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Transportation and Telecommunications Committee  
February 07, 2017

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[LB143 LB263 LB294 LB351 LB355]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Tuesday, February 7, 2017, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB355, LB263, LB143, LB351, and LB294. Senators present: Curt Friesen, Chairperson; Jim Smith, Vice Chairperson; Bruce Bostelman; Tom Briese; Suzanne Geist; Mike Hilgers; Dan Hughes; and John Murante. Senators absent: None.

SENATOR FRIESEN: I'd like to welcome everybody to the Transportation and Telecommunications hearing today. I'm Curt Friesen from Henderson, representing District 34, and I'll begin with a few procedural items. And first, I would ask that you silence all the cell phones and electronic devices, and I would ask that no one in the audience causes any noise or disturbances so that everyone gets to testify in an orderly manner. We'll be hearing bills listed in the order listed on the agenda. Those wishing to testify should move to the front of the room and be ready to testify. We have an on-deck chair there, if we have a lot of testimony, but it doesn't look like we'll need it today. If you're testifying, legibly complete one of the green testifier sheets located on the table just inside the entrance. Hand the completed sheet to the page when you sit down to testify. Handouts are not required but, if you have a handout, we do need ten copies. And one of the pages would assist you if you need help. When you begin your testimony, it's very clear that you state and spell your name, your first and last name. And if you happen to forget, I will ask you to stop and do so. Please keep your testimony concise and try not to repeat what has already been covered. We're going to use the light system in this committee. We will begin with the green light and you will have five minutes total: four minutes with the green light; one minute with the yellow light; and then, when the red light comes up, I'd wish that you'd wrap up. Those not wishing to testify may sign in on the pink sheet by the door to indicate their support or opposition to a bill. And now I'll introduce the other senators here. To my far right is Senator Tom Briese from Albion, representing District 41. And next to him is Senator Bruce Bostelman from Brainard, representing District 23; Senator John Murante from Gretna, representing District 49. And Senator Jim Smith will--he's the vice chair of the committee--he'll represent Papillion in District 14, and he'll join us probably shortly. And then next to me is Committee Counsel Mike Hybl. To my left is Committee Clerk Elice Hubbert; Senator Dan Hughes from Venango. And we have Mike Hilgers from Lincoln, representing District 21; and Suzanne Geist from Lincoln, representing District 25. We have two pages assisting us this afternoon: It's Heather Bentley from Miller, Nebraska, and she's a freshman at UNL, majoring in ag economics; and Jade Krivanek from Omaha, a junior at UNL, majoring in ag economics...or in economics, not ag. And with that, we'll open the hearing on LB355. Senator Bolz, welcome. [LB355]

SENATOR BOLZ: (Exhibits 1 and 2) Good afternoon. I am here to introduce LB355, and my name is Kate Bolz; that's K-a-t-e B-o-l-z. This bill would create license plates in honor of Native

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American history and culture here in Nebraska. And to begin, I'd like to share with you that a constituent of mine and a friend of mine, Ross Smith, brought this idea to me during the interim. He wanted to do something for Native American youth. Unfortunately Ross was very ill, and he passed away on Christmas Eve. And so I just want to recognize his role in bringing this legislation to your committee. As you already know, we have a series of specialized license plates that serve to raise awareness and funds for specific causes. LB355 would create license plates to honor indigenous people here in Nebraska and to provide funding for scholarships and leadership growth in Nebraska through existing initiatives of the Commission on Indian Affairs. Over 10,000 indigenous people live in Nebraska with four tribes that are recognized: The Omaha Tribe, the Santee Sioux Tribe, the Winnebago Tribe, and the Ponca Tribe. The plate would be designed to broadly represent all native tribes in the state. The initial cost would come from the DMV Cash Fund, and I've offered you a small amendment that would just encourage the Department of Motor Vehicles to partner with the Commission on Indian Affairs so that that design is, in fact, representative. With that, I'll take any questions that the committee might have. [LB355]

SENATOR FRIESEN: Thank you, Senator Bolz. Are there any questions from the committee? Seeing none... [LB355]

SENATOR BOLZ: Thank you. I am going to head over to Appropriations, so I will waive closing, but I'm happy to answer any follow-up questions, if they come up. [LB355]

SENATOR FRIESEN: Okay; we'll do that. Thank you. Are there any proponents who wish to testify? Welcome. [LB355]

JUDI GAIASHKIBOS: Good afternoon. It's an honor to be before you and testify in support of LB355. My name is Judi, J-u-d-i, gaiashkibos, g-a-i-a-s-h-k-i-b-o-s. I am the executive director of the Nebraska Commission on Indian Affairs. We're located up on the sixth floor. And I've been the director for...this is my 22nd year. And I'm really excited to lend support to this bill. As Senator Bolz said, Ross Smith, a nonnative person here in Lincoln, brought this to me last summer. And I really enjoyed getting to know Ross and developing his idea to show some opportunity to tell the stories of Nebraska's first people, as Nebraska prepares to celebrate the 150 sesquicentennial. And as Senator Bolz has stated, there are over 100 tribes represented in the state of Nebraska beyond the four headquarter tribes. And our agency advocates for all of...all Indian people that live in the state of Nebraska. And we also serve to educate all others about the first peoples. On Centennial Mall...you've maybe had the opportunity to walk down Centennial Mall, the revitalized mall. Our agency helped develop and raise funds for the native component. And down in front of the Historical Society and the journalism college, you'll see a circle of 27 tribes represented that were historic to the region. I say that because I think this bill, the tribal

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license plates, is an opportunity for Nebraskans and anyone driving through our state that sees that license plate that will be developed, we hope, with beautiful art similar to Senator Chambers' mountain lion, a plate that...and Senator Chambers is on board and supports this plate. So it gives us the opportunity to tell the stories, much like we do with the story of Chief Standing Bear, and we will have a memorial to Standing Bear on Centennial Mall in front of the journalism college. First Lady Susanne Shore, for the 150, has helped us; she has raised the funds. And all fifth graders in our state this August will receive a copy of the children's book about Standing Bear, Standing Bear of the Ponca, written by Virginia Driving Hawk Sneve; and that's 27,000 fifth graders. So we hope that people will like this plate, they'll buy it, monies will come back to help our agency with our youth leadership and for our scholarships. Over the weekend, as I was thinking ahead to this day what I would present to you, I was reading the World-Herald, and maybe some of you saw the story on the opinion page by the World-Herald, and it was about Native American heritage: Sites connect to the deep past. And I'd just like to read you one little bit out of that in my closing: "Long before trains, trucks, and airplanes crisscrossed the Midlands, Native American tribes traversed the land and planted settlements. This Indian history extends deep into our region's past, and existing sites preserving that heritage deserve recognition and appreciation." Scholar David Wishart, at the University of Nebraska-Lincoln, has noted that "right under our wheat fields and city streets, just below our feet, lie the bones of hundreds of generations of Plains Indians, slowly turning into soil," and "then geology, still belonging to the place." Native American heritage anchors our region. It's vital to acknowledge and honor that abiding connection. And I think this LB355 is a great way to do that. Wi'Bthu Ho, and I'd be happy to answer any questions. [LB355]

SENATOR FRIESEN: Thank you. Any questions from the committee? Senator Hilgers. [LB355]

SENATOR HILGERS: Thank you, Mr. Chairman. Thank you for your testimony this afternoon. [LB355]

JUDI GAIASHKIBOS: Um-hum. [LB355]

SENATOR HILGERS: I was wondering if you'd just tell me a little bit about the scholarship fund, its history and the recipients and who it applies for it and school background. [LB355]

JUDI GAIASHKIBOS: Okay; I'd be happy to. For the past 12 years, our agency has hosted a Standing Bear Breakfast. This year it will be May 12 at the Embassy Suites for 800 people. We have awarded over \$50,000 of scholarships. We award two \$2,500 scholarships each year to any Native American, federally-enrolled tribal member. Some of our recipients have gone on to be attorneys and doctors, and we're really so excited that we can do this, as a small part of our agency. All of the funds for this scholarship have come from the sale of those tables and from

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private donations. As you know, we have a very limited budget that is funded through the state. And so to do these types of outreach, our Youth Leadership Academy is funded with private funds that I raise from different foundations, etcetera. So our goal is to someday have our scholarship endowed, but currently it is not. [LB355]

SENATOR HILGERS: One other question. I didn't see it in the bill, but I don't know if you know the answer. Is this ...is the purchaser of the plates...is it restricted only to those of Native American descent? [LB355]

JUDI GAIASHKIBOS: No; it is for all Nebraskans because we have a small population. We want, you know, thousands and hundreds of thousands of people because that will increase our...the monies that would come to us. And it also gives you the opportunity to see the plate and think: Hmm, I'd like to learn more about our first people. And so it's a win-win for the whole state. [LB355]

