenses, and reciprocity in Nebraska would be granted only to those that meet whatever our standards are. So not every particular applicant in the consortium would be granted a privilege. Also this consortium is not only...it's composed of other countries; it's international and also has some professional organizations, and so on, as well as states. Most states are on the consortium, but that particular aspect is important and, again, there would be an equivalency test, in terms of the licensure level of those particular applicants before they would be brought in. Does that help? [LB344]

SENATOR CRAWFORD: That does help, yes; thank you. [LB344]

SENATOR RIEPE: Okay. Additional questions. Senator Howard. [LB344]

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SENATOR HOWARD: Thank you. Can you point to me where the consortium is in the statute? [LB344]

THOMAS WILLIAMS: Not immediately. [LB344]

SENATOR HOWARD: Okay. [LB344]

THOMAS WILLIAMS: Not immediately. [LB344]

SENATOR HOWARD: Because I think of... [LB344]

THOMAS WILLIAMS: I would, I would imagine that it's indirectly generically referred to. [LB344]

SENATOR HOWARD: Okay. [LB344]

THOMAS WILLIAMS: That is the consortium that we use for alcohol and drug counseling licenses. [LB344]

SENATOR HOWARD: I guess...so it goes to another question that I had as I was reading this one, which is: we list some of the approved educational programs, I believe, for the LMHPs maybe... [LB344]

THOMAS WILLIAMS: Um-hum. [LB344]

SENATOR HOWARD: ...do we usually put those programs into statute? Are there other practitioners where we've listed out which educational accrediting programs they can participate in? [LB344]

THOMAS WILLIAMS: I am not aware that we have. [LB344]

SENATOR HOWARD: So my concern with listing them is that it could, it could actually narrow the opportunity if somebody else became accredited... [LB344]

THOMAS WILLIAMS: Um-hum; yeah. [LB344]

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SENATOR HOWARD: ...or there was a new entity. And since our goal is to remove those burdens, I could see allowing for broader language there. [LB344]

THOMAS WILLIAMS: The testimony is that this actually provides some relief to those applicants from a program that's not listed as accredited in submitting greater detail about programs that they have attended. If...and so it actually relaxes requirements those people need to submit down to be recognized for CE. [LB344]

SENATOR HOWARD: Yeah, I guess that it's just confusing on page 12, with the list of all of the different commissions and councils. And those are the only ones that they would be allowed, that are approved? [LB344]

THOMAS WILLIAMS: I believe this means that these are...I think I should check on that for you, Senator. [LB344]

SENATOR HOWARD: Okay. And then you mentioned the supervision removal. And I just was curious about...we have some professions where we require some oversight by another practitioner. [LB344]

THOMAS WILLIAMS: Um-hum. [LB344]

SENATOR HOWARD: Do you...can you help me understand the policy reason why we would have required a supervisor for a provisional license in the first place? [LB344]

THOMAS WILLIAMS: I think the main intent here is to not have a supervisor required to be in place at the time that a provisional license is applied for. And they can begin the application process and then acquire a supervisor after the application has been initiated. [LB344]

SENATOR HOWARD: So they have to have a supervisor for the full application; it's just the provisional? [LB344]

THOMAS WILLIAMS: Yes; that's my understanding. [LB344]

SENATOR HOWARD: Perfect. And how long does the provisional last? [LB344]

THOMAS WILLIAMS: I am not sure. [LB344]

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SENATOR HOWARD: Okay; thank you. [LB344]

THOMAS WILLIAMS: You're welcome. [LB344]

SENATOR RIEPE: Okay. Senator Crawford. [LB344]

SENATOR CRAWFORD: Thank you, Chairman Riepe. And thank you, Dr. Williams. I'll just follow up on...first, for the record, and you can confirm if this is your understanding as well, on page 12, where it lists the educational programs. From my understanding from the language and from the testimony, and the language says they are in these educational programs or standards established by the board, so my understanding is by listing... [LB344]

THOMAS WILLIAMS: Hmm. [LB344]

SENATOR CRAWFORD: ...these most common ones, we just prevent people from having to provide syllabi... [LB344]

THOMAS WILLIAMS: Yes. [LB344]

SENATOR CRAWFORD: ...and somebody sitting down watching them, because we know... [LB344]

THOMAS WILLIAMS: Hmm. [LB344]

SENATOR CRAWFORD: ...the accreditation standards for these programs already include those things we're looking for. [LB344]

THOMAS WILLIAMS: Yes. [LB344]

SENATOR CRAWFORD: So it's more of a shortcut, as opposed to a restriction. [LB344]

THOMAS WILLIAMS: Yes. [LB344]

SENATOR CRAWFORD: And you still can prove it if you're from another program. [LB344]

THOMAS WILLIAMS: Yes. [LB344]

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SENATOR CRAWFORD: Is that correct? [LB344]

THOMAS WILLIAMS: That's my understanding. [LB344]

SENATOR CRAWFORD: Correct, right; okay. Thank you. [LB344]

SENATOR RIEPE: Okay. Are there additional questions? If not, thank you very much, Dr.

Williams. [LB344]

THOMAS WILLIAMS: Thank you. [LB344]

SENATOR RIEPE: We will now move on to proponents. Senator Fox, if you would state your name and spell it, we'll be ready to go. [LB344]

NICOLE FOX: Good morning. [LB344]

SENATOR RIEPE: Good morning. [LB344]

NICOLE FOX: (Exhibit 4) Nicole Fox, N-i-c-o-l-e F-o-x, and I am director of the government relations for the Platte Institute. Thank you, Senator Albrecht, for introducing LB344. I am here today to testify in support of this bill. Mental illness is prevalent amongst all age groups and socioeconomic statuses. The National Alliance on Mental Illness reports that it affects one in five Americans, and about half of all Americans will experience a mental health problem at some point in their life. Half of mental health conditions begin by age 14, and 75 percent of mental health conditions develop by age 24. According to the American Academy of Pediatrics, mental and behavioral health is the largest unmet health need for children and teens in foster care. UNMC's Behavioral Health Education Center of Nebraska cites that there are some parts of the state in which there is no access to mental health practitioners for, literally, hundreds of miles. When it comes to mental health, rural patients typically are much sicker. They don't have access to the type of mental healthcare that someone would receive in Omaha. Rural Nebraska is also battling a major methamphetamine problem. Methamphetamine addition brings with it many serious mental health consequences. 88 of Nebraska's 93 counties are recognized as mental health professional shortage areas by the U.S. Health Resources and Services Administration. Regardless of the age of diagnosis, early engagement and support are crucial to improving outcomes and increasing the promise of recovery. Behavioral healthcare is changing. As a nation, we have moved away from providing care in institutions and psychiatric hospitals toward an approach that supports people with behavioral health needs in their community, close to the

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support of family and friends. For the sake of time, I'm going to skip over the next part of my testimony that addressed hours, since Dr. Williams already did so. [LB344]

SENATOR RIEPE: Thank you. [LB344]

NICOLE FOX: Occupational licensing laws were initially created as a means of protecting the public from negligent and unqualified practitioners but, more and more, an unintended consequence is that occupational licensing is making it difficult for new workers to enter the workforce. We are seeing this in Nebraska. Requirements for mental health practitioners and substance abuse counselors are unjustifiably more onerous in Nebraska than in other states. During the 2016 legislative session, a hearing took place to discuss the shortage of mental health professionals in our state, and testifiers noted that, due to the very steep and strict requirements to obtain provisional licenses, graduates were leaving the state in search of work elsewhere, where there were fewer restrictions. LB344 provides alternative methods to obtain a mental health practice license or an alcohol and drug counseling license in Nebraska through reciprocity by recognizing licensure and other requirements from other states. It includes additional degrees or substantially equivalent degrees to be considered acceptable for licensure as a mental health practitioner. Currently, an applicant for a provisional license must identify his or her supervisor at the time of application. This bill will allow an applicant to obtain the provisional license and then seek employment. Once employment is arranged, the provisional licensee will have 30 days to register the supervisor. Doing so removes the specific time frame that supervised experience hours are required to be earned. This will make Nebraska's job licensing requirements more consistent and competitive with our neighboring states, so that we keep individuals from leaving our state in search of work elsewhere. [LB344]

SENATOR RIEPE: We do have a red light. If you can kind of wrap it up... [LB344]

NICOLE FOX: I know. The Platte Institute asks that you advance LB344 out of committee. And I'd be happy to take any questions. [LB344]

SENATOR RIEPE: Thank you. Are there questions from the committee members? Seeing none, thank you very much. [LB344]

NICOLE FOX: Well, that was easy. Thank you. [LB344]

SENATOR RIEPE: Are there additional proponents? If not, I have to ask for a polling to see if there are any more. Okay. Seeing none, are there any opponents at this time? If you'd state your name and spell your name, please. [LB344]

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ALENA BALASANOVA: (Exhibit 5) Morning. My name is Alena Balasanova, A-l-e-n-a B-a-la-s-a-n-o-v-a, and I am a board-certified psychiatrist, actively practicing in Omaha. I am testifying today, on behalf of the Nebraska Medical Association and the Nebraska Psychiatric Society, in opposition to LB344. So first and foremost, I want to be clear that we are not opposed to the concept of this bill and, in fact, we're frankly delighted by the idea of streamlining regulations to promote increased accessibility of addiction services for patients. We don't want to stop this process, but it does appear that there could be some unintended consequences as a result of this bill. And I have provided a document that details some of these concerns. Now I am aware that Senator Albrecht has introduced an amendment, which I have briefly reviewed. And though it appears to partially resolve some of the things we're talking about, there are still some remaining concerns on our end about the unintended effects this bill could have on patient care. Substance use disorders are chronic relapsing medical illnesses, the most extreme form of which is called addiction. It is a brain disease and not a moral deficit or a failure of will power. The language we use to describe substance use disorders and treatment matters. Research shows that words we use influences societal perceptions of blame and need for punitive actions. And this is true for health professionals as well, with data showing that language bias can impact clinical judgment in that some providers, whether consciously or not, will actually end up withholding care from patients. So as we know, the shame of stigma can be quite isolating and really discouraging for folks to come forward and get treatment. And like all health providers, I am passionate about promoting society's recognition of addiction as a chronic relapsing brain disease, which is how it's been accepted in the medical community. One way of reducing stigma is by incorporating nonjudgmental, scientifically-based terminology into policy and practice. As the voice of Nebraska's physician workforce, we recognize and embrace our responsibility to advocate for our patients' ability to access the standard of care in addictions treatment. Best practices for addiction centers on the idea that severe substance use disorders are most effectively addressed through chronic care management across the full spectrum of service interventions: medications, behavioral interventions, and recovery supports. This model has been repeatedly tested and proven to reduce substance use and improve health and functioning. As physicians we take an oath to serve in the best interest of our patients and to not knowingly act against these interests. In closing, I'd like to reiterate that, at NMA, we are happy to work with Senator Albrecht on our concerns so that the bill can be amended and move forward. And I'd like to thank you for your time and would be happy to answer any questions. [LB344]

SENATOR RIEPE: Thank you very much for your testimony. Senator Williams. [LB344]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you, Doctor, for being here today. My questions revolves first around...from your standpoint of your testimony today and from the Nebraska Medical Association and the Nebraska Psychiatric Society, do you have any objection to the licensing requirements, the reciprocity portions of this legislation? [LB344]

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ALENA BALASANOVA: Oh, we do not. [LB344]

SENATOR WILLIAMS: Okay. I just wanted to make that clear that you're talking about definitional things that are concerned with the definitions of addictions and recognizing that that is clearly a disease, like diabetes and other things, and needs to be treated accordingly. [LB344]

ALENA BALASANOVA: Absolutely. [LB344]

SENATOR WILLIAMS: Thank you. [LB344]

SENATOR RIEPE: Okay. Additional questions? Seeing none, thank you very much. Are there any other opponents to LB344? Opponents? Seeing none, are...is there anyone here to testify in a neutral capacity? If you will, sir, state your name. The papers go to the page. Spell your name and the mic is yours. [LB344]

