

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**LINEHAN:** [INAUDIBLE]-- hearing. My name is Lou Ann Linehan and I serve as Chair of the committee. I'm from Elkhorn and represent Legislative District 39. The committee will take up the bills in order-- in the order that are posted outside the hearing room. Our hearing room today is part of your legislative process. This is your opportunity to express your position on the proposed legislation for today. We do-- if you are unable to attend a public hearing and would like your position stated for the record, you may submit your position and any comments using the Legislature's website by 8 a.m. the day of the hearing. Letters emailed to the senator or staff member will not be part of the permanent record. If you are unable to attend and testify at the public hearing due to disability, you may use the Nebraska's Legislature's website to submit written testimony in lieu of in-person testimony. To better facilitate today's proceeding, I ask you if you follow the following-- ask that you follow these procedures. Please turn off cell phones and other electronic devices. The order of testimony is the introducer, proponents, opponents, neutrals, and closing remark. Can I just ask how many people are here to testify today? If you're going to testify. I'm just trying to get a feel of how long we're here. OK. If you will please-- if you will be testifying, please complete the green form and hand it to the committee clerk when you come up to testify. If you have written materials that you would like to distribute to the committee, please hand them and to the page to distribute. We need 11 copies for all committee members and staff. If you need additional copies, please ask the page to make copies for you now. When you begin to testify, please state and spell your name for the record, and you need to state and spell your first and last name. Please be concise. It's my request that you limit your testimony to five minutes. We will use the light system and when it turns yellow, you should be wrapping up, and when it's red you should be done. If your remarks are reflected in previous testimony, or if you would like your position to be known but do not wish to testify, please sign the white form at the back of the room and it will be included in the official record. Please speak directly into the microphone so our transcribers are able to hear your testimony clearly. I would like to introduce committee staff. To my immediate left is research analyst--

**CHARLES HAMILTON:** I'm legal counsel.

**LINEHAN:** Yeah, I thought, wait a minute. I mean, left is legal counsel Charles Hamilton. And to my left at the end of the table is committee clerk Tomas Weekly. The committee members with us today will introduce themselves beginning at my far right.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**KAUTH:** Kathleen Kauth LD 31.

**MURMAN:** Dave Murman from Glenvil, District 38, eight counties in the southern part of the state.

**BOSTAR:** Eliot Bostar, District 29.

**ALBRECHT:** Joni Albrecht, District 17, northeast Nebraska.

**DUNGAN:** George Dungan, District 26, northeast Lincoln.

**MEYER:** Fred Meyer, District 41, central Nebraska.

**LINEHAN:** And if our pages would please stand up. So we have Mia, who is at UNL, and is majoring in political science. And Collin, who is at UNL, majoring in criminal justice. Please remember that senators may come and go during our hearing, as they may have bills to introduce and other committees. Please refrain from applause or other indications of support or opposition. For our audience, the microphones in the rooms are not for amplification, but for recording purposes only. Lastly, we use electronic devices to distribute information. Therefore, you may see committee members referencing information on their electronic devices. Be assured that your presence here today and your testimony are important to us, as a critical part of state government. I'm going to add a little bit in here to the written statement. Next week we're going to go into all the tax bills. So I expect our hearings will be really long. And I expect everybody will be limited to three minutes versus five minutes. But we'll stick with five today. So I just, for the public and you, next week, I'm pretty sure, every hearing will be limited to three minutes. So with that we will start.

**JIM KAMM:** Yeah. Good afternoon, Chairperson Linehan and members of the Revenue Committee. It's a pleasure and honor to be before you guys today. I want to start out my testimony by first thanking each of you for the service you provide as public servants and, and in your service in the state Legislature. Though I wasn't here last year, I also want to commend you on partnering with the Governor and last spring on the historic legislation that was passed and was signed in law. For the record, my name is Jim Kamm, J-i-m K-a-m-m, and I was appointed by the Go-- by Governor Pillen to serve as the Tax Commissioner for the state of Nebraska. And I joined the Department of Revenue on-- in September of this year. As you might imagine, I've had a lot to learn since joining the agency, and I still have a lot to learn. With that said, and again it's started,

it's important to know what's, what's reflected in Nebraska Revised Statute 7731, or 77361, regarding the DOR's functions and goals, because it really sets the table for everything we do at the department. So, as stated in 77361, the, the functions and goals are one, to execute faithfully the revenue and property tax laws of the state of Nebraska; two, to provide for efficient, updated economical methods and systems of revenue accounting, reporting, enforcement and related activities; and finally, three, continually seek updated-- efficient, updated, and economical methods and systems of revenue accounting, reporting, enforcement and, and related activities. So, simply put, that's the law. That's what the statute states. And that's our, that's our agency's charge. Before the session started, I did have the opportunity to meet with most all of you individually and in your offices here at the State Capitol. I really appreciate that. The exceptions were Senator Murman, who I had a chance to meet at the NACO conference, out in Kearney in mid-December, and, and then I really appreciated that, Senator Murman. And then Senator Meyer, who I have not had a chance to, to meet personally with since he was appointed to fill Treasurer Briese's seat, so I appreciate that. I really look forward to working with all of you guys during the session, so. Now, during the individual meetings, it's-- I learn more about your public service, your goals for the state, and your observations about the DOR. From our conversations, it's obvious that each of you care very deeply for the state and want to make it better. In partnership, the duty of our agency, or the agency that I oversee, is really to serve and, and what I call is the technicians who carry out the tax laws that are enacted, accurately and expeditiously, while serving Nebraska's taxpayers in accordance with state statutes. I was going to hand out a copy of my resume today. I believe all of you have that in your packet of information, but I just want to fill in a little bit about myself. I was raised in Columbus, Nebraska. I graduated from Columbus High School. Following graduation, I attended the University of Nebraska here in Lincoln, majoring in business, and more specifically focusing on finance. Upon graduation, I began a career in banking that spanned over three decades here in Nebraska. I actually started out my career with the FDIC. I was assistant bank examiner, and that really provided me with the, with the principles that I took into my future banking career. Following my time as a bank examiner, I joined First National Bank of Omaha, where I spent 16 years, really growing, growing and advancing professionally. At the bank there I also picked up my MBA, while I was working, at UNO and then pursued some additional schooling that was very bank specific. From there I went, I was approached about taking a leadership position out in my hometown of Columbus, I did

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

that, led a banking group in Columbus, Nebraska for five years, following which I relocated back to Omaha with my family and, and worked for a bank for the last nine years, a privately held community bank in, in, in Omaha. In 2019, I had the opportunity to go to work at UNO, and, and join their business and finance division, and really helped run the finances for the university, at the university and run the business operations there. And I did that for the four years, prior to coming to work for the Department of Revenue. You can see from my resume I've held progressive leadership roles during my banking career, as well as my time at the university, and I've also served on a number of local and nonprofit boards during my career. You know, as it pertains to the Legislature, my goal is to create a sound working relationship, between our agency with each of you, obviously, and, specifically with the Revenue Committee, but really with the legislative body as a whole. You know, I think my personal goals when I joined the Department of Revenue, I really, I can state those in three things, to really effectively lead the agency as we execute and implement the laws enacted, again, by legislatively, which are put into statute. Two, to make the agency more taxpayer friendly. And when I say that, just providing a high level of responsiveness to the Nebraska taxpayer, and making sure we're looking at things from, from all angles and most importantly, the taxpayers'. Again, if you look at what the statute says at the outset of what I spoke about, that's really what it's all about. And then three is really just I think, whenever you take a new position or you take a different opportunity just to leave the organization or the entity in a better spot than what I found it. I feel if we do, if I can accomplish goals one and two, number three will take care of itself. So, again, many great things were accomplished by you and your colleagues last year, reforming the state's tax code, you know, and, and an effort to make our state more competitive. And I commend you and the Governor on those efforts. There's obviously more work to be done, particularly in addressing the state's property tax burden. And I look forward to working with all of you and implementing the solutions to these issues. So, thank you for inviting me here today as, as my next step in leading the Department of Revenue. At this point, I'd just be happy to, to answer any questions you might have and go from there.

**LINEHAN:** Thank you very much, Mr. Kamm. Are there questions for the committee? Seeing none. Thank you very much.

**JIM KAMM:** Thank you very much, Senators. Appreciate it.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**LINEHAN:** Are there any proponents? Are there any opponents? Anyone wanting to testify in a neutral position? With that, we close confirmation hearing for the Department of Revenue's Director. And next, we're going to go to the appointment of Steven Keetle for the Tax Equalization and Review Commission. Good afternoon.

**STEVEN KEETLE:** Good afternoon, Chairman Linehan, members of the Revenue Committee. My name is Steven Keetle. That's S-t-e-v-e-n K-e-e-t-l-e, and I'm here today to ask for your confirmation of my appointment to the Tax Equalization and Review Commission. I believe you have my background information, so, briefly, I was first appointed to the commission to fill the position of a commissioner who left their term early. And I officially started a six year term in 2018 as a commissioner. So this would be a reappointment for me. I'm currently serving as a vice chairman of the commission after my two year term as the chair expired. I live in Omaha. I'm an attorney. I have received certification from the National Judicial College in administrative law, including fair hearings. I'm a member of the National Association of Administrative Law Judiciary, and I'm certified in basic mediation. On the assessment side, I have a Nebraska assessors certificate, and I'm a member of the International Association of Assessing Officials. I enjoy the work that I do with the commission. It's been a privilege to serve the people of Nebraska in this role. I hope that you'll confirm my reappointment to this position so that I can continue to provide the best service I can to the people that appear before the commission. With that, I'd answer any questions that you might have.

**LINEHAN:** Thank you very much. Are there any questions from the committee? Yes.

**KAUTH:** So you've been with the TERC Board for six years now?

**STEVEN KEETLE:** A six year term, and about two years before that, I filled in the last part of a term for someone who left early.

**KAUTH:** So we hear horror stories about, you know, when people go to protest their taxes or how long it takes. Can you tell me, like, what is, what is one of the things that you've been doing over these-- the last couple of years to improve that process?

**STEVEN KEETLE:** Well, as you know, the Legislature added another commissioner last year, so that should speed up our, our hearing of appeals going forward. We scheduled-- we've been scheduling more single commissioner hearings. If you're familiar with that process,

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

it's a little more informal. All of our hearings are technically informal hearings. But if you're not making a record that can go to the court, we can do a little more of those, and do them faster. So.

**KAUTH:** Thank you.

**LINEHAN:** Thank you, Senator Kauth. Are there any other questions?  
Senator Albrecht.

**ALBRECHT:** Thank you, Chair Linehan, and thank you for being here today. But a bigger thank you for doing this, another term. I think the TERC Board probably has the hardest job in our state based on what we've been reviewing with the property taxes. So how far would you say you're behind? Is it more than a year? Is it a couple of years?

**STEVEN KEETLE:** One interesting thing about the way we get our cases is we don't get the-- we-- 2024 cases. We won't get those until the end of August, early September. So at that point, we're starting to hear the 2024 cases at the end of 2024 and into 2025. So, I would say we're probably within a year of hearing cases when they've been filed. We have some that are older for various reasons. We do everything from-- I had a hearing on a \$1,100 property all the way up to multimillion dollar properties. So we cover a wide range and we cover the whole state. So.

**ALBRECHT:** And so, like is it a full time job for you guys?

**STEVEN KEETLE:** Yes, we do--

**ALBRECHT:** You're there how many days a week?

**STEVEN KEETLE:** We, we're doing this all year round.

**ALBRECHT:** All year round.

**STEVEN KEETLE:** There is a--

**ALBRECHT:** There's no let-up

**STEVEN KEETLE:** --statewide equalization proceeding that we do in the spring that we kind of move on to that, but otherwise we spend the entire year hearing these individual appeals.

**ALBRECHT:** I was a commissioner at one time, and I know how many people like to go to TERC, so you've got a big job.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**STEVEN KEETLE:** Yes. We keep busy, yeah.

**ALBRECHT:** And thank you for doing it. You know, there's nothing better than having somebody that has a little bit of history on how it all works, and, and you really want to come back and do it again. So thank you.

**STEVEN KEETLE:** Thank you.

**LINEHAN:** Thank you Senator Albrecht. Other questions from the committee? Seeing none, thank you very much for being here. Appreciate it.

