

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**SANDERS:** Good afternoon, and welcome to the Government, Military and Veterans Affairs Committee. I am Senator Rita Sanders from Bellevue, District 45. And I serve as the chair of the committee. The purpose of the public hearing is an information-gathering endeavor in which senators on the committee are, are seeking information about the proposal legislation that we do not know or have not thought about. It allows individuals representing themselves or a group to share their unique perspective on a proposed measure. It also serves as a record about the proposal for future historical, legal purposes, a key component of the process, and the ability for senators to engage directly with testifiers, to ask questions, and elicit clarification on the information provided. The committee will take up bills in the order posted. If you are planning to testify today, please fill out one of the green testifier sheets on each of the bills that you are testifying on. These are on the back of the table-- back of room on the table. 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 you would like to indicate your position on a bill, there are also yellow sign-in sheets on the table in the back. 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 so that it goes into the record correctly. We will begin each bill hearing today with the introducer's opening statement, followed by 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 three-minute light system for all testifiers. When you begin your testimony, the light on the table will be green. When the li-- yellow light comes on, you have about one minute remaining. And the red light indicates your time has ended. Questions from the committee may follow. Also, committee members may come up and-- may come and go during the hearing. This has nothing to do with the importance of your bill. We're-- it is part of the process, as senators have bills to introduce in other committees as well. A few final items to facilitate today's hearing. If you have any handouts or copies of your testimony, please bring at least 12 copies and give them to the page. If you do not have enough copies, the page will make sufficient copies for you. Please note that the tu-- that thumb drives, CDs, DVDs, oversized documents, books, lists of signatures, and similar will not be exe-- will not be accepted as exhibits for the record. Please silence or turn off your cell phones. You may see committee members using their electronic

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

device to access information. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may 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 legislators website at [legislate.nebraska.gov](http://legislate.nebraska.gov) [SIC]. Written position letters will be included in 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 to introduce themselves, starting on my right.

**HUNT:** I'm Senator Megan Hunt, and I represent District 8 in midtown Omaha.

**GUERECA:** Dunixi Guereca, LD 7: downtown and south Omaha.

**J. CAVANAUGH:** John Cavanaugh, District 9: midtown Omaha.

**ANDERSEN:** Senator Bob Andersen, District 49: northwest Sarpy County and Omaha.

**LONOWSKI:** Dan Lonowski, Senat-- Senator for District 33, which is Adams County, Kearney County, and rural Phelps County.

**WORDEKEMPER:** Senator Dave Wordekemper, District 15. I represent Dodge County and western Douglas County.

**F. MEYER:** And I'm Senator Fred Meyer, District 41, north and west of Grand Island.

**SANDERS:** Thank you. And Senator Bob Andersen is the vice chair of the committee. Also assisting us today-- committee here today: to my right is our legal counsel, Dick Clark; and to my far left, committee clerk, Julie, Julie Cash. We have two pages for the committee today, and they are Luke Perry from Gretna-- if you would stand-- who is a freshman at UNO majoring in history and political science; and we also have Grace Harper from Loveland, Colorado who is a junior at UNL and majoring in political science. I believe-- I believe that's all we have for notes for this afternoon. And we will begin with LB767. Welcome, Senator Holdcroft.

**HOLDCROFT:** Thank you. Good afternoon, Chairwoman Sanders and members of the Government, Military and Veterans Affairs Committee. For the record, my name is Senator Rick Holdcroft, spelled R-i-c-k

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

H-o-l-d-c-r-o-f-t. I represent Legislative District 36, which includes west and south Sarpy County. LB767 creates a regulatory framework for those offering and charging fees for services related to veterans' benefits claims. It provides restrictions on who may act as a veteran's agent or attorney, sets limits on compensation, mandates disclosures, requires data protection and accreditation, and makes violations a deceptive trade practice. Exemptions are provided for federally-- fe-- federally accredited representatives and state and county officers. LB767 prohibits charging veterans for service within one year of discharge unless a waiver is assi-- is signed and restricts compensation to a contingency fee not to exceed five times the monthly benefit increase. It also mandates written, signed agreements specifying compensation terms for services related to veterans' benefits claims. LB767 requires clear, standardized disclosures in service agreements, acknowledged by signature, that state accompanies nonaffiliation with official veterans agencies and makes potential clients aware of the availability of free services. It requires providers to maintain certification or accreditation from recognized veterans rights organizations or the VA. Additionally, viol-- violations would be classified as deceptive trade practices under Nebraska law, subject to associated penalties. Previous attempts have been made to deem these companies who provide valuable assistance to veterans illegal under Nebraska law. The fact is there are almost 120,000 veterans in Nebraska but fewer than 200 veterans services officers, or VSOs. This equates to over 600 vets per VSO. Veterans service officers do wonderful work but simply can't be expected to keep up with the demands of their comrades. Chairwoman Sanders and members of the Government, Military and Veterans Affairs Committee, thank you for your consideration of LB767. I would be happy to take any questions you might have. Additionally, there will be testifiers behind me to explain the valuable services offered by veterans claims assistance companies as well as shed light on the current problems with the federal accreditation process. Thank you.

**SANDERS:** Thank you. Are there any questions for Senator Holdcroft? Wow. You have no questions. Do you have an-- invited testifiers?

**HOLDCROFT:** Not invi-- I mean, I-- test-- pro-- proponents, but they can come up and--

**SANDERS:** OK. And you'll be here for the closing.

**HOLDCROFT:** I will be here for closing.

**SANDERS:** Thank you. We now call on proponents of LB767. Welcome.

**PETER O'ROURKE:** Thank you. Chairma-- Chairperson Sanders, Vice Chairman Andersen, and members of the Government, Military and Veterans Committee, thank you for allowing me to testify today. My name is Peter O'Rourke, P-e-t-e-r O'R-o-u-r-k-e. Honored to testify as the president of the National Association for Veterans Rights, and I'm a veteran of both the Navy and the Air Force. Got out in the mid-2000s. I've also served at the Department of Veterans Affairs as the Chief of Staff for the Department and also as the Acting Secretary during the first administration of the Trump administration. And I'm here to, to speak both personally and my professional experience with disability compensation claims, service-connected claims that veterans apply for through the department, and how they go about getting those benefits. LB767, the Certified Health Options and Claims Experience for Veterans Act, is a commonsense measure that strengthens consumer protections for veterans while creating clear, enforceable standards for organizations assesting-- assisting them with getting their benefits. Veterans and their families often navigate a complex system at the VA, and with these safeguards in this bill, they will fall-- they, they could fall victim to misleading and exploitive actors that, that we've seen. The part of the reason why I established the association was to recognize and differentiate between these bad actors and companies and individuals that were committed to seeing veterans have a better process by which they got their claims. So I've been very dedicated to this process for quite a while. It is a problem. There are shortcomings both by the department and by the folks that, that exist in the existing scheme to help them get their claims. And so what has developed over time has been outside groups, outside organizations that have-- that can help veterans get their disability claims processed by helping them on the front end of that process to get their initial claim done as accurately as possible. And that's what we're advocating for. And what I'm advocating specifically for is regulations in that area at the state level-- we'll talk about the federal level in just a second-- but at the state level so that we can have protections for veterans right at the point of their service. It's hard for the department to be able to police across the whole United States. All the different, you know, opportunities there are for veterans to get these-- their claims done. And so having the states be involved in this I think is a very positive action. And so good regulation in this space, making sure that a veteran can help differentiate between good and bad actors is a good thing. So with

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

that, I'm, I'm happy to take any questions if it's specifically about the process or about this bill. Thank you.

