

Transcript Prepared by Clerk of the Legislature Transcribers Office
Government, Military and Veterans Affairs Committee March 19, 2025

*Indicates written testimony submitted prior to the public hearing in accordance with the Legislature's guidelines on ADA testimony.

SANDERS: Good afternoon and welcome to the Government, Military and Veterans Affairs Committee. I am Rita Sanders from Bellevue, representing District 45. I serve as the chair for this committee. The committee will take up bills in the order posted. This public hearing is your opportunity to be part of the legislative process and to express your position on the proposed legislation before us. If you are planning to testify today, please fill out one of the green sheets that are on the table at the back of the room. Be sure to print clearly and fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the page or the committee clerk. If you do not wish to testify but would like to indicate your position on the bill, there are also yellow sign-in sheets on the back of the table in the back of the room. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone. Tell us your name and spell your first and last name to ensure we have an accurate record. We will begin each bill hearing today with the introducer's opening statement, followed by the proponents of the bill, then opponents, and finally anyone speaking in the neutral capacity. We will finish with a closing statement by the introducer if they wish to give one. We will be using a 3-minute light system for all testifiers. When you begin your testimony, the light on the table will be green. When the yellow light comes on, you have 1 minute remaining, and the red light indicates your time has ended. Questions from the committee may follow. Also, committee members may come and go during the hearing. This has nothing to do with the importance of your bill being heard, it's just part of the process as senators may have bills to introduce in other, in other committees. A few items to facilitate today's hearing. If you have any handouts or, or copies of your testimony, please bring 12 copies and give them to the page. If you do not have enough copies, the page will make sufficient copies for you. Please silence your cellphones, your electronic devices. You may see committee members using their electronic devices to access more information. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position comments on the bill to be included in the record must be submitted by 8 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at Nebraskalegislature.gov. Written position letters will be included in

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the official hearing record, but only those testifying in person before the committee will be included on the committee statement. I will now have committee members with us today introducing themselves, starting with my right.

J. CAVANAUGH: Good afternoon. Senator John Cavanaugh, District 9, midtown Omaha.

ANDERSEN: Good afternoon. Bob Andersen, District 49, northwest Sarpy County in Omaha.

LONOWSKI: Hello, I'm Dan Lonowski from District 33, which includes Adams County, Kearney County, and rural Phelps County.

WORDEKEMPER: Welcome. Dave Wordekemper, District 15, Dodge County and western Douglas County.

SANDERS: Thank you. Senator Bob Andersen is the vice chair of this committee. Also assisting the committee today, to my right is our legal counsel, Dick Clark, and to my far left committee clerk, Julie Condon. We have two pages with us today for the committee. Pages, if you could please stand and introduce yourselves.

ARNAV RISHI: Hi, my name is Arnav. I'm a junior political science and biology student.

TOM GUINAN: I'm Tom Guinan and I'm a sophomore and political science major.

SANDERS: Thank you. With that, we will begin today's hearing with LB237. Welcome, Senator Cavanaugh.

M. CAVANAUGH: Thank you, Chairwoman Sanders and members of the-- I almost said Appropriations Committee, sorry, Government, Military and Veterans Affairs Committee. My name is Machaela Cavanaugh, M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h. I represent District 6 in west central Omaha. LB237 is a bill that would allow an electric-- Election Commissioner or county clerk to apply to the Secretary of State to mail ballots to all registered voters in any or all precincts within their county. Currently, only precincts in counties with populations under 10,000 can transition to all-mail elect-- elections with the Secretary's approval. LB237 would remove that population threshold, giving every county the opportunity to apply. Nebraska has already

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seen a steady increase in all-mail precincts over time. In 2008, there were 21 all-mail precincts, by 2016, that number grew to 73, and by 2020 it reached 160. Additionally, 67 counties are eligible for all-mail elections, with 11 counties implementing them in full. These counties and precincts have reported multiple benefits, including cost savings, reduced administrative challenges in recruiting poll workers, particularly in rural areas, and improved accessibility for elderly voters and those with disabilities. Moreover, mail-in voting has been shown to boost voter participation. According to the Secretary of State, 75% of Nebraskans voted absentee in 2020 general election. In the 11 counties that have opted all-mail elections, voter turnout increased by 16% between 2016 and 2020. Comparing the all-mail counties to the rest of the state, the turnout rate is often 15% higher in these counties. LB237 does not mandate mail voting statewide, rather, it provides counties and individual precincts the flexibility to adopt the system if it best serves their communities. The Secretary of State retains the authority to approve or deny applications, ensuring that transitions occur only when warranted. Additionally, in counties that receive approval, existing law guarantees that voters can return their ballot in person, access at least one secured ballot dropbox, vote in person at the Election Commissioner or county clerk's office and utilize in-person early voting opportunities. I urge the committee to advance LB237 and I am happy to take any questions.

SANDERS: Thank you, Senator Cavanaugh, for introducing LB237. Are there any questions from the committee? Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. And thank you, Senator Cavanaugh, for being here. So I really like that you say to permit counties, that means it's actually handing it down to a lower level, lower level of authority. How would that look? Would the, would the county election officer have to request that from the state or--

M. CAVANAUGH: Well, so, yes. I mean, they already do it. We just have it only for the small under 10,000. So it's just removing the cap of the population. So it's making it so anybody, any county clerk or some counties don't have an Election Commissioner, so if it's the county clerk or the Election Commissioner, they would apply to the Secretary of State, and then the Secretary of State would approve or reject their request to do all mail.

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LONOWSKI: OK. So the voters don't have a say-so in it?

M. CAVANAUGH: I mean, as, as far as that, they, I think, elect those positions, but, yes, otherwise.

LONOWSKI: OK. All right. Thank you.

SANDERS: Are there any other questions? Senator Andersen.

ANDERSEN: Thank you, Chairwoman. And thank you, Senator Cavanaugh, for being here. Are there any limitations to this? I mean, are there any other-- any stipulations to other than if the Election Commissioner decides to do it and everybody votes by mail?

M. CAVANAUGH: So they still have to have an in-person option at the county office. So you can still vote in person, but there wouldn't be polling locations like we typically see. So you can go-- like--

ANDERSEN: OK.

M. CAVANAUGH: --when I vote early, I go to the election-- Douglas County's Election Commissioner.

ANDERSEN: Sure. [INAUDIBLE]

M. CAVANAUGH: So it'd be like that. It'd be just you go to your Election Commissioner's office to vote if you want to vote in person.

ANDERSEN: OK. And then if they're made-- if they're voting by mail, how do you handle the voter ID requirement?

M. CAVANAUGH: I do believe that we made stipulations for that last year, and I don't actually remember what those stipulations are. And I think that the other Senator Cavanaugh might be able to answer that question more fully than I can. But there, there are accommodations made to ensure that we are within the intent of that. And, and because there are 11 counties currently that are able to do this, they are doing it. So it's-- as far as I know, it's working in those communities. I think it's, actually, pretty popular.

ANDERSEN: I have two last questions. One's a question and one's a statement. What, what problem is this solving? Is there something--

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you're bringing this out for a reason. Is there something that is, is a catalyst for this action?

M. CAVANAUGH: Well, access. It's been shown that having mail-in ballots creates greater turnout, voter turnout. So greater voter engagement, I think, is important. Creating opportunities for people, the citizens of Nebraska, to have the chance to vote and taking off work for a lot of people isn't feasible. And then also the cost to the counties about having to have all these polling locations. And it's a struggle to get the poll workers as well. And, and so this just creates an, an easier avenue to, to facilitate this, but also the communities that have adopted this, it has been very popular in those communities. So I thought giving the rest of the state the opportunity to decide if they want to model after some of these other communities would be the thing.

ANDERSEN: OK, last question, if I could Chairwoman? I, I brought a-- I proposed an election integrity bill. And in the comments, like I was working with the Secretary of State, was trying to make sure that we have the appearances of a fully secure election perspective for the, the voters so they're confident in the way-- do you think this would kind of roll that back or do you not think that's a concern?

M. CAVANAUGH: That is not a concern that I have, nor one that I have heard expressed. Again, as I said, the communities that have been doing this, I, I believe, haven't had any issues with election integrity and they've been pretty pleased with the outcome and the savings. So I think the fact that we already essentially have a test model for this helps a lot in ensuring that this is working well. And also we've had that test model now with the voter ID in place. And so seeing how that has also still worked and been managed by those, those smaller communities I think is a great test model.

ANDERSEN: Thank you.

M. CAVANAUGH: Yeah.

SANDERS: I do have a quick question.

M. CAVANAUGH: Yeah.

SANDERS: There, there seems to be a fiscal note and--

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M. CAVANAUGH: I don't have it in my thing. I apologize.

SANDERS: \$78,000 expenditures. I would think, and maybe you don't know this, we can get back later, this would be for the absentee ballots or the mail-in ballots. I wonder what the difference is between this number and--

M. CAVANAUGH: Let's see if county officials can--

SANDERS: We'll, we'll get the answer later.

M. CAVANAUGH: OK.

SANDERS: I just wanted to compare in person to mail-in ballot.

M. CAVANAUGH: Yeah.

SANDERS: What, what the differences were.

M. CAVANAUGH: It was my understanding that it's a cost savings--

SANDERS: Yeah.

M. CAVANAUGH: --for the counties, so.

SANDERS: Thank you very much. Are there any other questions? See none, thank you again. Will you be here to close?

M. CAVANAUGH: I will if I-- if the questions arise, otherwise I'll waive.

SANDERS: OK. Thank you. Are there any proponents on LB237? Welcome.