**STEVEN KEETLE:** Thank you.

**LINEHAN:** Are there any proponents? Any opponents? Anyone wanting to testify in a neutral position? OK, so that will close our hearing on the appointment of Mr. Keetle. And we will go to LB949. And, Joni, if you want to [INAUDIBLE].

**ALBRECHT:** Sure.

**LINEHAN:** Senator Albrecht. I'm sorry.

**ALBRECHT:** OK, we'll start with LB949, Senator Linehan.

**LINEHAN:** Good afternoon, Senator Albrecht and members of the Revenue Committee. I am Lou Ann Linehan, L-o-u A-n-n L-i-n-e-h-a-n. I'm from Legislative District 39, which is-- includes Elkhorn and Waterloo in Douglas County. Today, I'm here to introduce LB949. LB949 has two purposes. First, the bill allows appraisers to use electronic means to do appraisals and reviews of property value. It should make the work necessary to assess property, property easier. Second, the bill gives a requirement to appraise and review the properties every year to ensure that property valuation is kept at market value. One of the biggest issues facing Nebraska today is regarding taxation on our property taxes. Other issues within the valuation process are not helped when appraisals or reviews are inconsistent. This tends to cause large jumps in valuations rather than gradual increases that would occur if such appraisals and reviews were done yearly. By giving appraisers, either employed or contracted by assessors, the ability to contact these reviews online, it should ease some of the burden currently shouldered by the county assessors. LB949 will allow assessors to conduct the reviews and prais-- appraisals on a more regular and consistent basis than what is being done now. I would ask the committee to approve this bill and advance it to the floor for

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

consideration by the body. Thank you and I'm happy to answer any questions.

**ALBRECHT:** Thank you, Senator Linehan. Do we have any questions of the committee? Seeing none, we'll have you back for a close. First proponent of LB949. First proponent. Seeing none. Do we have any opponents wishing to speak? We must have switched out chairs. Hello.

**DOUG KAGAN:** Good afternoon. Doug Kagan, D-o-u-g K-a-g-a-n, Omaha, representing Nebraska Taxpayers for Freedom. We are opposed to LB949 for several reasons. Although this bill does allow for the inspection of all real property remotely, and we have actually seen how this method works well, requiring our Douglas County Assessor to inspect every property every year would require his office to hire additional employees and expend additional tax dollars on computers. He does not set his own salary or his own budget, but the county commissioners actually set his department's budget. Furthermore, many more homeowners in Douglas County are protesting their skyrocketing valuations, and these protests entail the assessor's office, taking time and manpower to revisit these assessed valuations. If the logic behind annual valuations is to dampen the sticker shock when homeowners and commercial property owners see their higher valuations after a six year valuation, as now required by Nebraska statute, we don't think this will work for two reasons. First of all, sometimes the one year increases in valuations are quite high. I just saw in my statement yesterday, my valuation went up \$33,000. Also, this remedy does nothing to actually stem the total valuation increase, making this revision a bandaid approach. This revision may work well in less populous counties, but will not work well in a large metropolitan area like Douglas County. Therefore, we would like to see LB949 amended to delete the annual valuation requirement, at least for more populous counties. Thank you.

**ALBRECHT:** Thank you, Mr. Kagan. Do we have any questions from the committee? Seeing none, thanks for being here today. Next opponent.

**JON CANNON:** Good afternoon, Senator Albrecht, distinguished members of the Revenue Committee, my name is Jon Cannon, J-o-n C-a-n-n-on, I'm the executive director of NACO, the Nebraska Association of County Officials, here to testify in respectful opposition to LB949. I do want to thank Senator Linehan, I-- I frankly, I agree with her. I think that collecting proper data on our homes and properties is a crucial part of the assessment process. And, and to the extent that that's a necessary part of the process, you know, I, I think there's some good to be had here. The issue, of course, comes down to how we



go about doing that and what the cost would entail. We do like the clarification, like Doug said just a moment ago, we like the clarification on inspections. Physical inspection is usually superior, but there are times when, you know, like an orthoimagery or using Google Earth is going to be something that's going to be very, very helpful. I will caution, though, that using that in rural areas is probably going to be less helpful because I can tell you that, that maps on Google Earth are updated maybe every 2 or 3 years in rural areas where they're updated more frequently in the more urban areas. And so, I'd have concerns about that. I think you'd have to say, you know, it has to be the most up to date imagery or within the current year or something like that if you're going to be able to rely on that. As far as, as the process that we go through, you know, 77-112, Nebraska Revised Statutes section 77-112 requires assessors to value all real property at actual value. 77-1514 requires the department to insure all classes and subclasses are valued at market value. The, the property tax administrator prepares an annual report to the TERC. We just heard from Mr. Keetle just a moment ago. And according to section 77-5023, TERC reviews the reports and opinion submitted by the property tax administrator, and they're supposed to ensure that all valuations are at market value. In addition to this, the county Board of Equalization, they can petition TERC if they find that there's a class or subclass that has not been valued properly. And so there are different levels of -- different, different checks that we have throughout the process. In the case where, where someone's property hasn't been reviewed in several years and their, their value has not gone up for several years, and they're, they're just kind of waiting for that, that increase, that, that is in fact, a problem. But that's, that's not an issue solely at the assessor's office. That's, that's a systemic issue. One thing I can say, however, is that in those situations where you do not have adequate market data. For instance, if I'm in a subdivision and we've had maybe one or two sales, I'm not sure that that's a statistical analysis that I can rely on in order to say, well, you know, the market's doing-- you know, it's moving in this direction or it's moving in a different direction. And so there's, there's a caution there about, you know, whether or not the inspection is the end all, be all. While the inspection is necessary in order to do a reappraisal, you know, it's a reappraisal-- let me, let me put it this way. A reappraisal requires an inspection. An inspection does not necessarily lead to a reappraisal. And so to the extent that the assessor is going to be doing a reappraisal of certain properties, they have to do that inspection and they should be doing it. But I'm not sure that the inspection necessarily triggers the reappraisal,

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

which is what we're getting at here. One possible amendment that you could have, that's essentially would be a reminder that we have to get to actual actual value on these sorts of things, that nothing in the section, the, the current section of law should be construed to limit or prevent a county assessor from valuing property at its market value as required by section 77-112. That's all I have. I'd be happy to take any questions that you may have. I will note that Mr. Keebler from the Johnson County Assessor is behind me. He's probably way more versed on the technical aspects of, of appraisal and assessment than I am, but I'm happy to answer any questions from a macro standpoint that I can.

**ALBRECHT:** Thank you, Mr. Cannon. Do we have any questions of the committee? Getting off easy.

**JON CANNON:** Yes, ma'am.

**ALBRECHT:** Thank you for being here.

**JON CANNON:** Let's me start my weekend early. Thank you.

**ALBRECHT:** There you go. Have a nice evening.

**JON CANNON:** Thank you, you as well.

**ALBRECHT:** Next opponent.

**TERRY KEEBLER:** Good afternoon, I'm Terry Keebler, T-e-r-r-y K-e-e-b-l-e-r. I am the Johnson County Assessor, and also here representing NACO. I sit on the NACO board as the assessor representative. So the issue of the inspection every year, one of the first issues that we've talked about is the cost of it. I think the fiscal note that NACO submitted was \$33 million if I remember right. I just double checked what my budget is at home. It's about \$143,000. If we're going to look at every property every year instead of every six years, I would guess that's going to at least double. I know this allows for remote inspection, but that means you have to have something that is updated every year if you're going to look at it every year. Pictometry, that some of the counties have been doing where they pay for a flyover and can look at properties, counties our size, I'm hearing around \$50,000 just to do the pictometry. Most of them do that every two or three years to lower the cost per year. So they don't look at it every year. The next problem with that is timeliness. I have a deputy in my office and myself. Being able to look at one sixth of the properties is sometimes a stretch to get, not just physical review, but also then all data entry, and then the

analysis of how that plays into the actual value. So it's a process. As Jon talked about we review, get the data in the computer system, and then analyze what that compares to sales. Secondly, the handout I gave you, regarding the remote inspection, this is from the Standard on Mass Appraisal from the IAAO, the International Association of Assessing Officers, talks about you need a physical inspection to start with to get those data. While the remote is good, especially if you have high enough pictometry, it's not perfect. I've been surprised sometimes out on physical review of looking from sidewalk, and then if we're able to walk around the house and how different it may look from different viewpoints, condition and even quality. So. So the, the appraisal standards do allow, if you look at the third page, of using digital imaging as part of the review, if you've done a good physical inspection, so. I think that's all I have to add, if there are any questions?

**ALBRECHT:** Thank you very much for your testimony. Senator Kauth.

**KAUTH:** So, Mr. Keebler, thank you for being here. \$33 million is a heck of a lot of money. Do you have suggestions on how to handle this problem? Because it's clear that there is a significant problem.

**TERRY KEEBLER:** I guess-- what is the problem we're trying to solve? This is one of my questions. If it's the fact that some of these properties don't change every six years except for the physical inspection, I've got areas of my county that may not change in a rising market. They should be changing with the sales. As Jon Cannon said earlier, part of it is if you only have a few sales of a subdivision, I've got a couple of very small communities that I may have two sales in three years, and it's hard to call a market direction out of that, so you've got to have enough sales to actually do mass appraisal, which is what we're doing, not the fee appraisal, where they can go pick out the three that looked the closest, and that may be in the town or maybe 20, 30 miles away in some cases. We're trying to use mass appraisal, so we have to use what we have for information. So I guess if there are sales, those should be following the sales anyway.

**KAUTH:** Thank you.

**ALBRECHT:** Any other questions of the committee? I just have a couple of quick ones. So, we have 93 counties?

**TERRY KEEBLER:** Yes.

**ALBRECHT:** And I worked at the largest one, and I'm living now, probably, in one of the smallest ones. So you go to the NACO meetings, you see how many, you know, you're all there, the assessor's. Number one, it's, it's personnel, I understand that to try to get these things done. But at the same time, if I have a tax bill coming and all of a sudden it's an enormous amount, 33% increase or something like that. I think that's what we're trying to fix, because people can't absorb, sometimes, that kind of money. And, and I guess the other thing would be what would it take-- we have to have-- we were in a lot of meetings together this past session, and it's, it's taxing on everyone, but we have to find the solution. So in bringing bills like this, I think it kind of gets everyone's attention. But I also realize that when you're in a rural area, you don't have that many employees that can go out and physically look at a property. But like you say, most of them aren't changing. It's just a matter of the marketplace and what they're selling for. Right?

**TERRY KEEBLER:** Right. I mean, we go out to do the six year inspection. We hear all the time, nothing's changed. And I'm a fairly new assessor. This is my-- start of my sixth year, so I have not saw every property. I'm pretty close now. So we are trying to get new measurements, make sure that the measurements are correct even. And there are some that for whatever reason or not, either there's been additions or tear downs that were not reported. So it's good to have the physical inspection. And yeah, it, it's difficult when there's limited market.

**ALBRECHT:** Yeah. I mean, I can see it's not a one size fits all, but it is something that we do need to figure out and try to address. But I appreciate you being here today. No other questions--

**TERRY KEEBLER:** Thank you.

**ALBRECHT:** --from the committee? Thank you very much. Any other opponents wishing to speak? Any other opponents? Seeing none. Anyone in a neutral position? Neutral position? OK. Senator Linehan, you can close. Do we have any letters? OK. We've had zero opponents to-- no, proponents zero, opponents two, and neutral zero. For the record.