**SANDERS:** Thank you. Are there any questions for Mr. O'Rourke? None? Oh. Senator Lonowski.

**LONOWSKI:** Thank you, Chair Sanders. And thank you, sir, for being here. So we had a bill similar to this last year. Can you tell me how this strengthens that or, or what the changes are?

**PETER O'ROURKE:** So, so the, the bill specifically putting in regulations to protect veterans as they go through a, a third-party provider or a bill that was produced to try to eliminate the-- this industry in a-- as a whole?

**LONOWSKI:** Well, well, just how-- what are the guardrails that this adds to it, I guess.

**PETER O'ROURKE:** I mean, part of what we understand and, and recognize with veterans is that there's-- it's a confusing marketplace sometimes, both dealing with the VA specifically in trying to-- you know, the ever-changing landscape of rules, but also just the different types of things that they can claim as a disability, whether it's the PACT Act that provided presumptive conditions that they can apply for that frankly don't really require much other than them, you know, calling the VA saying, hey, I served during this period. I have this condition. It's been diagnosed by a doctor. And then those claims are, are processed. Or whether it's somebody that has a, a ten-year gap in-- since they separated or retired from service and now they're-- you know, they have conditions they want to get adjudicated or, or recognized by the VA. This bill, I, I think, is a continuation of what-- you know, the first time I came a couple years ago, which is, we understand that there's an issue, we understand until the, the federal government provides regulatory language that provides accreditation for companies that don't provide representation for veterans to the VA, don't access their, their, their system to, to provide these information but really just are focused on helping the veteran get their claim done, this, this bill provides those guardrails that we would normally expect in a consumer protection kind of environment, whether they're applying for benefits at the state level or dealing with other types of contractual organizations.

**LONOWSKI:** OK. I, I have one more question.

**PETER O'ROURKE:** Sure.

**LONOWSKI:** So I, I got those calls when I separated from the service, and a lot of them were from Virginia, Maryland. They weren't, they weren't here in the state. But-- so for someone that gets those calls-- and let's say their VSO gets them through the process, is there a way to know for that soldier to know if the VSO did the work versus--

**PETER O'ROURKE:** Yeah. So, so typically, if you engage a VSO, you'll, you'll sign either a power of attorney-- because they become your representative with the VA.

**LONOWSKI:** OK.

**PETER O'ROURKE:** So they'll advocate on your behalf with the department for your disability claims, sometimes for other benefit programs that you, you would be-- that avail to you. In that case, you would, you would know. And you can actually look up on the VA system and find out, you know, who your-- who, who might have a power of attorney with you. So that's a very regulated, traditional approach to work with the VA. Works in a lot of the cases that the veterans would have working through that. What we're talking about with this is veterans that choose to go down the fully developed claim path where they're going to do their claim themselves and they're looking for assistance as they put together their package and then submit it to the VA for adjudication of their disability claim.

**LONOWSKI:** Thank you.

**SANDERS:** Thank you. Senator Wordekemper.

**WORDEKEMPER:** Thank you, Chair Sanders. Are there other states that have passed similar legislation to this?

**PETER O'ROURKE:** Yes. There's-- to, to this bill, LB767, there's currently seven other states that have passed similar guardrails in, in state law that they are now using to help start regulating that space. And, and from my perspective, from our association's perspective, what that does is help us be able to communicate and talk to veterans about how to distinguish between a good actor and a bad actor, because currently nobody regulates that space at the federal level. And so at the state level, having states step up and provide those guardrails gives us the first step and the opportunity to be able to educate veterans on good help that they can get, free

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

help that they can get from VSOs, from the state, from the county, and there are other options that they have outside of that.

**WORDEKEMPER:** I got--

**SANDERS:** Please.

**WORDEKEMPER:** --follow up because-- I didn't realize that-- I mean, I'm glad there's several other states-- if you are in Nebraska, do you have to file for your benefits in Nebraska? Or if we pass this law, can someone from another state that doesn't have these protections be able to seek those benefits in our state because we have those protections?

**PETER O'ROURKE:** That's, that's actually a really great question. It would probably entice people to come to Nebraska. I think, I think, in general, finding ways to make a state very welcoming to veterans, both ones that are separating the-- maybe out of Offutt or other places here or veterans that might consider coming to Nebraska. I think this is definitely going to be something that shows that the Legislature, that, that the administration here is concerned about their welfare and their rights.

**WORDEKEMPER:** Thank you.

**PETER O'ROURKE:** So yeah, I would think that would be the case. I don't know if you're going to get somebody from Florida to come up here, though, so.

**SANDERS:** Any other questions for Mr. Urk [SIC]? Mist-- Senator Andersen.

**ANDERSEN:** Thank you, Chairwoman Sanders. Mr. O'Rourke, thank you for being here and for your testimony. I got a question on Section 3. I'll, I'll read it to you in case you don't have a copy in front of you. It just says, no person may act as a veteran's agent or attorney with respect to the veteran's benefit matter unless that individual has been recognized for such purposes by the Secretary of Veteran Affairs of the United States Department of Veteran Affairs. Right? So the Secretary himself has to recognize them. That's a huge jump, right, from being--

**PETER O'ROURKE:** Sure.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**ANDERSEN:** --somebody out here in Nebraska to the Secretary of Veterans Affairs. Do you-- can you enlighten me on what that process is?

**PETER O'ROURKE:** Sure. Yeah. So, so what that deals with specifically is if you're going to be a representative for a veteran, a veteran's going to basically give you power of attorney--

**ANDERSEN:** Right.

**PETER O'ROURKE:** --to go on their behalf to the department and advocate for their benefit, advocate for their service-connected disability application, or any other matter in-- that you might have in front of the department, that, that accreditation process is managed by the Office of General Counsel, but it's ultimately you are, you are engaged by the Secretary of the VA to-- that gives you that authority, because those authorities come from the Secretary. It-- it's as-- it-- it's a-- obviously very serious for, for the department because what they've done is they've opened up their internal systems to outside-- you know, they're veterans service organizations, so they're not really outside, you know, kind of the family, but they're folks that are not VA employees that you actually have some positive control over. So they want to make sure that that process is adjudicated well, that they understand who those people are. There-- there's a couple different aspects to that. There's the training aspect on specific programs that, that a, that a, a representative would, would be working with a veteran on. But in general, you know, who they open up their systems to is, is very highly regulated.