BETH BAZYN FERRELL: Thank you. Good afternoon, Chairwoman Sanders, members of the committee. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l. I'm with the Nebraska Association of County Officials. I'm testifying in support of LB237. NACO has been a long-time supporter of allowing counties in certain circumstances to be able to have all-mail elections in specific precincts. We supported the bill when Senator Fischer introduced it first in 2005 with the population cap of 7,000. We supported it again when legislation was introduced in 2009 to increase the population cap to 10,000. Senator Hunt, who obviously isn't here today, but she carried the bill for us in 2019 to take the caps off basically the

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same bill. And then we supported it 2 years later when she introduced it again. So we have a long track record of supporting this as an option. And that's what we see it as. It's an option. It's a tool. It's not a one size fits all, every county will do all-mail elections, you know, just willy-nilly. It's for specific circumstances in precincts or counties that see a need for it. When Senator Fischer introduced it, she was from the 43rd District. It's a big district. There are a lot of rural areas, you know, sparsely populated areas there that it wasn't conducive to have polling places in many different places. Part of that was because the laws changed to require accessibility, and that's a good thing to be able to allow all voters who can-- to allow them to access polling places. But back in the day, there were maybe rural schools that voters went to, or sometimes they would go to a, a garage or a shop on someone's ranch because that was what was available in that precinct. So when times changed, those places weren't available. So that-- the opportunity to have an all-mail election gave those voters an opportunity to still be engaged in the process, but not have to, in Cherry County, drive into Valentine or in other rural areas, sort of the same thing, not have to, you know, travel for a distance to be able to do that. Again, we see it as a tool. Not every county would use it. We've heard that from larger counties that they probably wouldn't use it unless there was a specific set of circumstances, they wouldn't make that request to the Secretary of State. But we support the-- taking the population cap off because it would allow them to engage in the conversation with the Secretary of State if they needed it. And then the Secretary of State, they have the guardrails. They would be able to decide whether or not it was an appropriate course of election for that particular county in that particular precinct. I would be happy to answer questions.

SANDERS: Thank you, Ms. Ferrell. Checking-- Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. And thank you for being here, especially today. Hope you get home safely as well.

BETH BAZYN FERRELL: Thank you.

LONOWSKI: So the two questions I have, they've already been raised to Senator Cavanaugh. The one is savings. Do you know roughly how much we'll save over the, over the fiscal bill? It was \$79,000 one year and 78 the next.

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BETH BAZYN FERRELL: I think the fiscal note reflects someone, an employee in the Secretary of State's Office. So I wouldn't have that data based on counties.

LONOWSKI: But you believe there would be a large savings?

BETH BAZYN FERRELL: As far as counties' savings? Well, there would be savings because counties wouldn't have to have poll workers. They wouldn't have to locate a polling place. You know, there would be an offset to that because the ballots are made out-- mailed out postage paid. You know, there, there are some offsetting expenses that way.

LONOWSKI: OK. And then the emails I've gotten from my constituents is mail-in voting allows for more fraud. Would you say that's true or false? I mean, I guess I don't have a thought one way or the other on whether it's easier to defraud mail or harder, but.

BETH BAZYN FERRELL: I, I think we recognize that from the, the hearing a couple of weeks ago that there's concern about what happens to the ballot once it leaves the Election Commissioner's office and it goes into the mail. I can't speak to that part of it, but I know that when the ballots go out, the envelopes are coded. When they come back in, that code is scanned to make sure that, you know, no one votes twice, that sort of thing. The way the envelopes are, though, I know there's some folks have expressed a concern that, well, someone can see my ballot and, you know, know how I voted because of the scan. It, it doesn't work that way. They're separated. And so they're-- there's not a way to, to tell, you know,--

LONOWSKI: OK.

BETH BAZYN FERRELL: --who voted how. So I guess we don't rule that out [INAUDIBLE].

LONOWSKI: Do you think their fears are unfounded?

BETH BAZYN FERRELL: Yes.

LONOWSKI: OK. All right. Thank you.

SANDERS: Are there any other questions for Ms. Ferrell? See none, thank you for your testimony. Are there any other proponents on LB237?

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***TANYA ENCALADA CRUZ:** Everyone should have the right to vote.

SANDERS: Any opponents on LB237? Any neutral testimony? I need to make sure that I read for the ADA testimony. We-- committee has received ADA written testimony from Tanya Encalada Cruz, a proponent of LB237. And we also have proponents 34, opponents 93, and zero in the neutral.

M. CAVANAUGH: Thank you, Madam Chairwoman, and members of the committee. Thank you to our testifier for making it out in this treacherous weather today. There are several studies around the security of mail-in elections, and I will have my office send those to the committee. But, typically, there hasn't been any widespread scandal around mail-in voting. I also will say that, though, we have had this since Senator, U.S. Senator, then state Senator Fischer first brought this bill, there haven't been any major issues that have arisen from it. And when the Secretary of State came in front of Appropriations, I thanked him for a boring election, because not in, in the outcomes, but regardless of what the outcomes are of an election, you want an election to be boring as far as the process goes, and that means that we're doing a good job. And in Nebraska, we had a very boring election. And so our Secretary of State has done and our Election Commissioners have done an excellent job of maintaining integrity in our voting system. So I just would like to acknowledge that because they're public servants and it's hard work. And I'll take any more questions.

SANDERS: Any questions for Senator Cavanaugh? Senator Wordekemper.

WORDEKEMPER: Sorry. I was thinking somebody else would have--

M. CAVANAUGH: That's all right.

WORDEKEMPER: --had this question, but, and I don't know, I guess it's more of a statement or-- so that I can understand it. So currently anybody can do a mail-in ballot, like any county, I believe. Correct?

M. CAVANAUGH: You can re--

WORDEKEMPER: You can request one.

M. CAVANAUGH: Any individual can request a mail-in ballot.

WORDEKEMPER: Yeah.

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M. CAVANAUGH: No-- there's only counties under a population of 10,000 that can do the whole mail-in ballot.

WORDEKEMPER: OK.

M. CAVANAUGH: So they-- so the county commissioner or county clerk mails the ballot out to every registered voter in the county in those 11 counties. But in any other county, you only get a mail-in ballot if you request one.

WORDEKEMPER: Yeah. Correct. OK, I wanted to be clear on that. I thought that's the way it was. I don't know that I have a problem with this. I just wanted to understand it. And, and, realistically, if a county had a population go above 10,000, then they have to redo all their election processes because, realistically, they would not be able to just do the mail-in ballot so--

M. CAVANAUGH: Sure. Well, I, I-- this is giving local control so--

WORDEKEMPER: Right.

M. CAVANAUGH: --this isn't requiring them to do that. So I would hope that before they apply to the Secretary of State for approval, that they would have a plan on how they were going to implement it. And I think if they didn't, I would assume that the Secretary of State would probably reject their, their plan or their request.

WORDEKEMPER: Yeah. Correct. Yeah. You said what I meant, so.

M. CAVANAUGH: Yeah.

WORDEKEMPER: All right. Thank you. Thank you.

SANDERS: Thank you. Any other questions? Senator Andersen.

ANDERSEN: Thank you, Chairwoman. Follow up on Senator Wordekemper, so, so if they're under, under 10,000, then they send out to everybody--

M. CAVANAUGH: Yes.

ANDERSEN: --right, all registered voters in their, in their--

M. CAVANAUGH: In the counties that have--

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ANDERSEN: --in the county?

M. CAVANAUGH: --in the counties that have elected to do this.

ANDERSEN: Yes.

M. CAVANAUGH: So--

ANDERSEN: OK.

M. CAVANAUGH: --being under 10,000 doesn't automatically require you to do this. It's only-- they can only do it if they're under 10,000 currently.

ANDERSEN: And the clerk and the election officials say--

M. CAVANAUGH: But they don't have to if they don't, if they don't think it works for them.

ANDERSEN: If they decide to do that, then they send out, they shotgun to everybody and then they get back what they get back and that's, that's it. Is that--

M. CAVANAUGH: Yes. Yeah. Yeah. I mean, it's kind of similar to the pandemic when--

ANDERSEN: We don't want to go back to those days.

M. CAVANAUGH: No, I don't.

ANDERSEN: OK. Thank you very much.

M. CAVANAUGH: Yeah.

SANDERS: Any other questions? Senator Cavanaugh.

M. CAVANAUGH: Oh, boy.

SANDERS: Senator John Cavanaugh.

ANDERSEN: It's just a matter of time.

J. CAVANAUGH: You guys have asked-- thank you, Chair. You guys asked questions [INAUDIBLE]. Well, first off, I want to clarify. So there's

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11 counties that do all mail-in voting. There are 7 counties who do a portion of their mail for mail-in voting. There are 56 counties that would be eligible that are less than 10,000 people. Does that sound right?

M. CAVANAUGH: Is that what I said? Yes. No, there's-- in 2008, there were 21 all-mail, mail precincts. So it wasn't all counties. Which I, I think I'll have to figure out what the difference is between the counties or not. But it-- precincts and counties. OK. So, basically, yes, the counties.

J. CAVANAUGH: Right. So a county doesn't have to go all mail totally, they pick which precincts in the county--

M. CAVANAUGH: Yes.

J. CAVANAUGH: --they need to. Good example would be, like, Wayne, Nebraska. The city of Wayne is in-person voting but the rest of Wayne County, is that right?

M. CAVANAUGH: Yeah. Yes.

J. CAVANAUGH: Wane County, home of Wayne State.

M. CAVANAUGH: Yes.

J. CAVANAUGH: Today is Wayne State Day.

M. CAVANAUGH: Yes, it is.

J. CAVANAUGH: All of the county-- the precincts outside of the city of Wayne are mail-in only, so the rural precincts.

M. CAVANAUGH: Right. Right.

J. CAVANAUGH: But, yeah, so it's counties can make the granular decision to only--

M. CAVANAUGH: Right.

J. CAVANAUGH: --do a mail-in vote in precincts that are [INAUDIBLE].

M. CAVANAUGH: Correct. And, and counties that are population dense, it is probably less likely that they would utilize this option as that

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wouldn't make as much sense for them. But for populations that have more rural areas-- but even counties that have-- like Senator Dorn represents a rural area and part of Lincoln. So his district, I know the part of Lancaster County that is more rural, they could opt to do that by mail-in under this, but they don't have-- they also don't have to under this.

J. CAVANAUGH: Or like Phelps County in Senator Lonowski's district where some of it is all mail-in and some of it is in person is another good example.

M. CAVANAUGH: That's a great example.

J. CAVANAUGH: And then for the voter ID, people have to, people like me who need to, still, every time we have one of these hearings, I still have my request sitting on my table, kitchen table at home, I have to write my driver's license number on it.

M. CAVANAUGH: Yeah.

J. CAVANAUGH: So it's my valid state ID--

M. CAVANAUGH: Yes.

J. CAVANAUGH: --on it that matches my name, address, and all those sorts of things--

M. CAVANAUGH: Yes.

J. CAVANAUGH: --to identify.

M. CAVANAUGH: Yes, the same thing that you have to do if you show up in person.

J. CAVANAUGH: Thank you.

SANDERS: Any other questions for Senator Cavanaugh, Senator Machaela Cavanaugh? Questions? Yes, Senator Andersen.

ANDERSEN: Thank you. This is a, a hypothetical question.

M. CAVANAUGH: OK.

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ANDERSEN: If you had an elected official and they wanted to influence the outcome of an election, not to say anybody ever would, but if they didn't want to, could they use mail-in ballots to tailor who gets ballots and who doesn't?