SENATOR HILGERS: Okay; thank you. [LB355]

SENATOR FRIESEN: Thank you, Senator Hilgers. Any other questions from the committee? Well, I think it is kind of a fitting year, when we're celebrating another anniversary of the state, that this plate would come out. So thank you for your testimony. [LB355]

JUDI GAIASHKIBOS: Thank you. Thank you, Senator Friesen. [LB355]

SENATOR FRIESEN: Any other proponents? [LB355]

KENT ROBERT: (Exhibit 3) Good afternoon, Chairman Friesen and members of the Telecommunications Transportation Committee (sic). My name is Kent Robert, K-e-n-t R-o-g-e-r-t, and I'm here representing the Ponca Tribe of Nebraska today. We thank Senator Bolz for introducing LB355, and we encourage you to advance it to General File. Quick and easy. [LB355]

SENATOR FRIESEN: Thank you. Are there any questions? [LB355]

KENT ROBERT: Thank you. [LB355]

SENATOR FRIESEN: Seeing none, thank you. Welcome. [LB355]

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GEORGIANA LEE: (Exhibit 4) Ya'at'eeh; hello. Good afternoon, Chairman Friesen and members of the Transportation and Telecommunications Committee. My name is Georgiana Lee, G-e-o-r-g-i-a-n-a L-e-e. I am an enrolled member of the Navajo Nation, Near The Water Clan, born from Big Water Clan. I am the assistant director of Vision Maker Media, a Nebraska nonprofit housed at UNL on East Campus, whose mission is to empower and engage native people to tell stories. I'm also treasurer of the Indian Center board--board of directors--and a Nebraska resident. I come before you today to support LB355, introduced by Senator Bolz, to create a tribal license plate. My life has been dedicated to the Native American community, which I have chosen to approach through the lens of collaboration and community in all that I do. I believe that LB355 helps nurture native pride and encourages the revitalization of native culture in Nebraska. The opportunity to share and celebrate a Native American cultural awareness and history license plate in the state of Nebraska proves that the First Peoples of Nebraska and all native peoples are still here. I have seen, and am convinced, that this can help break down stereotypes and misconceptions. We do not live in tepees or igloos, and we are not mascots or Halloween costumes. We are proud to be indigenous and we are proud to be Nebraskans. I think a lot about native youth, especially since the birth of my first child seven months ago, and the high risk of them dropping out of school. They are less likely to find success in their professional lives. That is why I have made myself available to serve on the Lincoln Community Foundation's scholarship selection committee over the years and have happily contributed toward the Indian Center, Inc. scholarship and also serve on its selection committee. I believe your support for LB355 can and will help decrease the achievement gap and encourage native students to finish high school by them knowing that there is a Native American scholarship and leadership fund to help them achieve their college degree in Nebraska. Decreasing this achievement gap and encouraging students to finish high school is a particularly critical issue for Nebraska and all native communities. This new license plate can inspire dialogue and inspire conversation around these issues which are relevant to not only the American experience, but the Nebraska experience. This license plate is more than a plate. It is urgently needed and features an underserved narrative that is crucial to the understanding of both the past and present of American Indians in Nebraska. For these reasons, I am proudly in support of LB355 and hope you will be, too. Thank you. [LB355]

SENATOR FRIESEN: Thank you for your testimony. Are there any questions from the committee? Thank you, Ms. Lee. [LB355]

GEORGIANA LEE: Thank you. [LB355]

SENATOR FRIESEN: (Exhibits 5 and 6) Other proponents who wish to testify in favor of LB355? We have a letter in support from the Nebraska Chapter of the National Association of Social Workers. Are there any who wish to testify in opposition to LB355? Seeing none, are there any who wish to testify in a neutral capacity? We have one letter here from the Nebraska

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Department of Motor Vehicles in a neutral capacity. Seeing none, we'll close the hearing on LB355. Now we'll open the hearing on LB263. Welcome. [LB355]

MIKE HYBL: Senator Friesen, members of the Transportation and Telecommunications Committee, for the record my name is Mike Hybl; that's M-i-k-e H-y-b-l. I am the Transportation and Telecommunications Committee legal counsel, and I'm introducing LB263 on behalf of the committee. LB263 was introduced by the members of Transportation and Telecommunications Committee at the request of the Nebraska Department of Motor Vehicles. I'm not going to spend a lot of time on the detail of the bill as I know that Director Lahm will follow up behind me and go through the detail on the bill. What I do want to note is that this bill is a part of a series of legislative bills that this committee has addressed the past few years that addresses the ongoing process of the Department of Motor Vehicles and other public and private interests are engaged in to replace the department's vehicle title and registration computer system, which is maintained by the Department of Motor Vehicles. A part of that process is to clarify and make technical reference changes in existing statutes to enable the transition to the new VTR system. And that's what this bill does. It also creates new authority inside the Department of Motor Vehicles to implement an electronic dealer services system that will enable motor vehicle dealers that wish to participate in the system to, at the dealership level, title, register, and collect all due fees and taxes from customers as a part...as a way to simplify the process of titling and registering a vehicle. There's also an amendment that was printed in the Journal yesterday. It will be...on page 416 of the Journal is AM156 that was printed by Senator Bostelman that deals with a title issue that I had been working with him on. But I think the idea was to put the amendment out there, make folks aware of it. And there may be testimony on that today, as well. But it's also an issue that the senator, when we Exec on the bill, can talk about as well on that. With that, I'll close my introduction, take any questions. Otherwise I know that Director Lahm will be behind me. [LB263]

SENATOR FRIESEN: Any questions from the committee? Seeing none, thank you. Welcome, Director Lahm. [LB263]

RHONDA LAHM: (Exhibit 1) Thank you. Good afternoon, Chairman Friesen and members of the Transportation and Telecommunications Committee. I am Rhonda Lahm, R-h-o-n-d-a L-a-h-m, director of the Department of Motor Vehicles. I am appearing before you today to offer testimony in support of LB263. I'd like to thank Chairman Friesen and the committee for introducing LB263 on behalf of the department. LB263 is another step to building a new VTR system in Nebraska. VTR, short for Vehicle Title and Registration, is the electronic system the DMV and county treasurers use to collect title fees, lien fees, motor vehicle fees, motor vehicle taxes, registration fees, will taxes, and sales taxes on newly-acquired vehicles. The current system, built with 1980's computer technology, collected over \$670 million last year and allows for the money collected to be properly distributed to many government subdivisions, as provided

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in statute. The process to modernize the VTR system has been in the works for several years. In 2013 the Department of Motor Vehicles completed a business case for the replacement of the current system. Since then, legislative...legislative action has created the VTR Replacement and Maintenance Fund (sic: VTR System Replacement and Maintenance Cash Fund) and transferred monies from the DMV Cash Fund to that fund. As a part of the modernization process, LB263 is a multisubject bill, amending statute to improve customer service and DMV business processes and to remove old statutory language which hinders customer service and modernization of our business processes. LB263 authorizes the creation of an electronic dealer services system. This system will permit approved licensed motor vehicle dealers the option to offer a service to their customers which allows the customer to make application to title and register their vehicle and pay all fees and taxes due at the time of the vehicle sale transaction. A customer who chooses to use the service will not need to make a separate trip to the county treasurer's office to take care of these legal requirements. It is important to note that participation in the electronic dealer services system is voluntary for both the dealer and the customer. The provisions of LB263 exempts political subdivisions and the state from liability in the issuance of a title for motor vehicles and boats if the title is processed by an approved dealer through the electronic dealer services system. LB263 will also allow electronic processing of some title changes, such as a name change or removing an owner's name, without requiring a paper title to be printed. It will also allow for citizens to voluntarily change the address on the registration certificate prior to renewal. Both of these provisions are permissive. LB263 will also change the date county treasurers remit title and registration fees to the State Treasurer. Currently title fees are required to be remitted to the State Treasurer by the 15th day of the month and registration fees by the 25th day of the month. By consolidating these dates to the 20th of the month, it will provide more efficiency for county treasurers and the State Treasurer's Office. Currently title applications must be filed in the county where a vehicle has situs or is stored for the majority of the year. LB263 will allow residents and dealers to make application for certificate of title in any county in Nebraska. Also, as an added service to Nebraska citizens, LB263 will allow the DMV to mail a specially ordered plate, such as a personalized message plate or a military honor plate, directly to the applicant applying for the license plate. Currently the applicant has to pick up the plate at the local county treasurer's office. As a part of that process, LB263 has added specific language to statute to allow the DMV, through a secure processing system, to direct the Department of Correctional Services on license plate manufacture and delivery. I urge you to advance LB263 to the floor for further consideration. Thank you for your time today and, at this time, Chairman Friesen, I'd be happy to answer any questions the committee may have. [LB263]