JEROME BARRY: (Exhibits 6 and 7) My sheet says, "Good afternoon," but I'm going to say "good morning." My name is Jerome Barry, J-e-r-o-m-e B-a-r-r-y. I am testifying today on behalf of NABHO, which is an acronym that stands for the Nebraska Association of Behavioral Healthcare Organizations. Makes up many, many mental health centers and substance abuse treatment centers in the state of Nebraska. NABHO, as others have testified, generally supports the direction of this bill; we believe there's some good content in this bill. But we believe there's some key language changes that need to be addressed as the bill moves forward. We didn't have sufficient time to completely consider the AM397 that was submitted, but there are some concerns we have with the amendment as it deletes many sections, and what it does insert, if you look at the amendment lines 5 through 11, it really inserts some concerning language specific to: inpatient or outpatient; physician only; hospital--it doesn't use the word "residential," so I think there's some fixes that need to be done, even in the amendment. We are encouraged that there's language that will support development of a larger workforce. I sat on the licensing board for the drug and alcohol counseling license for 15 years and was the chair for 10 years. And that is a problem, getting people into the state and getting licensed in the state of Nebraska. So we're encouraged by some of the language to loosen, if you will, or make easier, if you will, people from other jurisdictions to be licensed in the state of Nebraska. My paragraph 3 in my testimony...we also are supportive that the provisional licensed doesn't have to name a supervisor prior to becoming employed. That put due burden on them, because they didn't have a supervisor yet; so that's good language. It looks like...I want to direct your attention to Section 12 in the green copy, because that's what my testimony is primarily addressing, is the green copy. In that section, it...we're suggesting that you add the word "residential" after the word "inpatient." Inpatient residential, in the hospital and in the treatment world, have distinct meanings and, if you use only inpatient in the bill, we think there's going to be undue burden laid on some of the

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residential treatment programs throughout the state. Also, as has already been mentioned, substance abuse, as a term, has disappeared from our language and we're trying to omit it from our language, and I know they did, too, in the bill; but there are still several spots where it still uses the word "abuse," so we need to do a word check on that. One of my primary concerns--or our primary concerns--is just the title of the license itself, and that's the paragraph at the...paragraph 6 of my testimony. Why would we go to a license that's called mental health substance use treatment center? Why wouldn't we use the common language that's been used since the early 90s, which is a behavioral health treatment center? So it makes a lot of sense to me. We have a division that's called a behavioral health division. People introduce themselves as from behavioral health, so we think that... [LB344]

SENATOR RIEPE: We do have a red light. I would ask you to try to pull it together in fairness to everyone. [LB344]

JEROME BARRY: Oh, okay. So...behavioral health treatment center. I'd also ask you to consider, in Section 22, in their amendment they did attempt to make some changes in that section, but the way the section currently reads in the green copy, you become licensed for who you admit, not who you treat. And we think the license should reflect who you're going to treat. And they attempted to change a little of that here in the amendment, but didn't get it all captured. So in other words, I may be licensed to provide substance use treatment, but I don't know when that client is admitted, whether they also have a co-occurring disorder. [LB344]

SENATOR RIEPE: Are all of these suggestions in your amended draft? [LB344]

JEROME BARRY: They are in the amendment, and I'd love to entertain some questions about my testimony or any of the other questions that you had earlier. [LB344]

SENATOR RIEPE: Let's go to the committee and see if they do have questions. Senator Erdman. [LB344]

SENATOR ERDMAN: Thank you, Senator Riepe. Thank you, Mr. Barry, for coming. I listened closely to your conversation and your comments. Not being here very long, I never understood neutral; I still don't. Your testimony is not neutral; it's in opposition. And I am often...I often question why people feel they have to come in as neutral when, in fact, if the bill was passed as it is written, you'd be...you would not appreciate that; you wouldn't accept that. So if you won't accept that and you come in and make all of these recommendations for changes, why aren't you opposed? [LB344]

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JEROME BARRY: That's a...I respect your comment. Likely could have opposed this, because there are many changes. There's just also so much good here. We don't want to lose that momentum. [LB344]

SENATOR ERDMAN: I believe your testimony is more opposition than neutral. I would recommend, if you come back, I think that makes more sense to me to come in on the correct side of where you're at, because that's where I'm putting your testimony. [LB344]

JEROME BARRY: Thank you, Senator. [LB344]

SENATOR ERDMAN: But I do appreciate your comments; I think those are valid and we need to look at those. [LB344]

JEROME BARRY: Okay. [LB344]

SENATOR ERDMAN: I appreciate you bringing them. [LB344]

SENATOR RIEPE: Okay. Additional comments or questions and from...Senator Crawford. [LB344]

SENATOR CRAWFORD: Thank you. And thank you, Mr. Barry. You mentioned that you've been on the board for the alcohol and drug and for the substance use licensure. Is that correct? [LB344]

JEROME BARRY: Um-hum. [LB344]

SENATOR CRAWFORD: So the bill itself mentions an alcohol or drug test. Is there a recognized alcohol/drug treatment test there? [LB344]

JEROME BARRY: Yeah. [LB344]

SENATOR CRAWFORD: Or is there...is it the case that the board recognizes a particular test for that? [LB344]

JEROME BARRY: When Nebraska joined IC&RC, the International Certification Reciprocity Consortium, in the early '90s, by joining IC&RC, we agreed to follow their testing procedures. Approximately 10 years ago, there used to be a written and an oral test; they omitted the oral

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test. But the written test is consistent in Nebraska and it's the same in all the other 44 states and several countries that belong to reciprocity. So the test does exist and, if we changed it here, we would need to work with IC&RC to do that. [LB344]

SENATOR CRAWFORD: If we added language like what our language in the other section is, something like an approved, board-approved exam, something like that. That would be something that you could handle. [LB344]

JEROME BARRY: That would work, yes. [LB344]

SENATOR CRAWFORD: I appreciate you answering that question with your other hat. One follow-up question? [LB344]

SENATOR RIEPE: That's okay. [LB344]

SENATOR CRAWFORD: So you're talking in your testimony about the admit versus treat. So my understanding...if part of what they're trying to address here is that some facility may primarily because...or the original language said only, but... [LB344]

JEROME BARRY: Right. [LB344]

SENATOR CRAWFORD: ...the amended language is primarily. [LB344]

JEROME BARRY: Um-hum. [LB344]

SENATOR CRAWFORD: So if you're primarily admitting patients because they have mental health issues, then they're in your care and you recognize there is also a need to address substance abuse, and so the...you may be wanting to make sure that you're able to address that abuse, as well. So is it still your concern that the word would need to be primarily "treat," because it's still...your primary emphasis is treating that patient? Is that the admit treatment? I'm trying to get your concern about the admit treatment language. [LB344]

JEROME BARRY: Yeah, yeah. If I am the director of a substance use treatment program and I haven't staffed my facility and have the competency to develop, to deal with and treat mental health disorders, those disorders may surface during the course of substance use treatment. And if I haven't staffed myself accordingly, then I shouldn't have applied for a license that says I do both; I should have applied for a license that says I'm only going to treat substance use. So most

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facilities throughout the state, we believe, will apply for a license to do both and will, therefore, need to staff themselves and become competent, accordingly, to do so. [LB344]

SENATOR CRAWFORD: And if it is the case that there is the check box--I'm going to do primarily substance abuse, primarily mental health--and if they are applying for the license, checking I'm going to do both, my understanding is there are going to be regulations that would require them to meet the standards for both. [LB344]

JEROME BARRY: Yeah. As was said earlier, it sounds like regulations are already written and drafted, hoping that this passes, and those may then have to change. [LB344]

SENATOR CRAWFORD: Thank you. [LB344]

SENATOR RIEPE: Are there any... [LB344]

SENATOR ERDMAN: One last thing. [LB344]

SENATOR RIEPE: Senator Erdman. [LB344]

SENATOR ERDMAN: Thank you, Senator Riepe. I want to put this on the record. By no means do I try to diminish what you've said; your testimony was very valuable to us today. And I appreciate you coming in because you had good things to say. Thank you. [LB344]

JEROME BARRY: Thank you. [LB344]

SENATOR RIEPE: Okay; thank you. Are there other questions from the committee or comments? Seeing none, thank you very much. [LB344]

JEROME BARRY: Thank you. [LB344]

SENATOR RIEPE: Is there any more testifying in a neutral capacity? If not, Tyler do we have any letters? [LB344]

KRISTEN STIFFLER: There's one. [LB344]

SENATOR HOWARD: She has stuff. [LB344]

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SENATOR RIEPE: Oh, I thought she was just coming by. Okay. If we have any other neutrals, please raise your hand now because we've got a limited time here before we wrap this together. Okay. [LB344]

JENNIFER CARTER: Good morning. [LB344]

SENATOR RIEPE: Please state your name and spell it, and we'll go. [LB344]

JENNIFER CARTER: (Exhibit 8) Yep. Good morning, Chairman Riepe and members of the committee. My name is Jennifer Carter, J-e-n-n-i-f-e-r C-a-r-t-e-r, and I'll be very brief. I have passed out written testimony. Our...I represent the Food Bank for the Heartland and the Food Bank of Lincoln, and our concern and interest in this bill was solely on Section 15, which had some language changes that we thought had some unintended consequences, on the current provisions under SNAP, that raise concerns for us. And I spoke with Senator Albrecht's office and I understand that that section will be stricken under the amendment. So I just wanted to go on record as saying we greatly appreciate that; we want to thank them and the department for that. And we hope that it is, in fact, should the bill move forward, that we do strike that section which I think could cause some confusion. So happy to answer any questions, of course, so... [LB344]

SENATOR RIEPE: Thank you. Are there questions from the committee? [LB344]

JENNIFER CARTER: Okay; thank you very much. [LB344]

SENATOR RIEPE: Seeing none, thank you very much. Now I'll ask again...are there any additional neutral? Okay. Tyler, I'd like to have you read in any letters we have...not the entire letter, just who they came from (laughter). [LB344]

TYLER MAHOOD: (Exhibits 9 and 10) Okay. I have...I have a letter, signed by Mike Hornacek of Together, in support; and a letter from Amy Miller of the ACLU of Nebraska, in neutral. And that is it. [LB344]

SENATOR RIEPE: Okay. Senator Albrecht...oh, hi. [LB344]

SENATOR ALBRECHT: I'll talk really fast. [LB344]

SENATOR RIEPE: You're welcome to close. Take (inaudible) and do it right. [LB344]

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SENATOR ALBRECHT: Thank you, and I appreciate Director Dawson and Dr. Williams coming to explain the technical side of this. I'd be happy to work with each and every one of you with any questions you have. And I appreciate Mr. Barry coming forward; we'll also work with him and some of the language and let him know what we have put in and taken out. With that, I just ask that you support LB344 and the amendment...out of committee. Thank you. [LB344]

SENATOR RIEPE: Okay; thank you very much. Are there questions? [LB344]

SENATOR ALBRECHT: Oh, sorry. [LB344]

SENATOR RIEPE: Questions to Senator Albrecht? Okay. Hearing none, thank you very much. This concludes the HHS hearing on LB344. We will now move to LB343. I will be opening on that bill, so I will turn the chairmanship over to the Vice Chair, which is Senator Erdman, and we will proceed on. [LB343]

SENATOR ERDMAN: Okay. Senator Riepe will be introducing LB343. How many people do we have testifying as proponents? Please raise your hand. How many opponents do we have? Any neutral testifiers? Okay. So before Senator Riepe gets started I would ask that the following is the way we're going to do this. We're going to do the three-minute light, but we were...we're going to alternate, one opponent, one opponent, one opponent, and there's no neutral, so we'll alternate back and forth because we're going to close the hearing at 11:55 for Senator Riepe to be able to wrap-up and we can conclude the hearing by 12:00, and so we're going to try to get as many people in to testify as we can. When we get through the alternating opposition and proponents, and there's no more proponents, we'll just go with the opposition. So that's what we're going to do. Please, as you come forward with your testimony, highlight those areas you want us specifically to know about because we're going to try to adhere to the three-minute light. Thank you. Senator Riepe. [LB343]

SENATOR RIEPE: (Exhibit 1) Good morning, Senator Erdman, and members of the Health and Human Services Committee. My name is Merv Riepe, it's M-e-r-v, last name is Riepe, R-i-e-p-e, and I represent the 12th District of the Nebraska Legislature. I am here to introduce LB343 on behalf of the Governor and the Department of Health and Human Services. LB343 is part of the Governor's occupational license reform legislative package. LB343 removes burdensome and unnecessary licensure requirements involving cosmetologists, electrologists, guest artists, nail technologists, massage therapists, audiologists, and barbers. This bill includes changes that will reduce the number of hours of training required for a license as a cosmetologist, nail technician, massage therapist, and barber. Further, this bill updates the operating requirements for schools involving these practices. I am pleased to present this bill for our committee's consideration. It is an important attempt to take a serious look at how much our state requires to obtain credentials