M. CAVANAUGH: Well, that would be a crime so I--

ANDERSEN: Right.

M. CAVANAUGH: --I, I mean, I suppose, but I-- you could also commit a similar crime with in-person voting where you get people who-- to vote under somebody else's name, get fake IDs or things like that. I, I mean, you can't-- we can't account for every possible crime.

ANDERSEN: Right.

M. CAVANAUGH: But to date, Nebraska has not seen anything like that happen. So I think it, it's highly unlikely that that would happen. But it would, it would be a crime, a very serious one.

ANDERSEN: Thank you.

SANDERS: Any other questions? See none, thank you, Senator Cavanaugh for introducing LB237.

M. CAVANAUGH: Thank you. Enjoy this weather, everybody.

SANDERS: Drive safe.

M. CAVANAUGH: [INAUDIBLE]

SANDERS: We'll now open on LB218. Welcome, Senator Fredrickson.

FREDRICKSON: Thank you. All right. Good afternoon, Chair Sanders and members of the Government, Military and Veterans Affairs Committee. My name is John Fredrickson, J-o-h-n F-r-e-d-r-i-c-k-s-o-n, and I represent the 20th Legislative District in central west Omaha. I am here today to introduce LB218. LB218 strengthens Nebraska's voter registration system by ensuring that eligible citizens are automatically registered to vote when obtaining or renewing their driver's license, unless they choose to opt out. This small but meaningful change improves the accuracy and security of our voter rolls, making our elections more efficient while maintaining

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individual choice. Voters would still affirm that they are 18 years of age or will be before the next election, and that they are a U.S. citizen who is eligible to vote. County election officials would review the files to determine and verify eligibility prior to registration. If eligible, the individual's registration is then processed and the voter is sent a voter registration confirmation card, just like it is currently, as required by the National Voter Registration Act. Changing the default from an opt-in to an opt-out will ensure a smoother process, while also protecting the safety and security of our voter, voter rolls by helping ensure that they are up to date. Importantly, LB218 does not force anyone to register to vote. Nebraskans still remain free to opt out if they so choose. I decided to bring this bill again because of our state's recent adoption of voter ID requirements. Now that every voter goes through the extra step of having their photo identification verified at each election, Nebraska should work just as hard to find points throughout our, our process that can work more efficiently for voters. This approach has already been implemented successfully in 24 states in Washington, D.C., including Georgia, West Virginia, and Alaska. These states have demonstrated that monetizing voter registration in this way does not compromise security or increase the risk of fraud. Instead, it strengthens the integrity of elections by ensuring that voter information is up to date before ballots are cast. Election officials in these states have reported reductions in clerical errors and improved efficiency. The fact that over-- that 24 other states have figured out how to make this change, means Nebraska can as well. I appreciate NAGO-- NACO-- NAGO-- NACO reaching out to me with their opposition prior to this hearing and I am willing to work with them and, and the Secretary of State on their concerns about staff capacity and duplicate records. I really do feel, though, that if implemented in Nebraska, along with our current voter ID law, LB218 is another step to ensure only those eligible to vote are participating in our elections and we are efficiently utilizing state and county resources when people are registering to vote. I look forward to working with NACO and other opponents to strengthen our elections. Thank you for your time and attention and I'd be happy to take any questions.

SANDERS: Thank you for your testimony and introducing LB218. Any questions for Senator Fredrickson? Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. Thank you, Senator,--

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FREDRICKSON: You're welcome.

LONOWSKI: --for bringing this bill. I see a very small fiscal note, \$4,000. Does this require moving personnel from, from the Office of Voter Registration to the Department of Motor Vehicles?

FREDRICKSON: So that's-- thank you for the question. So this is actually-- I had the unique experience of renewing my driver's license recently at the DMV. So I, I recently went through this experience myself. So when you're filling out your driver's license renewal or your application for a driver's license in our state, you'll see there's a point that says, would you like to, would you like to register to vote or would you like to-- if you're already registered, would you like to update your voter registration? So if you've moved, you change your address. If you're someone who got married and changed your name, for example, you just check a little box and that enables that. So what this bill would do is that this would automatically update your information on that. It would automatically send your information as an-- if you're an eligible voter to be registered to vote, and then you can click a box just to opt out of that process if so. So I think the DMV, they mentioned in the fiscal note that it would-- they would have to reprint and redesign application forms. So instead of an opt-in, it would be a checked box to opt out. That's what I understand the \$4,000, that's where that comes from.

LONOWSKI: OK. Yeah, and I stand corrected. That was the second page of it, it's actually \$100,000.

FREDRICKSON: Yeah, there's, there's-- there, there are other-- the DMV component is the \$4,000. There's other components as well from the Secretary of State's Office around the-- what they expect to pay in salary benefits, equipment for, for verification process.

LONOWSKI: OK. Thank you.

FREDRICKSON: Um-hum.

SANDERS: Thank you. Any other questions for Senator Fredrickson?
Senator Andersen.

ANDERSEN: Thank you, Chairwoman. And thank you, Senator, for being here.

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FREDRICKSON: Um-hum.

ANDERSEN: Just a couple of quick questions. You mentioned citizenship. For my edification, how-- do they verify citizenship at the DMV? And the same thing for voting status, what is this voting status by the Election Commission? How does that functionality work?

FREDRICKSON: Yeah, so to, to hold a driver's license in our state, you have to be a-- you had to be a legal resident of our state. So there's-- and, and that's-- so the first time you apply for your driver's license, this was a while ago for me, but you, you, you submit that documentation for, for that process. So they do do that. And like I said, this process already-- people already currently do register through the DMV. So they do all that verification, etcetera, currently. So they would continue in the same ways they are currently doing that.

ANDERSEN: So you said you have to verify that they're a legal resident, but they can be a legal resident without being a U.S. citizen, right?

FREDRICKSON: Yeah. So in that case-- so, so say, for example-- so we passed a bill in here, I think it was a couple of years ago, it was a Senator Brewer bill for folks from Ukraine that I think, I think it enabled them to-- Senator, Senator Sanders is nodding your head. I want to make sure I'm not misspeaking here, but it allowed them to have kind of like a special form of a driver's license so that they could get to work, etcetera. So those individuals are-- would not be eligible to vote. So the-- they, they would not be eligible to register.

ANDERSEN: OK. So that's verified at the DMV?

FREDRICKSON: Yes.

ANDERSEN: OK. Thank you.

SANDERS: Any other questions for Senator Fredrickson? See none, thank you. Will you stay to close?

FREDRICKSON: I will.

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SANDERS: All right. Thank you. Are there any proponents on LB218? Thanks for braving the weather.

GAVIN GEIS: Of course. Chairwoman Sanders, members of the Government, Military and Veterans Affairs Committee, my name is Gavin Geis. That is spelled G-a-v-i-n G-e-i-s, and I'm the Executive Director for Common Cause Nebraska. Common Cause Nebraska strongly supports LB218, which aims to enhance voter registration in Nebraska by making the process at the DMV opt-in rather than opt-out, as you've heard. This measure is a natural extension of the successful practice of registering voters of the DMV. It would help more Nebraskans participate in the electoral process. LB218 builds on the foundation laid by the National Voter Registration Act of 1993. The NVRA required states to offer citizens the option to register to vote at the DMV, and provided guidelines for maintaining accurate, accurate voter registration data. Following the nationwide implementation of those requirements, a study by the Federal Election Commission of the '95-96 election cycle found that 13 million new voters were registered through DMVs. An additional 13 million voter records were updated thanks to data gathered by the DMV and other state agencies. In short, the NVRA significantly increased voter registration and improved the accuracy of voting records. Now, states are seeking to expand on this historic improvement in voter access by switching the DMV registration process from opt-out-- or opt-in to opt-out. In states that have already made this change, the number of registered voters, voters has increased, and voting rolls have become more accurate due to improved data sharing between state agencies. Currently, as you heard, 24 states and the District of Columbia, District of Columbia utilize some form of this policy. There are two methods of doing it: Front-end registration systems where you can opt out at the time of registration, or back-end registration systems that send out a postcard post registration where you can opt out. State systems also vary in how they use state agency data to update voter registration records. While all states rely on DMV to provide updated voter data, many have expanded the list of participating agencies to include Health and Human Services, Departments of Labor, Social Services, and other state agencies that gather information for voters. Despite the differences in these registration systems, states that have implemented them share a common outcome: an increase in the number of registered voters. For example, in Pennsylvania when they implemented similar registration procedures, election offices found a 45% increase

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in sign-ups at driver's license centers compared to a similar period, a 2 year-- 2 years prior. Additionally, those registrations did not have a political party lean. There was a 3.5% increase in Republican registrations at the time, but that tracked with the ebb and flow of registrations. Other states that saw improvements: California doubled the number-- the rate of voters who registered through the DMV, Georgia saw a 94% increase, Oregon and Colorado experienced a 16% increase, and Alaska saw a 33% increase. At its core, at its core, democracy thrives when all eligible citizens can participate fully in electoral processes. Voter registration should not be a hurdle to exercising our rights, and changes like those proposed in LB218 should be welcomed as a convenience for the people of Nebraska. By making voter registration an opt-out process at the DMV, we can increase voter registration rates and ensure that more citizens can exercise their right to vote. We urge you to support LB218 to expand on the successful history of registering voters at the DMV. Thank you for your time and attention. I'm happy to answer any questions you have.

SANDERS: Thank you very much, Mr. Geis. Right at the red light. Well done. Any questions for Mr. Geis? Senator Lonowski.

LONOWSKI: Thank you, Senator Sanders. Thank you, Chair Sanders. Thank you for your testimony. So I know California has a, a whole different way of allowing people to get their licenses. And it seems to me like there might be a lot of problems with, with voters, and maybe like illegal immigrants that are voting. I'm thinking of Nebraska and our felons. Is, is there something on their license, like when they scan it or something? And, and I, I think the way it is, if a felon hasn't completed their--

GAVIN GEIS: Right, hasn't fully completed their sentence.

LONOWSKI: --their sentence. Thank you.

GAVIN GEIS: Right. They're not off paper yet. Correct.

LONOWSKI: So is there a way that the license would automatically say, sorry, you can't register, do you know?

GAVIN GEIS: That is not tracked on licenses. That, that is not done through the license system, that is done on the back end otherwise. And as far as I know, the Secretary of State does have records of some

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of that, although I think that's an ongoing process to update and improve. But, no, it's not on the licenses.

LONOWSKI: Oh, OK.