SENATOR FRIESEN: Thank you. Are there any questions from the committee? I noticed you mentioned the bill amended both the political subdivision tort claims and the state tort claims. What was the reason for that? [LB263]

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RHONDA LAHM: Part of it, and I think there's going to be an amendment offered to make that clearer, but the thing it's intending to address is that if a dealer is participating in the electronic dealer services system, and they have an act of omission or negligence, the counties or the state wouldn't be liable for their acts. And I think the amendment that may be forthcoming is to clarify that the dealers would be liable for their acts, but it still wouldn't exempt the state or the county from their acts, of which we would concur is the intent and nor would we have any objection to. [LB263]

SENATOR FRIESEN: So when a dealer that participates in this program, and they file all the paperwork, then the plates and registration will get mailed out to the car owner? [LB263]

RHONDA LAHM: Correct. [LB263]

SENATOR FRIESEN: Down the road do you see this as a big savings on the counties having to handle plates and... [LB263]

RHONDA LAHM: Well, there's a couple... [LB263]

SENATOR FRIESEN: ...or do you think it will be limited? [LB263]

RHONDA LAHM: There's a couple of ways that I think the counties can incur a cost savings with this system. Well, there's probably more than a couple, but two main ones. I think most of the county treasurers will tell you that a mail-in application or renewal takes less time to process than an in-person, because they can manage it around their workload. So when they're not busy they can do the mail-in ones while they're not waiting, if there's not a customer there. So that's one thing helpful. The second thing is, ideally, if that...a dealer participates and they enter the data for the vehicle already in the system, the county treasurers will be able to bring up that data, and it saves them all that data entry and literally goes from 200 and some keystrokes down to 9. And so that's a significant time savings, especially in larger counties where there's a lot of volume of business. [LB263]

SENATOR FRIESEN: Okay. Any other questions? Thank you, Director Lahm. [LB263]

SENATOR HUGHES: Wait, wait. [LB263]

SENATOR FRIESEN: Senator Hughes. [LB263]

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SENATOR HUGHES: Is there any kind of reciprocity that you're talking about, across state lines, that if I lived in Colorado and came to Nebraska and bought a vehicle, is that available or something you're looking at in the future? [LB263]

RHONDA LAHM: This particular provision would apply to...the definition, in the bill, of motor vehicle dealer is the same one as the Dealer Licensing Board. So I need to double-check, but I think you'd have to be licensed in Nebraska to participate. So if...you'd have to...it'd have to be at the dealer where the transaction happened. So if the sale transaction was in Colorado, then that wouldn't be eligible. So you can't...you can't purchase a vehicle at one dealer and go to a...if that dealer doesn't participate, you couldn't go to another dealer that does participate and then do it there. [LB263]

SENATOR HUGHES: Right. [LB263]

RHONDA LAHM: So the idea is not to have the dealer take the place of what happens at county treasurers solely for their customers. Does that answer your question? [LB263]

SENATOR HUGHES: (Inaudible) if I am an out-of-state customer was my question. Is there reciprocity? Or is that the intent of the VTR system to make, across all 50 states, or is that just specifically Nebraska? [LB263]

RHONDA LAHM: No, this is just, just Nebraska, yeah. [LB263]

SENATOR HUGHES: Okay; thank you. [LB263]

RHONDA LAHM: I'm sorry; I didn't understand your question. Yes, just Nebraska. [LB263]

SENATOR HUGHES: Thank you. [LB263]

SENATOR FRIESEN: Thank you, Senator Hughes. Any other questions from the committee? Thank you, Director Lahm. [LB263]

RHONDA LAHM: Thank you. [LB263]

SENATOR FRIESEN: Other proponents? Welcome. [LB263]

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LOY TODD: Welcome to everyone here. I'm Loy Todd, L-o-y T-o-d-d, president of the Nebraska New Car and Truck Dealers Association. I think the director explained the bill very well. We've been working together with the department for quite a long time already, and we're really anxious for this next couple years to get by so that we can finally implement this. I will just address a couple of things about the bill. First of all, regarding the liability issue, the draft of the bill, we think, is just a...was a little overboard because, under the...under sovereign immunity, the exception to that is the State Tort Claims Act. And an exception in that is that, if a mistake is made in processing the titles--leaving off a lien or missing a salvage brand or something like that--the state is responsible and has been for some time. The draft in the bill, on pages 2 and 51, basically creates an exception that says if it was...if it was submitted through the dealer process, there is no liability of the state. Well, that...that goes a little too far. And so I've already submitted to legal counsel and to the department clarifying language that does say if it's based upon a mistake or misinformation from the dealer, the state has no liability in that regard. So if they make a mistake, they're still the same way they always have been. If we make the mistake, it's our liability and our responsibility, and which we're trying to clarify that. And then the other...the other thing that I have also shared with legal counsel, and the department is well aware of it, for this whole system to work, the dealer is going to charge for this service. And so the amendment we're seeking does set up the authority for a dealer to charge for the service. We checked with a lot of other states. We see there are some real old fees out there that we think are inappropriate, but we see a range of somewhere between \$30-\$50 for this service to be...to work, because the dealer is going to incur quite a bit of expense to get signed up. I'm sure there's going to be some vetting, there's going to be some requirements for, possibly, bonding and other kind of things. There will be the computer setup and the tie-in, so there will be expenses that need to be recouped. And hopefully this will be something that dealers can take advantage of for their customers. There's only one state that I know of that makes this kind of system mandatory; and that's Wisconsin. And so what we looked at were Wisconsin and Minnesota. They're working on a similar program right now. And so we would suggest that the committee cap the possibility of a charge at something not to exceed \$50, maybe, with approval from the department. We're flexible on that. It's simply...and if it's not enough, then dealers won't do it. And if it is, then they will. And so that's what we anticipate happening. And we really appreciate the cooperation of the department in all of this. It's a task we're all looking forward to accomplishing together. With that, I'd answer any questions. [LB263]

SENATOR FRIESEN: Thank you. Are there any questions from the committee? Senator Bostelman. [LB263]

SENATOR BOSTELMAN: Thank you, Mr. Chairman. Mr. Todd, question on the dealer charging. It seems to me there would be a setup type of process, that once a dealership is set up, that pretty much that once that's done and those fees are incurred, that it would be a pretty streamlined process to do the applications. So I'm kind of curious. That \$30-\$50...if perhaps,

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instead of that, that there is a...there's a cap that, at maybe the \$30 or \$50, but then there's a maximum cap as to, at one...at some point they reach a threshold, because I think that...wouldn't this be a benefit that you could actually sell to your...sell to your customers that you can-- everything--one-stop shop? We can get it all done here. And then...are we, are we, I guess, you know, a fee that we're collecting on top of our customers that maybe it's a...it's needed or not? [LB263]

LOY TODD: Well, certainly the volume could eliminate some of the...some of the problems with the initial expense. But it's still going to take...it's still going to take employee time. They're going to have to gather that information, input it, work with the lenders. You know, about over 70 percent of vehicles are financed, so they're going to go through the processing of that. There's...there's just quite a bit involved in the whole structure. And it is a customer service, voluntary totally, that no one is going to be forced to sign up for this or to take advantage of it. We're anticipating that a significant number of people would prefer not to go to the courthouse and make that separate trip. And if it's not worth their while, then they won't. But our customers are used to us charging for things. It's...and every other state that we've looked at has a system just like that you pay...you pay as you go. And I haven't seen any that have any kind of a cap or volume, limit, or anything like that. It's simply encouraging people to use it, and I think it's to the advantage of the state, as well as the public and the dealer, to have this utilized as much as possible. [LB263]

SENATOR BOSTELMAN: I understand. I'm just not familiar with the background that it's going to take...the inputs, you know, the research, those type of things. It's the time commitment that it would take on employees. So that's kind of why I asked the question. So thank you. [LB263]

SENATOR FRIESEN: Thank you, Senator Bostelman. Senator Briese. [LB263]

SENATOR BRIESE: Thank you, Senator. Thank you, Mr. Todd, for being here. I'm just curious; what do you anticipate the dealer participation rate to be in something like this? [LB263]

LOY TODD: I've been asking some of my counterparts in some other states to see how popular it is. And the only real test I know of has been Wisconsin. And it was utilized quite a bit there, enough so that in Wisconsin, they actually are now requiring it. And there was some resistance to that, I can assure you, but...so I would anticipate that the larger dealers. This isn't something I anticipate a lot of used car dealers doing or a smaller dealer. That's just...I just don't think that the numbers will justify it. So larger dealer...it wouldn't surprise me if the penetration was significant. I'm just guessing, if I guessed a number. [LB263]

SENATOR BRIESE: Thank you. [LB263]

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SENATOR FRIESEN: Thank you, Senator Briese. Any other questions from the committee? Seeing none, thank you, Mr. Todd. [LB263]