**LINEHAN:** So I want to thank all the opponents for coming in today, and I'm hearing what they're saying. But here, here's what I don't think the bill says they can't physically inspect. I'm not saying you can't do that. I'm just saying you don't have to do that. And I've heard from one county commissioner, I think, since I've been in the Legislature, that the idea in Douglas County that we send people out

to walk around houses and look in windows is not something we should be doing anymore. It's not safe and it's creepy, is what it is. So I'm not saying they can't do it, but I don't think they should have to do it. One county, unless I'm wrong and they're not here, Sarpy County manages to do this. They're not as big as Douglas or Lancaster County, but they manage to reap-- reappraise, and they go up almost every year. They go up a little bit. In my neighborhood, we've got houses going up around us, like they're up like mushrooms. So-- but my house hasn't been reappraised for five years. So it's not a sales problem. Now I'm pretty sure it'll be reappraised this year, as it should be. But we need to do something to keep people closer to what their actual value is. Because if you've got somebody who's retired and they're getting that statement, and for five years or six years, it's been saying their house is worth \$225,000, or let's say, \$175,000 and you've got the homestead exemption, and they're getting along fine. And then all of a sudden they get an appraisal that doubles that price. They're forced into a sale with no warning, and who knows what the market might be. We just have to stay closer to reality. And maybe one year is too tough, but we can work on that. And I will work with the people that are here today. The other thing I wanted to point out, and this-- Mr. Cannon, was kind enough to get this for me, and I handed it to you. There's some-- something's wrong, or maybe these numbers aren't right, but according to Douglas County, their cost per parcel per year is \$29.63. Lancaster County, which doesn't-- has-- well, I'll just say the numbers. Lancaster County has 117,332 real properties. Douglas County has 204,000 real property parcels. So-- Douglas County with assessor, registry of deeds combined budget is \$6 million a year, a little over \$6 million. But Lancaster's is over \$5 million, and their cost per parcel is \$44.10. So I would-- I know Mr. Cannon probably won't appreciate this, but I would like to see every county, because what is going on here? It shouldn't cost twice as much in one county as it costs in another county. So. Questions?

**ALBRECHT:** Questions from the committee? Thank you, Senator Linehan. Seeing none, we'll close LB949. And we will have LB1093 up next.

**SEAN FLOWERDAY:** Senator.

**LINEHAN:** Oh, thank you. I lost it already once this morning. Thank you very much. Welcome, Senator Bostar. Happy Friday.

**BOSTAR:** Happy Friday. Good afternoon, Chair Linehan and fellow members of the Revenue Committee. For the record, I'm Eliot Bostar. That's E-l-i-o-t B-o-s-t-a-r, and I represent Legislative District

29. I'm here to present LB1093 legislation to clarify and harmonize provisions within the First Responder Recruitment and Retention Act, that this committee advanced unanimously last session. These clarifying provisions make certain that all professional law enforcement officers and firefighters are eligible for the benefits of the act, as well as making some common sense administrative adjustments to the legislation. This legislation brings the definition of law enforcement officer in line with chapter 81, making it consistent across statutes and aligning language with the intent of the original act. Under LB1093, all professional law enforcement officers in good standing will receive the recruitment and retention benefits of the act. This clarifies that law enforcement officers employed by entities that are not traditional police departments, such as the Nebraska Game and Parks Commission or the Nebraska Department of Motor Vehicles, are included in the act. Similarly, this legislation will clarify that professional firefighters serving under municipal authorities, such as airports, are included in the act in recognition of their service to our communities. LB1093 goes on to harmonize the language pertaining to the degree programs that law enforcement officers and firefighters are eligible to enroll in under the provisions of this act. It also includes clarifying language brought to us from representatives from higher education that clarifies that dependents must complete the Free Application for Federal Student Aid, or FAFSA, prior to being eligible for the tuition waiver benefits. This legislation also includes language that came to us from the Nebraska Crime Commission to provide a clear definition for what it means for law enforcement officers to be in good standing with their departments. This language removes previously ambiguous language from the law, and brings the First Responder Recruitment and Retention Act in line with provisions of the Nebraska State Statute 81-1401 through 81-1414.19, for those who want to reference it, which those provisions define appropriate law enforcement conduct, among other things. And I want to say thank you to all the stakeholders from the first responder community, state government, and higher education that work together to bring forward this piece of legislation that improves, harmonizes, and fulfills the original intent of the First Responder Recruitment and Retention Act. Thank you for your time and consideration. I encourage you to support LB1093. I'd be happy to answer any questions that you have. Actually, also with that, I have an amendment to distribute. Distributing AM2164. Makes just a few adjustments. The amendment removes undefined language requiring dependents to apply for all applicable state grants. The University of Nebraska deemed that this was unnecessary language as long as dependents were completing FAFSA applications. So

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

that's being-- that's been clarified in the amendment. The amendment also limits dependents who can benefit from the act to those who do not already have a bachelor's degree. That was determined through consultation and negotiation with the university. And the amendment establishes some reporting deadlines for the Department of Revenue that are currently undefined in the original legislation. So, it's mostly technical. And with that, I'd be happy to answer any questions.

**LINEHAN:** Thank you. Senator Bostar. Are there any questions from the committee? Senator Albrecht.

**ALBRECHT:** Thank you for bringing this bill, Senator Bostar. On page 12, line 21, fire service providing fire protection for federal or state military installation. But then I, I guess what I'm looking at is number-- on line 19, a rural or suburban fire protection district. Do they have to be full time?

**BOSTAR:** Yeah. So this still maintains the professional firefighters. And I know you and I had talked a lot about the volunteer folks, from the last session and we-- I had been talking to them over the interim and, you know, we had been exploring doing legislation to include them. Ultimately, they, they came to me and requested, just to hold off for this session. So currently, this is still professional firefighters.

**ALBRECHT:** So when it comes to retaining and-- people just trying to get them to come on is one thing. But, like just yesterday, I guess you were talking to the colleges about being able to expand different programs. I just think that this isn't a one size fits all, because I think we have a lot of rural areas that are in need of keeping people around too. So I certainly hope that that's something that we would, would be considering.

**BOSTAR:** I agree with you.

**ALBRECHT:** Thanks. Appreciate that.

**LINEHAN:** Thank you Senator Albrecht. Other questions from the committee? Is this the one you and I had a discussion on the floor on?

**BOSTAR:** Yes. And so I'll, I'll al-- I suppose I'll also add that, you know, in the com-- in the committee we'll-- we've made commitments to other members of the Legislature that we're going to ensure that this is only doing what we're intending it to do, and that any provisions

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

in it that, you know, may fall outside of that intent we will address. But, yes, this is the [INAUDIBLE].

**LINEHAN:** Like something that might belong in the Judiciary Committee.

**BOSTAR:** Potentially.

**LINEHAN:** Yes. OK. Any other questions from the committee? Seeing none, thank you very much.

**BOSTAR:** Thank you.

**LINEHAN:** Proponents? Hi.

**PAUL TURMAN:** Good afternoon, Senator Linehan, members of the Revenue Committee. My name is Paul Turman. That's spelled P-a-u-l T-u-r-m-a-n. I'm the Chancellor of the Nebraska State College System. I'm here to rise in support of the proposed changes in this legislation. A number of things that we were-- had the opportunity to work with the senator over the break to address. Clearly, some of these changes really kind of emerged as we started to begin to implement the program in fall of 2023. The timing of the awarding, actually starting after our start date in the fall, made it relatively difficult as we move forward. Clearly some disagreement between the role and responsibilities between our colleges and the Department of Revenue, and this works to address that. And also, I think the eligibility criteria in creating that limitation specifically for firefighters, caused some consternation. And I think that cleanup is very important. Limiting to health and medical related fields, and having a separation between law enforcement and firefighters caused some problems. So I think as outlined, it's really important that the FAFSA requirement as we began to talk with the senator. I think what you see is this does have loan repayment requirements connected to it. Individuals who reap this benefit, who then do not remain in the state in kind of the same areas have an expectation that they could repay a portion of these dollars back. If they've chosen not to at least apply for FAFSA and see what federal dollars are available, it negates and creates an un-- undue obligation for individuals down the, down the road. And so I think that's a really important piece of this legislation. Resolves those issues around the criteria, and I think unfortunately, when I had a waiver request to allow a firefighter to go into another program, I had to deny that because it does not align with, with the way in which the statute was approved by you all last year. I think we also have agreed on the amendment that he brings forward really does



create the mutual reporting requirement between our institutions and the Department of Revenue so that we're communicating with each other in a way that really allows this program to have success. And I also think that the decision for us to be able, as institutions, in the repayment does kind of rest with my colleges. There are certain situations where it's a relatively low amount that would require considerable staff time, to go out and collect and would also require us to really have an alternative, accounting structure in place to be able to recoup dollars, which are essentially waivers that are not on a student's bill. And after eight semesters, they've chosen to leave, and we have to recoup those dollars. We have to find a way to go back and outline that they have this amount due to us. And so I think giving us the flexibility to make those decisions down the road, I think is, is very important. I also think with the time that I have it, it's important for me to spend just a little bit of time talking about waivers. Just so that you all understand that waivers have a significant impact on the expanding the scope of the way in which we approach higher education. They result in significant cost to our institutions. So every new waiver program that is implemented results in lost revenue. As we look at when this program was first-- the law enforcement program was put in place in 2016, we've seen a 72% increase in the revenue that we have not been able to collect as a result of these programs. So \$279,000 has increased to \$480,000. And it's not just this program. There are five other programs that the Legislature has identified to provide benefits for a certain subset of individuals. I clearly look at the individuals that Senator Bostar is trying to help recruit and retain, and I think that's very important. The question is, do you want to continue to shift those types of programs onto other students? That total, that \$480,000 that I referenced, clearly is about a 1.5% tuition impact to our other students in the system and so I would just ask that you continue to think about that as you look at ongoing expansion. We have another bill occurring of providing waivers to student teachers. I want to do everything I can to create that, that opportunity. But that also comes at a, at a cost to our institutions. And I would hope that we have the opportunity to have a more collective conversation about is a state providing the support for those, rather than asking other students and families to do that. I'd be happy to answer any questions that you all have today.

**LINEHAN:** Thank you Chancellor. Are there any questions from the committee? What happens if a student starts and they don't finish? There's no clawback then, right?

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**PAUL TURMAN:** I don't, I don't believe there's a clawback component to that. And that's very similar to other programs as well. Yeah. Earning the degree oftentimes-- having that is a very tough stipulation. Because a whole host of reasons could cause that to happen.

**LINEHAN:** OK.

**PAUL TURMAN:** Yeah.

**LINEHAN:** All right. Thank you. Thank you for being here. Appreciate it.

**PAUL TURMAN:** Thank you.

**LINEHAN:** Next proponent.

**BRYAN TUMA:** Good afternoon, Senator Linehan and members of the Revenue Committee. My name is Bryan Tuma. B-r-y-a-n T-u-m-a. I serve as the executive director for the Nebraska Commission on Law Enforcement and Criminal Justice. I wish to offer testimony in support of LB1093. LB1093 would clarify the eligibility criteria for law enforcement officers who apply for tuition assistance established in the First Responder Recruitment and Retention Act. This past summer, I was approached by a number of law enforcement officials who were denied participation in the program. Specifically, officers with state deputy sheriff's credentials were denied access to the benefit because their employment was not associated with a municipal entity, a county sheriff, or the Nebraska State Patrol. Those officers were employed by state agencies or other governmental entities that fell outside the statutory definition found in State Statute 85-2602(5). The Department of Revenue was faced with a difficult situation to deny those applications for tuition assistance based on that one issue. The amended language offered in LB1093 would address the following issues. It retains the definition for law enforcement officers that's found in State Statute 81-1401. This ensures all officers, including those with state deputy sheriff's credentials, have the opportunity to participate in the tuition assistance benefit, which we believe was the intent of the Legislature. And LB1093 is consistent with other statutes that address law enforcement officer certification requirements under the purview of the Police Standards Advisory Council. It also removes the agency employment definition, which proved to be an obstacle for several officers who applied for the benefits. And finally, it removes the requirement to use performance evaluations as one of the criteria for program

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

eligibility, but instead aligns officer performance with the law enforcement certification standards found in state statute 81-1401 through 81-1419. Based on these statutory references, an officer in good standing is required to demonstrate compliance with ongoing continuing education requirements, training standards, and cannot have a formal complaint issued by the Crime Commission for misconduct or violations of Code of Ethics, or has a certificate in a status that's other than active. I would like to take this opportunity to thank the Legislature, the university system, state colleges and community colleges for the support demonstrated towards the law enforcement community by providing programs and opportunities outlined in the First Responder Recruitment and Retention Act. In closing, I encouraged the committee to advance LB1093 to resolve the eligibility requirements to allow all law enforcement officials the opportunity to participate in the Tuition Assistance program. Thank you for your consideration. I'd be happy to take any questions.