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that small business owners and individuals need just to start work and earn a living in Nebraska. The professions selected for reform in the bill are included because our state's requirement for credentialing, most enacted many years ago, have become outdated, too restrictive, and are uncompetitive when compared to other states. You will hear from professionals who want to work and who cannot under current law. You will also hear from some opponents who want to keep the burdensome requirements that we have in our law. I ask everyone to keep an open mind and to consider the motivations of those who seek the status quo. I appreciate all those who are here to testify today, and welcome the diverse input that we will receive. It will help inform our decision as a committee. Finally, in order to address a drafting error, I offer AM429. This amendment will add back the word, massage, on page 34, line 8. That section sets forth the minimum amount of hours that are required to be credentialed in massage therapy. The Department of Health and Human Services will be testifying after me and will address any technical questions on this bill. I would also like to...I will close and I would like to address questions at that time, if I might. I would also like to say that normally on introducing a bill I will not participate in the discussion for objectivity purposes. If there's a chair on the side, that's where I will be. If not, I will go back to my chair but I will not, again, not participate to give it a fair and just hearing. So, with that, I would like to conclude. [LB343]

SENATOR ERDMAN: Thank you, Senator Riepe. Any questions for Senator Riepe before I proceed? Okay. Thank you. [LB343]

SENATOR RIEPE: Thank you very much. [LB343]

SENATOR ERDMAN: Dr. Williams, would you like to be first? And then we'll follow him with an opponent, and we'd like one of the board people to come up and speak to us and at that time make sure all the people that are represented by their boards get a chance. Thank you. Go ahead. [LB343]

THOMAS WILLIAMS: (Exhibit 2) All right, good morning, and thank you. Members of the Health and Human Services Committee, my name is Thomas Williams, T-h-o-m-a-s W-i-l-l-i-a-m-s, and I am chief medical officer and director of the Division of Public Health for the Department of Health and Human Services. I'm here to testify in support of LB343 which was offered as part of the Governor's Occupational Licensure Reform Legislation package. These proposed changes will break down barriers and expand job opportunities for Nebraskans seeking licenses. And thank you, Senator Riepe, for introducing this bill and working with the department to make the following changes. LB343 removes the requirement to register cosmeticians and cosmetic establishments. There are already a number of exceptions currently in the statutes that allow for any person to provide cosmetic services without a registration. And this eliminates an unnecessary license in this profession without impacting life and safety issues.

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The bill removes the definition of an electrology establishment. While Nebraska currently licenses electrologists who provide permanent hair removal services, it is not necessary and there is no statutory authority to license an electrology establishment under the statute. LB343 removes the definition and requirements to register as a guest artist. A guest artist is a person who provides continuing education in all of the license types under the cosmetology practice act. The bill updates the operating requirements for schools by eliminating the definition of student types, removes outdated requirements to obtain a school license, and removes the requirement for specified square footage or size of the school, removes the requirement for a maximum number of students that must be enrolled in a school, and changes "guest teacher" to "guest educator" and allows the guest educator to teach both theory and practice to students in a school. It also removes the requirement that a student must have his or her tuition obligation paid to the school from which she is transferring before being allowed to transfer to another school. It removes the requirement that the school manager is equally liable for any and all violations occurring in the school; this change would require only the owner of a school to be liable. Additionally, this bill reduces the number of hours of training required for a license as a cosmetologist and instructor and removes the requirement students must also obtain with training credits as follows. Cosmetologist: Reduce the hours from 2100 to a minimum of 1500; Cosmetology Instructor: Reduce the hours from 925 to a minimum of 600; and Esthetic Instructor: Retain 300 hours of training. This bill reduces the number of hours of training for a nail technician and nail technology instructor from "a minimum of 150 and not more than 300 hours" to "not requiring a minimum number of hours and not more than 200 hours." LB343 also reduces the number of hours of training required for a license as a massage therapist from 1,000 hours to a minimum of 500 hours. It reduces the number of hours of training required for a license as a barber from 2,100 to not less than 1,500, and finally, it exempts audiologists who regularly dispense hearing instruments from the requirement that they must also be licensed as a hearing instrument specialist, and removes the specific requirements for an audiologist to obtain the hearing instrument specialist license. Current law has restrictive requirements as well as obsolete provisions. I would like to thank the Platte Institute and the individual occupational experts for working with us to reduce the regulatory burden on occupations in Nebraska. Thank you for the opportunity to testify before you today. We believe LB343 will help DHHS continue in our mission of helping people live better lives. I ask the Committee to consider advancing LB343 to General File, and I'm happy to answer any questions that you may have. [LB343]

SENATOR ERDMAN: Thank you, Dr. Williams. Any questions? Senator Crawford. [LB343]

SENATOR CRAWFORD: Thank you, Senator Erdman, and thank you, Dr. Williams, for being here. I just wanted to follow up from the testimony. At the bottom, you're talking about individual occupational experts that were working with you on this bill. So I just wondered if you could speak to that in terms of who those occupational experts were that were involved in

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this discussion and communication about where...where we should and how we should adjust these occupationals... [LB343]

THOMAS WILLIAMS: My understanding is that the Cosmetology Board was involved and involved at a generic level, not at a level specifically with ours, but a generic level with the redesign of the bill otherwise. In other words, what licenses would be retained or changed. [LB343]

SENATOR CRAWFORD: So that...were you talking or working with Cosmetology Board on this? [LB343]

THOMAS WILLIAMS: I was not but our staff was, I believe. [LB343]

SENATOR CRAWFORD: Thank you. [LB343]

SENATOR ERDMAN: Any other questions? Okay. Thank you so much. [LB343]

THOMAS WILLIAMS: Thank you. [LB343]

SENATOR ERDMAN: First opponent. [LB343]

SKYLAR McCAIG: (Exhibit 3) Senator Riepe, Senator Erdman, other members of the Health and Human Services Committee members, my name is Skylar McCaig, S-k-y-l-a-r M-c-C-a-i-g, and I represent Capitol School of Hairstyling and by extension, the Nebraska Cosmetologists United. Capitol School has been in business since 1923 and we have seen many changes in state regulations and we have represented school owners on the Cosmetology Board. The proposed changes in LB343 have not been discussed with the beauty industry professionals here in Nebraska. We have a responsibility to the people of Nebraska to protect their health and safety as a result of being licensed as a school under Nebraska Health and Human Services. Capitol would like to respectfully ask that LB343 be repealed. If not ended here, we would like to be allowed sufficient and a reasonable period of time for school owners, salon owners and beauty professionals to be consulted and to review and discuss these issues. We see the proposed reduction of training hours as a potential detriment to staff, students, and the general public who we serve. The simple reduction of hours will result in less on-the-job training which is so critical for the successful, productive, and employable graduates. The curriculum required by the different programs affected by this bill is quite in-depth. The curricula involves such topics as chemistry, anatomy, bacteriology, sanitation, diseases and disorders, electricity, among others. The chemicals that are involved in our industry require substantial training and they are

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chemicals such as ammonium thioglycolate, salicylic acid, and hydrogen peroxide, all of which can severely burn the skin. There are also items from LB343 that we feel are worthy of discussion with the board. Section 38-10.103, for example, item (4) requires schools validate the age and proof of eduction on students, but the exact legal documentation has been removed from this. So there's no guidance to the schools on what documents are allowed and what are not. For Section 38-1062, for licensure as a cosmetology instructor, item (c) and (d) are contradictory; (c) requires training and (d) only requires a cosmetology license. For license as an esthetics instructor, item (g) does not require any training in a school environment pertinent to becoming an instructor such as lesson planning, actual teaching, experience in the classroom and student interaction. It simply requires two years of training. Inconsistency between the proposed cosmetology and esthetics instructor requirements need to be discussed and made comparable. In general, this is an issue of reciprocity reform rather than the reduction of Nebraska's hours. That's how we feel. The education training that we do here is the best in the nation. I have students that come to my school from Missouri and Iowa... [LB343]

SENATOR ERDMAN: The red light is on, if you could wrap it up, please. [LB343]

SKYLAR McCAIG: ...and end up working here as professionals for long times spending their tax dollars in Nebraska. So, in closing, I respectfully encourage this committee to repeal LB343. I appreciate your time. I'd love to answer any questions for you. [LB343]

SENATOR ERDMAN: Thank you. Did you have some handouts that you wanted to pass out? [LB343]

SKYLAR McCAIG: I do, sorry about that. [LB343]

SENATOR ERDMAN: Sorry, we didn't get those sooner. [LB343]

SKYLAR McCAIG: It's basically just the speech I just gave, so. [LB343]

SENATOR ERDMAN: Thank you for your testimony. Senator Williams. [LB343]

SENATOR WILLIAMS: Thank you, Vice Chairman Erdman, and thank you, Mr. McCaig, for being here. Can you tell me a little bit about the association that you represent and the number of members you have and how broad it is across the state? [LB343]

SKYLAR McCAIG: Sure, so it's called Nebraska Cosmetologists United. To be honest with you guys, it's a pretty new group, an organization that just came together just specifically for this bill

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and to oppose it. And I think if you guys were to survey this entire state, you would find, you know, vehement opposition to this bill. Students that are currently in school, believe me, do not feel ready to get out into the real world without supervision from license instructors at 1,500 hours. [LB343]

SENATOR WILLIAMS: Help me understand then, with your organization which is rather new, is there an association that is or has been in existence before that's represented across the state? [LB343]

SKYLAR McCAIG: Not currently, there used to be a Nebraska Cosmetologist Association years ago. My grandfather and grandmother were actually on those, but it's just one of those things that kind of disbanded over time. [LB343]

SENATOR WILLIAMS: Maybe you'll have a new one now. [LB343]

SKYLAR McCAIG: I think so. (Laughter) [LB343]

SENATOR WILLIAMS: My question then was going to be, was your association contacted, or do you have knowledge of who was contacted in the drafting of this legislation from your line of work? [LB343]

SKYLAR McCAIG: No, I have no knowledge of anybody being contacted whatsoever in regards to this bill and prior to it being introduced. [LB343]

SENATOR WILLIAMS: In your experience, training, schooling, and all of that, does this legislation reduce the public safety concept? [LB343]

SKYLAR McCAIG: It absolutely has an immense impact on public safety. [LB343]

SENATOR WILLIAMS: Thank you. [LB343]

SKYLAR McCAIG: We touch people every single day and there is an absolute possibility that disease could get spread...less training. [LB343]

SENATOR WILLIAMS: Thank you for your testimony. [LB343]

SENATOR ERDMAN: Any other questions? Senator Howard. [LB343]

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SENATOR HOWARD: Thank you, Senator Erdman. Thank you for visiting with us, Mr. McCaig. I heard about this bill from my own...the gal who cuts my hair, Sandy Kay, and I think what I was surprised by was how many chemicals you work with. I just didn't know enough about them and so maybe you could tell us a little bit more about the chemicals and sort of the harm that could be caused by them because that was a surprise to me. [LB343]

SKYLAR McCAIG: Sure, I would agree with that. We have very, very powerful chemicals that we use on a daily basis. They're meant to completely change the chemical bonds in hair to relax the hair or to permanently curl the hair. And without proper training or length of training, people could, again, severely burn clients. Not only that, we discuss at length with our students sanitation procedures that are critical to not spreading diseases. [LB343]

SENATOR HOWARD: Thank you. [LB343]

SENATOR ERDMAN: Any other questions? Seeing none, thank you very much. [LB343]

SKYLAR McCAIG: Thank you. [LB343]

SENATOR ERDMAN: Next opponent. [LB343]

SENATOR HOWARD: Wait. You're going proponent, then opponent. [LB343]

KRISTEN STIFFLER: Yes, sorry...proponent. [LB343]

SENATOR HOWARD: Proponent. [LB343]

SENATOR ERDMAN: That's right. Did I say that? [LB343]

KRISTEN STIFFLER: No. [LB343]

SENATOR ERDMAN: Oh, I'm sorry; I meant proponent. [LB343]

KRISTEN STIFFLER: Proponent. [LB343]

KENDRA TRUMBLEY: You said opponent. [LB343]

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KRISTEN STIFFLER: Yes, sorry. [LB343]

SENATOR ERDMAN: I'm sorry, I misspoke. My fault. Please state your name. Thanks for coming. [LB343]