LOY TODD: Thank you. [LB263]

SENATOR FRIESEN: Welcome. [LB263]

BETH BAZYN FERRELL: Good afternoon, Chairman Friesen, members of the committee. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l. I'm with the Nebraska Association of County Officials, and I'm appearing in support of this bill. County officials are really looking forward to the new VTR system and all of the new functionalities that come with it. I think the director and Mr. Todd have described those very well. We appreciate all of the efficiencies that are going to come with the new system, and we will be in support of this bill. I would be happy to take questions. [LB263]

SENATOR FRIESEN: (Exhibit 2) Thank you, Ms. Ferrell. Any questions from the committee? Seeing none, thank you. Any other proponents who wish to testify in favor of LB263? Seeing none, are there any opponents who wish to testify? Seeing none, anyone wish to testify in a neutral capacity? We have one letter from the Nebraska Department of Motor Vehicles in a neutral capacity. Seeing no one wishes to testify, we'll close the hearing on LB263. And it looks like...Senator Hughes, would you be willing to take over as Chair? [LB263]

SENATOR HUGHES: Absolutely. [LB263]

SENATOR HILGERS: Senator Friesen, was that letter that you read in from the Nebraska DMV for this bill? [LB263]

SENATOR FRIESEN: It said LB263. [LB263]

SENATOR HUGHES: Okay. We'll open the hearing on LB143. Senator Friesen, welcome to your Transportation and Telecommunications Committee. [LB143]

SENATOR FRIESEN: Thank you, Senator Hughes. My name is Curt Friesen, C-u-r-t F-r-i-e-s-e-n, and I represent the 34th Legislative District. I appear today to introduce LB143. LB143 is a technical cleanup from last year's LB783, regarding the issuance of permanent license plates for some fleet vehicles for some public power districts. LB143 allows the vehicle registration certificate for covered public power district vehicles to be kept at the principal place of business of the public power district. To provide a little background, LB783 was passed last year to

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provide an efficiency to larger public power districts that license a large number of vehicles each year in multiple counties. After passage of the bill, the Department of Motor Vehicles and the Nebraska State Patrol contacted Public Power District and stated that the statutes needed further clarification regarding the physical location of the registration certificate. LB143 provides that clarification. A number of individuals have worked on this language and I believe that it addresses the issue raised. Thank you for consideration of LB143, and I'll take any questions that you may have. [LB143]

SENATOR HUGHES: Thank you, Senator Friesen. Are there questions from the committee? Seeing none, will you stay to close? [LB143]

SENATOR FRIESEN: I will. [LB143]

SENATOR HUGHES: Okay. Proponents of LB143? Welcome. [LB143]

MIKE DONAHUE: Good afternoon, Chairman Friesen. Thank you for introducing LB143, and thank you to the members of the Transportation and Telecommunications Committee. My name is Mike Donahue, spelled M-i-k-e D-o-n-a-h-u-e. I am the manager of transportation and construction equipment at the Omaha Public Power District. I am here to testify on behalf of OPPD and the Nebraska Power Association, in support of LB143. LB143 allows some public power districts to keep the registration certificates for public utility vehicles and trailers at the principal place of business of the public power district, thus eliminating the need to physically replace registrations every year. OPPD relicenses approximately 1,000 vehicles and trailers in nine counties now in one county, thanks to LB783, in eastern Nebraska every year. In 2016 LB783 was passed, which enabled some public utilities to license vehicles and trailers with permanent public utility plates. That law removed the requirement for public utility employees of the need to replace the license plate and the license plate stickers annually. This revision would eliminate the need for those employees to sort registrations, deliver those registrations to each vehicle and trailer every year--again, approximately 1,000 vehicles and trailers in nine counties. The transportation department at OPPD estimates the annual of replacement of those registrations to cost the district approximately \$50,000 in labor costs. That will complete my testimony. And with that, I ask you to advance LB143. I will now be open to answer any questions you may have. [LB143]

SENATOR HUGHES: Thank you, Mr. Donahue. Are there questions from the committee? Senator Bostelman. [LB143]

SENATOR BOSTELMAN: Thank you, Mr. Vice Chairman. Mr. Donahue, did I hear you correctly? Will the...you have vehicles in nine counties. How is registrations...do you pay your

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registration fees? And how...does that go to each of those counties? And will this now only go to one county? [LB143]

MIKE DONAHUE: The fees now, I believe...we license all of our vehicles in Douglas County. [LB143]

SENATOR BOSTELMAN: All right. [LB143]

MIKE DONAHUE: That's what LB783 did. We pay the same fees, as far as...if those fees are getting distributed to the counties, I don't...I'm not aware of that. [LB143]

SENATOR BOSTELMAN: So there is no change in... [LB143]

MIKE DONAHUE: No. [LB143]

SENATOR BOSTELMAN: ...how you're doing those. It's... [LB143]

MIKE DONAHUE: No. [LB143]

SENATOR BOSTELMAN: Okay; thank you. [LB143]

SENATOR HUGHES: Any other questions? Seeing none, thank you, Mr. Donahue. Other proponents of LB143? Seeing none, any letters? No letters? [LB143]

ELICE HUBBERT: No letters. [LB143]

SENATOR HUGHES: Okay. Any opponents? Seeing none, any neutral testimony? Senator Friesen, would you like to close? Senator Friesen waives closing. And that will close the hearing on LB143. I relinquish the power to run the committee back to the Chair (laughter). [LB143]

SENATOR FRIESEN: Thank you, Senator Hughes. We will now open the hearing on LB351. We will be waiting for Senator McCollister to show up. He probably didn't expect us to move this fast. Welcome, Senator McCollister. We are ready for LB351. [LB351]

SENATOR MCCOLLISTER: Thank you, Chairman Friesen, and I'm sorry for being tardy. [LB351]

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SENATOR FRIESEN: We're a very efficient committee, and we move right along. [LB351]

SENATOR McCOLLISTER: Glad to hear it. Good afternoon, Chairman Friesen and members of the committee. I am John, J-o-h-n, McCollister, M-c-C-o-l-l-i-s-t-e-r, and I represent the 20th Legislative District in Omaha. Last year this committee heard my bill, LB880, to create a reservist companion license plate for five of the six existing military honor plates and eliminate the restriction to display the word "veteran" on driver's license or state ID for individuals who have served in our military for training purposes only. LB880 was advanced on an 8-0 vote, but time ran out in the 60-day session, and the bill was IPP'd. This year the creation of a reservist license plate is addressed in LB45, by Senator Watermeier, that we heard early in the session. I will propose to withdraw LB419 to...since my amendments were added to the Watermeier bill. Today I'm introducing LB351. This bill is being offered at the request of the Nebraska Reservists and National Guard's members who asked that their home state allow them to be recognized for military service to their country. LB351 would improve and clarify current law that allows the term "veteran" to be noted on a driver's license or state-issued ID card. The bill would meet these objectives in two ways: First, it would eliminate the existing restriction for persons who have served for training purposes only, who are not currently eligible to display the word "veteran" on an operator's license or state-issued ID card. This change appears to be as the stricken language on page 12, lines 24 and 25. This restriction in current law is unwarranted in view of the service these men and women have given to their country. Second, the bill provides a complete list of various categories of service to our country that makes an individual eligible to be honored as a veteran. These changes are consistent with new federal law passed by Congress and signed by the President last December, to confer honorary veteran status for National Guard members and Reserve members of the various branches of the service. LB351 divides the category list into two parts: First, the Reserve and Guard units are grouped together on page 12, lines 20-24; second, on page 12, beginning on line 28 and continuing on page 13, line 5, on your copy, LB351 includes a description of the two more categories of service, the U.S. Public Health Service and the National Oceanic and Atmospheric Administration. These are the only two uniformed services that consist of commissioned officers, PHS, and NOAA officers who are detailed directly to the branch of the military. They have veteran status with the VA and the VFW, and they are not currently eligible for veteran's designation on an operator's license or state ID. PHS or NOAA officers do not receive DD-214s when they are discharged. PHS officers receive a statement of service and NOAA receive a report of transfer of discharge. The men and women who have served in these capacities have rendered essential service to our armed services and they deserve to...deserve the honor of being recognized as veterans. The bill proposes three ways to designate the veteran's status. They are found on page 13, lines 16-21. Reserve member would be designated as "Reserve Veteran," National Guard members would use "Guard Veteran," and PHS or NOAA would use the word "Veteran." These methods of staffing the applicable designation have been approved by proponents of the bill. To qualify for a veteran designation on a driver's license or state ID card, an individual applies to the Department of Veterans' Affairs to