**LINEHAN:** Thank you. Are there any questions from the committee?  
Senator Albrecht.

**ALBRECHT:** OK. And maybe because I haven't read this particular one versus last year, but I thought it was just for the children, your children, not the actual officers.

**BRYAN TUMA:** Yes it is.

**ALBRECHT:** So you're asking for us to consider--

**BRYAN TUMA:** Yes.

**ALBRECHT:** --everybody. But who would pay for their-- who would pay for that now for an officer to continue?

**BRYAN TUMA:** No. I'm suggesting-- what the original statute which provided the tuition benefit program for--

**ALBRECHT:** --children.

**BRYAN TUMA:** Yeah. So perhaps I wasn't completely clear. When I refer to officers, I'm talking about the officer that's essentially a point-- I mean, the individuals applying on behalf of the fact that they're related to an officer, they're a dependent.

**ALBRECHT:** OK. Right. So that's what I understood it to be.

**BRYAN TUMA:** Yes.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**ALBRECHT:** For their children, but not for the actual officers themselves.

**BRYAN TUMA:** Yes.

**ALBRECHT:** Yes. OK. Because the way I was reading this was that you might have wanted--

**BRYAN TUMA:** No.

**ALBRECHT:** --us to continue their education. So thank you.

**LINEHAN:** Thank you Senator Albrecht. Other questions from the committee? Seeing none, thank you very much.

**BRYAN TUMA:** Thank you.

**LINEHAN:** Other proponents? Wow, that was brave of you. Cut in front of the Attorney General. [LAUGHTER]

**KRISTEN HASSEBROOK:** He didn't move forward until this--

**LINEHAN:** That's right.

**KRISTEN HASSEBROOK:** [INAUDIBLE] hearing.

**LINEHAN:** That's right.

**KRISTEN HASSEBROOK:** So you snooze, you lose.

**LINEHAN:** Get in front of-- the front row.

**KRISTEN HASSEBROOK:** Good afternoon, Chairman Linehan and members of the Revenue Committee. For the record, my name is Kristen Hassebrook. K-r-i-s-t-e-n H-a-s-s-e-b-r-o-o-k. I serve as the University of Nebraska Associate Vice President for Government Relations, here today in support of LB1093. I want to thank Senator Bostar and Senator McDonnell for their collaboration in refining this legislation and addressing some of the important logistical aspects, such as tying the definition to FAFSA, indicating that participants cannot already possess a degree, and requiring participants to file for applicable financial aid programs, so it can truly be, as intended, a last-dollar-in program. The NU system supports LB1093, as it aligns with our commitment to enhance educational accessibility and affordability. But like the state colleges I thought I'd take an opportunity to talk a little bit about tuition waivers and how they impact our higher education institution. At its core, a tuition

waiver means that our institution forgoes collecting any tuition from that student. And, from our perspective, tuition waivers are best utilized to recruit and retain targeted student populations who would not otherwise attend our institutions. And so, at the University of Nebraska, we have historically utilized and strategically applied tuition waivers to recruit and retain high achieving students who are routinely recruited to private and out of state institutions, eliminate barriers for those facing financial constraints. Well known programs you might have heard of, our Regent Scholar program is our high achieving, tuition waiver program. The Nebraska Promise program is our program for students who might be facing financial constraints. We've also utilized tuition waivers strategically to recruit for specialized programs, like the RHOP or KHOP program, or the Rural Health Services program. I want to just emphasize that since no tuition is collected from these students, the sustainability of these waivers relies on kind of continuous evaluation and adherence to measurable outcomes so that we can manage them within our budgetary constraints. Over the past five years, we have observed an upward trend in students receiving legislatively mandated tuition waivers. Like the Chancellor mentioned, there are five legislatively mandated tuition waiver programs that do not have corresponding state support. While these waivers certainly contribute to our educational mission, the financial investment in foregone tuition revenue places an increasing burden on higher education institutions. And managing this, like I said, requires strategic budgetary financial management, which oftentimes might involve making difficult decisions, such as potentially reducing some of those specialized programs like the RHOP and KHOP program or, eliminating some of our merit and need based programs, or increasing tuition on students who are already in the system and paying into those programs. Part of that financial management is why we testified in Education earlier this week on LB1101, which did seek to codify those programs into statute and indicate intent to help fund the RHOP and KHOP tuition programs, which have a long history of, of performance and providing the needed workforce in health care in Nebraska, but need financial support to ensure their long term sustainability in this current environment. In conclusion, the University of Nebraska supports LB1093 and appreciates the collaborative efforts to refine these provisions. And thank you for the opportunity to talk a little bit about tuition waivers and their impact to us, and I'm happy to try to answer any questions.

**LINEHAN:** Thank you very much. Are there any questions from the committee?

**ALBRECHT:** I do have, just--

**LINEHAN:** Senator Albrecht.

**ALBRECHT:** Thank you, Chair Linehan, and thank you for being here today. So there was not a requirement for FAFSA before, correct? And you're asking for it now. So, so wou-- they would receive funds from the federal government, but we would be waiving your tuition fees. So you're going to ask those families to please do that before they can enroll their children?

**KRISTEN HASSEBROOK:** Yes. So, this Legislature actually passed a bill that requires all high school students to fill out the FAFSA. So hopefully we're aligning with some of that. But in terms of also efficiency, in terms of administering the program, tying it to the FAFSA makes it much simpler for the institutions as well as the families. Those-- the FAFSAs, when they're filled out, they're processed through our financial aid programs, and it's very clear to know what they are eligible for from any federal programs, Pell or other sort of financial aid. And then we can come on top with any tuition waivers if required.

**ALBRECHT:** I was thinking we didn't pass that FAFSA one.

**LINEHAN:** We did.

**ALBRECHT:** Interesting. Thank you.

Thank you, Senator Albrecht. Other questions from the committee?  
Senator Murman.

**MURMAN:** I know the FAFSA was supposed to be simplified. I'm not sure if it's this year or next year. Do you have any opinion on that?

**KRISTEN HASSEBROOK:** Not that I have an opinion. I'm certainly happy to connect you with our financial aid officers, as they are currently navigating the rollout of the FAFSA. It's been-- there's a-- yes, there's been an intent to simplify that, that form and that process for families. I think we're still in the implementation, figuring it out, phase at this point is just rolled out at the end of December. A little late. And we're navigating that currently. But I'm happy to connect you with our financial aid officers if you want detailed experiences on their end.

**MURMAN:** Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**LINEHAN:** Thank you Senator Murman. Other questions from the committee? Seeing none, thank you for being here. Good afternoon.

**MIKE HILGERS:** Good afternoon, Madam Chairwoman.

**LINEHAN:** Missing us?

**MIKE HILGERS:** Yeah. I thought we didn't vote for that FAFSA bill either, so.

**LINEHAN:** We did.

**MIKE HILGERS:** Yeah. Chairwoman Linehan, members of the Revenue Committee. My name is Mike Hilgers, and M-i-k-e H-i-l-g-e-r-s. I currently serve as Nebraska's Attorney General. I'm here to testify in support of LB1093. I appreciate Senator Bostar bringing the bill. I'm here really to make two-- an observation-- two observations. First is, I appreciate the work that Senator Bostar and our stakeholders in higher education did to help smooth over some of the operational issues related to this bill. Our office was somewhat tangentially involved last year after the original bill was passed on some of those issues. It's the first program of its type. And so there were some outstanding questions, and I appreciate their work to try to resolve that in this bill. The second thing I want to do, the primary reason that I'm here, is to really to, to convey to you what I heard when I went around the state of Nebraska visiting law enforcement. Last year, I visited 93 county, all 93 counties, met with law enforcement agencies of all sizes. And they-- and when I was there, I asked them, what are your major issues, what are the things you're seeing? In addition to drug issues and mental health issues and juvenile justice issues, probably the number one issue was recruiting. Almost every agency that I met with is understaffed. And when you ask them what types of programs can help you resolve that or address that, those recruiting issues, because there are quite a few that we have already that are in place. We have grant programs, at least in the county attorney context. We have some student loan, some programs to help defray student loans. The, the only program that I, that I repeatedly heard from that actually made a difference in recruiting and retention, and one that actually I have several examples of people saying I have, I have stayed with my, my agency because of it is this program right here. It's, it was a game changer. It actually did move the needle. It's one of those programs that actually you can point to and say, this really made a concrete difference. And so I'm in support of this bill. I'm in support of this particular program. I want to commend Senator Bostar, the

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

Revenue Committee, and the Legislature last year for passing it. And I'd ask you to pass LB10-- advance LB1093 to General File. I'd be happy to answer any questions.

**LINEHAN:** Thank you very much, Attorney General. Are there any questions? Seeing none, thank you for being here.

**MIKE HILGERS:** Thank you.

**LINEHAN:** Are there other proponents? Good afternoon.

**GLENN ELWELL:** Good afternoon. Chairman Linehan and members of the Revenue Committee, I'm Glenn Elwell, G-l-e-n-n E-l-w-e-l-l. I'm the fraud unit chief and deputy state sheriff of the Department of Motor Vehicles, the DMV. I'm appearing before you today to offer testimony in support of LB1093. I would like to thank Senator Bostar for introducing LB1093, and to better clarify who can-- who constitutes a certified law enforcement officer in the state of Nebraska for purposes of qualifying for the resident tuition waiver under the First Responder Recruitment Retention Act. The expansion of the First Responder Recruitment and Retention Act to include deputy state sheriffs is important because it recognizes the vital law enforcement role those individual officers and investigators play, especially through their duties as employees with the state of Nebraska. I would like to explain to the committee the job and responsibilities investigators within the Department of Motor Vehicle Fraud Unit conduct daily to demonstrate the law enforcement role they perform to protect and serve Nebraska citizens. The primary responsibility of the Nebraska Department of Motor Vehicles Fraud Unit is to investigate and arrest suspects for crimes dealing with statutory violations in the area of driver and vehicle records, including but not limited to auto theft; stolen, altered and cloned vehicles; vehicle title fraud; driver license and identification fraud; the manufacture and sale of fraudulent identities; identity theft; identity fraud; criminal impersonation; and any other violations identified during these criminal investigations, both state and federal. The Fraud Unit is also tasked with managing the driver's license photo verification process utilized by the department to reduce identity fraud. The vast majority of the crimes the DMV Fraud Unit investigates are state and federal level felony offenses. All DMV Fraud Unit investigators are designated as task force officers with the federal Department of Homeland Security Investigations Division to assist with state and federal violations of customs and immigration laws. The investigations mentioned above require investigators within the DMV Fraud Unit to write and serve both state



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

and federal search warrant affidavits and warrants, write and serve both state and federal court orders, conduct interviews and interrogations, and participate in warranted and on view arrests. The DMV Fraud Unit investigators also conduct undercover and sting operations, requiring the management and control of cooperating individuals and witnesses, and operate and maintain all necessary equipment to accomplish these tasks. The DMV Fraud Unit investigators write and submit all necessary reports regarding these actions for state and federal prosecution. The DMV fraud investigators, along with all designated deputy state sheriffs, are mandated by statute to meet all necessary training requirements as set forth in Nebraska Revised Statutes 81-1401 through 81-1415, and must meet annual firearms qualification and continuing education requirements to maintain certification as Nebraska law enforcement officers. I encourage advancement of LB1093 and thank you for your time today. I would be happy to answer any questions the committee might have.