SANDERS: Any other questions? Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Chair. I had a similar question to Senator Lonowski's. I did look at the bill. My read of it was that even if you were ineligible to vote or to register and you fill out the form, it would say that that would not be a valid registration.

GAVIN GEIS: Exactly, and we appreciate that part of it that it-- right, it doesn't catch up people that are automatically registered that were ineligible, it doesn't catch them up in some sort of additional felony sentencing. It says you're not eligible and you are excused from any sort of penalties by the system. And that's an important part of it. In states that did not include some of those provisions, people were caught up in registration systems and registered when they didn't intend to. But that's the lesson we've learned and seen that we can just-- we can, we can clean that up.

J. CAVANAUGH: So, yeah, this bill contemplates that eventuality.

GAVIN GEIS: Exactly.

J. CAVANAUGH: Thank you.

GAVIN GEIS: You're welcome.

SANDERS: Any other questions? See none, thank you very much--

GAVIN GEIS: Thank you.

SANDERS: --for your testimony. Are there any other proponents for LB218? Any opponents for LB218? Any in the neutral for LB218? Senator Fredrickson, if you'd like to close. While you're coming up-- well, hold on just a second--

FREDRICKSON: Yes.

SANDERS: --position comments for the hearing record: LB-- for LB218: proponents 25, opponents 38, neutral 2.

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FREDRICKSON: Great. Well, I'll keep this quick. So just-- I wanted to follow up on Senator Lonowski's question. So Mr. Geis, I think, answered that correctly, but I just want to reiterate as well. When you're registering, so you still would, just like you do currently, you still would have to do the attestation so--

LONOWSKI: OK.

FREDRICKSON: --to attest that, yes, you are eligible that, yes, you are no-- not, not an individual who is not completing a sentence, for example. Those-- that's an attestation that we currently have for folks, and that would still have to occur with this as well, so.

LONOWSKI: OK. Thank you.

FREDRICKSON: I'm happy to take any other questions from the committee.

SANDERS: Any other questions? See none,--

FREDRICKSON: All right. Thank you.

SANDERS: --thank you. Thank you for introducing LB218. This closes the hearing on LB218. We'll now open for the hearing on LB672. Welcome, Senator Raybould.

RAYBOULD: Thank you. Good afternoon, Chair Sanders and members of the Government, Military and Veterans Affairs Committee. My name is Jane Raybould, spelled J-a-n-e R-a-y-b-o-u-l-d. I'm here to introduce LB672 on campaign finance reform. Another one of my favorite topics. Utah, Virginia, Oregon, Alabama and Nebraska. One thing that all five of these states have in common, they are the only states in our nation that allow for entirely unlimited campaign contributions to candidates. No limit on contributions by unions, corporations, PACs, state parties, or individuals. The 45 other states have at least some restrictions on-- restrictions or limits on campaign contributions. I have been a student of campaign finance reform since before I held political office. I have given out Jane Mayer's book, *Dark Money*, for gifts as long as that book has been published, and it was published in 2016. It is a fascinating history of campaign funding of the rise of the Koch brothers and their enormous, enormous wealth and influence, and the many U.S. Supreme Court cases that, ultimately, ended up with *Citizens United* in 2012, allowing corporations to have free speech and to provide unlimited campaign contributions. In federal races, there

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are still restrictions. In *Citizens United v. FEC*, it ruled that independent expenditures, including those made by corporations, do not give rise to corruption or appearance of corruption. It seems, however, that the appearance of corruption or putting a financial thumb on the scale is becoming more apparent in our state and local elections. I will refer to a couple of examples in recent history. One, the 2023 Lincoln mayoral race, where the majority contributions came from one company, one family, and one U.S. Senator. The second, and perhaps more disturbing of the two, was the 2022 governor's race, where funding levels reached record highs and showed that one family made the largest contributions to the winning candidate, who turned around and then appointed one of those major contributors to fill a vacated U.S. Senate seat. Campaign finance reform is a popular issue with people all across our state and our nation. As a former candidate for the U.S. Senate in 2018, I would speak at events and when I would speak of the need for such reform, crowds would burst out with enormous applause. Made me feel good, so. According to data from the Pew Research Center, 72% of U.S. adults say there should be limits on election spending. Only 11% favored unlimited contributions from individuals and organizations. The report states support for spending limits crosses ideological and demographic lines. Additionally, 6 in 10 Americans believe that it is possible for legislation to reduce the role of money in politics. So that brings me here today asking you to consider LB672 as a small step in the right direction towards transparency and sensibility in funding limitations. The bill would limit contributions to a candidate committee at \$1,000 during an election period. Should a candidate committee receive more than \$1,000 in the election period, they shall return the amount in excess within 10 days of receipt and report on subsequent campaign statements the name and address of the contributor, the amount received, the date of the receipt, and the date returned, those excessive funds. There is no limit on a candidate's own personal funds contributed to their own candidate committee. I hope this is the simplest and most straightforward bill you have heard this session and would be happy to answer any questions.

SANDERS: Thank you, Senator Raybould, for bringing LB672. I do have a quick question. Would this push PACs to form and donate more than individual people or businesses to a candidate?

RAYBOULD: This would universally apply to everyone, PACs, corporations, and individual contributions across the board.

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SANDERS: Thank you. Any questions for Senator Raybould? Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. Thank you. And I, and I agree with a lot of this, but my concern is you might have a retired teacher, and he's going to donate \$18.74 to his own campaign just because he's not wealthy, but-- so he relies a lot on outside contributions, or you might have someone that owns 11 stores, you know, 11 grocery stores, and they can--

RAYBOULD: 34.

LONOWSKI: Well, I didn't mean you, but--

RAYBOULD: Oh, sorry.

LONOWSKI: --but, but-- so I, I guess I'm just saying, and I'm not necessarily-- I'm sorry that I threw that joke in there, but, but someone who's, who's wealthy is going to be able to win a State Senate seat a lot easier than a guy who's living on a retirement paycheck or what have you. Does that make sense what I'm trying to get across?

RAYBOULD: Yes, that, that does make a lot of sense. And I can see, yes, that's a component that we're hoping to deter from happening for those individuals to just dump all their wealth in their own campaign. And when you limit it universally, that means that there can only be \$1,000 from individual-- individuals and corporations and PACs toward that campaign with a thought that you depress the costs, and you don't have this tremendous escalation to keep going out and getting more funds, more fund raisers, you know, making calls nonstop for people to donate to your campaign. And so that, that is really the intent behind this. And it's-- like, it implies equally to all parties if they're--

LONOWSKI: I get it. And I agree.

RAYBOULD: Yeah.

LONOWSKI: I just think some guy can say, well, you know what, I'm only going to use \$30,000 of my own money, where the next guy says I'm going to use \$5,000. Is there a way we can say this is the limit for a certain race? A mayor race in Hastings, Nebraska, the limit is \$5,000. Is there a way we can put a cap on how much is spent by either party or either candidate, I should say?

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RAYBOULD: I absolutely love your idea and I would be willing to introduce legislation, you know, next year to that. I felt that like this was a baby step in that right direction. If we start out this way, and then next step would be limiting that individual contribution so that you really don't still have that thumb and create that financial imbalance so that those that are able to self-fund their campaign don't win the day. And we know that in the past, I think of one race in particular, when Senator Ben Nelson was running by-- against candidate Pete Ricketts, and I don't think he was Governor Ricketts at the time, I don't believe so, but he invested, like, 4 to 1 or 5 to 1 of his own personal funds towards that campaign, and yet he still lost. So in many cases, I do think it makes a difference. Without a doubt it does, and we've seen it in other races where it has. But I like to think this is one step in the right direction. And I love your idea for next year.

LONOWSKI: All right. Thank you.

RAYBOULD: You're welcome.

SANDERS: Any other questions? Senator Wordekemper.

WORDEKEMPER: Thank you for being here. Thank you, Chair. For my clarification, this is limiting the candidate also of donating just \$1,000 to his campaign--

RAYBOULD: No, sir, it doesn't, it doesn't.

WORDEKEMPER: --or outside contribution?

RAYBOULD: All the other outside contributions.

WORDEKEMPER: OK.

RAYBOULD: And Senator Lonowski's idea is a good one for next year, making sure that individuals have that cap on themselves as well.

WORDEKEMPER: All right. Thank you.

SANDERS: Any other questions? Senator Andersen.

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ANDERSEN: Thank you, Chairwoman. And thank you, Senator, for being here. A couple of different questions. Does this violate or contradict any federal laws?

RAYBOULD: No, it does not.

ANDERSEN: OK. In reference to the PACs, I think Senator Sanders mentioned, this doesn't really affect the PACs, right, they can still do whatever they want. It puts the onus actually on the individual. So if you receive over \$1,000, you have to return the access, correct?

RAYBOULD: Yes. If you receive over \$1,000, you as a candidate are obligated to file and report that you actually, say if it was a check for \$1,500, you would have to return that \$500 back and record and report it.

ANDERSEN: So now-- thank you. So now I do think that the, the amount of money for-- required to run for office has kind of gotten out of control. But I do think that what this bill does is gives a significant advantage to somebody that has the ability, has the financial ability to self-fund over somebody that doesn't have the wherewithal. I think that's a concern of equal entry or creating a barrier to entry for valid candidates that isn't there right now. And then one quick-- another-- last question I have is on the, the calendar year. You said that the election year is considered the count-- the, the calendar, correct? I think your last paragraph.
[INAUDIBLE]

RAYBOULD: Yes, that is correct. The calendar year. And that's--

ANDERSEN: OK, so the off years,--

RAYBOULD: Yeah.

ANDERSEN: --does that mean that the candidate can raise-- they can fundraise as much money as they want and then get, you know, hundreds of thousands of dollars in the off years, so when it comes to the year of the election, they can stop all the fundraising?

RAYBOULD: You know, I think you raised a very valid point that it references the election period in that calendar year, I think, and that the election period has two cycles, you know, a primary and a general.

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ANDERSEN: Right.

RAYBOULD: So they're, typically, in that same calendar year. But I have to go back and reread it to make sure that your concern is addressed. And I'm not sure it is so I think you might be right on that.

ANDERSEN: Yeah, I think it kind of just shifts the problem into a different--

RAYBOULD: Year.

ANDERSEN: I understand what you're trying to get at and what you're trying to, to fix and all that, but I think it kind of shifts it in a different way unintended.

RAYBOULD: Thank you.

ANDERSEN: Thank you.