NICOLE FOX: (Exhibits 4 and 5) Good morning. My name is Nicole Fox, N-i-c-o-l-e F-o-x, and I'm director of Government Relations for the Platte Institute. Thank you, Senator Riepe, for introducing LB343 and I'm here today to testify in support of this bill. In the State of the State address earlier this session, Governor Ricketts urged senators to pass legislation that would grow Nebraska and make the state more economically competitive with neighboring states. LB343 does just that. It looks at licensing requirements for several personal services professions and one healthcare profession in which Nebraska is not competitive, and adjusts those requirements to make us more competitive. With the exception of audiology which gets rid of a duplicative license requirement, the main focus of the bill is to lessen the required educational hours needed for licensure. The proposed new hours are reflected of those used in most states as Nebraska is an outlier. These changes will lessen the time and costs associated with added educational requirements for licensing in our state and lessen the paperwork required when more than one license is required, especially for those who have been licensed in other states in good standing who are now in Nebraska and wanting to work. Much of the opposition to this bill comes from the industries' educational institutions. They will tell you that they will need to change their curriculum which is not what this bill does. They will tell you that students of their programs will not be as competent and that sanitation issues may arise. This is not true. According to the American Institute for Research's 2016 Examination of Cosmetology Licensing Issues Data Report, increased curriculum hours did not improve licensing exam performance, employment rates, or wages earned. There was no evidence of a relationship between curriculum hours and the number of safety incidents or complaints. Anecdotal evidence indicates complaints are often a result of personal disputes between practitioners or competing establishments rather than threats to consumer safety. Increased curriculum hours did increase tuition costs and student loan debt. Unfortunately, entry level jobs in cosmetology may not pay adequately to keep up with loan repayments. I ask committee members to answer this question: Have you ever received a haircut, a massage, or spa or nail treatment in another state? If so, what made you choose the particular establishment? Was it word of mouth from a friend or family member, business reputation, competitive pricing, hours of operation, convenience to where you live or work? If you returned for future services, what motivated you to do so? Was it satisfaction with the quality of services you received, friendliness of the business owner or staff, cleanliness of the establishment, timeliness of your services, or the convenience and location of parking? Most likely, the state where those services were performed required fewer educational hours for licensing the professional who provided those services, and you were probably unaware. Free market competition principles drive consumer choices. Free market competition principles should be motivating potential new workers to come to Nebraska to practice their chosen field of

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endeavor, but unfortunately, unreasonably high hourly licensing requirements are barriers to entry in Nebraska's work force. For some individuals and families, the fees for licensing and the cost of tuition to meet requirements associated with occupational licensing create significant financial barriers. I've included information in the handout comparing the different occupational fields and the licensing requirements for Nebraska compared to others. In Nebraska, the approximate cost for cosmetologists and barbers is \$20,000; estheticians \$11,000; nail technicians \$3,800 and massage therapists \$8,000 to \$16,000. Some of these programs have waitlists of 6 to 12 months, imposing an additional time barrier. And I see I'm almost out of time, so I do ask that you consider advancing LB343 out of committee. Again, this will not force schools in Nebraska to change their curriculum. We're just making these changes so that people moving into our state...(laughter)...moving into our state can get licensed if they had licensure in good standing. Thank you. [LB343]

SENATOR ERDMAN: Let's please restrain from laughing and carrying on, okay. Any questions? Senator Howard. [LB343]

SENATOR HOWARD: Thank you, Senator Erdman. Thank you, Senator Fox, it's nice to see you. I...this is more of a comment. It's funny that you should mention other states because during our terrible ice storm I was trapped in Phoenix, Arizona. It was horrible. I still can't talk about it (laughter). And I was stuck there for two extra days and so I did go get a massage and it was glorious, I really did enjoy myself, but I talked to the massage therapist. His name was David--he was very nice--about this bill specifically and what really struck me was how much pride he had in the educational requirements that they had in Arizona around massage therapy and how their requirements actually made him feel more pride in his work. Which is more of a comment, not a question, because I certainly understand and appreciate wanting to remove burdens to licensure. We've worked on that in the past, and so I appreciate your perspective on this bill and I'm glad you asked us to think about other states as well. Thank you. [LB343]

NICOLE FOX: Thank you. [LB343]

SENATOR ERDMAN: Any other questions? Seeing none, thank you for your testimony. Okay, now correctly stated, opponent. [LB343]

KENDRA TRUMBLEY: (Exhibit 6) Good morning, Vice Chairman Erdman and Senator Riepe. I welcome you here today and taking the time to listen to everything that we have to say as I'm sure it can be overwhelming. My name is Kendra, K-e-n-d-r-a, last name is Trumbley, T-r-u-m-b-l-e-y. I am here to testify in opposition to some of the provisions that are in LB343. With LB343, specifically the reduction of required training hours for cosmetology professionals is of significant interest to me. I am a cosmetology professional as well as a small business salon

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owner. This issue directly impacts the knowledge and skill required of future professionals who I may seek to employ. I am primarily concerned about Section 9 (a) on page 5, lines 5 through 7, where the bill would reduce the number of hours required to become a licensed cosmetologist from 2,100 to 1,500. Because I am a salon owner who wants to employ only quality individuals, the reduction in required training would negative affect my current, future professional staff and myself as well. I understand that reducing required training hours is viewed by some as a way of making it easier for perspective professionals to enter the field of cosmetology. However, I believe there are ways to achieve this goal. If initial hours required for licensing are reduced, possibly 600 hours of apprenticeship requirement in an established salon should be required. Most new graduates who come to me looking for jobs still lack basic knowledge about professional business practices, ethics, workmanship, and financial management. A required apprenticeship would allow cosmetology professionals to provide additional training for new graduates and allow them to service guests in a monitored environment. Another way to attract jobs to this industry, as well as our state, would be to look at reciprocity requirements. Someone coming in from Florida, for example, may have practiced a year or more and may be more skilled from having on-the-job experience than a recent Nebraska graduate with 2,100 training hours. It would be beneficial to the state of Nebraska to look at easing the reciprocity requirements in lieu of reducing the hours required to become a licensed cosmetologist. This is key to attracting more professional jobs for this fine state, which I believe is a goal we all would like to achieve. Without seeing a concrete plan from cosmetology schools on how that would ensure that students would continue to receive an appropriate education with a significant reduction in training hours, I simply cannot support the changes proposed in LB343, as I have mentioned. In 27 years in the cosmetology industry, including 22 years as a salon owner, I have yet to hear from a single cosmetology student that the current requirement of 2,100 hours has been burdensome to them. I do, however, have had many numerous complaints from people who have come to work for me in my business establishment who had problems with receiving reciprocity in the state of Nebraska where maybe they've practiced in another state, and the hours or the hoops that they had to jump through to practice in Nebraska was too burdensome for them, so they did choose a different profession. I thank you for considering my views on this policy issue. I do believe that there are better ways to attract more licensed professionals to the field of cosmetology in our state. This is a very important issue, and if LB343 is advanced for debate by the full Legislature, I hope you would first amend the bill to reflect recommendations I made to improve the changes to our state laws. And I would be more than welcome to take any questions. [LB343]

SENATOR ERDMAN: Thank you for your testimony. Are there any questions? Thank you very much. [LB343]

KENDRA TRUMBLEY: Thank you. [LB343]

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SENATOR ERDMAN: Next proponent. Thank you. Go ahead. [LB343]

KELLY PRITCHETT: (Exhibit 7) Good morning. My name is Kelly Pritchett, K-e-l-l-y P-r-i-t-ch-e-t-t, doctor of audiology. I am testifying on behalf of the members of the Nebraska Speech-Language and Hearing Association. The association is in strong support of LB343, which among other provisions dissolves the need for an additional occupational licensure to dispense hearing aids for already fully licensed, practicing audiologists in the state of Nebraska. Nearly every family across Nebraska is affected by hearing loss, and our profession continues to make advances in the treatment of those with detriments to their hearing. Audiology graduate training programs provide education to doctoral students on best practices in hearing aid fitting. Beyond graduate school, our licensed audiologists pride themselves in maintaining the continuing education requirements to provide best practices to those patients all over our great state. The redundancy of an additional licensure can serve as an impediment to audiology practices and as a barrier between audiologists and their patients that benefit so greatly from professional hearing healthcare and expertise. According to the National Council of State Boards of Examiners for Speech-Language Pathology and Audiology, Nebraska is one of only sixteen states that requires an additional occupational license in order to dispense hearing aids. And audiologists across the state of Nebraska dedicate themselves to the appropriate diagnosis and treatment of hearing and balance-related disorders. The passage of LB343 will aid audiologists across the state in making that positive impact. I'm now prepared to answer any questions that you may have. [LB343]

SENATOR ERDMAN: Thank you for your testimony. Senator Linehan. [LB343]

SENATOR LINEHAN: Thank you. Thank you for being here today. Did somebody from Health and Human Services, or somewhere, work with you on this bill? [LB343]

KELLY PRITCHETT: Not me personally, but it is my understanding that somebody worked with a licensed audiologist in Nebraska who works in Omaha. [LB343]

SENATOR LINEHAN: But not your association, but somebody. [LB343]

KELLY PRITCHETT: I don't believe it was directly with our association, but with an audiologist who is licensed in Nebraska. [LB343]

SENATOR LINEHAN: Okay. Thank you. [LB343]

KELLY PRITCHETT: But we were made aware of this, and in support. [LB343]

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SENATOR LINEHAN: Okay. Thank you. [LB343]

SENATOR ERDMAN: Thank you. Senator Williams. [LB343]

SENATOR WILLIAMS: Thank you, Senator Erdman, and thank you, Ms. Pritchett, for being here. My question involves the reciprocity issue with your discipline. Does Nebraska have an issue when somebody wants to come to our state and practice audiology? [LB343]

KELLY PRITCHETT: They may, yes, especially if they held...if they worked in a state where they didn't hold hearing aid dispensing license. To come from another state into the state of Nebraska to be required to get one of those if they did want to dispense hearing aids, they would have to potentially take the exam that is required to become licensed as a dispenser, or they would have to provide additional education, documentation to show that they did receive doctoral degree from an credited institution from another state. [LB343]

SENATOR WILLIAMS: And based on your experience of being in this business, is that license necessary? [LB343]

KELLY PRITCHETT: For an audiologist to hold a dispensing license, absolutely not. [LB343]

SENATOR WILLIAMS: Thank you. [LB343]

KELLY PRITCHETT: If you look at the audiology scope of practice, it clearly states that audiologists are qualified and experts in fitting hearing aids. So it's basically redundant for an audiologist to hold a dispensing license in addition to an audiology license. [LB343]

SENATOR WILLIAMS: Thank you. [LB343]

SENATOR ERDMAN: Anyone else? Seeing none, thank you. [LB343]

KELLEY PRITCHETT: Thank you very much for your time. [LB343]

SENATOR ERDMAN: For the next testifier, let me just reiterate. If you are a board member or representing an association, come forward. Is that your case? [LB343]

BRIANA CUDLEY: That's me. [LB343]

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SENATOR ERDMAN: Okay. Go ahead. [LB343]

BRIANA CUDLY: Good morning, Senators. My name is Briana Cudly, B-r-i-a-n-a C-u-d-l-y. I am a massage therapist and a member of the American Massage Therapy Association, Nebraska chapter. I've been a licensed massage therapist for 12 years and own Cudly Massage and Wellness in Fremont. I'm here to testify in opposition to LB343 as it cuts massage education licensing requirements in half from 1,000 to 500 hours. And the only required subjects to be taught are anatomy, physiology, and kinesiology. The goal of this bill appears to be to increase practitioners and make it easier for people moving into the state to become licensed. The problem with this reasoning comes an increasing quantity at the expense of quality. Many people see us merely as back rubbers and don't understand the need for the education we receive. I see this is my opportunity to educate everybody on our profession. Massage therapists have long been recognized and proud to represent the medical community and not a personal pampering service. Nebraska is considered a national leader in terms of massage therapist licensing requirements. I and my fellow practitioners pride ourselves on our high level of training and expertise in our field. I have a bachelor of science in biology with an emphasis in human biology and attended the University of Nebraska Medical Center in physical therapy until I decided that just wasn't where I wanted to spend the rest of my life. Needless to say, I have a lot of education in the remaining required subjects of anatomy, physiology, and kinesiology, all the way from high school to the doctoral level. And although these classes gave me an amazing and necessary foundation for my career as a licensed massage therapist, they in no way were enough to qualify me as a massage therapist. This bill seeks to eliminate massage theory in practice, hygiene, practical demonstration, pathology, hydrotherapy and health service management as required topics of study. It's unthinkable to me that the state would feel comfortable sending practitioners to manipulate the soft tissue of clients without a basic understanding of pathology. For example, when is it counter indicative to a massage...or to massage a person with rheumatoid arthritis? What do you do when someone presents with neuropathy? When do you look at medication counter indications, blood pressure issues, deep vein thrombosis and kidney issues. I had a client looking for relief from excruciating low-back gluten leg pain. She had seen a physician and the chiropractor, but the adjustment and payments just weren't helping enough, if at all. When I pulled the sheet, I noticed a red spot over the area she was indicating pain, it turns out because neither of the other practitioners had seen her in an undressed state, they had missed the rash of shingles. We immediately ended the session and I sent her directly back to her physician. It's obviously outside of my scope to diagnose, but there are many things that we as massage therapists need to know about in order to do no harm. As I already stated, I pride myself on my professionalism and education. My clinic is the highest educated massage therapy establishment in Fremont and we live up to the therapist part of our title. [LB343]