**LINEHAN:** Thank you for being here. Are there questions from the committee? Seeing none, thank you very much.

**GLENN ELWELL:** Thank you.

**LINEHAN:** Good afternoon.

**ROBERT BRANCH:** Good afternoon, Chairwoman Linehan and members of the Revenue Committee. My name is Robert Branch. That's spelled R-o-b-e-r-t B-r-a-n-c-h. I am currently a state deputy sheriff with the Nebraska Department of Insurance Fraud Prevention Division, and I'm testifying in favor of LB1093. The Nebraska Department of Insurance Fraud Prevention Division is an accredited law enforcement agency and was certified as such on November 10th, 2022. Prior to beginning my career as a state deputy sheriff, I was an Omaha Police Department police officer for 23 years. I retired in August of 2023. Prior to that, I was a Lincoln Police Department officer from 1995 to 2000. In June and July of 2023. I applied for a state deputy sheriff position with the Nebraska Department of Motor Vehicles and the Nebraska Department of Insurance Fraud Prevention Division. During the application process and interviews, it was stated that as a state deputy sheriff having powers of arrest throughout the state of Nebraska and both being certified accredited law enforcement agencies, the First Responder Recruitment Act for dependents would apply. My dependent child chose to attend the University of Nebraska, and as a result, I submitted the proper paperwork to the Department of Revenue. Unfortunately, I was denied by a Department of Revenue representative on the basis that my pay stub indicates that I worked

for the Department of Insurance, which is not included in the definition of law enforcement agency in the act. My dependent child elected to stay in the state of Nebraska and attend the University of Nebraska due to the First Responder Retention Act, and may have chosen to attend another institution had we known the act would not apply to a state deputy sheriff holding certification and powers of arrest throughout the state. As a state deputy sheriff, I conduct investigations that require interviews of witnesses and suspects throughout the state. Conducting these investigations places state deputy sheriffs in the same potential danger as municipality police officers, sheriff's office deputies, or a State Patrol trooper. LB1093 would allow a state deputy sheriff certified law enforcement officer to receive the same benefit offered to other law enforcement officers in Nebraska. For this reason, I support LB1093 and would ask the committee to advance the bill to General File.

**LINEHAN:** Thank you very much. Are there questions from the committee? Seeing none, thank you for being here.

**ROBERT BRANCH:** Thank you.

**LINEHAN:** Next proponent. Good afternoon.

**PATRICK SULLIVAN:** Good afternoon. Good afternoon, Chairperson Linehan and members of the Revenue Committee. I'm Patrick Sullivan. P-a-t-r-i-c-k S-u-l-l-i-v-a-n. I come before you speaking as an executive board member of the Nebraska State Fraternal Order of Police, a proud 19 year member of the Fraternal Order of Police Lodge eight, Douglas County Corrections as a proponent of LB1093. I and my fellow brothers and sisters respectfully ask for an amendment to this bill for the addition of county and state correction officers into the First Responders Recruitment and Retention Act. Corrections officers are a vital component of the criminal justice and law enforcement system, dedicating their service to those we have a constitutional duty to protect, and the public who entrust us to carry out orders of the court. Correctional officer retention has been an ongoing battle I've personally witnessed throughout my career at Douglas County Corrections. I have completed an academy class of 25 officers when I started and currently one of five officers remaining. This is an all too familiar story we share as correctional officers across the nation. As correctional officers, we face high rates of injury and illness due to confrontations with incarcerated people and exposures to contagious diseases. As essential personnel, we watched coworkers die and become gravely ill during the Covid pandemic. The continual threat of violence can cause

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

hypervigilance and anxiety in officers. We face issues of stress, mandatory overtime, staff shortages, burnout, divorce, and suicide. We have had several years prior to-- prior years of less than 80, mid 80% retention rates, which only added to our overtime and staff turnover. We believe this act has the ability for the state to have an impact on retention of corrections officers on the county and state level. By adding correctional officers to the First Responder Recruitment and Retention Act, we as a state can begin to help address the wellness challenges faced from correctional officers in their careers. We can keep those dedicated public servants who have chosen this as a career and recruit the next generation of correction officers into the field. Thank you for your time.

**LINEHAN:** Thank you. Are there questions from the committee? Seeing none, thank you very much.

**PATRICK SULLIVAN:** Thank you.

**LINEHAN:** Other proponents?

**MIKE CHIPMAN:** Hello, Senator Linehan and the Revenue Committee. My name is Michael Chipman, M-i-c-h-a-e-l C-h-i-p-m-a-n. I am here today on behalf of Fraternal Order of Police Lodge 88. We are the lodge that represents Protective Services Bargaining Unit for the state of Nebraska. So these would be individuals that work in the regional centers. They work also in the state prison system, at the youth detention centers that are state-ran. We are asking for this to be amended to include correctional officers as well for the reasons that were mentioned before. We, we currently have well over 100 vacant seats currently, and we believe that this program being offered to-- would be very good for us to continue to get applicants across the nation. We had over 150 applicants across the nation only two years ago when we upped our pay significantly. We think this would also be very good for helping recruit and retain staff. And so, as you know, offering education to law enforcement professionals will attract more qualified, driven applicants to our agencies. It also would offer an added additional incentive to retain the existing employees and law enforcement professionals who complete the-- this. And so for their families, we would ask all that.

**LINEHAN:** Thank you.

**MIKE CHIPMAN:** Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**LINEHAN:** Are there questions from the committee? Seeing none, thank you for being here.

**MIKE CHIPMAN:** Thank you.

**LINEHAN:** Good afternoon.

**GARY BRUNS:** Good afternoon, Chairwoman Linehan and members of the Revenue Committee. My name is Gary Bruns. G-a-r-y B-r-u-n-s. I'm a firefighter for the city of Lincoln for the last 25 years, and previously served as a firefighter with the Army Reserves with a tour in Operation Iraqi Freedom. I'm here today on behalf of the Nebraska Professional Firefighters Association, which represents 1,400 paid firefighters, EMTs, paramedics protecting Nebraskans in all corners of the state. First of all, we would like to thank Chair Linehan, this committee, and the members of the Legislature on the passage of the First Responder Recruitment Retention Act. Since the Act's short passage, I'd like to report it is working as intended. For example, fueling ambition and saving lives. That's the story of a 35 year old firefighter EMT in Grand Island, Nebraska. With two years on the job and a long held dream of college, the First Responders Act has opened doors for him to pursue paramedic training and later an undergraduate degree. These opportunities not only empower him to reach his personal goals, but also elevate the quality of services the Grand Island Fire Department delivers to its citizens. By investing in first responders, we gain a more skilled and prepared force, ultimately benefiting the entire community. My second example highlights the story of Haley [PHONETIC], a senior in high school and the daughter of a proud fire captain. With dreams of attending medical school. Haley also excels in cheerleading, garnering scholarship opportunities outside of Nebraska. However, thanks to the First Responders Act, Haley has chosen to stay in-state for undergraduate studies. This decision not only reflects her strong connection to Nebraska, but also guarantees we retain one of the brightest young minds within our community. Her success will stand as a testament to the power of the First Responders Act in attracting and keeping talented individuals like Haley in our state. The Nebraska Professional Firefighters Association strongly supports LB1093, particularly the proposed change to harmonize its language with that of law enforcement regarding allowable undergraduate degrees. Currently, the act restricts firefighters to pursuing medical and science degrees. We urge you to broaden this scope to encompass all degree programs relevant to enhancing Nebraska's fire service. Justification: enhance communication. Firefighters regularly draft reports scrutin-- scrutinized in court proceedings. English

majors, for example, could significantly improve fire and EMS communication and documentation in Nebraska. Financial responsibility. Many firefighters aiming for promotions to chief officer will manage budgets and requisitions. Finance degrees would equip them with essential financial literacy and management skills. By aligning with law enforcement to broader degree eligibility and expanding the act, we ensure Nebraska firefighters have the opportunity to acquire diverse knowledge and skills directly benefiting all Nebraskans. We urge you to adopt LB1093 and advance it to the floor for further deliberation. Thank you for your consideration, and I'll note that there's somebody behind me that's going to talk about the other piece related to firefighters.

**LINEHAN:** OK. Thank you very much. Are there questions from the committee? Seeing none, thank you for being here. Next proponent. If you're testifying, please move up to the front. Good afternoon.

**MARCUS RING:** Good afternoon. For the record, my name is Marcus Ring, M-a-r-c-u-s R-i-n-g. I'd like to thank the Chairman and the committee for affording me this opportunity to share a little of my experience and to advocate for our inclusion in this valuable and important legislation. I want to state clearly that I am supportive of the bill and my colleagues and I would very much like to see it amended to include the firefighters at Offutt Air Force Base Fire Department. Again, my name is Marcus Ring, and I'm a firefighter EMT with Offutt Air Force Base Fire Department. I was stationed at Offutt from 2002 to 2005 while I was on active duty, and I returned from Chicago as a civilian in 2019. In total, I've been a firefighter for 26 years, working in fire departments around the world from California to Afghanistan. Offutt Air Force Base has been of service in Nebraska since about 1918, and now provides support to a military community of over 57,000 people. The 55th wing is the second largest wing in the United States Air Force. We're home to United States Strategic Command headquarters, as well as headquarters of the Air Force Weather Agency, the largest computerized weather facility on the planet. Add to that the other important missions and round the clock aircraft mission that projects Air Force power around the world, and you can think of Offutt and their fire department as one providing fire protection for a medium sized city and a major international airport at the same time. Offutt's fire department transitioned from a mix of military and civilian personnel to an all civilian department in 2007. In total, we employ 65 civilians, which is very different from being staffed with a mix of military and civilian personnel. Military personnel move in and out of a base about every three years, give or take. Being an all civilian department, we are

able to provide a much higher level of continuity and a much higher level of customer care because we stay here longer, we know the intricacies of the facilities, the people, and the aircraft in our jurisdiction. When you have an entirely civilian department, the people in your department are there because they want to be there. They're going to put down roots and make a career. The firefighters who serve Offutt Air Force base are Nebraskans raising the next generation of Nebraskans. The, the Department of Defense in the 2024 National Defense Authorization Act established minimum staffing requirements for both structural and aircraft fire apparatus on DoD installations. This is a good thing because, as any firefighter will tell you, more people on scene is always a good thing. It makes an inherently dangerous, unpredictable, and challenging job more safe by having more eyes to see the problem and more hands to do the work. This also means we're going to need to attract more people to come and work with us. And while we know we have an outstanding fire department, people outside Nebraska may not know what a well-kept secret life in Nebraska really is. Important benefits like those provided in this bill serve as an important incentive to help attract the best people, to help us take care of all of our customers. The firefighters at Offutt live in Nebraska. They pay taxes in Nebraska. Our customers in base housing have Bellevue addresses, and at any moment we could be and consistently are called upon to respond to any one of 30 different municipalities from Plattsmouth to Omaha, Papillion, La Vista, Bellevue and beyond as part of the Tri-County Mutual Aid Agreement. I encourage the committee and the Legislature to pass this legis-- legislation without delay, and I'm happy to answer any questions that you might have.

**LINEHAN:** Thank you, Mr. Ring. Other questions from the committee? Are you federal employees?

**MARCUS RING:** Yes, ma'am.

**LINEHAN:** OK. All right. Seeing no other questions, thank you very much for being here.

**MARCUS RING:** Thank you.

**ROBERT BELL:** Good afternoon, Chairperson Linehan and members of the Revenue Committee. My name is Robert M. Bell. Last name is spelled B-e-l-l. I'm the executive director and registered lobbyist for the Nebraska Insurance Federation, and I'm appearing today in support of LB1093. The Nebraska Insurance Federation is the primary trade association of insurance companies in Nebraska. Currently, the

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

federation consists of 48 member companies and nine associate members. Members write all lines of insurance. One of the goals of the Federation is to promote the concepts and importance of insurance products to the public. Nebraska insurers provide high value, quality insurance products to Nebraskans that help protect Nebraskans during difficult times. Not only do Nebraska insurers provide financial protections to Nebraskans, but insurers also provide high paying jobs. Members of the Nebraska Insurance Federation alone provide well over 16,000 jobs to the Nebraska economy. According to a 2016 study, the insurance industry had a \$14.24 billion impact on the Nebraska economy in 2015. And thank you to the university, we are updating that study currently. According to information from the Coalition Against Insurance Fraud, insurance fraud costs American Families, Businesses and Governments \$308 billion annually. The Federal Bureau of Investigation estimates that the average American family pays an additional \$400 to \$700 a year in insurance premiums due to fraud. In Nebraska, the law enforcement officers of the Department of Insurance Insurance Fraud Division work closely with the insurance industry partners to fight insurance fraud in Nebraska. According to stats from the division, in 2021 it received more than 4-- 744 fraud referrals, with a combined estimated fraud loss of over \$5.5 million. These represent only cases referred to the division, which is likely merely the tip of the iceberg of insurance fraud in our state. I'm aware that the recruitment and retention of law enforcement officers at the Department of Insurance is difficult. In the insurance industry, they're supportive of the efforts to provide extra incentives to these fraud investigators to join and stay at the department, such as the expansion of the tuition waiver in LB1019-- LB1093 to certain law enforcement officers contained within state agencies that are not traditional law enforcement agencies and their dependents. The Nebraska Insurance Federation appreciates Senator Bostar's work on LB1093, and recommends the committee support the legislation. Thank you for the opportunity to testify, and for the reminder that my son and I need to work on his FAFSA this weekend, so.