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be placed on a registry. The department establishes the individual's eligibility for the registry. When an applicant asks for a designation on a driver's license or state identification card, the Department of Motor Vehicles consults the registry to verify eligibility. The fiscal note shows no General Fund impact for LB351. A one-time cash fund impact for modifications to the driver's license issuance system is minimal. To accommodate the administrative needs of the Department of Motor Vehicles, LB351 includes an operative date of January 1, 2018. Thank you, Mr. Chair. [LB351]

SENATOR FRIESEN: Thank you, Senator McCollister. Any questions from the committee? Senator Bostelman. [LB351]

SENATOR BOSTELMAN: Thank you, Mr. Chairman. Senator McCollister, thank you for introducing this bill. As a retired Air Force member, active duty Air Force member, I have a couple questions for you, and it comes back to the comment you made a little bit ago or testimony you made, that the President has signed into a veteran's status. Is that just for those who have completed 20 years of Reserve or Guards duty and not every--say it was for 6-year Guards or Reservemen--is it just for the 20-year? [LB351]

SENATOR McCOLLISTER: Senator, I believe it is for all veterans, but those people that testify behind me can verify or correct an error, if I... [LB351]

SENATOR BOSTELMAN: A part of the...and thank you. Second question would be, if I may, is...was there any discussion of just identifying them as a Guardsman or a Reservist on the plate or driver's license, because if, as an active-duty member or retired person, if you identify them as a veteran Reservist, a veteran Guardsman--well, I'm a veteran Air Force member--and it seems like we're creating categories that we don't need to create? If you're a veteran, you're a veteran. If you meet the criteria, then I think that would be sufficient or, if not, if they don't meet that criteria, would a Guardsman or Reservist be potentially a compromise if we do something like that? [LB351]

SENATOR McCOLLISTER: All I can say is that we vetted this bill carefully with John Hilgert and his department, and the Department of Motor Vehicles. So we went back and forth and finally agreed this is the language that would be best. We also talked to the proponents of the bill, so this is what we came up with. [LB351]

SENATOR BOSTELMAN: And I guess another follow-up question to that, if I may. In order for me to qualify for a plate or for the ID card, I have to have a DD-214, is what I have to submit. I have to go through my Veterans' Service officer, and it has to be submitted through my Veterans' Service officer to the Department of Motor Vehicles in order for me to get my designated license

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plate or driver's license. In these cases, there will not be a DD-214. How is that going to be handled? [LB351]

SENATOR McCOLLISTER: Well, there's two branches of the service, you know, the categories that have a different designation. But it's my understanding they can get the same designation on their driver's license. [LB351]

SENATOR BOSTELMAN: Okay; thank you. [LB351]

SENATOR FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing none, thank you. [LB351]

SENATOR McCOLLISTER: Thank you, Mr. Chairman. [LB351]

SENATOR FRIESEN: Are you going to stay around for closing? [LB351]

SENATOR McCOLLISTER: Banking Committee is still moving forward. We'll see how many proponents and opponents we have. Thank you. [LB351]

SENATOR FRIESEN: Thank you. Any proponents who wish to come forward to testify, LB351? Welcome. [LB351]

CHARLES CRAFT: (Exhibit 1) Thank you. Good afternoon, Chairman Friesen and members of the Transportation and Telecommunications Committee. My name is Charles, spelled C-h-a-r-l-e-s, Craft, C-r-a-f-t, and I'm here to testify in support of LB351. There are seven uniformed services in the United States. The Armed Forces include: the Army, Navy, Air Force, Marines, and Coast Guard. There also exists the United States Public Health Service and the National Oceanic and Atmospheric Administration. USPHS and NOAA have only commissioned officers corps and whose members wear the same uniform and hold equivalent ranks to the U.S. Navy. These officers usually serve stateside but they can be detailed directly for duty with any service branch of the Armed Forces and can be deployed overseas. The USPHS was established in 1798. Their officers have served alongside the military in the Spanish American War, World War I, World War II, Korea, Vietnam, Persian Gulf, OIF, and OEF. An MOU between the DHHS and the Department of Defense in 1988 established a contingency plan relationship between the departments for mobilization of USPHS commissioned officers and Department of Defense healthcare activities. There are approximately 7,500 commissioned officers in these two services on active duty, and another 10,000 that have served in a Reserve capacity. Numerous USPHS officers have been detailed directly to the Armed Forces, in support of the global war on terror.

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USPHS officers and NOAA members are eligible and entitled to wear U.S. military medals. Upon service completion they receive a statement of service or a report of discharge with listed character of service. I spent 30 years in the USPHS Reserve, obtained the rank of O-6 captain. I was detailed more than 25 times to various branches of the Armed Forces and often served overseas as a dental officer on humanitarian medical missions. I also deployed with the U.S. Army in direct support of Operation Enduring Freedom with the Joint Special Operations Task Force-Philippines in 2007 and with the 101st Airborne Division Combined Joint Task Force/NATO in Afghanistan in 2008. Qualified uniformed service members, with proper documentation, have been granted veteran status by the U.S. Department of Veterans Affairs and the Veterans of Foreign Wars. LB351 now contains the language to recognize military Reserves and National Guard members. And I urge the committee to also include qualified members of the uniformed services to harmonize Nebraska state provisions to honor all of our service member veterans. I would appreciate your support of LB351, and I would like to make a suggestion for...to further clarify those USPHS and NOAA officers who are eligible for this designation...on page 12, line 30, adding, after the words "United States," adding the words "and deployed for service." I have given this recommendation to Senator McCollister, and I think that would help clarify the designation. So thank you all for your time and attention, and I'd be happy to answer any questions that you may have. [LB351]

SENATOR FRIESEN: Thank you, Mr. Craft. Any questions from the committee? Senator Bostelman. [LB351]

SENATOR BOSTELMAN: Thank you, Mr. Chairman. Thank you, Captain Craft. [LB351]

CHARLES CRAFT: Yes. [LB351]

SENATOR BOSTELMAN: Thank you for your service. Question on the military Reserves and National Guard members: Are you speaking to those as they are uniformed under the NOAA or the USPHS or the services? Is that whom you were talking about? [LB351]

CHARLES CRAFT: Yes. [LB351]

SENATOR BOSTELMAN: Or were you talking about the general Reservist and Guardsman? [LB351]

CHARLES CRAFT: No. I was talking about the PHS...USPHS officers and NOAA officers. [LB351]

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SENATOR BOSTELMAN: Okay; thank you. Thank you. [LB351]

CHARLES CRAFT: Yes. [LB351]

SENATOR BOSTELMAN: And they are...they will...they are titled as they perform their duties as the active duty or the veterans? I'm getting what title they serve under and their duration when they serve, for the Reservists and that...and those corps and those (inaudible). [LB351]

CHARLES CRAFT: Well, this was...this would only apply if they're detailed directly... [LB351]

SENATOR BOSTELMAN: Overseas. [LB351]

CHARLES CRAFT: ...to the Department of Defense, whatever service they're detailed to, and... [LB351]

SENATOR BOSTELMAN: And so... [LB351]

CHARLES CRAFT: Yes. [LB351]

SENATOR BOSTELMAN: I'm sorry. And maybe I'm just trying to clarify this. And it's for those who have been deployed then, as well. [LB351]

CHARLES CRAFT: Yes. [LB351]

SENATOR BOSTELMAN: Okay; thank you very much. [LB351]

SENATOR FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing none, thank you for your testimony and your service. [LB351]

CHARLES CRAFT: Thank you. [LB351]

SENATOR FRIESEN: Other proponents? Welcome. [LB351]

JAMES MURPHY: (Exhibit 2) Thank you. Thank you for giving me time to speak on behalf of the U.S. Army, who I'm representing, as well as National Guard Reserve. My name is James L.