SENATOR ERDMAN: Your red light is on, if you could kind of pull it together. [LB343]

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BRIANA CUDLY: Okay. We are very, very educated. We both have bachelor's degrees. I will finish up by saying when expectations are high, quality is high. When expectations are low, quality is low. Please do not allow our hard-earned professionalism and respect to be diminished by a flooding of lesser educated practitioners. Massage therapy should not be considered low-hanging fruit as Mr. Vokal of the Platte Institute was quoted as saying. This irresponsible action proposed by the state doesn't take into account the high standards of health and safety as the Nebraska public, our clients have come to rely on. Please strike Section 39 from the bill. [LB343]

SENATOR ERDMAN: Thank you. [LB343]

BRIANA CUDLY: If you have any questions, I'd be happy to answer them. [LB343]

SENATOR ERDMAN: Could you tell me who you're representing? You said you're representing an association or a board? [LB343]

BRIANA CUDLY: AMTA. American Massage Therapy Association. [LB343]

SENATOR ERDMAN: Okay. Thank you. All right. Thank you. Any questions? Thank you for coming. Next proponent. [LB343]

ZEB RATCLIFF: My name is Zeb Ratcliff. I'm not representing any organization at the moment. I'm a licensed hair stylist of ten years, licensed instructor of four years. [LB343]

SENATOR ERDMAN: Can you spell your name, please? [LB343]

ZEB RATCLIFF: Z-e-b R-a-t-c-l-i-f-f. Of those five years, the last five years, I've been placed here in Nebraska. I'm from the state of Texas where I received my licensing of 1,500 hours as well. I am obviously for the reduction of hours. However, I do feel that a license is needed, so if this is to eventually deregulate the licensing, just know that I'm not for that. Okay. I do believe however, you know people talk about the curriculum changing, the saturation of the market, and I apologize I do not have a speech. I was invited by somebody in your office and they didn't tell me the requirements to be here. So if you guys like to take notes or you have any questions, I'll answer them. However, statistics show that less than 15 percent of the people that get licensed in our industry do not make a career past three years. That has nothing to do with how many hours they have. That has to do with them not knowing how to build a proper career. That comes down to education, right? The curriculum as far as changing, the same as in nursing, when they reduced the hours, they had to change their method of education and I feel that's something that

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we would have to do as far as schools are concerned and salons are concerned. To change the method of education, there's two standardized companies that deal with education in our nation, that's Milady Cosmetology and Pivot Point. And every state goes by one of those two in order to...or every school in order to provide the standard education as required by the state. So the education is the same all the way around. How the education is delivered and the information is delivered, varies based on schools. All right. A lot of us have been to conferences and seminars before, we're halfway through it, we realize that this is taking too long and we don't want to be there anymore and then what happens is, we start to lose sight of the information that's being told to us and we no longer retain that information. I've been in a school. I helped establish a school from start and I've seen students towards the end of their time in school, they are not retaining the information anymore. Are they ready at 1,500 hours? Not currently. Will they be ready at 2,100 hours? I've taught in salons, I teach across the nation to other salons, trims and techniques. They're not ready at that time. It's not the amount of hours they're in school, it's how the education is being delivered and how well they're retaining that. When you condense the hours, it is leaving no room for them to be distracted. There's also instructors that I've witnessed before that towards the end of a student's time in school, you should know this already. Why do I have to help you as much? Right? Well... [LB343]

SENATOR ERDMAN: Your red light is on, if you could wrap it up. [LB343]

ZEB RATCLIFF: Okay, I'm sorry. However, a lot of people will disagree with me on these things, but I think it's of our interest to reduce the amount of hours. The market is not as saturated as we think it is, and if you guys have any questions, I did not get to say everything I needed to, but I can answer anything you need. [LB343]

SENATOR ERDMAN: Appreciate your testimony. I believe Senator Kolterman has a question. [LB343]

SENATOR KOLTERMAN: I have several. Thank you very much. Thanks for coming in today. As I look at the sheet that I've gotten from...it talks about the different states and what the hours are. You came from Texas? [LB343]

ZEB RATCLIFF: I came from Texas. [LB343]

SENATOR KOLTERMAN: And Texas has 1,500 hours more or less. We have 29 states that have 1,500 or less and we have 21 that have 1,500-plus. How much cost difference is there to go to a school that has 1,500...if you went in Texas versus if you had gone to Nebraska, and you're right out of high school as an example, do you have any idea of what the difference in cost would be? [LB343]

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ZEB RATCLIFF: The difference in cost is not much. Actually the school that I attended there, the tuition, I believe, is now at \$23,000 and I believe average school here is probably close to that, around \$20,000 for tuition, and give or take...\$20,000. So basically we're paying more for our education for less hours. You're not getting more or less education, it's just the way the education is delivered, right? And that puts more of a burden on salons to provide better education for these students when they come out into the workplace. New York has, I believe, 900 hours maybe. They're required to do...most salons are requiring them to do two years of apprenticeship before they even work on a client. And so you're getting that education that you need behind the chair. There's a lot of instructors now...no offense to any of them, I'm a licensed instructor. I love them all. Teachers are our future of our education, I believe it. However, you're doing...teaching for 20, 30 years, have never worked in a salon before. So the education you're providing is standardized state requirement education. [LB343]

SENATOR KOLTERMAN: So if they apprentice, the last one testified that was open to the idea of apprenticeships, if they apprentice, how are they reimbursed? [LB343]

ZEB RATCLIFF: Well, they're reimbursed with the education that they have to build a career and a lot of that is based on salon ownership. You know, some of them will reimburse them, either they'll pay them during the time of the apprenticeship which most of them do that. It's not like an internship where they're doing it for free. They'll get an hourly wage. The previous salon that I worked at for the training that they have, I believe the hourly wage was \$10 or \$11 an hour for their time in training and then their own probational period for 90 days after their training where they're getting that same compensation. And most salons are paid by commissions, so if you're not reaching commission that breaks the same amount of minimum wage, then the ownership has to pay for that. [LB343]

SENATOR KOLTERMAN: Okay. Thank you. [LB343]

SENATOR ERDMAN: Any other questions? [LB343]

ZEB RATCLIFF: Also, I'd just like to point out that I was granted reciprocity. It wasn't very difficult. I just had to pay a lot of money, but...(laughter). So if we can make that go down, I think we'll all be for it. [LB343]

SENATOR ERDMAN: Thank you. Appreciate it. Okay. Oh, Senator Crawford, I'm sorry. [LB343]

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SENATOR CRAWFORD: I just wanted to clarify, you were granted reciprocity from where to... [LB343]

ZEB RATCLIFF: From Texas to Nebraska, for my cosmetology license. When I came here, I did 1,500 hours. It is required 2,100, so I had to have so many hours per month of in salon experience in order for them to grant reciprocity. Most states have a practical test that we do hands-on testing. Nebraska does not have that anymore. So, however, you can have as many hours you want but if they go to another state that has state practical exams, they're still going to have to take a test. It's not going to be an easy reciprocity grant for them. [LB343]

SENATOR CRAWFORD: So you were not required to take additional hours of education when you came into Nebraska? [LB343]

ZEB RATCLIFF: I was not required to. [LB343]

SENATOR CRAWFORD: Because you had experience. [LB343]

ZEB RATCLIFF: Because I had the experience. [LB343]

SENATOR CRAWFORD: Okay. Excellent. Thank you. [LB343]

SENATOR ERDMAN: Thank you. All right. Thank you very much. Sorry, I missed that. Okay. Thank you. Next person representing...opponent representing a board or association. Opponent in opposition representing a board or an association. Thank you for coming. Let me remind you, when the red light comes on, try to wrap it up if you would. We have a lot of people who want to testify in time (inaudible). [LB343]

RON PELLA: (Exhibits 8, 9 and 10) Mr. Vice Chair and members of the Health and Human Services Committee. My name is Ron Pella. For the record, R-o-n P-e-l-l-a, a licensed barber for fifty-three years and thirty of those years, I served as director for the Nebraska Board of Barber Examiners. Occupational licensing is the use of the state's power to protect the public's health, safety, and welfare by controlling the activities of the persons engaged in the various professions, trades, and services. It's an awesome power which must be met with sound judgment, maximum input and due consideration for the impact of such licensing on the public at large. I believe that because the profession enjoys the government-sanctioned regulations, the public has high expectations of our profession as a whole. Our regulatory body recognizes the special circumstances of our profession, which influences the administration of the licensing process. The current laws, rules, and regulations governing the Barber Act are the product of what the

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profession believes to be in the best interest of school accreditation, student financial aid assistance, the tuition-paying student, the instructional personnel and their ability to prepare and provide the student with a marketable career. Senators, certainly the student, and ultimately the consumer, deserves nothing less. Legislative law authorizes the Board of Barber Examiners to examine and provide for the licensing of qualified barbers and barber instructors, to develop and approve barber school curriculum and post-secondary educational requirements for barber instructors, and to investigate and resolve consumer complaints. I will review the board's criterion, that determines the standards of our profession. Please review the handouts presented to you. Document No. 1, curriculum categories of which there are four and 13 content areas. Page two of that document is the Table of Specifications for the written examination. In February of 1996, the Board of Barber Examiners in collaboration with the Buros Institute of Assessment Consultation and Outreach at the University of Nebraska, developed the current written barber examinations. Examination finalized, October 1997. The national exam necessitated this action. Simply, it did not adequately test the contents of our curriculum covered in the Milady text review book, which is recognized nationally. Document 2, survey completed at the conclusion of proctored examinations practical and written. The students are provided the opportunity to evaluate the curriculum, the boards proctoring of the examination process, and are encouraged to freely express their opinion concerning both entities. Document No. 3, survey completed by the licensee after a three- to four-year licensing period in the industry. This comprehensive Job Analysis Survey provides feedback for curriculum development and the measurements for our purpose and direction for the 2,100 hour program. This concludes my testimony. I would be happy to answer any questions you may have, and I would seek that you strike Section 40 from this bill. [LB343]

SENATOR ERDMAN: Thank you for your testimony. Any questions? Seeing none, thank you so much. Next proponent, those in favor. Thank you for coming. Please state your name and spell it, please. [LB343]

MYRA REDDY: Good afternoon. My name is Myra Reddy, that's spelled M-y-r-a, last name, Reddy, R-e-d-d-y. Chairman Riepe and members of the committee, thank you for your time today. I'm here on behalf of the Future of the Beauty Industry Coalition. The coalition was formed about four and a half years ago to bring different segments of the beauty industry, including licensed professionals, schools, manufacturers, distributors, and salon owners together. We are seeking to look at different ways to streamline and reform requirements surrounding the issue of occupational licensing for the cosmetology industry. The Bureau of Labor statistics projects a 10 percent jump in career opportunities for barbers and hair stylists between 2014 and 2024. We're very excited about this increase in employment opportunities for this career. The state level estimated time to complete cosmetology licensing ranges throughout the United States from as low as nine months, or 1,000 hours, to as high as 16 months, or 2,300 hours. We offer our support for this legislation because we believe in reducing the number of hours required to