**ANDERSEN:** Thank you.

**SANDERS:** Any other questions for Mr. O'Rourke? Seeing none. Thank you for your testimony.

**PETER O'ROURKE:** Thank you much. Thank you.

**SANDERS:** Any other proponents? Good afternoon. Welcome.

**JOHN BLOMSTROM:** Madam Chair, thank you very much. Vice Chair Andersen, thank you, members of the committee. Appreciate the time today. My name is John Blomstrom, J-o-h-n B-l-o-m-s-t-r-o-m. I'm here in support of LB767, a Certified Help Options in Claims Expertise for Veterans Act, or choice. I'm a United States Marine Corps veteran and someone who proudly owns a ranch in Keya Paha County where I learned



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

the value of hard work, accountability, and personal responsibility the Nebraska way. I appear before you today because LB767 gets it right. Protects veterans from bad actors without taking away their freedom to choose how they navigate an already difficult VA disability system. Veterans deserve choices, not mandates. Just like filing taxes, veterans should be able to file a claim on their own, use a free service like a VSO, or choose to hire an expert with clear rules and strong protections in place. LB767 preserves that choice while ma-- setting commonsense guardrails, transparency, fee limits, outcome-based compensation, disclosure of free options, and strict protection of personal information. That balance matters because the VA system is overwhelmed and slow, and even the best intentioned free services cannot meet demand. In Nebraska alone, veterans face thousands of pending claims, long wait times, and short of available service officers, leaving many veterans searching for help, to include our county of Keya Paha. I didn't learn responsibility in Washington, D.C. I learned it working land, fixing fence, and pulling my weight in Nebraska ranch country. I didn't learn leadership in a boardroom; I learned it in the Marine Corps, where we are taught to look out for the person on our left and our right but also respect their judgment. Veterans are not victims. They are adults who earned the right to make the informed decisions about their own lives. LB767 respects that. There's a difference between regulating an industry and eliminating it. Bills moderated-- modeled after bills like LB693 approach-- which approach-- strip veterans of choice, force them into a bottleneck system, and often push them toward long, costly appeals, handled by attorneys who may take a third of a veteran's back pay-- things we simply do not do. LB767 takes the opposite approach: targets bad actors, sets enforceable standards, and ensures ethical companies can continue serving veterans transparently and legally. This is not anti-veteran; it's pro-consumer and pro-choice. Thank you very much for the time.

**SANDERS:** Thank you for your testimony. Are there any questions for Mr. Bloomstrom [SIC]? I see none. Thank you for your testimony.

**JOHN BLOMSTROM:** Senator, members of the committee, thank you very much.

**SANDERS:** Are there any other proponents? Any opponents? Welcome.

**MARK LAKAMB:** Thank you. Chairwoman Sanders, Vice Chairman Andersen, my na-- committee members, my name's Mark Lakamb, spelled M-a-r-k L-a-k-a-m-b. I'm the Lancaster County Veterans Service Officer. I am

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

speaking against LB767 on behalf of Lancaster County, the Nebraska Veterans Council, and as an accredited veterans service officer. I can't cover everything I have to say in three minutes, so I have attached my card with the written testimony for any senator who would like additional information and a walk through the VA claims process. I can give you details of the success our office had last year [INAUDIBLE] Lancaster County Veterans compensation. If the rates that LB767 allows were charged, it would have cost directors in our county over \$2.78 million of money that would leave Lancaster County. I'm available to meet you at your convenience. I'm local here in Lincoln. So anytime, please give me a call. I'd be happy to talk to you. In the past two years, the claims consulting industry has testified nothing they do is illegal under federal law. This is despite receiving numerous cease and desist letters from the Veterans Administration. Letters sent to those companies who testified against LB693 are attached for your reference. LB767 now acknowledges what the consultants have been denying. The statement of intent for the bill says that the act would provide state enforcement with new consumer protections related to persons receiving compensation for preparation of claims for veterans' benefits. LB767 is trying to make something that is illegal under federal law legal under Nebraska state law. 38 USC Sections 5901 to 5904 and numerous sections of 38 CFR clearly identify the requirement for a VA accreditation to prepare a claim for veterans and that a fee for preparing an initial claim with the VA may never be charged. Those are also attached for your information. LB767 is a direct response to LB693. Industry knows that LB693 will destroy their business model, and they are trying to present you with what appears to be a reasonable alternative. It is not. Some senators may have concerns that LB693 is unconstitutional. It is not. LB693 does not prohibit claims consulting companies to work with Nebraska veterans, nor does it prevent Nebraska veterans from working with them. It simply recognizes the fact that such work is [INAUDIBLE] practice not allowed under federal law. It prevents companies from illegally collecting fees that they may gain from the veterans. The New Jersey law of the industry has probably referenced-- in LB687 match almost word for word. The only difference is that the New Jersey law specifically states that no persons shall receive compensation for advising or assisting any individual with regard to any veterans' benefits matter except as permitted under federal law. This is a problem that co-- claim consultants have, and what they're trying to do is ill-- is illegal under federal law. LB767 uses the term state or federal law. [INAUDIBLE] they're trying to slip something past you and make something legal in Nebraska that

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

is illegal federally. The other thing the industry is trying to do is legitimize a trade association created by their illegal industry to serve as a certification authority. They will tell you that they will try to weed out the bad actors. While the companies who pay to be part of the National Association of Veterans Rights may not be the worst of the worst of the various claims consultant companies, they continue to illegally charge veterans for work veterans service officers do for free. Thank you for listening to my testimony. I urge you to vote against LB767, as it legitimizes unsavory practices from unsavory companies who take advantage of the veterans that I proudly serve.

**SANDERS:** Thank you for your testimony. Are there any questions for Mr. Camp [SIC]? Senator Andersen.

**ANDERSEN:** Thank you, Chairwoman. Thank you, Mr. Lakamb. In your opening comments in paragraph two, you talk about if we had charged the same rates as LB676 does, it'd cost the veterans we helped over \$2.8 million.

**MARK LAKAMB:** That, that is correct. So--

**ANDERSEN:** I'm curious, how'd you come up with that?

**MARK LAKAMB:** So we track the results of all the claims that veterans file through our office. In 2025, our veterans received just over \$4.5 million [INAUDIBLE] benefits, and then monthly increases approaching \$450,000. So if we had charged five times the monthly increase, which is what LB767 charges-- of course, we would never do that. We're not allowed to charge.

**ANDERSEN:** Sure.

**MARK LAKAMB:** That's how much it would have cost our Lancaster County veterans. So we added to Lancaster County's economic impact, you know, over \$10 million in 2025. Right now, Lancaster County veterans, based on the last VA statistics from FY24, received about \$137 million in tax-free VA benefits, veterans and their families. So you can see this is a big money, big money industry. That is why these claims consultant companies want their piece of the pie, so to speak.

**ANDERSEN:** Thank you.

**SANDERS:** Any other questions? Senator Lonowski.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**LONOWSKI:** Thank you, Chair. Thank you for being here. So my first question is, do you have some, some of the federal documentation or anyone federal that will, that will help us with this dispute?