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Murphy, 36.5 years Guard time, some active duty. Currently serve as a civilian aide to the Secretary of the Army...volunteer position; I don't know the pay. But... [LB351]

SENATOR FRIESEN: Would you please spell your first and last name? [LB351]

JAMES MURPHY: First name James: J-a-m-e-s, last name Murphy: M-u-r-p-h-y. [LB351]

SENATOR FRIESEN: Thank you. [LB351]

JAMES MURPHY: I own a business in Omaha and have for many years, Universal Information Service, and we monitor worldwide communications and mainly in the public domain. I feel very strongly about this bill. I have daily contact with the Pentagon; they know I'm here. I put...I send in reports. We're lagging behind many states on some of these issues. The military, for the last two decades, has totally made up of, in this case, a one army. When we go to Afghanistan--Iraq, oftentimes we're 50 percent of the active force on duty. When we go to our service schools, be it Command and General Staff, Army War College, we are a part of the active army in all of our training. And it's been an issue with the Secretaries of the Army, as well as Chief of Staff of the Army Joint Chiefs to have a well organized, integrated force that no one says: Are you active? Are you Guard or Reserve? Last week we had a Delaware Air Guard unit have a three-day notice to get their fighters to Mosul and supply ground support to the Iraqi army. They moved there and were there on the afternoon of the third day, supplied fire power to the action taking place and the...as they arrived. When we do training at Camp Ashland, we often have active-duty people going through our courses. This was probably before five years ago, but I had a call from the Pentagon. At the end of this message from an NCO, speaking for the Secretary, he asked me, he said: Do you know Camp Ashland? And I had to chuckle. I was commandant for eight years, but I didn't tell him that. But I said: Well, do you have a problem, first? He said: No, it was darned good training, but he said: I shouldn't have done it in December. And it shows you that it's so well integrated that some of the finest NCOs are serving the Secretary of the Army's office. So I think we have to catch up with times. The Guard Reserve is setting up computer units that will be IT-oriented... may have long hair, but we're in a different ballgame. And this little bit helps the morale of your Guard, your Reserve, as well as the active. I could cite many more examples of why we should do this: It has no monetary impact on the state; it's a morale booster; it's a pride issue with those that serve. And as you probably know, we have units that spend their weekends jumping out of airplanes in the Guard, doing dangerous missions, and have to be ready to be activated at a fairly fast notice. Something else that's happening with the Guard recently is that we're doing some transition with units in the western part of our state. It's going to entail more MOS for military specialty training for these individuals. They're going to have to ask their employer for time off. They're going to have to make more commitment to their service because they have to be qualified to stay within that unit. So being a part-time

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Guardsmen is oftentimes more of a full-time situation. But I could go on and give you more illustrations, but this would be good for Nebraska, it'd be good for the United States Army, and it would be good for all concerned. Any questions, sir? [LB351]

SENATOR FRIESEN: Thank you, Mr. Murphy. Any questions from the committee? Senator Bostelman. [LB351]

SENATOR BOSTELMAN: Thank you, Mr. Chairman. Mr. Murphy, a couple questions. On Reservists and Guardsmen, do they serve under different authority? And is there a distinction between the authority which they serve? [LB351]

JAMES MURPHY: And that...that's a good question. Oftentimes they're on state duty. And once we move out of state, oftentimes they could go federal duty. I know when we had a large contingency after Katrina down in New Orleans, and this was a story that--I'll think of his name--the general in charge, great guy, a black general who smoked a cigar. Anyway, he said: Jim, keep sending us more Guardsmen, because I use them on the mission during the day and at night I use them for electricians and construction people. And he says: I get double duty out of you guys. And that's General Honore. And so it's safe to say we are an integrated, fast-moving military. And this isn't going to slow down, and you get more bang for your buck. We could do our missions here with floods, tornadoes, fires...well-trained, very dedicated hard workers. In my book, they've always been veterans. [LB351]

SENATOR FRIESEN: Thank you, Mr. Murphy. Any questions... [LB351]

SENATOR BOSTELMAN: Follow-up, please. Mr. Murphy, let me rephrase my question. If I am a Reservist or if I am a Guard, and I deploy overseas, my authority is different than if I am stateside, and I either go to training or conduct... [LB351]

JAMES MURPHY: Right. And I think it's after... [LB351]

SENATOR BOSTELMAN: ...things for the state... [LB351]

JAMES MURPHY: ...and again, I'd have to check how many weeks, but I think once you have orders to go in the theater or something, you're going to revert to those federal orders. If we do riot duty here in the state, I think after two weeks you're federalized. So... [LB351]

SENATOR BOSTELMAN: That's kind of my gist of my question is...is I know, when I was active duty, we'd have Guardsmen and Reserve come in and pull their duty with us. Sometimes

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they were allowed commissary privileges, BX privileges, and sometimes they were not. And depending upon the authority that they had, whether they had BX, hospital privileges and that, and it depended upon what authority, what they were training on, or what they were doing. A person going overseas, I thank the Guards and the Reserve for what they do; they are an integral part. You are correct, we can't do what we do without them. I agree with you 100 percent. [LB351]

JAMES MURPHY: And it's going to get even more. Budgets are going to be tight, and we're going to be probably called up more, more than ever. So... [LB351]

SENATOR BOSTELMAN: I understand that, and one of the... [LB351]

JAMES MURPHY: I think commissary duties, even in state status, all Guardsmen have commissary privileges. [LB351]

SENATOR BOSTELMAN: Sure. Do you know--I asked Senator McCollister earlier--do you know, did the President enact the veteran status for those that had served 20 years, or is that for all Guards or Reserves? Do you know? [LB351]

JAMES MURPHY: It's my understanding it's 20 years out. I'll give you a copy of that. There you go. [LB351]

SENATOR BOSTELMAN: Thank you. We'll just make a copy for everybody. And I guess my final question for you: What's your thoughts, as a designation of Guardsman or Reservist until that time that they get that...if there's a veteran's status? If they're deployed overseas and they're under orders and they spend time overseas, which a lot of them--most of them, I'd say majority of them--do, you know, a veteran status is...is well-deserved and well-earned. But it depends upon that, you know, their authority and where they're at. If they're stateside and they're just performing duties...have always just performed duties for the state, I think that, to me, there's a little bit of a difference in that status of that Guards or Reserve person. [LB351]

JAMES MURPHY: Well, I...definitely, if they...if they have overseas deployment and are there for a year or something,...many times it's a year and a half, so they'll have two or three months prior training before going over. But in my experience with the Guard, a person that even serves his 20 years and never deployed, which is a rarity... [LB351]

SENATOR BOSTELMAN: Um-hum. [LB351]

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JAMES MURPHY: ...deserves to be called veteran. There are a couple reasons I say this. They put in a lot of extra time. And it could be the full-time Guards person, and about, in the Army side, 82 percent of our Guardsmen are part-timers, and--what is it--18 percent are full-timers. But all of them get called on missions all the time, over and above their regular duty. I can give you situations. The blizzard in Omaha--probably most of you are too young to...or you don't know about it, but we would put in a full duty day. Then at night we'd get in our two and a halves and deliver medicines to hospitals around the city. And deuce and a halves have no heaters, so my feet are still cold. But a Guardsman is a real commitment, a person that loves his country and deserves our full support. And just like I mentioned, when we can put units over there, and in three days, if we have to, our long range surveillance unit...they're trained to parachute into the areas and do intelligence gathering. And they practice jumping all this time, and they...most of them think it's fun. Now I probably would take issue but, at the same time, I think, if you have a chance to do any favors for your...your Guard or Reserve, this would be a good time to do it. [LB351]

SENATOR BOSTELMAN: Thank you, sir, for your service. Thank you for everything that you do. No further questions. [LB351]

JAMES MURPHY: My...my pleasure. [LB351]

SENATOR FRIESEN: Thank you, Senator Bostelman. Thank you for your testimony. Other proponents? Welcome. [LB351]

BRYON LINE: Sir, thank you very much. And to the members of the committee, thank you for taking the time to let me speak on behalf of the LB351. My name is Bryon, B-r-y-o-n, L-i...Line, L-i-n-e. B-r-y-o-n L-i-n-e. I am a former Army officer, both regular Army and Army Reserve, an Army intelligence officer and a defense intelligence officer with certain national agency affiliations, total term of service from 1981-2012. During the course of that career, I was able to work with, among both commanding or working for or working alongside, members of the Guard, members of the Army Reserve, members of the, actually, of the Public Health Service in Iraq and Afghanistan, where I ran civilian and military activities. And I simply want to say, from the standpoint of the arc of that career that, while as a young officer starting out in beautiful Fort Riley, Kansas, way back in the early 1980s, we talked a lot about the concept of the single force or the one force that General Murphy spoke eloquently to. I don't think it was a reality when we began in service, even though we had integrated women into the service, we had long integrated African Americans. But there was still this distinction that was being made, even among the regular Army, of which I was a part, that there was something less in a Reservist and something even lesser in a National Guardsman. I think that was an unfortunate prejudice because, as time and experience began to change, the reality of both the nature of the service, the familiarity of