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complete a cosmetology program, will address issues concerning over regulation, licensure mobility, and student loan debt. You heard before mention of text book companies, Milady and Pivot Point. Both have curriculum written to be taught at a condensed 1,000 hour time frame. The difference between the state is how long they are spreading out that curriculum and clinic time on the floor. Thirty states graduate cosmetologists at 1,500 hours or less than 1,500 hours. There is some data from a report that I would like to bring to your attention. You do already have a copy of the American Institutes for Research report on examination of cosmetology curriculum. In regards to school program expenses, in states on average for 1,500 hours, students are looking at books and supply cost of an average of \$1,420, while students in hours...states that require hours of 2,100, are looking at books and supply costs of \$2,200.00. In regards to student loan debt, students that graduate in hours...in the state for 1,500 hours are looking at an average of \$8,269, while students that graduate at 2,100 hours states are looking at an average of \$14,666. Also Pell Grants from the federal government. We're looking at a difference between 1,500 hour states of \$7,100 to 2,100 hour states of \$10,437. We certainly appreciate all aspects and comments from our colleagues in the beauty profession in regards to this bill. We support maintaining all occupational licensing requirements based on health, safety, and sanitation, and we also support this legislation. Thank you for your time. [LB343]

SENATOR ERDMAN: Thank you so much. Senator Linehan. [LB343]

SENATOR LINEHAN: Hi. Thank you. Thank you very much for being here, Ms. Reddy. Is this a Nebraska organization, Future of Beauty Coalition together? [LB343]

MYRA REDDY: It's national. Our membership represents...or the organizations that are members of the coalition, their membership is national. So they represent licensed professionals, salon owners, manufacturers, distributors, chain salons, that have businesses or work nationally across all 50 states. [LB343]

SENATOR LINEHAN: So do you have members in Nebraska? [LB343]

MYRA REDDY: Yes, ma'am. [LB343]

SENATOR LINEHAN: Okay. But it...how many members do you have in Nebraska? [LB343]

MYRA REDDY: I'm not sure of the exact amount because each of the members in FBIC represent entire associations. So they would have anywhere from hundreds to thousands of either business owners or licensed professionals that those associations represent in each state. I could get that number for you, though. [LB343]

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SENATOR LINEHAN: So do you have a salon here in Nebraska? [LB343]

MYRA REDDY: Oh, yes, they would definitely...our membership would definitely... [LB343]

SENATOR LINEHAN: No, but do you have? [LB343]

MYRA REDDY: I do not, no. [LB343]

SENATOR LINEHAN: All right. Thank you very much. [LB343]

SENATOR ERDMAN: Any other questions? Seeing none, thank you. [LB343]

MYRA REDDY: Thank you for your time. [LB343]

SENATOR ERDMAN: Next opponent. Are you representing a board or an association? [LB343]

ANN CASEMENT: Yes. [LB343]

SENATOR ERDMAN: Okay. Thank you. Please state your name and spell it, please. [LB343]

ANN CASEMENT: (Exhibits 11-15) My name is Ann Casement, A-n-n C-a-s-e-m-e-n-t. For almost 40 years I've worked in the industry as a cosmetology educator, and I am here to appeal to you on behalf of the Nebraska Board of Cosmetology, Electrology, Esthetics, Nail Technology and Body Art. We are unified in our opposition to the reduction of training hours in LB343. This bill will negatively impact cosmetology and related fields. According to the May 2015 data from the United States Bureau of Labor statistics Web site--which you will have coming to you shortly--cosmetologists in Nebraska are doing quite well financially after completing the 2,100hour course of study. As you can see from the map provided, the state of Nebraska is included in those states where cosmetologists are highest paid, depicted in a darker blue. You will notice that only three states in the Plains and Midwest have this distinction, Wyoming, North Dakota, and Nebraska. All of these states have hours requirements above that proposed in the current revision. When it comes to the mean wage, the advantage of the 2,100-hour requirement becomes even more evident. Nebraska cosmetologists have the highest mean wage of any interior state, as you can see on the exhibit. Moreover, the Nebraska mean wage exceeds that of California, Texas, and Florida, also Arizona. On closer inspection, you will see the mean income drops in direct relation to the decline-in-hours requirement in most states, even in coastal areas with the exception of the state of Washington and the northwest seaboard. Please note that on the

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illustration the smaller figures next to the annual mean wage refer to hourly income. In a review of statistics for cosmetology graduates in one chain of cosmetology schools in Nebraska for the 2012-2013 fiscal year, we see that 43 percent of the graduates were parents. According to the figures from the National Center for Children in Poverty, in Nebraska, 40 percent of all children live in low-income families. The federal HHS guidelines for poverty for a family of two, computed in 2015, was \$15,930. At an annual wage of \$30,040 in Nebraska, the two-person household would seem to be safe from poverty, but it's still considered relatively low income for some assistance purposes. Reduction of the hour requirement for training could well result in the influx of lesser-experienced graduates into a job market that is currently at 3 percent unemployment. The effect could be reduction of hours of employment, possibly reduction of hourly wage, as competition for entry-level positions rises, and a corresponding decline in the annual mean wage. With income in decline and expenses remaining constant, someone is going to have to fund the gap between income and expenditure. We wish to defend the erosion of cosmetology and related practice through the gradual trivialization of the profession. We appeal to you to come to our assistance and provide us with shelter to the integrity of a career that is so closely related to the needs and well-being of our communities. Please remove the reference to cosmetology from this bill. Thank you. [LB343]

SENATOR ERDMAN: Thank you. [LB343]

ANN CASEMENT: Do you have any questions? [LB343]

SENATOR ERDMAN: Any questions? Seeing none, thank you. [LB343]

ANN CASEMENT: Thank you. [LB343]

SENATOR ERDMAN: Other proponent? Please have a seat, ma'am. State your name and spell it, if you would, please. [LB343]

STACY SHUMAN: (Exhibit 16) My name is Stacy Shuman, S-t-a-c-y S-h-u-m-a-n. I want to thank Senator Riepe for introducing LB343. I'm a licensed hairdresser that works not far from here, off of 17th and O at Sweet Jane, a salon. I'm a sole proprietor there, and am thankful to own my own business, which allows me the flexibility to be here today. I'm originally from Dallas, Texas, but moved to Chicago at the age of 18 because I learned that one of the best cosmetology schools in the country was there, and I was set on attending. If I wanted to be a cosmetologist, I wanted to do things right, so going to a great school was a must. After graduating, I went on to work as an apprentice and colorist at one of the top high-end salons in downtown Chicago, and found great success there. I knew after awhile, though, that I was ready for a change. I loved the windy city, but Chicago didn't feel like home to me. My fiancee is from

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Schuyler, Nebraska, and was experiencing similar feelings. She told me about how great Nebraska was and how fond she was of her college town, so when I went and visited Lincoln and fell head over heels for the city, I knew that I had found my home. I thought that with the credentials that I had, that I could happily move to Nebraska and they would accept my license without a problem, but that wasn't the case. It took months to process my reciprocity and when they did, they said that I would be given only partial credit for my hours as a working cosmetologist and would need to go back to school for another 200, a task that took a month. My time as a student in the state of Nebraska was fairly uneventful, but very costly. I was told by my instructors that I already knew the material that was being taught, so they wouldn't require me to take classes again. I would take clients on the floor though, and essentially paid the school nearly \$2,000 to basically work as a stylist for them. I paid my tuition out of pocket because of the fact that I was there for such a short amount of time and couldn't qualify for any financial aid because of it. I was very fortunate to have savings and a partner to rely on during those times because, if I hadn't, I don't know what I would have done. I've had a lot of success since then. I'd opened up my own business as a sole proprietor, directed a fashion show that benefited a local anti-human trafficking organization, and have taught hairdressing overseas in Cambodia to empower victims of human trafficking there by providing them with a skill. Would I have been able to do all those things if I were unqualified to be a cosmetologist? That is for you to decide for yourselves. When I think of my time training in Nebraska, I'm still left with so many mixed feelings and questions. Were my colleagues in Illinois, a 1,500 hour state that worked alongside me at one of the top salons in the country, somehow unqualified to be cosmetologists? I loved the haircuts that my hairdresser in Texas, another 1,500 hour state, gave me growing up. Was she secretly not up to par? Are the people who do hair in so many other states, as I've learned 30 so far, somehow not good enough to be as cosmetologists as they are in Nebraska? While I have great pride in the state of Nebraska--the state that I choose to call my home--I must note that in my experience here, I haven't found that to be the case. Thank you so much for your consideration and I ask the committee to support LB343. [LB343]

SENATOR ERDMAN: Thank you for your testimony. Any questions? Thank you. Next opponent. Thank you for coming. [LB343]

KIM ADAMS JOHNSON: (Exhibit 17) Thank you. My name is Kim Adams Johnson, K-i-m Ad-a-m-s, Johnson, J-o-h-n-s-o-n, and I'm here representing the Nebraska State Board of Massage Therapy, and we are opposed to LB343, specifically Section 38-1703, number 4, which cuts educational hours from 1,000 to a minimum of 500, and effectively removes pathology, hydrotherapy, hygiene and practical demonstration, health service management and the remaining 300 hours, which include the clinical practices of massage therapy. I also wanted to point out that the Board of Massage Therapy was not consulted in the drafting of this bill. I know that we had discussed that. The state of Nebraska began licensing massage therapists in 1955. In 1986, we changed the educational requirements from 600 hours to 1,000 hours so that the

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profession could transition to the usage of the term "massage therapists" as opposed to "masseuse" and "masseur". This was done so that licensed massage therapists could set themselves apart from escorts and prostitutes. We set the bar high and have continued to maintain those standards for 62 years. Our licensed therapists have worked hard to bring legitimacy to the profession of massage therapy by exceeding national standards and having statutes and regulations that other states look to for inspiration. Cutting our educational standards to 500 hours would actually drop us below the national standard and jeopardize financial aid to students enrolling in school, thus diminishing the enrollment and graduation numbers in our own state. Currently our required education allows massage therapists to obtain reciprocity or endorsement in just about any other state. If these standards in LB343 pass, our therapists will face the same situation in other states that we are trying to prevent here. Please consider these points before you send our profession of licensed massage therapy back to the days when we were considered no better than escorts. As of May 11, 2010, reciprocity standards in 81-003 state, "An applicant who is licensed in another jurisdiction and has not completed 1,000 hours of training in massage therapy, may obtain these hours to equal the required 1,000 hours of training through a massage therapy program, a college or university, work experience and/or continuing education. The applicant is not required to have attained the specific hours in the areas identified in 81-003.01, items 3a and b." Applicants receive 100 hours for each year of full-time practice as a massage therapist, and/or up to 100 hours obtained from the NCBTMB- or FSMTB-approved continuing education programs. This means, for example, an applicant from another state with 600 hours of initial education, 3 years of full-time practice and 100 hours of continuing education would qualify for reciprocity in Nebraska. Before these standards changed, the Board of Massage Therapy simply looked at educational hours. At that time, the transcript reviewer would receive between five and ten transcripts a month to review for reciprocity. That number has dropped to five or ten a year. We at the Nebraska State Board of Massage Therapy hope that this information sheds some light on the importance of educational foundation for our students and for the protection of the public. Statistics and extensive research have proven that 500 hours of initial education is simply not enough for core competency. Thank you. [LB343]

SENATOR ERDMAN: Thank you. Senator Crawford. [LB343]

SENATOR CRAWFORD: Thank you, Vice Chair Erdman, and thank you for being here and thank you for your information about reciprocity. So as I understand it from your testimony, you worked to really address reciprocity and in 2010 and in 2016, there were no denials of reciprocity. [LB343]

KIM ADAMS JOHNSON: That is correct. [LB343]

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SENATOR CRAWFORD: Is this process that you worked on to change these standards, who worked on that process? [LB343]

KIM ADAMS JOHNSON: It was actually the Board of Massage Therapy and I was a part of that process. And we wanted to simplify the process for people coming from another state to obtain reciprocity in the state of Nebraska because we realized it was burdensome at that time. So that's why we changed it from looking at the actual education to giving them compensation for hours achieved in practice and also hours achieved in continuing education. [LB343]

SENATOR CRAWFORD: Excellent. Thank you. [LB343]

SENATOR ERDMAN: Any other questions? Senator Williams. [LB343]

SENATOR WILLIAMS: Thank you, Senator Erdman, and welcome back. [LB343]

KIM ADAMS JOHNSON: Thank you. [LB343]

SENATOR WILLIAMS: A question about the education, and if you can answer this question. Do you have an idea of what it costs now to acquire the 1,000-hour training? [LB343]