**LINEHAN:** Thank you. Are there other questions from the committee? Any questions? I'm sorry. Seeing none, thank you for being here.

**ROBERT BELL:** You're welcome.

**LINEHAN:** Are there other proponents? Are there any opponents? Is there anyone wanting to testify in the neutral position? We did have letters. Nine proponents, zero opponents, and zero neutral. Senator Bostar, would you like to close?

**BOSTAR:** Thank you, Chair Linehan and fellow members committee. I appreciate your time and attention to this. I appreciate all the testifiers, the law enforcement officers, the firefighters coming in, corrections folks for coming in. And, I appreciate the enthusiastic support of the University, the State College System. And, finally, I really appreciate the Attorney General coming in. I mean, as well as the department-- the Insurance Federation. It's fantastic. And so I, I think with, with all of the testimony you heard it, it sounds like this is a big deal. The reality is, what we passed last session was intended to, and, and written to ensure that all professional firefighters and all certified law enforcement officers were included under this act. What I failed to realize at the time was that we have a lot of certified law enforcement officers that are-- that don't fall under the certified law enforcement officer provision. As well as, you know, we have firefighters, civilian firefighters at Offutt who are responding to calls in our communities that are-- they're, they're running a fire station just like any other. And they were also excluded. So, the function of this bill is simply to clean up what was missed last year and to provide some of those technical adjustments to make sure that the process can run smoothly. So it's a clean up bill, but it's a big deal to the, to the individuals that, that we inadvertently excluded. And so it's a big deal to them. But I kind of see this as, just a, you know, an obvious piece of legislation that we should just get done because we're kind of-- it's the second part to, to what we did last year. With that, I'm happy to answer any questions.

**LINEHAN:** Thank you, Senator Bostar. Are there any questions from the committee? Senator Kauth?

**KAUTH:** Have you had any stories of this working, like, had law enforcement--

**BOSTAR:** Yes.

**KAUTH:** --people call and said, hey, we're sticking in our jobs because of this bill?

**BOSTAR:** A huge amount. Huge amount. It's actually-- it's been sort of remarkable. You know, I, I thought when we were working on crafting the initial legislation last year, we, we had heard from folks, you know, yeah, if we had something like this, I think it would really make a difference. But even with that expectation, I, I've been shocked by how many stories there are. You know, and, and I would say talk to, talk to your local police chiefs, your local sheriffs. I



think that you'll hear a consistent message about this program across the board. And, and that's, that's been-- it's been really heartening to hear. I mean, you heard from, from the university and the state colleges that these, these kind of programs, these tuition waiver program should be used for, for targeted purposes, with benefit. And they talked about how, you know, this is something that with all of these kind of programs, we want to make sure that they're being effective. And, I have no concern about what an evaluation of this program would look like. We're making a difference. Thank you for asking.

**LINEHAN:** Thank you, Senator Kauth. Senator Murman.

**MURMAN:** Yes. There is a tremendous shortage of volunteer first responders and firefighters in the state. What is the reasoning for not including those? Is it because of the sheer numbers that would increase?

**BOSTAR:** So, yeah. And yeah, thank you for that. It's, it's I think you'll remember we, we talked about this last year to some extent with the, with the initial bill. And what we ended up with last year was what we could get all entities to agree to. And the, the volunteer, volunteer firefighters in this case, asked if I would work with them over the interim. Which, you know, we met a few times. But ultimately they did ask to hold off on their inclusion for this session. So I think they're still working on things. And, you know, we, we made the agreement with the, with the state colleges, with the universities that we were going to do this, and that really, if we wanted to do real expansion on these programs that we would need to look at how the state was going to put funding in and assist with that. So I am, I am fully on board getting tho-- I-- that's-- those are important roles. I mean, Senator Albrecht's been, you know, a big proponent of this for the last two years. I know you as well. We need to do this. It's just going to-- we're going to also need to look at appropriating some of that back support to make it happen, but I'm fully in favor.

**MURMAN:** Thank you.

**LINEHAN:** Thank you, Senator Murman. Are there other questions from the committee? We're going to need some numbers crunched, because between what you're introducing and what other people brought amendments and how much, and we're going to have to make sure that the universities are OK with whatever we have going forward.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**BOSTAR:** Sure. Yeah. The initial bill is not-- it's a lot of different groups of people, but it's not a large quantity of people. But yes, obviously the conversation around volunteers, around corrections will-- we're going to need to pull together some data.

**LINEHAN:** I have another question. Is there an income limit on the people whose children--

**BOSTAR:** No.

**LINEHAN:** I'm not sure that would make-- because it's very complicated. Because you got Nebraska Promise which is going to catch some of these students. And some of them may qualify for another program, right?

**BOSTAR:** Yeah.

**LINEHAN:** So that-- when it comes to cost, I think that would be one thing we could look at is, you know, if you're high income, maybe this program's not necessary. And I know that that's not the case in most of these. But there's going to be some that are.

**BOSTAR:** Sure.

**LINEHAN:** OK. Any other questions? Thank you much, very much.

**BOSTAR:** Thank you.

**LINEHAN:** And now we'll open on your next bill. Senator Bostar's next bill, which is LB1025. Really? 12? 12 on a Friday? 12?

**KAUTH:** Did you-- do you appreciate that softball?

**BOSTAR:** Thank you.

**LINEHAN:** You're welcome. If only ten people raised their hands.

**BOSTAR:** Thank you.

**LINEHAN:** Welcome.

**BOSTAR:** Thank you. And good afternoon. Hopefully it's still afternoon. Chair Linehan, fellow members of the Revenue Committee, for the record, my name is Eliot Bostar still. That's E-l-i-o-t B-o-s-t-a-r. I represent Legislative District 29. I'm here today to present LB1025, the Individuals with Intellectual and Developmental Disability Support Act, a bill designed to support the employment of

individuals with intellectual developmental disabilities by providing tax incentives to employers, service providers, and direct support professionals. As Nebraska faces a workforce crisis, these credits, these credits will incentivize and support the employment of individuals who are able and eager to join our state's workforce. As Governor Pillen noted when he named last October Developmental Disabilities Employment Awareness Month, creating a welcoming and supportive workplace is not only beneficial for individuals with disabilities, it's also a benefit to Nebraska businesses, and that although our state continues to have one of the lowest unemployment rates in the nation, individuals with disabilities are an underutilized resource who can help fill workplace gaps in our communities. According to a survey by National Core Indicators, a collaborative effort between the National Association of State Directors of Developmental Disability Services and the Human Services Research Institute, 54% of individuals with intellectual and developmental disabilities in Nebraska currently do not have a community job, but report that they would like to have one. According to the US Bureau of Labor Statistics, businesses that have diversified their workforce to include people with disabilities reported a 90% increase in retention of valued employees and a 72% increase in employee productivity. David Casey, the CVS pharmacy Vice President of Workforce Strategies, has noted that employee retention rates for workers with disabilities are double that of overall CVS employees. Decade to decade. Nebraska's employee retention numbers have fallen, according to the Nebraska Department of Labor. At a time of worsening employee turnover statistics, catalyzing a source of human capital that has an outsized impact upon retention is critical to the, to the job creators of Nebraska. These tax incentives support service providers and direct support professionals for their labor and care of a deserving population. Direct support professionals are trained human service employees that support people with disabilities in a number of ways, such as assisting people with navigating transportation, providing job coaching, and helping with health care. LB1025 also serves to acknowledge employers who are hiring and supporting their employees with intellectual developmental disabilities. LB1025 would provide the following income tax incentives. An employer of direct support professionals is eligible for a \$500 nonrefundable tax credit for each direct support professional employed for at least six months, who has worked at least 500 hours during the taxable year. An employee working as a direct support professional is eligible for a \$500 refundable tax credit if they have been employed at least six months, and if they have worked at least 500 hours in the taxable year. An employer who

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

employs an individual receiving services under the Comprehensive Developmental Disabilities Waiver is eligible for a \$1,000 nonrefundable tax credit per employee receiving such services, who has been employed for at least six months and has worked at least 200 hours. And an employer who provides for defined, supported employment or pre-employment services to an individual receiving services under the Comprehensive Developmental Disabilities Waiver is eligible for a \$1,000 nonrefundable tax credit per individual receiving such services. The total amount of credits approved each year is capped at \$2,500,000. The individuals with Intellectual and Developmental Disability Support Act will provide an able, eager, and underemployed workforce increased opportunities to enter the workplace. The act will also assist Nebraska's employers overcome the barriers to hiring and training people with disabilities. It must be recognized that many individuals with disabilities do need support to succeed in the workplace. An individual with a disability may be excellent in some parts of the job, such as providing customer service, filling orders in a bakery, or working with plants in a garden center, while requiring support with other skills like communication and interviewing, using an online timekeeping system, or asking for and implementing appropriate accommodations. Service providers, direct support professionals, and employers who support the employment and workplace success of individuals with developmental disabilities should in turn be supported themselves. This legislation will also serve as recognition of both experienced support professionals and welcoming employers. Thank you for your time and consideration. I urge you to advance and support LB1025 and be happy to answer questions you have.

**LINEHAN:** Thank you, Senator Bostar. Are there questions from the committee? Senator Kauth.

**KAUTH:** So reading the bill, it's 500 hours. Someone has to be working within the year for 500 hours, and they're getting a \$500 credit. So really, we're paying basically a dollar per hour of tax credit.

**BOSTAR:** It's-- and it's a, it's a minimum of 500 hours.

**KAUTH:** All right.

**BOSTAR:** So, you know, in many cases it's it's, it's much more--

**KAUTH:** It's a fantastic deal for the state.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**BOSTAR:** And it's-- I would say it's-- there's a 200 hour minimum level for individuals who are recipient of services. And it's, it's, yes, \$500 for the employer and for essentially the service provider is how that works. But yes, you're correct.

**LINEHAN:** Thank you, Senator Kauth. Any other questions from the committee? Seeing none, thank you.

**BOSTAR:** Thank you.

**LINEHAN:** So. First proponent? Thank you very much.

**CINDIE SERRANO:** Chair Linehan, members of the Revenue Committee, good afternoon. My name is Cindie Serrano. C-i-n-d-i-e S-e-r-r-a-n-o. I serve as the training and strategic initiatives manager at Lincoln Premium Poultry. I also serve as the vice chair of Nebraska's Chamber Diversity and Inclusion Council. I am here wearing both hats today to register both groups' strong support for LB1025. I've also been asked to sign in on behalf of the Lincoln Chamber and the Greater Omaha Chamber. The Nebraska-- the Nebraska Chamber is the state's largest business association, representing a diverse range of businesses spanning all industries and sizes. Through its Diversity and Inclusion Council, members across the state come together to support initiatives that support the wide range of employee populations and promote inclusive growth throughout Nebraska. We would like to say-- thank Senator Bostar, for introducing the Individuals with Intellectual and Developmental Disability Support Act, which would empower employers to employ and welcome more employees with intellectual and developmental disabilities in their operations through a nonrefundable tax credit of \$500 per qualifying employee. Additionally, we believe the support this bill provides for employees through a \$500 refundable tax credit will help encourage more men and women with developmental and intellectual disabilities to enter the workforce. At Lincoln Premium Poultry, we have striven to hire individuals with diverse backgrounds. We have partnered with drug courts. We have opened pathways for advancement in spite of language barriers, and we have created an environment where each individual team member feels a sense of family and belonging. It is important to us that we work together to achieve our goals, and that includes meeting our team members where they are. If this legislation were to become law, we would certainly investigate how we could find opportunities for people with intellectual or developmental disabilities in our operations, provided that it was safe for them to do the jobs. Thank you for the opportunity to testify before you this afternoon in support of this legislation. And thank you again to

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

Senator Bostar for introducing this bill. I encourage you to advance this legislation, which would make Nebraska an even better place to live, work, grow your business. I'm so happy to answer any questions if you have any.