SANDERS: Any other questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for bringing this bill, Senator Raybould. I actually brought a similar bill my first year, which was a \$5,000 limit and I ran into the similar problem that Senator Andersen just identified, which was my limit was-- Frank Daley came and testified and essentially said my limit was \$5,000 a year, which meant it was \$20,000 per legislative 4 years. And I, I don't remember if my wording was the same as yours or not. I think yours is probably tighter than mine was, but you might still have that problem, and I don't have a suggestion on how to fix that either, because I couldn't fix it myself. But-- so I appreciate-- I've tried to take a--taking a crack at this in the past. But my question was about this applies to candidates, what about ballot initiatives? Is there--

RAYBOULD: I think this is only directed towards individual candidates running for a political office.

J. CAVANAUGH: Do you have any, I guess, thought? I mean, I'm obviously not, not an expert on campaign finance law, but can we put a similar limit on ballot initiatives? I mean, we've had a lot of ballot initiatives recently, and you pointed out a, a few number of folks who

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heavily funded some races but they've-- the same group of folks heavily funded some ballot initiatives as well.

RAYBOULD: You are absolutely correct on that. And, again, I just have to default, this is maybe one step in the right direction. And I-- I'm just trying to quickly reread it. I know in the language here it says, "For purposes of this section, election period means the calendar year of the election." So I, I just probably realized that needs additional clarification in terms of that's the only year the funds can be donated. But you're right. I mean, it would be a great idea to, to have it applied to the ballot initiatives, which can certainly far outweigh any cost of any of the legislative races that we see for funding requirements to get that ballot initiative passed.

J. CAVANAUGH: Yeah. Thank you.

SANDERS: Any other questions? Senator McKeon.

McKEON: Thank you, Ms. Chair. Senator Raybould, I know that-- what other examples-- I know Florida-- I had a friend that he was running for U.S. Congress, and I think in Florida, if I remember right, they're like-- they can donate \$3,000 in the primary and \$3,000 in the general per, per entity. So I didn't know if any other states, what-- if you had any research on any other states, what they were doing, too?

RAYBOULD: Yes, those are the federal requirements for federal offices and, yes, you do have a cap.

McKEON: But then that's not on the state then?

RAYBOULD: No.

McKEON: That's just strictly federal?

RAYBOULD: Well, I mean, if you're in the state of Nebraska and Senator Cavanaugh was running for Congress, as an individual, I could only give him \$3,000 for the primary and then \$3,000 for the general. I could give it to him \$6,000 up front with the understanding this one is for the primary, one is for the general. I could get my spouse to help contribute \$3,000 in addition. So it's-- there are ways to get around that, then the next tier is PACs. And corporations have a

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higher threshold of contributions that they can make. But those are only for federal races.

McKEON: I thought they were for state, too.

RAYBOULD: Nope, just federal. Like, for example, if you ran for governor, I could give you a hundred thousand bucks to do so. And there's no, there's no restriction on you running for our local and state offices.

McKEON: Thank you.

SANDERS: Any other questions? See none, will you stay for close?

RAYBOULD: Yes, I will.

SANDERS: Thank you. Are there any proponents on LB672? Welcome back.

GAVIN GEIS: Hello again, Chair Sanders, members of the Government Committee. My name is Gavin Geis. That is spelled G-a-v-i-n G-e-i-s, and I'm the Executive Director for Common Cause Nebraska. Common Cause is very supportive of the ideas contained in LB672. We have long-- been long support-- long-time supporters of campaign finance reform. What I've handed out to you is a wrap-up of what states do across the various states. To your point, yes, Florida does have a tiered system for general and for primary when it comes to individuals. I believe they have some other standards. They have some complete bans on some contributions. It varies by state. It really does. I put a link there at the bottom of this page that will give you a wrap-up of all of them from right-- the Conference of State Legislatures. It's a really good. But that's a quick overview. Really quick to, to address some of the questions brought up in terms of what we can do, what we can't do, what's available to us. Well, unfortunately, the states are kind of have their hands tied. The Supreme Court has, has tied our hands when it comes to what we can do in limiting campaign finance. What we are really left with is the option of donations that may have, may have the appearance or may have a corrupting influence. Right? So if the donation could corrupt the person that receives it, then we can limit it. That's why we cannot limit individuals own money to themselves. Because you can't corrupt yourself, right? I mean, you're already corrupting yourself. There's no-- the money you give isn't going to change it. What you're-- you're not going to change your beliefs by

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giving money to your campaign. Now, I agree that right-- that is a trick that we have to overcome when we look at campaign finance systems. How do we level the playing field with those folks? 100%. But there are other options we could look at if we want to go down that road, right, states have looked at the ubiquitous, not ubiquitous, but maybe the, the always, always interesting public financing options. That is one way to level that playing field, it's how we've gotten around, in some places, that imbalance. The other question that came up was ballot initiatives. Can we limit ballot initiatives? Again, the Supreme Court has said, no, we cannot limit ballot initiatives. We cannot limit the giving to that because there is no corrupting influence, right, you're giving to the campaign. And the deciders in those situations are the voters. We're not giving money to the voters. You're not corrupting them. You're just influencing the campaign. But the campaign isn't the decision-maker. OK. My time is ticking away, and I spent time answering some, some things we had. What I do want to point out is that, yes, we support this for two big reasons, right, one, cost of elections keep going up. You all know that, it's going to keep going up as long as we put no limits on any of it. The other thing is that, right, this gives the wealthiest interests the most say in our elections. We have been doing a quick preliminary, early stages of a study of the 2024 donations to campaigns. We have looked at all the, the donations and what we've found are some interesting things. First of all, across all the donations, \$23 million was given last year to officials running for public office. About half of that went to the 25 legislative races. On average, the legislative race received \$200,000, just over \$200,000. That's the average across all the races. There were 36 candidates that received more than \$100,000. And I will note that \$200,000 average, I think, is maybe the highest we've ever seen. And, again, on those 25 races, only 5 of those races, in only 5 of those races, I'm at the end, but in only 5 of those races, the winning candidate received fewer donations than the loser. Now I will footnote here, 4 of those candidates are in this room. You have a different outlook on campaign finance, perhaps, than your colleagues. But that is, that is-- that was a very unique finding in, in looking at the races. I have, I have much more data here. I'm happy to share, but I'm at my end.

SANDERS: Thank you, Mr. Geis. Any questions from the committee?
Senator Lonowski.

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LONOWSKI: Thank you, Chair Sanders. Thank you. So let's say that this limit that we can get and put into place, does that keep the person-- the contributor who wants to give 10,000, does that keep him from saying, I'll just buy their billboards for them or-- do, do you know what I'm saying? Like,--

GAVIN GEIS: Like contributions--

LONOWSKI: --I can do favors in other ways.

GAVIN GEIS: Right. I, I understand what you mean, cash versus I bought something for you. Right? Those are all contributions, right, we all-- we consider that all contributions.

LONOWSKI: Contributions in kind or whatever.

GAVIN GEIS: So right, it's, it's still a cap. It's, it's still going to, it's still going to effectively.

LONOWSKI: I'm, I'm just curious. OK.

GAVIN GEIS: Yes.

LONOWSKI: Thank you.

SANDERS: Any other questions? Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here again, Mr. Geis. So-- well, I got a number of questions, but one of them I want to ask is can you explain to us what used to be in place in Nebraska?

GAVIN GEIS: Yes.

J. CAVANAUGH: The system we used to have.

GAVIN GEIS: Yes, and I, I will not get my, my, my figures exactly right, but we-- yes, Nebraska used to have a system of public financing, right, and this is over a decade ago now, we had a system wherein a candidate could apply and say they would abide by a limit, a voluntary limit, where they would spend no more than X amount of money, they wouldn't fundraise, they wouldn't do a bunch of things. And if they abided by that, they'd get a contribution from the state. Right? The state would pay out. And if they would only pay out,

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though, if their opponents spent over a threshold. Right? So you have two candidates, one says I'm going to abide by this limit. I'm not going to do anything more than this. You might have the other candidate that says I'm going to do whatever the heck I want. Right? And they'd have to estimate the difference between those two. They'd say, well, I'm gonna actually go spend this much money. And once they broke above that threshold, then their abiding candidate would receive a contribution to match them, to bring them up to speed, right, with this person that's spending and raising all this money. That was unfortunately ruled unconstitutional, because that triggering mechanism, that very particular trigger mechanism, was seen as a limit on free speech. Right? We were stopping one person from going out and spending more money. Right? The nonabiding candidate would go out, right, it would stop them. They would, they would naturally limit themselves so that their opponent didn't receive state funds. And thus the court said, well, that's a limit on that person's free speech. So that's what we used to have. And it, it did keep the cost of elections down. We saw year over year that costs were not going up. They had flat lined and they were staying right there because people limited themselves in how much they would spend on the election because they didn't want to trigger money to their opponent.

J. CAVANAUGH: Are there any states that have a functioning system like that?

GAVIN GEIS: Now of that particular system, no. Right? All those have been thrown out. There are, there are municipalities, in particular, the New York system at the municipal level works very, very well. It is a small donor match program wherein you go out and you get a certain number of donations from average folks. And once you've gathered enough of that money, then you, the state will match that and they'll say here's a matching contribution to what you've gathered. Arizona and a few other states have also implemented similar systems where it's public financing, usually triggered by going out and gathering money from average people.

J. CAVANAUGH: Oh, OK. And so, I guess, going, going back to what you were talking about a little bit. So we can't-- we cannot put limits on ballot initiatives.

GAVIN GEIS: Right.

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J. CAVANAUGH: Can we put limits on ballot initiatives donating to candidates?

GAVIN GEIS: Now that would-- that is-- I don't know if that question has ever been asked in particular, but in terms of the metric the court looks at through, is, is there a corrupting influence? And I think that the answer is probably yes, there is a corrupting influence of the policies of this ballot initiative through the money they're giving being imparted onto that candidate. So, yes, through that avenue, I think it would be fair to put a limit on it.

J. CAVANAUGH: OK. And then in places that have these kind of caps, because it's 45 or whatever other states, do you see a proliferation of, like, straw man donations or is there a mechanism where, say, hypothetically, there's a very rich family in the state and they just stand up a bunch of individual PACs, those PACs then could give to each candidate up to the limit, right?

GAVIN GEIS: Right. Right. I mean, that's, that is the perennial issue with campaign finance reform. And it is the perennial problem that's brought up of, well, won't people just find a way around this? And the answer is, yeah, unfortunately people will find a way around these systems. I don't think that's a reason to do nothing. I think it is a, a cause for concern and a cause for wariness. If we would implement something like this, to watch for the loopholes and to plug the gaps. But, yes, that-- it, it is a-- every system is abused, as we know. And campaign finance is one that, I think, actually draws people to abuse it, unfortunately. But like I said, not a reason to do nothing at all.