KIM ADAMS JOHNSON: I want to say it's probably somewhere in the neighborhood of \$10,000-\$12,000. I've been practicing for 18 years now, Senator, it's gone up, but...(laugh) [LB343]

SENATOR WILLIAMS: Do you think that would cost would go down if the hours were reduced? [LB343]

KIM ADAMS JOHNSON: I'd have to say... [LB343]

SENATOR WILLIAMS: Or would you still pay about the same amount because you're then a licensed massage therapist? [LB343]

KIM ADAMS JOHNSON: I would have to say that if the educational hours changed, just in the atmosphere with finances and how things have...costs are going up anyway, it would probably stay about the same. I don't see that the education costs would go down any. [LB343]

SENATOR WILLIAMS: Thank you. [LB343]

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SENATOR ERDMAN: Any other questions? Senator Crawford. [LB343]

SENATOR CRAWFORD: Do you happen...thank you, Senator Erdman. Do you happen to know...do you happen to have any information about success rates in terms of passing this MBLEx? [LB343]

KIM ADAMS JOHNSON: I want to say in Nebraska, as of right now, the passage rate is about 74 percent...that is higher than other areas that require less education. [LB343]

SENATOR CRAWFORD: Thank you. [LB343]

SENATOR ERDMAN: Any other questions? Very good. Thank you so much. [LB343]

KIM ADAMS JOHNSON: Thank you. [LB343]

SENATOR ERDMAN: Proponent. Any other proponents? Okay. Step right up. Let's go. Thank you. [LB343]

ILONA HOLLAND: Good morning, everybody. [LB343]

SENATOR ERDMAN: State your name and spell it, please. [LB343]

ILONA HOLLAND: Yep, Ilona Holland, I-l-o-n-a H-o-l-l-a-n-d, licensed massage therapist in the state of Iowa, and I'm here to hopefully continue the dialog for this change. And based on my story having come from Europe in 2010 to the U.S., my transcripts didn't carry over. And having to jump through lots of hoops, I enrolled in school in Maryland obtaining 600 hours. We graduated in 2013 and decided to come close to family to start our own and, upon arriving in Nebraska, I was told I needed 400 hours remaining to achieve the 1,000. What baffled me was that on speaking to the schools in Nebraska, I was not specifically, you know, given a breakdown to say, hello, now you're missing, you know, 20 hours anatomy, you're missing so on and so forth in these particular modules. I was told that I could just take the 400 in elective courses and, you know, move forward with that. So that got me thinking, I'm not necessarily missing anything, so I would be able to go forward and be fine at 600 hours. My husband at that point said, you know, we've been through these three years, you've not made a penny, you can't go back to school. We need the money and I found Iowa to be 600 hours and it was a straightforward transfer. Because I had not worked in Maryland, so that's the thing, the reciprocity did not apply to me because I had moved from Europe, gone to school, and then moved from Maryland directly to Nebraska. I had not worked in the U.S., but I wasn't, you know, asked about my career in Europe which started in

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1998. So, you know, for me the change is not about just reducing the hours without any, you know, this is important. Some of the therapists here and owners have said this is important to safeguard the consumer. We need pathology. People need to know what they're doing, but it's about, you know, coming forward and saying, you know, can we vet? Maybe they can look at my career and kind of go back like they do a background check, 15 years of addresses and where you've lived and so on and so forth. But if you're telling me that I can do whatever I want in those 400 hours, do we really need the 1,000 hours? So that was just my question in trying to understand, you know, the stories that everyone here has to offer behind those 1,000 hours required. Thank you so much. [LB343]

SENATOR ERDMAN: Thank you. Any questions? I have one. Are you working in Iowa now? [LB343]

ILONA HOLLAND: I am. I own my own business. It's three years now. It was 2013 when I set up and I'm in Council Bluffs. It's Life Dimensions by Ilona. [LB343]

SENATOR ERDMAN: So if you get enough hours of practical experience, can you then get a license here in Nebraska? [LB343]

ILONA HOLLAND: I believe so, yes. I believe so. [LB343]

SENATOR ERDMAN: Okay. All right. Any other questions? Thank you for coming. [LB343]

ILONA HOLLAND: Thank you so much. [LB343]

SENATOR ERDMAN: Any other opponents? Opponents, opposition. Please state and spell your name, please. [LB343]

KEN ALLEN: (Exhibits 18 and 19) Good afternoon, committee. My name is Ken Allen. That's K-e-n A-l-l-e-n. I'm the current director of the Nebraska Board of Barber Examiners. The Nebraska Board of Barber Examiners licenses barbers to practice in forty-nine legislative districts in Nebraska. We do not license barbers because they can cut hair or because they claim to have a license in another state or country, our board reviews each application for licensing along with supporting credentials prior to making a fair, knowledgeable, consistent decision. We issue each barber license based on requirements, assuring that the barber can compete and prosper in any region that they choose. Nebraska sets the standards of education high to ensure our licensees are qualified to excel at any level they choose. This year on the Chamber floor, we heard Senator Harr say, we need knowledge to make better decisions. I ask you, does reducing

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the amount of time in school give the student more knowledge? Nebraska licensed barbers are qualified to do a wide array of services. They were mentioned before, several people before. One thing that hasn't been mentioned, we do offer shaves, we do colors, perms, any chemical services, one license covers it all. We don't have a multitude of licenses. I want to make that very clear. So we can travel. Nebraska licenses have reciprocity. With most states, our licensees can travel to any one of the states in the Union without issue....without issue. Now coming back the other way, it might be a little different story, but I've got to tell you a story about that here in a second. Decreasing the number of hours required would take from each student a very large amount of time learning and the experience on the practical floor. Cutting 28 percent of an education, I realize maybe we're not cutting curriculum, but we are cutting experience on the floor and that is critical to put somebody on...somebody cutting somebody's hair without the proper experience is not correct. In most cases a reciprocity or licensure by credentials which with us is the same, it is not the number of hours required that create the burden. The more common issue is the amount of knowledge the applicant has about important topics. Most applicants can cut hair, but we require licensees to know and have knowledge about sanitation, chemical services, etcetera. Since July 1, 2013, when I took this office, we have had 23 applicants come across our board. Of those 23, 13 were approved on the spot because they have the credentials. Some of those came from states with 1,500 or fewer hours. We looked at the credentials, they came across. Five of those were rejected because they had little or no barber schooling whatsoever, but they didn't complete all the credentials required. Five of those were asked to gain licensure by examination. If they passed the exam, they could gain licensure. Those two came from states like...I'm not going to pick on anybody, but Texas was one of them. Four of those came to examine, all four of those failed the first examination. Okay. We license people...I realize, I'm going to close here. We realize that our license covers more than just cutting hair and I want you to realize that too. In closing, I think it's a big injustice to undermine our industry, undermine our agency who has been in existence since the late 1920s, their decision making powers, I don't think it's fair that a legislative body has that authority to undermine what we've accomplished. Do I have any questions? [LB343]

SENATOR ERDMAN: Thank you. Any questions? Senator Williams. [LB343]

SENATOR WILLIAMS: Thank you, Senator Erdman, and thank you, Mr. Allen, for being here. A couple of questions and I assume you would have knowledge about the cost of barber schools. Do you think the cost of becoming a barber in the state of Nebraska would be reduced if you went from a 1,000 to 500? Or excuse me, from the 2,100 to the 1,500. We're talking too many things here. [LB343]

KEN ALLEN: I appreciate it and I thank you. Actually, that is above my pay grade so I cannot answer that. I don't speak...I think there are going to be some of speakers from the schools that could probably answer that better, but from my understanding if you cut time on the floor where

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the students are actually creating income to counteract their fees, if you cut that out, yes, I would say it's going to be about the same. It might be slightly less, but I can't see much less. [LB343]

SENATOR WILLIAMS: Also in your written testimony that you gave, you talk about in there the number of licenses that you have issued over those different years. And it looks like it's stayed about steady, those that have remained active at, give or take, half. Is there a reason...can you explain why half are not in the business anymore? [LB343]

KEN ALLEN: That's a great question, Senator, and I'm glad you brought that up because I did not have time to print that up in my testimony. Nebraska we license...we give licenses. Actually, let me correct this. We educate people for a career, not just a license. In the first five years, you're going to lose about 45 percent of our licensees and as you can see on the scale on down, 20 years later we still have 45 percent of our original licensees active, after 20 years. That's because the waiting process is going to cut those people out in the first five years and then after that, it slowly, slowly. And we've got to admit, people, we're in the generation of baby boomers and yes, we are going to have a big hurt because baby boomers, like myself, I'm not going to point any fingers, yes, we will drop off, so there is a need. [LB343]

SENATOR WILLIAMS: Thank you. [LB343]

KEN ALLEN: Yes, thank you. [LB343]

SENATOR ERDMAN: Senator Linehan. [LB343]

SENATOR LINEHAN: Thank you, Senator Erdman. Thank you for being here. Did anybody consult with you before this...on this legislation? [LB343]

KEN ALLEN: That is an excellent point and I missed that in my summary too. No, no one from the Governor's Office had contacted our office or any of my board members prior to the introduction of this bill. No senators from any office has contacted our office prior to this hearing. [LB343]

SENATOR LINEHAN: Thank you very much. [LB343]

SENATOR ERDMAN: Thank you for your testimony. Any other questions? Hearing none, next proponent. [LB343]

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JACKIE HORNIG: Proponent? [LB343]

SENATOR ERDMAN: Proponent. [LB343]

JACKIE HORNIG: No, I thought there weren't any left. Sorry. [LB343]

SENATOR ERDMAN: Proponent? [LB343]

SENATOR WILLIAMS: Whoops. [LB343]

SENATOR ERDMAN: Those in favor of the bill, proponent...proponent. Go ahead, state your name and spell it, please. [LB343]

BRIDGET SHARPE: My name is Bridget Sharpe, B-r-i-d-g-e-t S-h-a-r-p-e, and I am with the Professional Beauty Association. So, Vice Chair Erdman, and members of the committee, thanks for having me today. I'll keep it very brief to allow folks to speak. So we're with the PBA who...we represent salon and spa distributors, manufacturers, and beauty professionals nationwide as well as in Nebraska. We have a little bit of a different opinion about LB343. We feel that specifically lowering the hours of cosmetology required would allow more folks to be a part of our thriving professional beauty industry. We don't have any vested interest in keeping folks out of the industry, we want more cosmetologists, we want more barbers to get to work, and there are 30 states who license their cosmetologists at 1,500 hours or less. We think this is more than enough to get folks to work quickly. We have many salon owners who end up, you know, putting together training programs for folks right out of school who are still able to earn a living, but are training for about a year earning either minimum wage or a little bit more than that. So, you know, very basically, again, I'll keep it short. We want folks to get to work and we feel like this is a good way to do that. We do respectfully ask that the committee look at amending the nail tech hour requirements to leave them at a maximum of 300 and a minimum of 150. We just feel like putting it at 200 is not safe. We feel that nail technicians are some of the highest offenders of some of these kind of sanitation and health issues that we're seeing, so we would like to keep it intact as it is. And I respectfully ask that you take into consideration all the folks here today on behalf of Nebraska cosmetologists. [LB343]

SENATOR ERDMAN: Thank you. Any questions? Senator Linehan. [LB343]

SENATOR LINEHAN: So Professional Beauty business industry, so part of your membership is made up of the distributors? [LB343]

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BRIDGET SHARPE: That's correct. [LB343]

SENATOR LINEHAN: Okay. So, is it...it's a national...again a national organization? [LB343]

BRIDGET SHARPE: Yes. Exactly. [LB343]

SENATOR LINEHAN: Okay. All right. Thank you very much. [LB343]

SENATOR ERDMAN: Senator Kolterman. [LB343]

SENATOR KOLTERMAN: Thank you. So when you're talking about the different salons that you work with, are those...explain to me what kind of salons that those are. [LB343]

BRIDGET SHARPE: Sure. So PBA specifically works with the more kind of either one location or maybe a handful of locations of salons in different states across the country. We also work with Sport Clips and Great Clips as well. We actually have a gentleman here who owns several Sport Clips franchises. He's very much hurting for folks to come work for him, so we feel like if this gets folks to work quicker, then we should be supportive of. [LB343]

SENATOR KOLTERMAN: And in those types of...you indicated that your organization has a lot of on-the-job training type of situations. [LB343]

BRIDGET SHARPE: That's correct. Many salons will create their own training program and what I'm speaking from specifically is a member of ours in Arizona so I don't want to mislead you, but she has a training program where someone can work right out of school for about a year and work basically as an apprentice but more as an assistant and earn a living while still training. [LB343]