**MARK LAKAMB:** Well, the VA, the Office of General Counsel, has made it clearly defined what is legal and illegal under federal law. Unfortunately, in 2006, there was a change to the federal law that took away the penalties for being an unaccredited representative. That's when these types of companies started work, because there is no penalty under federal law. The cease and desist letters have been sent out by the Office of General Counsel from the VA which clearly identify what these companies are doing that's illegal. Unfortunately, there's no enforcement mechanism that the OGC or the VA can do other than send these letters out.

**LONOWSKI:** OK. And then at, at your place here in Lancaster County, you have several VSOs that work with you or for you?

**MARK LAKAMB:** Yes. So in our office-- so I'm the director of the Lancaster County Veterans Service Office. I'm an accredited veterans service officer through the VFW, the American Legion, the National Association of the County-- National Association of County Veterans Service Officers, and DAV, Disabled American Veterans. We have three other service officers who are also accredited with those, with those organizations. And then we have one admin support person. So we work with veterans directly, help them file their claims. We have access to the VA's Veterans Benefits Management System as accredited VA representatives. We can track a veteran's claim from the time they file their intent to file to the time they get a decision. We can see what's going on. If it starts going crosswise, we can, we can step in and fix it. I have access to the VA's email system. I have a-- I have a V-- a VA email address, as do all of our other service officers. I can get on Microsoft Teams and talk directly to VA decision-makers to help move a claim along that starts getting off crosswise. That's not something these companies can do. We can also submit appeals for veterans, whether it's a supplemental claim with new, relevant evidence, a higher level review, where a decision review officer looks at a claim, looks at the evidence where there's probably been an error. We can point out the error, have that corrected. We can also file appeals with Board of Veterans Appeals. So we, we are a complete, you know, service organization that costs our veterans nothing.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**LONOWSKI:** Do you feel like you're able to keep up with the flow of soldiers in the county?

**MARK LAKAMB:** Yes.

**LONOWSKI:** OK.

**MARK LAKAMB:** We actually-- Lancaster County added an additional service officer to our office right with the passage of the PACT Act. And, you know, they are-- if, if business continues to peak, we, we may get more. But right now, we are, we are properly staffed.

**LONOWSKI:** Thank you.

**SANDERS:** OK. Are there any other questions? Se-- Senator Cavanaugh.

**J. CAVANAUGH:** Thank you, Chair. Thanks for being here. I had a couple questions, but one was just sort of-- sort of Senator Holdcroft's opening said there's over 600 vets per VSO. That kind of goes to Senator Lonowski's questions. Is the-- are there enough folks like you to meet the de-- demand?

**MARK LAKAMB:** It, it varies by county. So Lancaster County has approximately 16,000 veterans. In our office, we have four accredited VSOs. So you can do the math there. That's, you know, 4,000 veterans per veterans service officer. Across the state-- you know, every county in Nebraska has a veterans service office. Some of the counties combined based on their populations. We also have the state service office where we have the Nebraska Department of Veterans Affairs accredited service officers. That's here in Lincoln. They also have service officers at each of the Nebraska Veterans Homes, and they have service officers at Offutt Air Force Base who are also accredited veterans service officers who can work with the veterans. Disabled American Veterans and Paralyzed Veterans of America have service officers at the Lincoln VA Regional Office, and then there are other service officers around the state. And the-- these are the, the free but accredited veterans service officers around the state. Additionally, there are accredited claims agents and attorneys who do the same work that we can do. They're accredited by the VA. They're screened. They also have access to VBMS [INAUDIBLE] to go through the VA's information technology requirements. And, you know, they do charge fees but are regulated by the VA with a reasonable fee. Again, based on 38 USC and 38 CFR.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**J. CAVANAUGH:** OK. And we heard that-- I think seven or eight states have passed a bill similar to the one we're looking at right now.

**MARK LAKAMB:** I, I, I don't know that that's correct. We've been tracking two states. There are about ten states who have passed bills similar to LB693, which is the bill that we advocated for last year, which the committee voted out 8-0 last year.

**J. CAVANAUGH:** Thank you.

**SANDERS:** Are there any other questions? See none. Thank you for your testimony.

**MARK LAKAMB:** Thank you very much.

**SANDERS:** Are there any other opponents to LB767? Good afternoon. Welcome.

**KEN YOUNT:** Good afternoon. Chairman Sanders, members of the committee, for the record, my name is Ken Yount. That's K-e-n Y-o-u-n-t. I am here on behalf of Nebraska's congressionally and state recognized veterans service organizations to state our strong opposition to LB767. LB767 would legitimize the work of nonaccredited claim consultants, despite the clear and well-documented risks they pose to Nebraska veterans. The information provided in your packet lays out a direct comparison between accredited VSOs, accredited attorneys and agents, and nonaccredited actors that LB767 would in-- effectively empower. On page one of the attachment, it's made clear that veterans service officers and accredited attorneys are certified, trained, subject to VA oversight, and held to strict standards of conduct. They must pass federal examinations, undergo background checks, complete VA-mandated continuing education, and operate under transparent disciplinary systems. In contrast, the nonaccredited organizations and individuals have no VA training, no oversight, no accountability if mi-- misconduct occurs. Another critical issue is cost. Our accredited VSOs are always free. Federal law prohibits them from charging. Accredited attorneys and agents can only charge a reasonable fee, capped at around 20% of past due benefits and only after initial decision has been made by the VA. Nonaccredited actors have, however, routinely charged high upfront fees, monthly subscriptions, and flat-free-- fee arrangements that can run tens of thousands of dollars, without any caps, oversights, or guaranteed quality. Veterans often pay out of pocket, sometimes before the claim is even filed. Even more alarming, the attached

notes that nonaccredited consultants cannot legally represent veterans before the VA, cannot communicate as their representatives, and frequently produce appeals that-- claims-- appeals and claims that are risky, delayed, and outright denied due to improper filings. These entities rely on aggressive marketing and promises of fast approvals or guaranteed ratings, and they prey on the very population that LB693 was designed to protect. Nebraska has worked hard to protect its veterans from predatory behavior. LB693 was introduced and supported unanimously by every major veterans service organization in the state, along with the support of Governor Jim Pillen and the Nebraska Department of Veterans Affairs and the Nebraska Association of County Officials and several others because it places veterans-- not out-of-state, for-profit interests-- at the center of our policy. LB767 undermines the work done by legitimizing actors who are expressly not permitted under federal regulations to prepare or manage VA claims. Members of the committee, Nebraska veterans deserve high-quality, accredited accountability representation, not a system that opens doors to profit-driven middlemen who lack training and oversight. The table in your packet makes the difference unmistakably clear. One model protects veterans and the other exploits them. For these reasons, on behalf of Nebraska veteran community, I respectfully urge you to oppose LB7-- LB767 and support the protections proposed underneath LB693. Nebraska veterans are not a marketplace. We're not here to be used to make a profit. These are benefits that many of you who sit here on this very committee have earned. Thank you for your time and your commitment to Nebraska veterans. I'll take any questions at this time.