J. CAVANAUGH: Yeah. All right. Thank you.

SANDERS: Any other questions? See none, thank you very much for your testimony.

GAVIN GEIS: Thank you.

SANDERS: Any other proponents on LB672? Any opponents on LB672? Welcome, and thank you for bringing the weather.

SPIKE EICKHOLT: You can't blame me for that, Chair.

SANDERS: It's still moving in cycles, isn't it?

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SPIKE EICKHOLT: It is. Thank you, Chair Sanders and members of the committee. My name is Spike Eickholt, S-p-i-k-e E-i-c-k-h-o-l-t. I'm appearing on behalf of the ACLU of Nebraska in, in opposition to this bill. I did visit with Senator Raybould earlier this week to explain that we would be opposing it. You've got a copy of my testimony, so I'm not going to read it. But our Supreme Court, the U.S. Supreme Court, has recognized that money is a form of speech. Giving money to a candidate is an expression of speech, and a candidate spending money for a particular cause and for themselves is also speech. And, as you know, other states do regulate campaign contributions. So we're not here arguing that this bill is unconstitutional or anything like that. But we do have an issue with sort of the purpose of the bill, and that is to sort of cap contributions by people on be-- towards a candidate. I heard, I heard most of Senator Raybould's introduction, and part of the argument, justification for this bill was-- an example she gave was the mayoral race in Lincoln, and the amount of money that was spent on the candidate from an individual family, and I think also from a U.S. Senator. That candidate did not win. I say that because the answer for speech that you don't like, or for money that's being spent by a particular candidate, is to have alternative speech. I think what Senator Lonowski picked up on is it's obvious in this bill, this doesn't even impact, and I don't think you can constitutionally, what an individual can do to self-fund their own campaign. But if you're someone who doesn't have [INAUDIBLE] means, you're retired, you don't come from money, but you're popular with other people. Why shouldn't the law allow the other people to help you get into power? In my opinion, and this is just my political perspective, I think the problem that we have in this state is sort of the small number of people who can self-fund their own campaigns, right? I don't think it's necessarily that people can't get support from other normal Nebraskans or regular Nebraskans to do that. So we would urge the committee to not act on this bill. I think Mr. Geis talked earlier what states can do. I've got an NCSL breakdown of the different caps other states have. States can certainly constitutionally have disclosure sort of requirements. States can have contribution caps. I think the issue is, and the Supreme Court has said that states can legislate and limit contributions if there's an appearance of sort of quid pro quo. I'm giving money to a candidate expecting to get something back. But I would just encourage the committee to not act on this bill. I'll answer any questions if anyone has any, but we wanted to be on the record for that reason.

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SANDERS: Thank you, Mr. Eickholt. Let's see if there are any questions from the committee? Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. Thank you, sir, for being here. So real quick question. I guess it's a constitutional question. Would we be able to put a cap on a race like, say, hey, for this mayoral race, you cannot spend more than \$80,000 in Hastings, Nebraska or--

SPIKE EICKHOLT: You mean like a total cap just for the amount--

LONOWSKI: Just a total cap. So it doesn't matter if it was my money or PAC money or--

SPIKE EICKHOLT: I don't think you could.

LONOWSKI: OK.

SPIKE EICKHOLT: Even though that might impact everyone sort of negatively. Well, first, I don't know that it would because it it's \$80,000 total, then the first person who raises \$70,000 for their own is going to get all kinds of signs, they're going to have all kinds of billboard. And the late entering candidate or the person who was just slow to raise money is just going to be out because they ran into the \$80,000 limit. So I don't think, just off the top of my head, I don't think you can cap it that way constitutionally.

LONOWSKI: OK. OK. Thank you.

SANDERS: Any other questions? See none, thank you for your testimony. Any other opponents on LB672? Good afternoon. Welcome.

KENT ROBERT: Good afternoon, Senator Sanders, members of the Government, Military and Veterans Affairs Committee. My name is Kent Rogert, K-e-n-t R-o-g-e-r-t, and I am here to oppose the bill today on behalf of myself, my firm, and the Nebraska Chamber of Commerce and Industry. I'm, I'm pretty much just can answer some questions because everything's been said ahead of me. And we-- I ran under a campaign finance law through the 2006 and 2010 races. And in 2011, they were struck down as a basis of several cases that came back after Citizens United. And what happened is at the time, Attorney General Jon Bruning and Director Frank Daley decided that they could no longer enforce the Accountability and Disclosure Act that was on there for the campaign limitations. So it's, it's just kind of become, you know, a wide-open

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thing. One thing about Nebraska is that we may not limit anything, but we make you disclose everything, anything over 50 bucks, pretty much in cash, anything over \$250 total, you have to, you have to put out there. What I would say is you both have caught onto something, wealthy candidates would have a severe advantage over folks that don't have the means to fund, you know, self-finance their campaign. Part of what is-- what we've seen would be, you know, that we don't like would be way worse. We had-- we would have more of what we call, i.e., independent expenditure groups, which those are registered under the Nebraska Accountability and Disclosure Act. And they have to show who puts money into it. You don't see it until afterwards, you know, and you see who's spending money against you as a candidate. And then you don't know where the money comes from until after the race is over. But for sure, we would see more, see more dark money, super PAC type of groups where they don't have to disclose where their contributions come from at all. And that, that, that's one thing that we would just, unfortunately, see a bunch more of. So, like, also for candidates of my firm and members of the chamber, a lot of business and professional organizations, I believe it's their right and need to do all they can to protect their interests and have them represented here. We have bankers and realtors and doctors that have been in this Legislature and those organizations have their own PACs, and they spend sometimes tens of thousand dollars on their candidates to help get them in the Legislature. And this would, this would go against what they've been working for for quite a while, so. I respect what Senator Raybould is trying to do here. I do understand it, but I, I have to oppose it today and I'd take any questions if you had any.

SANDERS: Thank you, Senator Rogert, for your testimony. I do have maybe more of a comment. It's an economic driver during the election campaign season. Right?

KENT ROGERT: Yeah.

SANDERS: The printers get jobs, mailers, grocery stores selling water for a parade.

KENT ROGERT: Yeah, since, since 2011, when we took ours down and the, the costs have gone drastically higher, I understand that, there-- I think there are something like 40 new printers in the state just that are busy as heck during those, during those campaign seasons, and a lot of, and then a lot of those, those merchandise places, too, they

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just go crazy like water bottles and koozies and t shirts and stuff like that because it's game on, right? Yeah.

SANDERS: Thank you very much for your testimony. Any other questions? Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you for being here, Senator Rogert. Can you-- and just out of curiosity, what were the limits that you had when you ran?

KENT ROBERT: It seems to me that there were-- they didn't limit what you could give, but you were limited to what you could receive as a candidate or a committee. And I believe it was \$75,000. And if you got-- if you, if you maintained that, there were public funds available at some times that would be the results of fines and fees, and I see Mr. Hunter's in the back, he may be able to come talk to somebody about that, but, and those things you would-- those were called campaign public funds. And if your opponent didn't voluntary abide by the limitations, you could receive public funds in some amount to try and match you up to there. I was never the recipient of any of those because, apparently, nobody broke the law in those years when I was running, so we didn't have enough fees. So, yeah.

GUERECA: Thank you, sir.

KENT ROBERT: Yeah.

SANDERS: Any other questions from the committee? See none, thank you for your testimony.

KENT ROBERT: Yes.

SANDERS: Are there any other testimony in opposition on LB672? Any testimony in the neutral on LB672? Good afternoon and welcome. Did you walk over?

DAVID HUNTER: Yes, I did.

SANDERS: You, you were blown one way. You probably have to suffer the other.

DAVID HUNTER: Right.

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SANDERS: Welcome.

DAVID HUNTER: Exactly. Yes, thank you, Madam Chair Sanders and members of the Government, Military and Veterans Affairs Committee. My name is David Hunter, D-a-v-i-d H-u-n-t-e-r. I serve as the Executive Director of the Nebraska Accountability and Disclosure Commission. I'm appearing on its behalf in a neutral capacity on LB672. It is my understanding that courts have ruled that contribution limits may be imposed. However, courts have also ruled that if contribution limits are too low, they may limit political speech and are considered unconstitutional. The Federal Election Commission has successfully implemented contribution limits for candidates running for a federal office and I have provided a handout of the federal election contribution limits for the 2025-2026 elections, which includes limits imposed on a candidate committee per source of contribution, some of which are indexed for inflation. So I would just recommend taking a look at that. Furthermore, under the Nebraska Political Accountability and Disclosure Act, the election period is defined as the calendar year of the election for reporting purposes. Therefore, if intending the limit to be per election, the language possibly could be amended to be pre-election rather than per election, period. Thank you for the opportunity to testify.

SANDERS: Thank you for your testimony, Mr. Hunter, on LB672. Are there any questions from the committee? Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you, Director Hunter, for being here. If a national super PAC, say from South Carolina, wanted to come in and spend \$100,000 in opposition to a candidate, right, would they have to register with the NADC at all?

DAVID HUNTER: You're saying they were from another state?

GUERECA: Yes.

DAVID HUNTER: They would not have to register as a campaign committee if they are registered with another state and reporting it to that state. If they are registered with Federal Election Commission, they would not necessarily have to file with us. We do have an independent expenditure report that is required of virtually anybody that makes an independent expenditure if they are not otherwise reporting to us.

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GUERECA: So this, this hypothetical South Carolina registered federal super PAC would have to file an [INAUDIBLE] report with the NADC?

DAVID HUNTER: If they were--

GUERECA: If they were spending in a Nebraska legislative race?

DAVID HUNTER: Yeah, I mean, if they're in opposition to a candidate, yes.

GUERECA: OK. Thank you.

DAVID HUNTER: [INAUDIBLE]

SANDERS: Any other questions for Mr. Hunter? See none, thank you very much.

DAVID HUNTER: All right. Thank you.

SANDERS: Are there any other testifiers in the neutral? See none, Senator Raybould, we'll have you close. While you're coming up, position comments for the hearing record: proponents 19, opponents 16, and zero in the neutral. Welcome back.