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the service, and the increasing contribution of those individuals in the Guard and in the Reserve and in the Health Services in support of, in my case, regular Army. But I also observed it in terms of the Naval Reserve, in terms of the Air Force Reserve and others who were with us in some of the forward combat zones of operation. So I simply today wanted to speak from that perspective, that over the arc of...the arc of a career, that the full integration of all of these categories of service is, I think, as close as it's ever been to a fully, truly-integrated force, and that I think the quality of the service, the valor inherent in the service, in the deployments, in the sacrifices and impacts made upon family and friends, and on the hazards they're too often exposed to by virtue of the service, that something as, I think, to my mind at least, as simple as a designation on a driver's license, that simply noted that, if you took pride in being a 20-year Guardsman or a 20-year Army Reservist, as opposed to 20-year Army...regular Army veteran, would seem to be a small thing to do. As noted with no real cost, with no real impact, not touching on the issues of benefits or the other distinctions that have to be made when you're talking about what you can or can't have, from the standpoint of a VA or those kind, or state services, or what have you, but just the simplicity of the request that that status, important to them because that's the way they grew up in service to this country, whether from the state perspective or the federal perspective, seems to me it'd just make sense. I simply wanted to note this, that the majority of my career--I did mention I began at Fort Riley in the First Infantry--but I volunteered for something that was new back in 1983, known as the Special Operations Command, which is now a fairly significant joint organization, as well as service organizations across the DOD. One of the major groups...they're organized by groups, special forces groups, and they have numbers and they have fancy green berets and little covered patches that you wear on your...on your beret. But I worked with, very closely, colleagues and friends from an organization called the 19th Special Forces Group-Airborne. It was headquartered in Alabama. It was a National Guard unit. And I do not believe, from my experiences with those gentlemen, that the nature of their valor, the nature of their service as a National Guard Unit wearing the green beret that, if they were to move to Nebraska--and I would hope maybe they would want to live out here in God's country with the rest of us--but then if they moved here and could not have a driver's license that said that they were Guardsman veterans, I would find that sort of, well, kind of appalling from the standpoint of the nature of that kind of service. I'm speaking extemporaneously; I really have nothing else to say. I'm open to any of your questions. I did want to thank all of you for allowing me the opportunity to come speak before the committee. And subject to your questions, sir, I am...I'm finished. [LB351]

SENATOR FRIESEN: Thank you, Mr. Line. Any questions from the committee? Seeing none, thank you for your testimony... [LB351]

BRYON LINE: Sure. Thank you very much. [LB351]

SENATOR FRIESEN: ...and for your service. Welcome. [LB351]

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PAUL COHEN: (Exhibit 3) Thank you, Senator. Chairperson Friesen, members of the Transportation and Telecommunications Committee, my name is Paul Cohen. I am a resident of Omaha. I'm here today as a past second vice chairman of the Military Officers Association (of America), a 390,000-member groups in Washington, D.C. [LB351]

SENATOR FRIESEN: Could you please spell your name? [LB351]

PAUL COHEN: C-o-h-e-n. About 2,700 of the Military Officers Association members claim Nebraska as their home and their state. I'm currently also a past president and a current board member of MMOA's chapter in Nebraska. I'm the former assistant adjutant general for air in the state, and I retired as a brigadier general, United States Air Force. I am obliged to say that I do not represent any federal organization or agency of which I may currently be a member. I appreciate the opportunity and I apologize for showing up right at the very end of this hearing. And I hope I do not duplicate what you have already heard. I thank Senator McCollister for the introduction of LB351 because we think it's important. The bill, in many respects, mirrors the action of the United States Congress which, in December of 2016, passed legislation that was signed into law by the President, recognizing Guard and Reserve members who have served honorably for 20 years or more and granting them limited veterans' status...limited veterans' status. LB351 extends this recognition to this very important and dedicated group by allowing the Department of Motor Vehicles to, at the request of the qualified individual, mark the driver's license with the term "Guard Veteran" or "Reserve Veteran." No other benefits are included or intended. It identifies the individual as someone who cared enough about his or her country to be trained and ready to defend it for two decades or more. This bill, though limited in its scope, effectively recognizes the contribution of members of the National Guard and Reserve who have served and are serving our nation and our state, but may not have accrued a given number of federal active duty days. During their time in uniform, they devoted countless hours to arduous, and sometimes dangerous, readiness training and were fully engaged in the support of those who did deploy. Their families shared the same uncertainties and anxieties of potential calls to active federal duty. Their civilian employers were equally unsure of their status, creating sometimes significant workplace stress for both the employee and the employer. However, through no fault of their own, the call for extended active federal duty never came. Yet they were prepared to respond to any emergency anytime and go anywhere. They were reliably counted on to be ready on a limited notice and were considered, and are considered, an integral part of the nation's military might. As an example, in a recent inspection of the 55th Wing at Offutt Air Force Base, where the 170th Group of the Nebraska Air National Guard is also colocated and works with the Wing. The inspector started out to greet both agencies separately, both the 55th Wing and the 170th, as a separate entity. At the conclusion of that inspection, he said: I cannot rate the 170th separately from the 55th Wing because I don't know where their contribution stops and the Air Force active-duty people begin. It is so fully integrated into our military organizations today. We support this legislation because we believe that people who tangibly commit for 20 years or more

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to be ready to put their lives on the line for our nation deserve the recognition to be called a veteran. We urge your approval of this bill and its movement through the legislative process at the earliest time. It's always important to say thank you for a job well done, sooner and not later; and now is the appropriate time. Thank you for the opportunity to speak with you about this bill. I'd be pleased to answer any questions you may have. [LB351]

SENATOR FRIESEN: Thank you, Mr. Cohen. Are there any questions from the committee? Seeing none, thank you for your testimony. Other proponents who wish to testify? [LB351]

GREG HOLLOWAY: Opponents, could you say? [LB351]

SENATOR FRIESEN: Proponents, proponents. [LB351]

GREG HOLLOWAY: Proponents, okay. [LB351]

SENATOR FRIESEN: (Exhibits 4 and 5) Any other proponents who wish to testify? Seeing none, are there any...we have two letters: James Adams and Kim Minino of Omaha. Any opponents who wish to testify? Welcome. [LB351]

GREG HOLLOWAY: Senator Friesen, my name is Greg Holloway, G-r-e-g H-o-l-l-o-w-a-y. I am here to represent the Nebraska Veterans Council. The Nebraska Veterans Council is made up of the recognized veterans' organizations and one County Veterans Service Officers Association within the state of Nebraska, basically representing 60-some-odd-thousand veterans. We are their voice for their legislative purposes. It is our duty and our job to see that legislation is either opposed or we're all for it, that better the lives of the veterans within this community and their dependents. On LB351 you've heard some of the proponents on this bill, which actually states some of my case, that we should be somewhat opposed to parts of this bill. Senator McCollister indicated, on lines, on page 12 and line 24 and 25, what mainly we're opposed to in this bill is the striking of "other than active duty for training." Now we could visit with this. I was also a County Veterans Service officer. I understand DD-214s. And maybe to answer to one of Senator Bostelman's...later on we'll be hearing a bill from the Department of Veterans' Affairs to clarify DD-214s because they're going to be going electronically. So there will be...that will be all fixed. So the DD-214 problem should be fixed. There are many, many state statutes that have the lines "for purposes other than training," And striking out this line will cause conflict within the state statutes that concerns veterans and the definition of veteran. Basically with no offense to this committee at all, I think if we were to strike out and change the language and the definition of veteran should actually be done in front of the Military and Veterans Affairs Committee, on its own merit. And I would like to ask this committee to...I have some ideas about some amendments to this that might make it work. Also, we're not against any National Guard or

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Reservist, really, to be recognized. But the 20-year federal guidelines that have been brought up are 20 years retired for honorary veteran only. And that is what they've come up with it through federal guidelines. We could add that to this bill also, but sometimes you don't serve your 20 years when you're in the Reserves and the National Guard and are medically retired. So the 20-year or medically retired should be...probably be put in as recognized veterans because sometimes you just can't make your 20 years. I'm a combat veteran from Vietnam, 1968. I served with the 7th Cavalry division. I didn't barely make my two years. Luckily I did, but I was wounded twice...probably shouldn't have made my two years, because I was drafted, so I only spent two years. Those are basically what we disagree with this bill for. I would like to propose that this bill be kind of set aside and we get together with Senator McCollister, the representatives of the Nebraska Veterans Council get together. And we could work out some amendments to this bill. And we'll get it passed and get those Guard...Guardsmen and Reservists their designation, which they do deserve and should be honored for, but those who have served. My next-door neighbor--he's been my neighbor since he was in kindergarten--he'll be coming home from basic training, or AIT actually, from the National Guard any day now. So he's more my grandson than my neighbor. His father served in Iraq--was a National Guardsman--served in Iraq as a plumber. And he was a good plumber, he said. But he agrees that his son, coming straight out of AIT, should not be considered a veteran. And I don't think he should be, even though I love him to death as one of my own children. If he was my own son, I would feel the same. You don't have to prove yourself in combat to become a veteran. You prove yourself in service and dedication to your country. And when you join the National Guard, you're basically getting joined in to be a member of a state organization. When you take your oath of service to the National Guard, you take your oath of service to the President, but also the Governor of the state. And the only way you could become federalized, have federalized active duty, is if the government says: yeah, we can do that. And if he elects not to, then I think you probably would have an argument. But I think that we should consider those aspects of this bill. The conflict with the other state statutes by striking "for purposes other than training." And I know there's another Greg Holloway around in this state somewhere that's going to say: If you consider me a veteran for these driver's license, I want my Nebraska veterans' aid, I want my county veterans' aid. And if that happens, every county that has county veterans' aid is...there's going to be money problems when those Guardsmen come up and say: I need tires for my vehicle so I can get my...get to my drill. Or Nebraska Veterans Aid might be overwhelmed, too because there's a lot of members of those organizations within it that might be eligible for those. Just because it says for the recognition on a driver's license does not mean that there's not recognition for other veterans' issues. So I would like you to consider putting that back in, the "for purposes other than training," and 20-year retired...20-year or medically retired. Let's simplify this bill. And I believe the Nebraska Veterans Council--I have a few members here and they aren't throwing rocks at me for saying it yet--but I think we could get along with that and satisfy the...last year on LB880, really wanted to just get that done. And there's Dr. Craft...he said they should be deployed, too. So that's "for purposes other than training" would be stricken out. So his members...he feels that