**SANDERS:** Thank you for your testimony. Are there any questions for Mr. Yount?

**ANDERSEN:** I do.

**SANDERS:** Senator Andersen.

**ANDERSEN:** Thank you, Chairwoman. Thank you, Mr. Yount, for being here. Earlier, I asked the question about the certification process by the Secretary of the Veteran Affairs, and I, I thought may-- maybe I misunderstood, was that there was a process with the Secretary of the VA. Does that not include a certification process? Is that-- when, when a person is recognized, are they not recognized as a specialist in this area?

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**KEN YOUNT:** Sir, I, I believe-- as I heard the testimony earlier when he was asking-- or, when he was answering your question, I was a little confused myself because that, that process is-- the accreditation process. To the best way of, of my-- or, to my only knowledge, is that's the accreditation process to get that recognition. And it-- so to get that recognition, you have to become accredited, which was a huge sticking point between these companies and regular VSOs that are, that are-- Nebraska is-- we, we have a-- we have a great system in place. We really do. You know, we, we have them at county and state level. We have different organizations, as you know, that, that are able to do this. We personally sponsor continuing education, which is another requirement to, to be accredited. So that accreditation process also limits what you can charge. And that's, I think, the reason why they continually fight it.

**ANDERSEN:** Thank you.

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

**KEN YOUNT:** Thank you. Thank you for your time.

**SANDERS:** Absolutely. Any other opponents? Welcome.

**SPIKE JORDAN:** Good afternoon, senators. My name is Spike Jordan, S-p-i-k-e J-o-r-d-a-n. I'm a sixth-generation Nebraskan and Marine Corps veteran. Today, I have the pleasure and privilege to serve the veterans of Dawes and Sioux Counties in the northwest Panhandle. Every day, I go to the office and I help my veterans fight the federal government. They signed a contract, and I'm there to help them make sure that Uncle Sam honors it. It's the best damn job I've ever had. The veterans sitting behind me put body and mind on the line for this nation. The skin they have in this game bears the literal scars of our service. We are passionate warriors because we have had to go through the process ourselves. We know. We know that the government is needlessly complex and lacks consistency, but we also know how to best help our fellow veterans navigate that system, because we have intimate, first-hand knowledge. Service officers don't just help the veteran fill out a form. We help them gather the necessary evidence they need to prove their claim. We put in a lot of legwork. We provide a service that ultimately costs a veteran zero dollars. So what's the cost of the county? The combined budget for two-- my two counties is less than \$125,000 a year. That's for two



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

full-time accredited staff and two part-time van drivers. In return, we provide services to, to more than 600 veterans, and that's not including veterans who come in from neighboring counties and bordering states. The return on the taxpayers' \$125,000 investment is \$4.3 million. That is tax-free compensation paid by the federal directly to the, the disabled veteran or their surviving spouse. The cost is 2.6% of what it returns. Few operations can justify themselves like that. And those are new dollars that come into our counties. Those dollars allow veterans and spouses to support their families and patron local businesses. And every dollar spent locally recirculates and ensures that goods and services are available in small towns like Harrison, Hemingford, and Hay Springs. But the people who brought this bill couldn't care less about towns like Harrison, Hemingford, or Hay Springs. The people who brought this bill are already operating a lucrative racket, and they want to protect it because it allows them to grab at dollars that they don't deserve. And when that money leaves the veteran's pocket, it leaves the state forever. I hope you will see this bill for what it is: a feign at legitimacy brought forward by an illegitimate industry. They prey on and profit off the desperate to the detriment of the public. If that weren't true, they wouldn't have already spent more than my entire annual budget to lobby for your approval. Thank you. And I'm happy to answer any questions you might have.

**SANDERS:** Thank you, Mr. Jordan. See if there are any questions from the committee. Senator Guereca.

**GUERECA:** Just wanted to thank you for your service and for coming all the way down to Lincoln.

**SPIKE JORDAN:** It's kind-- been kind of an annual ritual for me here the last few years, so.

**SANDERS:** [INAUDIBLE]. Are there any questions for Mr. Jordan? I see none. Thank you for your service. Thank you for your time and testimony.

**SPIKE JORDAN:** Thank you.

**SANDERS:** Are there any other opponents on LB767?

**ERIC MULLALLY:** Good afternoon.

**SANDERS:** Good afternoon. Welcome.

**ERIC MULLALLY:** Good afternoon. My name is Eric Mullally. I am the-- oh. E-r-i-c M-u-l-l-a-l-l-y. I am the Platte and Colfax County veterans service officer. It's Columbus and Schuyler, Nebraska. I'm here to speak in opposition to this bill, LB767. So I was born and raised in Nebraska. I've been a county veterans service officer for the last 14 years. And like Spike has said, it's probably one of the best occupations I've ever had outside of serving in the United States Navy. I'm here to share with you an example of somebody who had an encounter with one of these bad actors. So I had a gentleman who came into my office. His name was John. This na-- this was back in July 23, 2025. John's wife is a traveling nurse. She was working in Columbus at the local hospital. Before he moved to our state, he had worked with a company called Trajector Medical on his insomnia tinnitus claim. He signed an agreement with them where he would receive-- or, where they would receive approximately \$6,000 for providing him with the Nexus letter, disability benefits questionnaire, to get his insomnia service connected to his tinnitus. His claim was approved, and the veteran was awarded 50% for that disability, insomnia secondary to tinnitus. The VA later determined that this was a clear, unmistakable error granting insomnia secondary to tinnitus. The veteran lost his 50% rating and was reduced to 10% overall. He's still on the hook for \$6,000 to Trajector Medical, who provided him with that medical opinion. As my fellow CVSOs have testified, we provide those services free of charge to the veteran. When it comes to preparing their initial claim, it is a relatively simple process as an accredited VSO. If you have questions on the accreditation process, I can speak to that freely. So when I became accredited, I had to attend a week-long school through the National Association of County Veterans Service Officers. I had already been on the job for a year gathering on-the-job training before I went to that schooling. I had to pass an accreditation test at the end of that week-long school, and we had to do continuing education 17 hours every year in order to maintain that accreditation. There are a lot of safeguards and protections that keep us in line and in check with the federal government and taking care of our veterans. But if you have any questions, I'd be happy to answer any.

**SANDERS:** Let's check to see if there are any questions for Mr. Wall [SIC] and Mr. Andersen-- or, Senator Andersen.

**ANDERSEN:** Thank you, Chairwoman. Thank you for being here. How often does that happen, where-- I mean-- so in this case, we're talking about somebody that got paid, still has to pay the bill even though

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

the judgment was made in mistake-- as a mistake. Does that happen with VSOs as well?