RAYBOULD: Oh, thank you. Thank you all for the great questions and the great dialogue and debate. And I want to thank Mr. Hunter, in particular, for giving me a great suggestion. All I have to do is strike the word "period" from both instances where it occurs, and then it would be in compliance to some of the other great suggestions we received. You know, since I've been around and, and involved in election campaigns since 2010, I've learned a lot. And I think since that time, the passage, the Supreme Court ruling on Citizens United, that's where I have particularly seen such an explosion of wealth and unrestrained wealth getting involved in all kinds of campaigns. And that classification, I think, has done more harm and done a, a greater disservice to setting up that structure where only the wealthy can run, the wealthy can win, and the wealthy can fund ballot initiatives that really impact everyday Americans and everyday Nebraskans. So I just want to say thank you so much for all the great input. I'll see you again probably next year on a revised version of this, and I'm grateful for your time and get home safely.

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SANDERS: Thank you, Senator Raybould. This closes the hearing on LB672. Drive safe.

J. CAVANAUGH: I'm going to bring all my people from the overflow room.

McKEON: Are they coming over, John?

SANDERS: Oh, my gosh, there's no one left. This, this opens our hearing on LB615. Welcome, Senator Cavanaugh.

J. CAVANAUGH: I'm just a very controversial guy. Good afternoon, Chair Sanders, members of the Government, Military and Veterans Affairs Committee. My name is Senator John Cavanaugh, J-o-h-n C-a-v-a-n-a-u-g-h, and I represent the 9th Legislative District in midtown Omaha. I'm here today to introduce LB615, which would prohibit distribution of deceptive artificial intelligence created deepfakes within 90 days of an election if not accompanied by a disclosure that the media has been manipulated by artificial intelligence. LB615 is another attempt to address the threat that generative AI poses to free and fair elections. One of the primary objection-- objections that I heard on a previous version of this bill was placing enforcement for the law with the Accountability and Disclosure Commission. LB615 places enforcement primarily in the courts through injunctive or equitable relief. I shared AM171 with the committee, which addresses some concerns that broadcasters had with the green copy of LB615. It clarifies that the advertisers, not the broadcaster-- advertiser, not the broadcaster, should be legally responsible party subject to this act. Thank you for your time and I'd be happy to answer any questions. And just to clarify, I do believe Mr. Hunter is going to testify either neutral or opposed is the same concern. And I think we attempted to take NADC out of enforcement of this. The previous version of the bill had them responsible for enforcement. In the drafting, the bill is still placed under the Accountability and Disclosure Act, although it doesn't give any explicit responsibility to them. So if we need further clarification to make sure NADC is not responsible or we need to explicitly move it to another section of the act, certainly open to that. I, I have heard their concerns at least two times previously on bills similar to this, and recognize that they are not the appropriate enforcement agency. And so we're trying to figure that out. But, certainly, Mr. Hunter I, I appreciate his willingness to be here for this. And then, yeah, the other amendment, the broadcasters basically don't want to be held liable if somebody

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sues over this-- these fake ads and they don't want to be responsible to police determining whether something's fake or not. And so-- and I, I totally understand that, it's the obligation of whoever creates the ad to put on the disclaimer and not NBC or ABC or whoever. And so that's the attempt to what the AM would serve to amend, but I'd be happy to take any questions.

SANDERS: Thank you, Senator Cavanaugh, for introducing LB615. Could you do me and those watching and give us an example of deepfake artificial intelligence in campaigns-- during campaigns?

J. CAVANAUGH: Sure. Well, so the best example is probably during the election about a year ago now, which was the primary election some people might forget, but Joe Biden was running at that time for President, and there was a primary election in New Hampshire. And there was a artificially-- artificial intelligence created voicemail or auto dial call of Joe Biden's voice telling people that the election was, in fact, on a different day or something along those lines. And so it was a computer generated message that sounded just like Joe Biden, but saying something Joe Biden had never said. And then that was distributed in, in a way to obviously deceive voters into, you know, misinforming them. So computers have gotten so good that they can create these videos, audio files of things that politicians have never said, but make it look to a normal person, maybe not an AI expert, like they are real and legitimate. And so, as I think, Mr. Eickholt said previously on that testimony is, you know, you meet speech with more speech. But in this instance, I think there's a distinction in that-- going-- me going around and saying that's not me is-- it's very hard to meet that speech with speech when somebody sees it and it looks legitimate. And so just putting on a disclaimer, we're not saying somebody can't put out these videos, we're saying you have to disclose that that-- it was generated with AI. So-- and, and as far as I know, it hasn't happened in Nebraska yet, but there's obviously concern the cheaper this is becoming, the easier it is becoming to be-- to do, the more we're going to see it.

SANDERS: Great example. Thank you, Senator Cavanaugh. Question from Senator Guereca.

GUERECA: So if a-- let's say a legislative candidate wanted to have a deepfake of George Washington endorsing their campaign, as long as it is disclosed, under this legislation, that would be allowed?

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J. CAVANAUGH: Well, so-- for, one, I'm not sure George Washington would meet the standard because it has to be a reasonable person would think it's real. And so I think a, a reasonable person probably isn't going to think that George Washington actually endorsed, you know, we'll say a state senator or somebody running for Legislature in south Omaha. And it's my recollection, I'd have to double check in the bill, but it has to be to deceive voters into a negative. So it'd be a video of George Washington saying your opponent is terrible or something like that,--

GUERECAL: Gotcha.

J. CAVANAUGH: --I think it's more what we're trying to get at.

GUERECAL: Thank you, sir.

SANDERS: Senator Lonowski.

LONOWSKI: Thank you, thank you, Chair Sanders. And thank you. This is really an interesting topic to me, and we've seen a lot of AI out there that's as a joke, but I-- first of all, sir, thank you for bringing this. I probably will get endorsed by 46 candidates next time. So appreciate that. Let's say it's an after the fact, are they able to find out who generated it so they know who to penalize or who to hold responsible?

J. CAVANAUGH: Yeah, that's a good question. I-- and I don't know the technology well enough. I think there are ways that if you're skilled in this thing, you can put it into a computer program and parse it apart and see that it's fake. And the real problem is, if somebody starts running an ad about you in the middle of an election, the, the reason we have it structured the way it is, is injunctive relief, basically means you can go to a court and say get that off the air. They're saying-- that they've got an add on that says that I, you know, did something terrible, right? And so you can get them to take the ad down is really what the option is here. I think there's a lot of problems with, you know, getting economic relief in a campaign is tough, right? And especially if you're suing another campaign that's an entity that's designed to exist for a short period of time. So and this is one of the-- we've been wrestling with a lot of problems on this, trying to find an enforcement mechanism, trying to find-- and other states or wrestling with it too. We had an interim study hearing

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with Senator Brewer, and I did a joint one this fall, and we brought in some folks from NCSL and they talked about lots of other states have done lots of different things. And so still trying-- we're trying to learn from other states' experience, and we're trying to kind of figure out what works for Nebraska and this is the latest attempt to do that. But, yeah, so after the fact, I think you can find out, but we're trying to-- the point of the injunctive relief is in the heat of a campaign, trying to get it so people aren't being misinformed about you.

LONOWSKI: All right. Thank you.

SANDERS: Any other questions? Senator Andersen.

ANDERSEN: Thank you, Chairwoman Sanders. And thank you, Senator Cavanaugh. Couple questions. In your amendment it exempts TV broadcasting and streaming organizations, why should they not be held accountable for hearing what many would consider or probably would consider libelous or-- content?

J. CAVANAUGH: Well, yeah, so I think that the regular libel standard would still apply. But they don't want to be responsible, and I think that rightfully. They shouldn't be responsible to look at every commercial that they have and determine whether or not it's a real video. It's been how-- like, they're not equipped, just like NADC is not equipped to make these determinations about whether, you know, Senator X really said this. Like-- so if you made a video of Senator X saying I hate puppies and then you put that out, right, Senator X would be in a better position to go and say I didn't say that. But NBC-- local, you know, WOWT is not necessarily in a position to say, well, we don't know if he actually said that or not. So they're just not the correct position, and it would be a huge hurdle for them to then they'd have to-- if we passed this without that kind of exception for them, it'd be a huge hurdle for all of the broadcast entities to run any political ads, because they'd have to go through some-- they'd have to create a process to make that determination.

ANDERSEN: OK. And I think that may be their-- partly their responsibility, but that's certainly a discussion for a different day. But it seems like with that amendment that it tailors this action really only towards social media is what it seems like. Is that your intent?

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J. CAVANAUGH: Well, no, no, it would still be broadcast television and whatever the other things are that we, we call them, you know, streaming services. I know there's lots of different ways to broadcast ads now. It would still apply to those. It's just that the, the broadcaster, so YouTube or Hulu or NBC or ABC would not be the ones that would be responsible and wouldn't be, you know, if candidate X wouldn't take them to court, they would take whoever it is that paid for the ad and created the ad to court. And that's, that's who they would sue for injunctive relief. And the TV station then would take it down so they-- you just wouldn't be able to sue the TV station.

ANDERSEN: I'm sure in your campaigns like it was in mine, there were false accusations of things that I've, you know, done that I didn't do. I'm sure you had that in your campaign. I think most of us did. But there really isn't any recourse, you know, to hold the person accountable that's lying about you.

J. CAVANAUGH: And, again, I'm trying, I'm trying to get to some of that, and obviously there's different, different things. This would only address false accusations that are being perpetrated through the use of manipulated imagery, so.

ANDERSEN: Sure.

J. CAVANAUGH: And, yes, you're right. And in campaigns, there's the classic mailer that is a really cheap looking photoshop of somebody's head cut out and pasted on somebody else's body, you know, whatever, those type of things that everybody sees.

ANDERSEN: [INAUDIBLE] puppies.

J. CAVANAUGH: Yeah, the, the classic puppet ad. Right? And this would not really address that. I mean, it may technically address that, but, again, it has to be something-- in that instance, I don't think a reasonable person thinks that that would be real. Right? But, yeah, it's a tough question. I've been wrestling with it now for, I think, 2.5 or 3 years on bringing these bills, and I haven't settled on a question that encompasses correctly everything, but also doesn't accidentally make, you know, somebody else responsible, doesn't make-- doesn't violate free speech, because people do have a right to say things that they want to say, especially in political campaigns. That's a very protected level of speech. And you can say things that

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are not 100% true in a political campaign. But what I'm attempting to address here is saying things that are not true, but making it look like it's true--

ANDERSEN: Right.

J. CAVANAUGH: --and making it look like somebody said it, or making it look like they did something they didn't do. So I think there's a distinction between just classic dirty tricks campaigns and what, what threshold we're crossing into with AI.

ANDERSEN: I, I think-- I'm glad you brought the bill. I think it's fascinating. A couple of quick comments and questions. With the fiscal note, you had one analyst?