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they should be deployed. I appreciate you listening to me. The Nebraska Veterans Council is at your disposal, and we would love to sit down with and meet and see if we can come up with a workable solution to this bill, so everybody could be honored respectfully in the state of Nebraska. Thank you. [LB351]

SENATOR FRIESEN: Thank you, Mr. Holloway. Are there any questions from the committee? Senator Bostelman. [LB351]

SENATOR BOSTELMAN: Thank you, Mr. Chairman. And thank you for your service, Mr. Holloway. My question is do you...I'm trying to understand the position a little bit here. If a person is on the Guard or Reserve status and they're deployed overseas, do you support them being considered a veteran? [LB351]

GREG HOLLOWAY: Well, they are. If they're deployed and have federalized active duty for purposes other than training for at least 90 days, they serve under Title 10. [LB351]

SENATOR BOSTELMAN: Right. With that then, when that Guardsman or Reserve person, man or woman, are discharged from the Reserve or Guard, after that time, does their discharge papers reflect that Title on there to show their status? [LB351]

GREG HOLLOWAY: Yes, they do. If they have federalized active duty, it...when I was in the military, it was 180 days. But in 1990, when we went in to Iraq, they reduced that to 90 days because 180 days the war was over pretty much. And they were pulling a lot of them home. So they reduced it to 90 days back in the '90s. I was a County Veteran Service officer in Lancaster County from '90-95. I understand discharges pretty good. I've worked on legislation. I retired in 1995, but in 1990, I started to basically work on veterans' legislation quite a lot. But my first time I ever worked on legislation was Governor Tiemann, actually trying to get benefits--educational benefits, for Guards, for National Guard members...first thing I ever did. So I've fought for the National Guard, and I'm not fighting against them. I'm fighting...we are fighting against the language that is stricken because we think it would cause conflicts within the other state statutes and, better served on its own merits, to be taken up before the Government, Military Veterans Affairs Committee. We'll probably argue it there, but it would probably be better served there. [LB351]

SENATOR BOSTELMAN: Thank you, sir. [LB351]

SENATOR FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Thank you, Mr. Holloway, and thank you for your service. [LB351]

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GREG HOLLOWAY: Thanks. [LB351]

SENATOR FRIESEN: Any others who wish to testify in opposition to LB351? Seeing none, are there any who wish to testify in a neutral capacity? Seeing none, are you willing to close, Senator McCollister? [LB351]

SENATOR McCOLLISTER: Thank you, Mr. Chairman, members of the committee. A couple of comments: First, with regard to Senator Bostelman's question, Guard members may use an NGB-22, their version of the DD-214, which they receive upon discharge. Reservists have a discharge certificate that shows their branch of service and whether or not they were honorably discharged. And I'll give you those...the certificate. I need to thank my testifiers, some pretty high-quality testifiers: General Murphy, General Cohen, Dr. Craft, and, of course, Mr. Line. They did a good job, I think, testifying. You know, when I first was approached to do this bill, I talked to both of the generals and asked them, and they told me, if someone takes the oath, that's good enough for them, even though they both have been in the service a long time. So that's what drove me to this bill. Yes, we will talk to Mr. Galloway (sic: Holloway) and see if we can work the language in a way that doesn't harm the bill but yet recognizes his objections. So thank you very much, members of the committee. [LB351]

SENATOR FRIESEN: Thank you, Senator McCollister. [LB351]

SENATOR McCOLLISTER: Questions? [LB351]

SENATOR FRIESEN: Senator Murante. [LB351]

SENATOR MURANTE: Senator McCollister, thank you. There was a clarification, because I heard you say that you had run the bill by John Hilgert and the Department of Veterans' Affairs. And I think you used the term "sign off," but I didn't hear them...do they have an official position on your bill? [LB351]

SENATOR McCOLLISTER: No. You may recall they testified against the bill last year, and we went to them, talked about the legislation that we proposed, and they helped us do it in the proper way. But apparently they're taking no position this year. [LB351]

SENATOR MURANTE: Okay; thank you. [LB351]

SENATOR FRIESEN: Thank you, Senator Murante. Any other questions from the committee? Seeing none, thank you, Senator McCollister. [LB351]

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SENATOR McCOLLISTER: Thank you so much. [LB351]

SENATOR FRIESEN: With that, we'll close the hearing on LB351, and we will...we will open the hearing on LB294. Welcome, Senator Smith. [LB294]

SENATOR SMITH: Thank you and good afternoon, Chairman Friesen and members of the Transportation and Telecommunications Committee. For the record, my name is Jim Smith, J-i-m S-m-i-t-h, and I represent the 14th Legislative District in Sarpy County. And I am here today to introduce LB294. LB294 simply gives the Department of Motor Vehicles the authority to enter into reciprocity agreements with foreign countries for the mutual recognition and exchange of driver's license. Various international treaties and federal laws already allow for licensed drivers of foreign countries to operate on our roadways, and vice versa, for a limited period of time. In Nebraska, a nonresident may legally drive with a license from their home of origin no longer than 30 continuous days. Students, members of the military, and their dependents are exempt, exempt from the 30-day limitation. However, according to a 2009 report from the American Association of Motor Vehicle Administrators, as our world becomes increasingly more mobile, the need for reciprocity exchange agreements have become more common. Currently the only reciprocity we allow is between states and U.S. territories. LB294 would allow DMV to enter into license reciprocity agreements with foreign countries in order to permit a person with a valid license to obtain a Nebraska license, usually with minimal testing requirements. The issue was brought to my attention during a visit in the...with the interim director, General Chang of the Taipei Economic and Cultural Office in Denver. He wanted to have a reciprocity option for Taiwanese nationals coming to Nebraska, but was told by the DMV there is no statutory authority to enter into such agreements. At least 34 states and the District of Columbia have reciprocity agreements with foreign countries. Generally, these agreements allow for the issuance of a state license with some of the testing requirements waived if the individual is in the country legally, their foreign license is valid, and it's determined Nebraska and the country of question have similar licensing standards. LB294 does not mandate the DMV to enter into any agreement; it does not mandate that. It merely gives it the authority--gives the DMV the authority to enter into a reciprocity agreement that provides for the mutual recognition and reciprocal exchange with foreign countries. Additionally, it should be noted the bill specifically prohibits such agreements with respect to CDL licenses. And that is pretty much all that LB294 does. And I ask that it be advanced to the floor for consideration. And I can step through as to exactly how that would work, if you have that line of questioning. So I'll open up to your questioning. Thank you. [LB294]

SENATOR FRIESEN: Thank you, Senator Smith. Any questions from the committee? Senator Bostelman. [LB294]

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SENATOR BOSTELMAN: Thank you, Mr. Chairman. Senator Smith, this is...would be anyone who's legally in this country? [LB294]

SENATOR SMITH: Yes. [LB294]

SENATOR BOSTELMAN: Does not, whether they're, say, a visa, a green card? I know, as I've traveled and lived throughout the world, that I've used my driver's license to be able to drive in foreign countries very easily, for the most part. And I'm just making sure I understand who the individuals will be that are entitled to the...to the driver's license reciprocity. The other question I have is where is DMV on this? Have they talked with them? What's their position? [LB294]

SENATOR SMITH: I believe that they're kind of staying out of this, at this point. They are not committed to taking a particular position to advocate or to oppose. But again, this gives DMV and the...the ability to make the determination of whether someone is able to do this or not. So the person with the license of foreign origin would apply to the state for a state license. And they would have that determination. [LB294]

SENATOR BOSTELMAN: Thank you, Senator Smith. [LB294]

SENATOR FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing none, thank you, Senator Smith. Any proponents who wish to testify in favor of LB294? Seeing none, anybody wish to testify in opposition to LB294? Seeing none, anyone wish to testify in a neutral capacity to LB294? Seeing none, Senator Smith waives closing on LB294, and we will close the hearing on LB294 and the hearing for today. And we will go in Exec Session. [LB294]