SENATOR KOLTERMAN: So they actually...are they actually performing the duties of a cosmetologist, they already have a license? [LB343]

BRIDGET SHARPE: They are...yes, they are...they can because they have that license and they've earned that education, but many salons just to kind of ease folks into, you know, the salon environment, after school they'll do a training program for them. [LB343]

SENATOR KOLTERMAN: And typically, how long do those training programs go? [LB343]

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BRIDGET SHARPE: Anywhere from six months to about a year. [LB343]

SENATOR KOLTERMAN: Okay. And you indicated...do they make like a minimum wage during that period of time, or...? [LB343]

BRIDGET SHARPE: They would have to make the minimum wage, but many salons will pay a little bit more for those. [LB343]

SENATOR KOLTERMAN: With the idea that they can stay with them long term or move them into one of their other areas? [LB343]

BRIDGET SHARPE: Exactly. Right. They have invested interest in training the best cosmetologists and keeping them on staff for as long as possible. [LB343]

SENATOR KOLTERMAN: Okay. Thank you very much. [LB343]

SENATOR ERDMAN: Any other questions? Senator Linehan. [LB343]

SENATOR LINEHAN: Are you from Nebraska? [LB343]

BRIDGET SHARPE: No, I'm not. [LB343]

SENATOR LINEHAN: Okay. Thank you very much. Just wanted to know. [LB343]

SENATOR ERDMAN: Okay. Thank you very much. Next opponent. While she's coming, I may suggest this. You may not get to testify. This may be the last one and so if you were not able to give your testimony, you can turn in written testimony to Tyler and we'll record that and it will be in the committee comments. We don't normally close the hearings before everybody is done, but because of the constraints of the celebration going on, we have constraints to be out of here soon, and so at 11:55 we're going to try to wrap this up with Senator Riepe, so this will be the last testifier. So if you have written testimony and you'd like it submitted, please get it to Tyler and we will make sure that it's in the record. Okay. Thank you. Go ahead. [LB343]

JACKIE HORNIG: (Exhibit 20) Hello, and thank you for having me. My name is Jackie Hornig, it's J-a-c-k-i-e H-o-r-n-i-g, and this is my first time at this so please pardon any missteps that I might make here. I am a licensed cosmetologist and a licensed educator here in Nebraska for 30 years. I am a school owner in the school of Nebraska as well. And what I'd...first thing I'd like to

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point out is the proponent that you just heard from visited the state Capitol with me last week and so I believe working together is the best way to make it happen for the students and the community...the state of Nebraska. So we might not agree with everything in this bill, but I don't think challenging and not listening to the other side is a valid way to get things done. So, anyway, so thank you, Bridget. We don't see eye to eye, but we do have the best interest of the students in mind. So, I respect and agree with the intent to remove obstacles to employment and encourage initiatives that will improve the quality of life for Nebraskans. I have strong concerns that LB343 will not accomplish either of these goals. With the lack of input from the professional community, as the school owners here in Nebraska, we have come together and had multiple conference calls on this and I will say for the group, not one school owner was called and asked their opinion, their input, or their expertise on this bill. And the noninclusion of vital information that could have been provided by the Cosmetology Board, I feel passing this bill would be premature and possibly reckless. A sweeping reduction of educational requirements without digging into potential unintended consequences, to leave our school graduates illprepared to meet the expectations of consumers and set them up for a job opposed to a long-term career. In referencing the American Institute for Research report, which was utilized by some people to substantiate this bill, I'd like to bring your attention the student loan default rates because we talked about tuition and if they'd go down. I'm a member of the American Association of Cosmetology schools and multiple states that have had reductions, they're not seeing a reduction in tuition. This just happened in Utah. I just visited with our auditor and he said none of the schools reduce their tuition when they reduce their hours in Utah. And I'd also like to put out there, I think the schools here in Nebraska have already made considerations for the...for students. We are currently offering our education in our 2010 tuition. So not everybody out here is just a grab and get greedy from students. We are making considerations and consolations for that. So what I've handed out here, out of this American Institute report, is exhibit number 32. I have the full report but you have one piece of that. And from that report, the illustration demonstrates that most of the states with higher hour requirements have student loan default rates. So if you'd look at the bottom of that report, I didn't have a red highlighter for Nebraska, so I made it pink, as close as I could get. But if you look at the bottom of that page, those states have lower default rates. They have the highest amount of hours, but they have lower default rates. And what that leads me to believe is that higher amounts of hours prepares people better and they have higher incomes which is brought up by the Nebraska Cosmetology Board in their testimony earlier. This is only one factor, but I believe it demonstrates an example of an unintended consequence. Passing this bill could possibly increase loan default rates in Nebraska to similar rates of those states that only have 1,500 hours. In his speech on January 12, Governor Ricketts says: We're going to help people who want to work in these professions to get to work more quickly. I do not believe that will happen the way this LB343 is written. I encourage you, and to again quote Governor Ricketts: take this opportunity to put our Nebraska grit to work, roll up our sleeves, and do what needs to be done to set a course for future prosperity. I do believe that future prosperity can be reached by working together to maintain a high level of education

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and industry preparedness while eliminating burdensome red tape. Our goal is to assure long-term success of graduates, not just to fast track them out of school. [LB343]

SENATOR ERDMAN: Your red light is on, ma'am. [LB343]

JACKIE HORNIG: Oh, sorry. [LB343]

SENATOR ERDMAN: Just go ahead and wrap it up. [LB343]

JACKIE HORNIG: In finishing, our neighboring states to the north, east and west all have hour requirements equal or close to Nebraska current hours. We believe we have the time to consider this issue in greater depth. It deserves our time and attention to assure the people graduating from Nebraska schools have been given every opportunity for success. [LB343]

SENATOR ERDMAN: Thank you for your testimony. For your very first time, you did a nice job. Okay. Any questions? Senator Williams. [LB343]

SENATOR WILLIAMS: Thank you, Senator Erdman, and thank you for being here. I just want to say a special thank-you for everyone that is here today. I hope you understand how unique it is that in our state, each one of you has an opportunity to weigh in on legislation. I'm deeply disappointed and troubled that we will not be able to hear each one of you today. That is not the goal of this committee or the senators in this Legislature. It's certainly a consequence of the celebration that is happening today. But again, as Senator Erdman said, and as Senator Riepe would say, we are listening and call us and talk to us about this issue as we are moving forward with it. Thank you. [LB343]

SENATOR ERDMAN: Senator Crawford, did you have your hand up? [LB343]

SENATOR CRAWFORD: Thank you, Vice Chair Erdman. And thank you again for your testimony and thank you everyone for being here. I wondered if you would just indicate in your school of the 2,100 hours, how many hours is...are in the classroom versus the hours that would be applied in terms of performing the services under supervision in the school? [LB343]

JACKIE HORNIG: The Cosmetology Board has requirements of so many hours before you can work on the clinic floor. So you have a minimum of 300 hours with the 2,100 hour program. And then after that, 300 hours is required to be in the classroom. Each school sets up their curriculum accordingly. So in our bases, we have more classroom time. We do more hands-on workshops. So really each school already has the ability to set that up and determine that, so. [LB343]

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SENATOR CRAWFORD: Thank you so much. I appreciate that. [LB343]

SENATOR ERDMAN: Any other questions? Thank you so much. I reiterate what Senator Williams said. We really appreciate you being here. Had we not had these time constraints, we'd have stayed here until six o'clock tonight to listen to your comments, that we don't like to turn people away, but we have those other constraints. Senator Riepe, would you like to close? [LB343]

SENATOR RIEPE: Yes, I would, please. Thank you, Senator Erdman, and members of the committee. I, first of all, want to thank everyone who has shown up, taken the time, energy, and effort to participate in the democratic process. Both of you, Senator Erdman and Senator Williams, are absolutely correct. Normally, we would stay here until we got through all of the hearings. This is just a different day because of the hearings that are...or the events that are going on upstairs. I also, in part in my own defense, wanted to say that I did not participate in the original drafting of this legislation, but I also...and I do not believe in surprises or ambushes, and I did talk with a number of people. It was incorrectly stated that no senator was involved in this process and I did meet with the barbers and I did meet with the cosmetologists and I'm not sure I met with the professional organizations, but I met with the people that asked me to. And I told them at the time, I don't believe in surprises and I believe that each of these professional groups deserve to have a seat at the table, and then it's a matter of trying to put that together. So in my own defense, that it was not totally just a ramrod situation, best it could be. I would also...I would like to, I guess, President Ronald Reagan quoted this and I'd like to repeat it. It said, in God we trust, everyone else bring data. So I brought some data and that data is, first of all, in cosmetology, the number of states higher than Nebraska, zero. The number of states lower, and these are the hours for training, the number of states lower than Nebraska is 48. In the barber training, the number of states higher than Nebraska, zero. The number of states lower than Nebraska, 48. In massage therapy, the number of states higher than Nebraska, zero. The number of states lower than Nebraska, 47. That is...explains in part why we're sitting here and talking. Also, in cosmetology the current training in Nebraska is 21; the proposed is the 1,500; the national average is 1,576. In barber, Nebraska is 21; Nebraska proposed is 1,500; the national average is 1,460. In massage therapy, the Nebraska current is 1,000; the Nebraska proposed is 500; and the national average is 569. So, in the interest of trying to not destroy careers, not to punish people, but to simply make Nebraska a more friendly state for people coming here from Texas, or wherever they come from, who want to make Nebraska their home, we're simply trying to make this a more friendly state to open and do business. I look forward to a vibrant and informed discussion among the committee members regarding the status of LB343. Questions? [LB343]

SENATOR ERDMAN: Any questions? Senator Kolterman, sorry. [LB343]

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SENATOR KOLTERMAN: Thank you, Senator Erdman. Senator Riepe, you and I have discussed this at length and knowing how you feel and how I feel that this could be...I mean, it is a very controversial bill in many regards. Are you open to continue dialogue with these associations as we move down the road to tweak this so that it fits Nebraska and we don't just throw the baby out with the bathwater? [LB343]

SENATOR RIEPE: Absolutely. We'll need to do that in a timely manner because we will move on to Exec to try to get it to General File, if it's going to go to General File. So, we need to do that in a timely manner. I have absolutely no interest in cutting it off. I'm just trying to figure out how we would do this maybe through the professional organizations. It's very difficult to do it with, literally, hundreds of people on an individual basis, which is the reason for the hearing is to try to pull as much of that together. And as was pointed out, if this was a normal hearing and we didn't...this came upon us. We didn't set this date up because of this, but in a normal hearing, in some of our committees within the Legislature have gone until seven or eight o'clock at night over the years. They just do and we've honored that and quite frankly that's beneficial for us because. [LB343]

_____: Can we continue the hearing to another day so the people could be heard? [LB343]

SENATOR ERDMAN: Well, let's not have the discussion from the public. I understand what you're saying. That is not possible. [LB343]

SENATOR RIEPE: I think much of the testimony we've heard and it's been very good, but we would ask for that to be submitted in writing. We'll get an opportunity, we'll review that, and if you want to take the opportunity, I would encourage you if you have some second thoughts from today's hearing, just go back and rewrite and get it to us within at least 48 hours. [LB343]

SENATOR ERDMAN: Thank you. Thank you, Senator Riepe. I'll just reiterate, if you have written testimony you would like to have us have, make sure you give it to Tyler before you leave. So any other questions? Or to have your name put on there too. Do you have any letters, Tyler? [LB343]

TYLER MAHOOD: (Exhibits 21-33) Yes, I have the following letters in support: A letter signed by Alvin Trace of Black Health and Education Center School of Massage; David Weseman of...he's an independent area developer for Sport Clips; Steve Sleeper of the Professional Beauty Association; Scout Richters signed by himself; and Matt Litt with the Americans for Prosperity of Nebraska. The following letters are in opposition: Ron Hruska of the Postural Restoration Institute; Paulette Genthon of the Universal College of Healing Arts; Robert and Yvonne Rauner

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represented themselves; Nicole Kearn representing herself; Cheryl Price representing herself; Karla Stander representing herself. And the following letters are neutral: Amy Miller of the ACLU of Nebraska, and Danielle Kleber of the Nebraska State Athletic Trainers Association. [LB343]

SENATOR ERDMAN: Thank you. With that, that ends the hearing. We appreciate you coming. Happy 150. Thank you so much. [LB343]