J. CAVANAUGH: Yeah, and so Mr. Hunter probably will address that, that I don't think would really-- if we address the NADC's concern, which is try to make them not the enforcement mechanism, which we're trying to do. I don't think there should be that cost because there shouldn't be any responsibility for them, so.

ANDERSEN: Yeah, I'm not sure who would be the investigating organization, but there will be a cost. And I think it's greater than one analyst just because of the advancements in artificial intelligence.

J. CAVANAUGH: Well, the investigating entity would be the individual. It's an-- it'd be an individual right. So it'd be the right of Senator X to go to court. So they are the one who would get to object and say this is not real. And then they get to go to court and say-- ask the judge, district court judge, for an injunction and say this is not me. I didn't say this or something along those lines. And then the judge would make that determination. So the Accountability and Disclosure Commission is the one that has that \$160,000. And they, yes, they-- if we put the, the responsibility on them, they would need to hire people that would go through presumably a whole bunch of ads and have some kind of technology to determine it. And-- but, yes, they have previously expressed that they don't believe they're the right entity for that. And I don't disagree with them. Our intention was to take them out, and I think we just didn't fully get them out based off of how it was drafted. And so we're still-- we're-- we'll look at more

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language to eliminate that governmental cost. It should be an individual cost.

ANDERSEN: OK, so the candidates will have to fundraise more in order to hire analysts to look for the deepfakes. Last question is which elections? I don't know if it stipulates in here, is it all elections, school board up through President?

J. CAVANAUGH: It would be Nebraska-- yeah, state-level elections. I don't--

ANDERSEN: State and below?

J. CAVANAUGH: Yeah, I guess, I'm-- that's a good question. I don't know if we would be able to because we can't regulate federal elections at the state level. So I don't know if we could interject ourselves into that, but it would be certainly, yes, every election that the state regulates.

ANDERSEN: Thank you.

SANDERS: Any other questions from the committee? See none, thank you for your testimony. I believe you're going to stay for close.

J. CAVANAUGH: I'll stick around.

SANDERS: Thank you very much. Any proponents on LB615? Any opponents on LB615? Opponent? Welcome back.

DAVID HUNTER: Thank you, Madam Chair, and members of the Government, Military and Veterans Affairs Committee. My name is David Hunter, D-a-v-i-d H-u-n-t-e-r. I serve as the Executive Director of the Nebraska Accountability and Disclosure Commission. I'm appearing on behalf of the Commission in opposition to LB615. While we would agree that campaign advertising, which has been manipulated or generated by artificial intelligence being used in campaign advertising is a potential concern, it has not been an identified problem in matters before the Accountability and Disclosure Commission. The Commission has voted to oppose LB615 because, in its judgment, the bill could not be presently administered nor enforced by the Commission, meaning that really we have no means or method to determine whether synthetic media has been used. Under the bill, the Accountability and Disclosure Commission, or the NADC, would be tasked with responding to complaints

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that deceptive and fraudulent representations are being made about a candidate. We do not currently perform such a truth-checking analysis. In order to do so, we would arguably be trying to regulate free speech in the political campaign arena. Under the current provisions of the Nebraska Political Accountability and Disclosure Act, the NADC is not tasked with trying to judge the truth or deceptiveness of claims made in the heat of a campaign. To provide some historical perspective, the original act included a provision which prohibited making a materially false or misleading statement about a candidate. However, that provision was repealed, I believe, in the 1980s and it was our understanding that a court case hastened its repeal. Therefore, presently, the NADC does not attempt to determine the truth or falsity of political advertisements. Also, in order to determine whether synthetic media has been used, we would be required to hire experts in the field of artificial intelligence to investigate allegations from candidates who, under this bill, may file a complaint alleging that deceptive and fraudulent statements, in part, using synthetic media are being made about them. This process could be difficult and very time-consuming. To the extent that synthetic media originates outside Nebraska, we may have difficulties acquiring jurisdiction and enforcing the law. For these reasons, the Commission has elected to oppose LB615. Thank you for the opportunity to testify today.

SANDERS: Thank you, Mr. Hunter, for testifying. If there were an issue that needed to be investigated, would that be through the Attorney General's Office, most likely?

DAVID HUNTER: I mean, right now, a criminal matter would be, you know, referred to the Attorney General's Office under our act, but we currently would enforce matters under the act with civil penalties.

SANDERS: Thank you. Any other questions from the committee? Senator Andersen.

ANDERSEN: Thank you, Chairwoman. Just-- did you say you're in neutral capacity or opposition?

SANDERS: He's in opposition.

DAVID HUNTER: Opposition.

ANDERSEN: Opposition. Thank you.

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SANDERS: Any other questions for Mr. Hunter? See none, thank you for your testimony.

DAVID HUNTER: Thank you.

SANDERS: Are there any other opposition for LB615? Any in the neutral? Welcome back.

GAVIN GEIS: Chair Sanders, members of the committee, I am Gavin Geis. That is G-a-v-i-n G-e-i-s. I'm the Executive Director for Common Cause Nebraska. I'm testifying in the neutral capacity today simply because this is such a developing area of law that Common Cause does not yet know what issues and what aspects of it we support. Common Cause works in 30 states across the nation and in D.C. In all of those places, bills are seeking to address this very problem. Senator Cavanaugh let us know in his opening that, right, this is an unsettled area that everybody is trying to find a way to address. This is also a very developing field of technology. We don't know what AI technology will look like a year from now, 2 years from now. I think it is wise, and I thank Senator Cavanaugh for continuing to look at this and how we can address it as a state. I would encourage this body to not write it off as something that's not impacting us. Simply because it hasn't impacted us yet doesn't mean it won't in the coming election years, as it becomes cheaper, as it becomes more accessible. So I testify merely just say please keep after it. Keep looking at this. This is-- we are on the bleeding edge of technology here, and we will need to regulate this at some point. But in terms of what that regulation needs to look like today, we simply do not have a conclusion and we don't endorse any one particular policy in this area. We just encourage, encourage state legislatures to keep, keep at it and keep an eye on what the developing, what the developing ideas are. So having said that, we are in neutral capacity. Thank you.

SANDERS: Thank you, Mr. Geis, for your testimony. We live in interesting times right now. I don't think we thought AI would be here on top of us already.

GAVIN GEIS: No.

SANDERS: Yeah. Thank you. Let me check to see if there are any questions? See none, thank you.

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GAVIN GEIS: Thank you.

SANDERS: And drive safe. Any other neutral testimony? Welcome. Good afternoon.

RYAN NICKELL: Hello. Yeah, good afternoon, Government, Military and Veterans Affairs Committee. For the record, my name is Ryan Nickell, R-y-a-n N-i-c-k-e-l-l, speaking on behalf of myself in the neutral capacity to LB615. So I wasn't going to speak on any bill today, but, yeah, so this is interesting because so I happen to be an artificial intelligence specialist myself. So I'm happy to answer any questions. Just my one concern right now is let's say, let's say I run for office, OK, so let's say I make a video of [INAUDIBLE] giving a really fiery speech to a crowd of a million people or so, which it's fake, but [INAUDIBLE]? So I don't know, that's just one of my, one of my thought right now. Thank you.

SANDERS: Thank you very much, Mr. Nickell. Let me just see if there are any questions from the committee? See none, thank you for your testimony.

RYAN NICKELL: Yes, thank you.

SANDERS: I don't see anyone else for the neutral so, Senator Cavanaugh, if you'd like to close? For position comments for the hearing record: proponents were 17, opponents were 13, and zero in the neutral.

J. CAVANAUGH: Thank you, Madam Chair, and thanks, members of the committee. Well, I-- like I said, I appreciate Mr. Hunter's testimony. Obviously, their biggest concern is that they're not the right people to enforce this. I agree. We're happy to clarify that further. One of the concerns is what is the enforcement mechanism? So, you know, really it is that section (4) on page 3 about the candidate whose actions are depicted can seek injunctive relief. I mean, I'm not 100% convinced that's effective enough that it's going to, you know, work, really. Because, one, court's take a while and, you know, how do you set a hearing and make that determination? And then do you take that injunction against the people who are-- made, made the ad and sent it to the news station? I don't know, we'll have to-- we're still working on this and but I think my favorite thing is that I stumped Common Cause. And so that's a real big feather in my cap, I suppose, that

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they don't know which way to be on this. But, yeah, it's, it is evolving. I think we, we brought this bill to keep moving the conversation forward and to be able to suss out some of these questions. I think we do need to do something about this in the near future, and I'm not sure this bill gets it done, but I think it keeps us moving in the right direction. And I'm happy to work with anybody that has suggestions on how to fix this. And I would say to Mr. Nickells [SIC], it's only negative video. So if you made a video of yourself talking to a million people, that wouldn't be subject to this act, you're welcome-- you are welcome to do that. You just can't make it look like your opponent is talking to a, a million Nazis or something like that, you know, some, some kind of thing that would be taken negatively. So that, that's the distinction. It has to be something that is used specifically to make it look like paint-- painting someone in a negative light using artificial intelligence. And it has to be something that is not true. So a good example of something that's true is they could take something you said on the floor, like floor debate, and overlay that with a video that was made to look like, you know, something that actually happened, something you actually said, but maybe in a more stylized way, that would still be acceptable. So anyway, with that, I'm happy to take any questions.

SANDERS: Thank you, Senator Cavanaugh, for bringing-- introducing this bill. I, I have a question, maybe you might know the answer. So in the education of law, is there an artificial intelligence law program out there?

J. CAVANAUGH: I'm sure there is, not when I went to law school.

SANDERS: Yeah. Yeah, it's interesting, you know, about 5 years ago, I heard Nebraska had the only space law program--

J. CAVANAUGH: Right.

SANDERS: --and when I go out of the state of Nebraska to any aerospace conferences, they bring that up. Nebraska has the only space law program. And that's really pretty cool. So I was just wondering if there was an artificial intelligence law program.

J. CAVANAUGH: Law schools are very good at being cutting edge in finding niche areas. And so I'm sure there's a law school or more than

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one out there that has developed some subspecialty in that as a way to differentiate, but I'm not aware of which ones it is.

SANDERS: I think it would be a good, good place to get more resources for the stuff. So thank you very much. Any questions for Senator Cavanaugh? Thank you very much again--

J. CAVANAUGH: Thank you.

SANDERS: --for introducing LB615. This closes the hearing on LB615 and the hearing for the Government, Military and Veterans Affairs Committee. Drive safe, every--