**LINEHAN:** Thank you very much. Are there any questions from the committee? Seeing none, thank you very much.

**CINDIE SERRANO:** Thank you.

**LINEHAN:** Next proponent. Good afternoon.

**JENNIFER MEINTS:** Good afternoon. Good afternoon, Chair Linehan and members of the Revenue Committee. My name is Jennifer Meints J-e-n-n-i-f-e-r M-e-i-n-t-s. And I am here on behalf of Hands of Heartland, an intellectual and developmental disability provider. We provide residential services, day services, community services, supported employment, and shared living services in communities across the state, with locations in Omaha, Bellevue, Lincoln, Grand Island, Kearney, West Point, South Sioux, Fremont, North Platte, Norfolk, and South Sioux City, as well as in other states. I am also a parent of a daughter that has a developmental disability, and I am very-- I am passionate about improving our processes and our experiences of other people with disabilities in their families, in our communities. Hands of Heartland is a dedicated-- is dedicated and supporting people with developmental disabilities with integrity, transparency and respect. This starts with our dedicated staff. We are not immune from challenges facing employers across the state. We struggle to recruit and retain qualified staff our consumers deserve. We are here today in support of LB1025, which would provide tax credits that will support our work in four key ways. First, LB1025 would provide tax credits to organizations like us that hire direct support professionals. For each DSP employed for at least six months of the year and for at least 500 hours, we could receive a tax credit of \$500. This would be a direct support-- this would be a direct support to employers and would allow us for further-- to further our recruitment efforts to hire additional DSPs, as well as weather the-- weather the costs. Secondary, this bill would provide a tax income, or income tax credit to DSPs directly. These DSPs work hands on each day and night, 365 days a year, directly with the people that we serve. This work can be tirelessly rewarding. A tax credit would help support their families and help them feel that the state is appreciative of the work, the important work that they do. One of the important parts of our work is supporting the employment of individuals we serve in the community. This can take many forms,

whether that is someone employed counting beans in a university lab, or assisting, assisting a few hours at a local bar. We are passionate about finding opportunities for the people that we serve that fit their interests and their wishes. This is something that's very, very important to us, finding people that do the work that they love, and helping and helping them find and achieve and maintain that, their positive impact of employment is not just for the people we serve, but also for their peers. We might see opportunities they hadn't seen before, and for businesses who see all that they are capable of. Finally, this bill would provide a tax credit for employers who provide those supported employment services. It takes an incredible amount of staff time to find opportunities that match their skills and interests to those we serve, and this would allow us to expand the important work that we do in areas of supported employment services. Fundamentally, this bill is a well-rounded approach to supporting many aspects of our employees, and individuals with developmental disabilities will benefit from support provided in this bill. We are appreciative of the-- of Senator Bostar's work on this bill, and we'd love to have all of you come to any of our facilities across the state and meet with our staff and our participants. With that, I'm happy to answer any questions.

**LINEHAN:** Thank you for being here. Appreciate it very much. Yes, Senator Dungan.

**DUNGAN:** Thank you, Chairman Linehan, and thank you for being here today. Obviously, we've had a chance to talk and I've toured some of your facilities. And, I've kind of reiterated to you multiple times how important the DD community is to me and the work that you do. So first of all thank you for all that you do for the community. Could you speak a little bit more to some of the benefits and to some of the advantages you see when some of the members of the DD community are employed? I know we've talked a little bit about sort of what that actually does in terms of building confidence and also helping the community. If you could speak in a little bit more detail about, as a provider and a parent, what benefits we see when folks in the DD community are included in the workforce and how that benefits both them and the community?

**JENNIFER MEINTS:** Yes. Thanks for that question. I can say there's many different levels. First of all, seeing somebody come in prepared and ready, dressed with their best outfit on to go to maybe their first interview or maybe their 20th interview, and to watch their confidence level get up and walk into somewhere, go and have their interview and come back to the the day center, where all of their,

their friends are that they see every day. And, you know, when they got-- when they get the job, just seeing the joy, the, the passion that they have, you know, like, hey, I'm going to get a job just like, you know, my high school friends did or or my peers, you know, they have a job. I think also hearing-- and I don't think, you know, we all think about this, but we go to work every day and we see our coworkers and we build relationships with our coworkers and our, our individuals that go out there and can be competitively employed, get that opportunity to see other, other parts, you know, other people to learn. I mean, we all learn from each other. And I think just that peer support, it gives them a sense of belonging, a sense of purpose, that can help in so many different ways. And just watching people achieve things that they never thought they could do. Well, I can't work. I mean, I have a disability, I can't work, I can't work in a bakery and count and do this. Of course you can. You know, we have job coaches that go in and help. And our goal is for job coaches to work themselves out of a job, but that doesn't always happen. Some people need more support, but our, our job is to, you know, work ourselves out of a job. Give them the skills, give them natural support--[RECORDER MALFUNCTION] --and so they can go home and feel good about themse-- [RECORDER MALFUNCTION].

**LINEHAN:** Thank you.

**JENNIFER MEINTS:** Did I answer your question?

**DUNGAN:** Yes.

**LINEHAN:** Senator Murman.

**MURMAN:** I don't mean to put you on the spot, but I think you left out one location, southwest-- [RECORDER MALFUNCTION]

**JENNIFER MEINTS:** --you came to our open house.

**MURMAN:** Thank you.

**JENNIFER MEINTS:** And then soon to be North Platte. So yes.

**LINEHAN:** Thank you.

**JENNIFER MEINTS:** Thank you very much.

**LINEHAN:** Thank-- Wait. Is that-- are we done? I think we're done. OK. Thank you.



**JENNIFER MEINTS:** Thank you.

**LINEHAN:** Next proponent. Tomas. [RECORDER MALFUNCTION] --it's working. OK. You can go. Thank you for being here. Sorry for the interruption. Colin, we're OK.

**COLLIN BONNIE:** Oh, OK. We're good now.

**LINEHAN:** I'm sorry for the interruption.

**COLLIN BONNIE:** No, no. We're good [INAUDIBLE].

**LINEHAN:** Go ahead.

**ERIN PHILLIPS:** Hello, senators. My name is Erin Phillips, E-r-i-n P-h-i-l-l-i-p-s. I am asking for ADA accommodations today because of my speech so you can understand me. I just-- I might not need more than five minutes. And I [INAUDIBLE] to be timed.

**LINEHAN:** That's OK.

**ERIN PHILLIPS:** I'm here to speak in support of LB1025. LB1025. This is very important to people like me. You see, I have autism, and I have an intellectual disability. I live in an apartment by myself, but have people who come and help me. I use paratransit-- transit to get around town because-- if I don't have a ride to where I need to go. I belong to civic groups like Kiwanis and People First, social clubs from the Arc of Lincoln, I2Choir from UNL. I'm also trying to be independent and not just a burden on taxpayers. I have been working at my job for 13 years with my only accommodation being I have a job coach. My job coach is from Hands of Heartland Agency and helps me to focus and on task, helps me check in and out from breaks on time, and helps me to do my list of work duties. My work duties are prepping for baked items and packaging in containers. My job coach encourages me and reminds me, but I do the work. I work at a grocery store called Super Saver. I have worked in the floral and in the produce, but I really like the bakery and I've been there most of my time. My manager treats me like any other employee. If I make a mistake, I learn from it. I get an evaluation every year and if I earn it, a pay raise. I get invited to holiday events, and I'm treated like everyone else. I'm so proud to work there and I love my store. I help the customers if they can't find something. The tax credits for hiring people like me will help other businesses hire more people like me. I know I need my job coach from H of H, and when they can't come, I work really hard without them. I know my work is better when they are there. My store needs us to be there. Sometimes

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

I work extra during the holidays. I'm happy to work whenever I am needed. If I did not have work, what would me and my friends do, hang out in day programs every single day? Hang out in-- on the streets? Would that provide quality of life? No. We are trained in school to work, to follow instructions, to accept feedback and do our best. What would schools do if they didn't train people to be good employees if no one is going to be an employee-- an employee anywhere? Businesses need tax credits to hire us. We need work to pay our rent and phone and buy groceries and contribute to local economy. I pay taxes. We need this bill so more businesses will hire more people with intellectual and developmental disabilities. Thank you for your work and I hope you see how good this bill is for all of us, including you. And thank you for my accommodations. If you have any questions, I will try to answer them.

**LINEHAN:** Thank you very much for being here. Appreciate it. We'll see if the committee has any questions, Ms. Phillips.

**MEYER:** Thank you, Chair Linehan. I just want to compliment you on your attitude towards the work. That is a stellar thing that you could teach our economy and our society across the board. And it's nice to know that your coach has taught you the value of work and staying busy. And we really appreciate that. Thank you.

**ERIN PHILLIPS:** And so does my family.

**MEYER:** Thank you.

**ERIN PHILLIPS:** You're welcome.

**LINEHAN:** Thank you, Senator Meyer. Are there other questions from the committee? Senator Kauth.

**KAUTH:** Thank you, Ms. Phillips, for being here. How many hours a week do you usually work?

**Unidentified:** Do you work two or three hours a day?

**ERIN PHILLIPS:** Yes, what she said.

**Unidentified:** Is it 2 or 3?

**ERIN PHILLIPS:** Two.

**Unidentified:** OK, so ten hours.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

**KAUTH:** So ten hours a week. OK. Thank you very much.

**LINEHAN:** Thank you, Senator Kauth. Any other questions? Seeing none, thank you very much for being here.

**ERIN PHILLIPS:** Thank you.

**LINEHAN:** Appreciate it. Other proponents. Good afternoon.

**PATRICK HAYES:** Good afternoon, Chair Linehan. And good afternoon to the other honorable members of this committee. My name is Patrick Hayes. That is P-a-t-r-i-c-k H-a-y-e-s. And I am the Chief Financial Officer of Elite Disability Services of Nebraska. I'm also speaking today on behalf of our colleagues at the Nebraska Association for Service Providers. I'd like to begin by expressing our sincere gratitude for granting us an audience. They say some people cannot see the forest for the trees. Today it is my distinct privilege to stand before members of the one branch who are brave enough to travel out onto the limb that holds our collective hopes. That hope presents itself today in the form of a tax credit. Now, \$500 may not seem profound. That is, until you're watching a mother standing at the register at the grocery store with her children, watching the total build, and trying to decide exactly which items to put back. When you factor in that this mother is a direct support professional who has devoted herself to the service of others, but cannot serve her own family from the fruits of her labor, the subtlety begins to vanish. I am under no illusion that \$500 is a year's worth of groceries. However, we did just experience an Arctic blast here in Nebraska, where businesses closed, services were called off, resulting in lost wages for direct support professionals who do not have the luxury of working from home. It is here that \$500 can help bridge the gap and ensure that that same family eats this month without the need for an economic assistance plan, or preclude parents from the impossibly difficult choice between their child's medication or a utility bill. I know something about living your life in the service of others, and I am grateful to be sitting and speaking in the presence of those who share that proclivity. We collectively see the truth, act upon that truth, and use it to govern our lives. I would like to share an unwavering truth that I have heard echoed from the sands of Iraq and Afghanistan to the hallowed halls of our Capitol building. That is the only limit to our realization of tomorrow will be our doubts of today. Today, I ask you to consider eliminating that doubt as only you can, with the strokes of your pens that can accomplish what a thousand swords could not. Collectively, you can take actions that push back against the crisis of care for some of the most vulnerable

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

citizens of our communities, and specifically those who have answered the call to serve them, despite the fact that direct support professionals make 66.9% of the Nebraska living wage standard. They do this while working tirelessly to be attentive to the needs of others, administer necessary medications, provide safety to our loved ones, manage their finances, foster independence wherever possible, teach daily living skills and a multitude of other tasks that require detailed documentation as evidence that they are meeting the expectations of their chosen profession. All this while working to provide a better quality of life for others who could only realize that life through the services our agencies provide. President Ronald Reagan once said, and borrowed from Emerson, heroes may not be braver than anyone else. They're just braver five minutes longer. I can assure you that I would never question your courage, because to question the courage of those who have devoted their hearts and minds to the service of others is a fool's errand. I humbly ask that you once again carry your bravery into the rooms we cannot enter and serve as heroes for those whose names you may never know. Thank you again for your time, for your partnership, and for your commitment to service. You are all appreciated collectively and individually. I am available for any questions you may have.