**ERIC MULLALLY:** So when it comes to us filing claims for the veterans-- so sometimes the VA will make a mistake when they grant a-- or, the disability rating, but we also can help them navigate the appeals process, which is, of course, free of charge to the veteran. We handle the local supplemental appeals. We help them appeal to the Board of Veterans Appeals, where the State of Nebraska Department of Veterans Affairs steps in, and they handle the hearings with the veteran's law judges. But all that representation is at no cost to the veteran.

**ANDERSEN:** Yeah. So that's the big difference, is the bill for the veteran as opposed to, you know, what entity-- full disclosure, I'm a disabled vet and I had one claim that came back from the VA with 0%. And they came back-- I don't know-- it was, like, two or three months later and said, no, that was-- that ruling was in error, and they came back and it was 10% or 20%.

**ERIC MULLALLY:** So we, we do help with the appeals. And there's free representation through the Disabled American Veterans, American Legion. They, they actually have lawyers where they have agreements where the veteran gets free representation. So it doesn't cost them if they want to continue appeals all the way up to the Court of Veterans Appeals. So by allowing these companies to come in and charge our veterans to file initial claims, I think that would be a grievous mistake. And I would hate to see our veterans get taken advantage of in this way.

**ANDERSEN:** Thank you.

**SANDERS:** Are there any other questions from the committee? Senator Wordekemper.

**WORDEKEMPER:** Thank you for being here. Your last point there kind of raised a question. If, if a military person contracts with one of these companies and they fall into what you just explained, can they still use the VSO to help them get out of that? Or are they bound by the contract that they no longer can contact their local VSO?

**ERIC MULLALLY:** So when it comes to these representatives, I think that we're talking about, I don't know if they have-- they don't have access to the VA system. They are not accredited agents. So, like, a

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

veteran can come in and appoint a county veterans service officer who's accredited with the American Legion VFW. We can take over, but a lot of times they already have those agreements in place, so they're still bound by those. I can speak-- I've had veterans that have filed through law firms. And when they sign up with the law firm, they sign an agreement that says, we're going to pay X amount of our benefits to this law firm as compensation for taking care of our appeal. When veterans come in, they're like, oh, gosh. You guys provide this service for free. I should have came here the first time-- it's already too late because they've already signed that agreement and they're still going to be held liable to that fee agreement.

**WORDEKEMPER:** Thank you.

**SANDERS:** Are there any questions from the committee? See none. Thank you very much, Mr. Wally--

**ERIC MULLALLY:** Mullally.

**SANDERS:** --for your test-- Mullally, for your testimony. Thank you.

**ERIC MULLALLY:** Thank you for the opportunity to speak.

**SANDERS:** Thank you. Any other opponents on LB767? Thank you very much.

**GREG HOLLOWAY:** Thank you, Senator Sanders and the committee. My name is Greg Holloway, G-r-e-g H-o-l-l-o-w-a-y. Past county veterans service officer, past state commander for the Disabled American Veterans, and the state council president for the Vietnam Veterans of America. I'm representing the Vietnam Veterans of America today. Combat wounded veteran, Vietnam, 100% service connected. I helped a lot of veterans service connected. I was the county service officer for Lancaster County back in the '90s, and their office is a lot more efficient than we were back in the '90s. Trust me. It was Lou Swift and, and myself running that office, and we had, like, 50,000 veterans in our catchment area. We kept pretty busy, but we kept steady and took care of every single solitary one of them for nothing. None of them. I've been a veterans advocate for over 32 years and I've yet to get one penny in compensation for taking care of my veterans in the state of Nebraska. And the veterans in the state of Nebraska deserve every single solitary person they can behind them, that's for sure. But we have so many veterans

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

organizations. Our Nebraska Department of Veterans Affairs is, as far as I'm concerned, is the best department of veterans chair-- of veterans affairs in the United States. Good leadership. Good decisions. Our veterans organizations are strong veterans organizations, even the smaller ones like the Vietnam Veterans of America. We take care of our veterans 100%. We do not need outside entities to come in and take the money from the state of Nebraska and our veterans, which puts them in jeopardy [INAUDIBLE] so many times. I just-- I still consult-- I have veterans call me every day, and I just help guide one of my veterans through the process, give him my advice, and find a competent veterans service [INAUDIBLE] through the Disabled American Veterans. And he called me the other night and he said, guess what? I got my 100% service-connected disability, individual unemployability, which I said that's probably what you need to go through, because he's a truck driver and hurt his back. Can't drive. Pretty simple. This-- the-- that claim, if I would have filled it out for him, would take 15 minutes. And he's getting a pretty good chunk of change at 100% now, which-- we call them the claim sharks, and that's what I think they are. They make money off people that don't know where to go or don't know how to find somebody. Please consider not getting this out of committee. It's the best thing for our veterans in the state of Nebraska. I'm very passionate about my veterans. I'm 79 years old, still standing up, and I'll come here [INAUDIBLE] blizzard. I got four-wheel drive. If you have any questions, I'll sure answer them, because I don't know all the answers, but I'll tell you something, so. And welcome Senator Meyer.

**F. MEYER:** Thank you.

**GREG HOLLOWAY:** This is not a easy committee to be on.

**SANDERS:** Mr. Holloway, thank you very much for your testimony and your service.

**GREG HOLLOWAY:** Thank you.

**SANDERS:** Let's see if there are any questions from the committee.

**GREG HOLLOWAY:** All right.

**SANDERS:** Are there questions? Senator Lonowski.

**LONOWSKI:** Just a statement. Thank you very much for serving. And then I want to thank all you veterans for being here and, and weighing in

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

on this because it's an important topic to all of us, so. Thank you, sir, and thank all of you.

**GREG HOLLOWAY:** More than welcome. I'm-- I've been here a lot, you know? I'm 7th, 7th Cav. I catch, catch a lot of grief from some of the veteran senators, so. Thank you very much.

**SANDERS:** Thank you very much. Are there any other opponents? Welcome.

**JAMES LUTZ:** Thank you, Madam Chairman, senators. My name's James Lutz from Kearney, Nebraska. That's spelled J-a-m-e-s L-u-t-z. I serve as the judge advocate for the Veterans of Foreign Wars Department of Nebraska. I hope my testimony today will help you understand why it's critical that LB767 fail and that LB693 pass. These bills have to do with accreditation, accountability, and ethical standards. Many Nebraska oppuca-- occupations require some form of licensing or accreditation. That includes plumbers, barbers and beauticians, beverage servers, and many other occupations. Accreditation is really all we're asking for. True accreditation. As a post commander and district commander of the VFW and as a VFW benefits advisor, I've recommended many veterans to service officers throughout the state. I've sent them to Spike in Chadron, sent them to Phil in Minden, Travis in Holdrege, Jeff Baker in Seward. I've sent them to the Lincoln office. And I have sent a veteran to a lawyer. That lawyer was accredited. I kind of didn't want to do it because I believe in the free, but it was a last resort. I'd like to tell you about Mr. Brown. He's in Kearney. He had a 20% service-connected disability that our local, registered agent service officer-- not accredited-- registered with the VA. Got him tinnitus and hypertension at 20%. He asked me, what can I do? I'm hurting. He worked as a cowboy in a feedlot, riding those pens on a horse at night in January from a service-connected back injury. Our local service officer, the registered agent, wasn't doing anything. I got him to Lincoln. He's now 100% service-connected disability because we used an accredited service officer. That same service officer, when I got out after 21 years of active duty, did the same thing for me-- hypertension and hearing-- and I got 20%. Today, that's \$350. The military deducts \$350 from my retirement check so the VA can give it to me tax-free. What do I save, 50 bucks? The service officers I've talked to in this room have told me time and time again, had I seen an accredited service officer in that first year, they would have never had a problem and I'd be rated on my back injury. Accreditation is the key. In 2023, the last year of our service officer in Buffalo County that was a registered agent, serviced about 3,400 veterans contacts. After