**LINEHAN:** Thank you very much. Are there questions from the committee? Were you in Iraq? Are you-- were in the military?

**PATRICK HAYES:** Yes. Yes I was.

**LINEHAN:** When were you in Iraq?

**PATRICK HAYES:** I was in Iraq from 1999 to 2001, back and forth from there, REF from RUK.

**LINEHAN:** What branch?

**PATRICK HAYES:** Air Force.

**LINEHAN:** Thank you very much for being here. Are there any other questions? And thank you for your service.

**PATRICK HAYES:** Thank you, Chairman Linehan.

**LINEHAN:** Next proponent. OK, guys, don't argue. It's all right. Good afternoon.

**EDISON McDONALD:** Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here representing the Arc of Nebraska. We are

Nebraska's largest membership organization representing people with intellectual and developmental disabilities and their families. I'm writing to express our strong support for LB1025, also known as the Individuals with Intellectual and Developmental Disability Support Act. The indivi-- the Individuals with Intellectual and Developmental Disability Support Act, outlined in LB1025, represents a significant and commendable effort to address the needs of individuals with intellectual and developmental disabilities in our state. This legislation introduces essential provisions aimed at providing tax credits to employers and direct support professionals who play a crucial role in supporting individuals with IDD. We have a staffing crisis across a variety of industries, but there's a clear tool to mitigate this that has been vastly underutilized and that is people with disabilities. Here in Nebraska alone, we have a waiting list of hundreds of people with disabilities who want to work but need support from vocational rehabilitation. We have thousands more across Nebraska who just want a chance. This is so important because individuals with disabilities had a 34% employment rate. With Nebraska having a 1.9% unemployment rate and a huge shortage in a number of industries, it only makes sense that we support these hardworking Nebraskans on a pathway towards employment. To give you an idea of the scope of this issue, in 2020, 17.9% of people with disabilities were employed, down from 19.3% in 2019 the U.S. Bureau of Labor Statistics reported. For persons without a disability, 61.8% were employed in 2020, which is down from 66.3% in the prior year. The unemployment rate for persons with and without a disability both increased from 2019 to 2020 to 12.6% and 17-- 7.9% respectively. A few statistics that I think are just really important and helpful to further understand the scope, the employment rate for people with disabilities in Nebraska is 51.8%. The employment rate for people without disabilities in Nebraska is 86.4%. The percentage of people with disabilities working full time full year in Nebraska is 37%, and the percentage of people without disabilities working full time full year in Nebraska is 68.6%. I've been a private employer for people with disabilities, and I know their passion, dedication, and hard work can be a tremendous benefit to Nebraska's businesses and community. I believe this will expand employment opportunities for people with disabilities and help to bridge the gap. On behalf of the Arc of Nebraska. I'd like to urge the Committee to support LB1025 and thank you for your support. If you have any questions, I'm open.

**LINEHAN:** Thank you. Are there any questions from the committee? Seeing none, thank you. Are these employment rates, is this of the

total population or is this of working age people? It must be working age.

**EDISON McDONALD:** So. Yeah. It's working age on the non-disabled individuals.

**LINEHAN:** So it would be from 18 to whatever--

**EDISON McDONALD:** Yep.

**LINEHAN:** 65. OK.

**EDISON McDONALD:** Yep.

**LINEHAN:** Thank you for being here.

**EDISON McDONALD:** Also, nice cups.

**LINEHAN:** Other proponents? Are there any other proponents? Any opponents? Good afternoon.

**JOE VALENTI:** Good afternoon. My name is Joe Valenti. J-o-e-- looked here-- V-a-l-e-n-t-i. And really, I, I don't necessarily oppose this entire bill, so I want to make that clear. I think overall the concept is very good. But I have a couple of concerns. One is, first of all, I apologize. I misread section five because it used employer in this, in this bill twice or three times, but it's on the, on the-- in section 5 it refers to, like, employer being like Lincoln Poultry. But it doesn't, it doesn't clarify the, the use of the word employer. But my problems are with section 3 with giving a tax credit to the, to the employer, in this case the provider. I think that's totally unnecessary. Again, and I think you're going to see in the Legislature right now, the current Legislature, you have a number of bills coming forward for provider of rate increases. And I think you got to take that into context with what's going on with this particular bill. But the reason I'm opposed to section 3, giving the providers the \$500 tax credit, is two things. One is they shouldn't be getting a tax credit. This is part of their job to hire people. Number two, if you're going to allow it to occur, if you're going to allow that part of the bill to stay in, then at least it needs to be a 12 month period for that DSP to be employed. Because let's think about this. Edison loves a lot of statistics, so I can't quote them quite as well as he does. But basically right now in Nebraska, we have about a 70% turnover in DSPs within the first year. And usually the first six months is a probationary period for DSPs when they're hired by the provider. So I'm using the term provider because I know

I get that confused with section 5. It talks about the employer, which could be a business like Hy-Vee, or in this case you heard from Lincoln Poultry. I think section 4 is a great, great addition. I, I think I encourage anything we can do for DSP level for increased wages. But I want you to understand that when there are rate increases to the provider, that doesn't always correlate to the wages going to the DSPs. So I want to just make that really clear. And because a lot of times that gets really confusing. But in this case, I think for the DSP to have a tax credit, it would be great. Again, I would qualify it, I would say it should be at least 12 months of employment. Now it's going to-- maybe that goes over tax years, but you could prorate it, whatever, you know somebody that's a lot more educated than I am about tax credits and so forth. I think as far as-- the other thing you need to realize, and I do think we want to get these people employed. One of the challenges has been on the provider side that, I think they would acknowledge and not deny, is having the staff to go and coach or mentor the individual in the employment situ-- in a situation. I think in section 5, when it talks about the employer, you're putting quite an onerous task on them to keep track of these things, those tasks where they would get this credit. If you look at section 5 real quick, I won't bore you because you can read it yourself at some point, but it talks about the requirements of what they have to do. Prevocational supported employment, small group vocational, blah blah blah blah blah. Well somebody's got to keep track of that. How does it get reported. Is it going to be the Revenue Committee or is it back to DD-- is it back to the Department of Developmental Disabilities? So I think there's a lot of details. You know, the devil's in the details, like always. But I think overall I think the concept is good. I just don't agree with section 3. And I think section 5, if it's truly for the employer of the individual, it's a, it's a great incentive for, for the, for businesses to want to employ individuals. Again, I think the challenge is who's going to go with that individual when they need help. And that's usually the, the, the coaching part. That's very difficult. Our son, some of you know this, is at BSDC, give or take, he probably works about 10, 15 hours a week. And as Jennifer said earlier, they have so much pride in them when they do work. I mean, that's the key. In his case, they buy snacks and pop, but it really doesn't make any difference. He knows he gets up in the morning and gets dressed, he showers, he goes to work, he has a job. He has jobs on campus and some jobs off campus. So I agree with that, that premise totally. They need to be employed. They need to feel that self-worth. And it's a challenge, I mean it's just a challenge to support that accordingly. So anyway, that's my spiel. And I do have

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

one more point later for you on property taxes, so. I've been in the business for 40 years. So I have a great suggestion for you.

**LINEHAN:** OK.

**MEYER:** Lucky her.

**LINEHAN:** Well, we're looking for them.

**MEYER:** It means the rest of us can go.

**JOE VALENTI:** Any-- any-- Sorry, go ahead.

**LINEHAN:** You're here representing yourself, right?

**JOE VALENTI:** I'm representing as parent advocate. Again, I do a lot of work with the department as well as with providers. I mean, I try to be as supportive as possible. Again, not like hopefully this doesn't come across as negative. I just think there's a couple parts that bill that just need to be changed or eliminated or perfected.

**LINEHAN:** OK. That's fine. Good ideas. OK. Any questions from the committee?

**JOE VALENTI:** And I think if you graduate the increase over a period of time.

**LINEHAN:** That's a different hearing. Look at next week's schedule. What number we are on? LB1025. Do we have letters? Yes, we have letters right here they are. I'm sorry. Are there any other opponents? Is there anyone wanting, wanting to testify in a neutral position? Senator Bostar, would you like to close? We did have letters. We had seven proponents and one opponent.

**BOSTAR:** Thank you, Chair Linehan and members of the Revenue Committee. I'm passing around an amendment. I apologize, I forgot to do that at the open. It just makes a simple change on eligibility in order to also include day waiver individuals. So comprehensive and day waiver, you're probably looking at about, we're estimating, you know, 100 to 150 more people. It's, it's a small tweak that I think is beneficial. Yeah, I mean, the opposition was interesting. We'll start there. I think. You know, we've had a lot of conversations with the Chamber of Commerce and the business community about this, and it's just been receiving a tremendous amount of support. We certainly haven't heard any concerns about whether or not the businesses would



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

have any challenges implementing any of this or keeping track of this stuff. It seems relatively mundane.

**LINEHAN:** They usually come back with it.

**BOSTAR:** Fair enough. But I mean to say that this has been in the hands of a lot of people is an understatement. And so, yeah, I, I don't know, I fundamentally disagree, I think. I think that these, the four provisions in the bill, as far as where the tax credits are going, are all important. They all serve a purpose. And they are all representing pieces of the puzzle that makes these services work. And so this is, I think this is a common sense thing for our state. We are desperate for people to join the workforce, desperate everywhere across Nebraska. It's been the, you know, the top priority of groups, the chambers for, for a few years now has been workforce. And, we put a lot of effort and, and thought and time and resources into trying to attract people to Nebraska. And that's good. That's good, and we should. But we, we have people here already that want to participate, want to join the workforce and have the ability to be contributing to our communities. And I think, I think it just takes a little bit of support. You know, we, we really did a lot of work on this to try to get everything right. And, you know, we're talking about \$500 tax credits. That's-- it's not a lot. I mean, it it's not a lot in the realm of a lot of the things that we do when we talk about, but it, it was decided that that actually is the is a meaningful enough number to be able to have a real difference in, in addressing the needs that, that this community has, that the state has. And with that, I'd be happy to answer any final questions. And, this bill is very important to me. So I would absolutely encourage your support of it.

**LINEHAN:** Thank you. Are there any questions from the committee? Senator Murman?

**MURMAN:** Thank you, Senator Linehan. I don't want to sound negative at all to thi-- with this question because the people that are-- special people that are doing the work, and then the special people that are working doing coaching and working with the people that are doing the work are very special people. But I have a question about, is it typically one on one, or do you have any figures about what the ratio is? And maybe I should have asked Mr. McDonald or, or Ms. Meints, but--

**BOSTAR:** I think it, from my understanding, and again, I, I can, I can certainly get you a much more complete answer than what I'm going to

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Revenue Committee January 26, 2024

give you right now. But, from my understanding and being around some of these service providers and getting to familiarize myself with the work they do, the incredibly important work they do. I, I-- my answer is, I think it depends. I think that, I think it's needs based. So. But, but I will, I will make sure to, to be able to get you anything I can on it.

**MURMAN:** Thank you.

**BOSTAR:** Thank you.

**LINEHAN:** Thank you, Senator Murman. Are there any other questions from the committee? I noticed in-- and maybe I missed it in the child tax credit we did last year. You had-- we set aside certain amounts for certain groups?

**BOSTAR:** Yes.

**LINEHAN:** In this one, it's just first come, first serve? Because you've got a cap, so.

**BOSTAR:** Yes. Yes. The, the reasoning for that is that it's actually kind of the thought that that's about how much it will take to do it. So yes, it's first come, first serve because I-- it's not expected to take a great deal of resources to, to solve this.

**LINEHAN:** But it is refundable.

**BOSTAR:** It depends. So it depends on which-- who's applying for-- which credit we're talking about.

**LINEHAN:** OK.

**BOSTAR:** There are there are refundable, and nonrefundable, I can go through those.

**LINEHAN:** No, we can do that in Exec, but--

**BOSTAR:** OK.

**LINEHAN:** OK. It's not all refundable.

**BOSTAR:** Correct.

**LINEHAN:** OK. OK. I didn't understand that. Ok. Any other questions from the committee? OK. Have a good weekend. With that we'll close--

**BOSTAR:** Thank you.

**LINEHAN:** --the hearing on LB1025.