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

a formal complaint, he retired after 20 or 30 years. We hired an accredited service officer, did not increase the staff, and we just got a report last week that the service office staff of three had serviced over 8,400 veteran contacts. That's way more than double. Isn't it amazing what accreditation does? It brings the ethical standards, it brings accountability, and it takes care of our veterans at no charge. Buffalo County is actually looking at hiring people because the economic impact has been so great. They're realizing what it does. We didn't have to pay anybody. To this day, I don't think I would have ever wanted to see a lawyer for my back. I just needed to see somebody who knew what they were doing. I needed to know that. With that, I hope we continue to push to pass LB693 and we do all we can to end LB797. Thank you very much.

**SANDERS:** Thank you for your testimony. Let's check to see if there are any questions from the committee. Senator Lonowski.

**LONOWSKI:** Thank you, Chair. And thank you for your testimony. Are there veterans service officers now that are not accredited?

**JAMES LUTZ:** I believe so. I'm not for certain.

**LONOWSKI:** OK.

**JAMES LUTZ:** It's my understanding that Nebraska state law requires the veterans service officer in any county to be a veteran. That's the only requirement. In Kearney, the registered agent had a trained assistant who was actually held back. Today's service officer says that assistant knows more than he does. It's having the right people in the right training and letting them do the work.

**LONOWSKI:** Sure.

**JAMES LUTZ:** You know.

**LONOWSKI:** Thank you.

**JAMES LUTZ:** But yeah, we-- that-- and that's-- LB693 forces that accreditation. If you have in a county, a county somewhere that has a one-day-a-week guy that's a veteran, LB693 is going to make them be accredited. That's all we need.

**SANDERS:** Are there any other questions from the committee? See none. Thank you, Mr. Lutz, for your testimony.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**JAMES LUTZ:** Thank you very much, ma'am.

**SANDERS:** Appreciate it. Any other opposition on LB767?

**PHILIP HEUN:** Good afternoon. Thank you, Ms. Chairman. Thank you, committee, for having us. My name is Philip Heun, P-h-i-l-i-p H-e-u-n. As an accredited and trained county service officer, I'm appalled that we're even having this conversation. Because LB760-- LB767, I don't even know how it's a talking point. As a retired chief, it was my job take care of my sailors in every aspect of their life. And now as a VSO, it's the same way. And as you can probably tell, I'm a little passionate about that. And like Spike said, it's the best job I've ever had. So myself and other VSOs within the state, they ensure that every veteran receives the very benefits they deserve. Unlike the folks that support this bill, we do it for free to the veteran. And you've heard that many times today. As many times they're seeking benefits due to some type of emergency in their life. More often than not, we see veterans that are-- just got diagnosed with cancer. They don't know what to do. They come to us and we take care of them. A basic claim form takes less than 15 minutes to fill out. And the folks that do this other kind of work, they want to charge five times the increase-- or, they have a cap, according to the bill. Five times the increase. Let's break those numbers down for a minute. I'm going to go from 100% and I'm going to go to 10%. I'm gonna skip the middle. Y'all can do math and figure this part out as well. So if a veteran gets 100% off of one claim, their monthly income will be \$3,938 per month. That's without any dependents. That's just the veteran. With dependents, that goes up. Take that five times. I couldn't believe the number that came out the other end of that calculator. \$19,692 would be what goes to the claim shark. 10%, it's kind of similar, but the number's way lower. But it's still, in my opinion, too much. It's \$180 per month, which cracks out to be \$902. I've ran into some of these. And I've had one in particular that had a doctor's note in his VBMS file-- which, like you've heard, they don't have access to that-- that showed that he had whatever going on. Asked him about this exam, he had no idea who this doctor was, never sat through the exam or anything. Now, this veteran's never admitted to me that he paid anything. I'll be honest about that. However, I don't know that he wasn't. In summary, these scam artists are doing one thing. Great. They advertise very well. However, they-- and they use that at-- they use their budgets that they-- the, the money that they get out of these huge payouts to afford this advertising that they receive from a disabled veteran.



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

Just let that sink in for a minute. \$20,000, nearly, for a claim that takes 15 minutes to fill out. Thank you.

**SANDERS:** Thank you very much for your testimony and your service.

**PHILIP HEUN:** Thank you, ma'am.

**SANDERS:** Let's check to see if we have any questions from the committee. I see none. You're letting off easy. But you'll stick around. We have--

**PHILIP HEUN:** I will stick around if you have any questions.

**SANDERS:** Thank you very much--

**PHILIP HEUN:** Thank you, ma'am.

**SANDERS:** --for your testimony.

**PHILIP HEUN:** Thank you, committee.

**SANDERS:** Are there any other opponents on LB767? Good afternoon. Welcome.

**JUDY WALTERS:** Good afternoon. I'm Judy Walters, Judy, J-u-d-y W-a-l-t-e-r-s. I'm department commander of the American Legion. And as far as the American Legion at our midyear conference this past weekend, it's our-- we all agree that we are against LB767. I'm also a past VSO for Brown, Rock, Keya Paha Counties. And I had an-- a lady come into my office that had-- she was trying to get survivor benefits for her mother who was getting old and they were-- she was needing a lot of assistance. They needed money. And she somehow got fixed up with one of these claim sharks in a southern state. And it had been months. She heard nothing from them. So I contacted the agent and found they really didn't know what they were doing. They were not well-educated on doing survivor benefits. So I took the claim. And from that day, she had benefits within a month before she died. No veteran should have to pay to get assistance in Nebraska. There may be some states that approve this type of thing, but not every state is like Nebraska that has county veterans service officers. I know of some states that only have state service officers. So they don't have the assistance we have. But in Nebraska, we have well-educated veterans service officers. And they're connected. We can help each other out. I-- Holt County, their VSO passed away suddenly. I went to Holt County three days a week and

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

kept things going, kept the claims being processed. And they would have done the same for me. Basically, CVSOs in Nebraska don't do it for the money. They do it because they care for the veterans. So that's [INAUDIBLE].

**SANDERS:** Thank you very much for your testimony and your service. Appreciate it. Let's check to see if there are anyone from the committee that has any questions. See none. Thank you very much.

**JUDY WALTERS:** Thank you very much.

**SANDERS:** Are there any other opponents to LB767? Welcome.

**ERIC MARTIN:** Good afternoon. Thank you, Madam Chairman and committee members. My name is Eric Martin, E-r-i-c M-a-r-t-i-n. I'm in opposition to LB767. I work full time for the Department of Nebraska American Legion. I am the department adjutant. So that is basically a position similar to like a chief operating officer. So we have 20,000 members in the American Legion here in Nebraska. And our department is a state headquarters that facilitates information to be shared and take care of membership in the state. As Commander Walters previously testified, we did talk about this in our midyear conference last week, and we do oppose LB767. A couple things I just wanted to, to highlight and-- a lot of testimony's already covered it-- but previously there was a statement made about the industry of, of VA claims, and I don't believe that's the appropriate word to be using. Veterans' lives and their service is not an industry. Every one of our, our veterans that served dis-- deserves to be taken care of at the local level. We do have 93 counties in Nebraska, all of those counties are represented by county veterans service officers. Some are shared, like was mentioned before. One of my responsibilities as the department adjutant is I do receive requests for accreditation from the American Legion. So the-- to answer your question, not all VSOs are accredited, but that's probably only because they are newly appointed to the position. So I receive their, their application, I screen it, make sure they have the proper training, proper documents, and I send it up to our national headquarters for the American Legion. And it is reviewed by a team there to be accredited by the American Legion. One of my own personal experiences-- you know, I, I served 22 years, 8 years active duty Marine Corps, 15 years in the Army National Guard as an active guard reservist. Part of my, my process when I ser-- when I separated was I met with a VA service officer at Offutt Air Force Base. I went through the process. They set me up with my comp and pen appointments for the-- for a medical

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

exam. And everything was in person. I felt very comfortable with that process. And I would hesitate opening this up to any out-of-state organizations that might be dealing with a veteran either over the phone, emails, or some type of a Zoom call. I'm happy to answer any questions for my testimony.

**SANDERS:** Thank you, Mr. Martin, for your service.

**ERIC MARTIN:** You're welcome.

**SANDERS:** Thank you for your testimony. Let's check to see if there are any questions. Senator Guereca.

**GUERECA:** Thank you for being here. Thank you for your service, sir. So what's the turnaround time between application to be an accredited VSO and the actual accreditation typically?

**ERIC MARTIN:** Typically, we're probably dealing with less than 45 days. So the time it-- the application comes in my office, it'll take me a day or two possibly to review it to make sure the-- their correct documents are, are in place, signatures, supervisors are completely filled out. I send it to our accreditation team in our national office. And I will get a reply within 24 hours that it's been received. And then they, they will deal directly with the, the VSO at that point, but. So the process for us to turn around is three, four days.

**GUERECA:** OK. Thank you, sir.

**ERIC MARTIN:** You're welcome.

**SANDERS:** Any other questions? See none. Thank you very much for your testimony.

**ERIC MARTIN:** Thank you very much.

**SANDERS:** Are there any other opponents on LB767?

**JAMIE JAKUB:** Good afternoon, everybody.

**SANDERS:** Good afternoon. Welcome.

**JAMIE JAKUB:** Thanks for having us. My name is Jamie Jakub, J-a-m-i-e; last name is J-a-k-u-b. I am the department adjutant, or basically chief executive officer, for the Disabled American Veterans

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

Department of Nebraska. DAV has stand long opposed not just in the state of Nebraska but across the nation that we do not allow bills like this to be presented. We work hand in hand with the VA. And I hear a lot of-- a lot of issues with the VA. The challenge that we have is helping veterans understand the VA to help them navigate that system. I just wanted to share one case that I worked with personally out of Norfolk. The veteran signed up with one of those companies, did it online because he felt a little frustrated. OK? Notably fo-- notably so. A year later, still hadn't heard anything from nobody. So he came down and visited me in my office in Columbus. We visited. As soon as I found out he was with a third-party company, I said we have to get a release from this company so that Disabled American Veterans can represent you to the VA. We emailed, we called, we, we, we did everything. Records of everything. After we nudged the claim along, I found out that there was ten frivolous issues that were filed for with DBQs that made absolutely no sense for this particular veteran. It was a basic, let's throw some stuff at the wall and see if it sticks. Bad for the veteran, perceptions of, I'm going to get all this stuff from the VA. Bad for the VA because it just blogs down the system because it's just frivolous nonsense. When the claim finally came out with DAV as the representation, the veteran did receive a 70% rating for the only issue that personally I would have filed for, and he still got a bill from that company. And we did everything possible to document to the VA that that company no longer represented him. So now he's got bills coming in just for this one of about \$4,000 that he shouldn't have to pay. So-- and to answer your question, Senator, we tried to get the release. We weren't able to. And now he's like, what do I do? And I said, well, where's the safeguards to protect that veteran in this regard? Just one scenario. So with that, any questions for the Disabled American Veterans?

**SANDERS:** Thank you for your testimony and your service. Much appreciated. Let's check to see if there are any questions from the committee. See none. Stick around, there might be some after. Thank you very much for your testimony. Are there any other opponents?

**TONY ANGUIANO:** Good afternoon, Madam Chair, senators. Good afternoon. My name is Tony Anguiano. Tony, not Anthony, T-o-n-y A-n-g-u-i-a-n-o. And it's a real honor to speak to you this afternoon. I'm a retired Master Gunnery Sergeant of Marines, and I served in both the Army and the Marine Corps. I'm a former VA-accredited veterans service officer for the American Legion for the Milwaukee, Wisconsin VA Regional Office. I also currently serve as a member of the Lancaster County Veterans Service Committee. And I'm a lifetime member of the VFW and

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

American Legion, where I serve as an officer in both organizations. And I'm opposed to LB767, and here's why. I'm a firm believer in capitalism and free enterprise. Many of my family members have owned small businesses, been very successful. The core difference between my family and many other Americans who operate a business like them and what are commonly called claim sharks is their legal authority, ethical oversight, and costs. I know firsthand how hard, long, and frustrating the VA claim process can be. And in my case, it took almost ten years before I got my 100% service connected. But my VSO warned me that it would be a long process and I just need-- just needed to stay the course. But I listened to my VSO, dug in, provided more evidence as needed, and took charge of my claim knowing that my VSO was there for guidance, direction, and support free of charge. Claim sharks make false promises to veterans, persuading them that their claims push through faster than the VA with guaranteed timelines, disability percentages, and more, and this is not true. The fact is claim sharks don't have the resources as do accredited veteran service officers like the Veterans Benefit Management System-- commonly known as VBMS, an electronic processing platform for managing and processing disability claims. And claim sharks will often have the veterans submit the claim themselves or ask for log-on information, which is illegal. Respectively speaking, it's beyond my understanding why we're here in the first place. If we truly want to thank our veterans for their service, let's start by banning these predatory practices of taking advantage of our veterans with false promises, high costs, and, in some cases, outright lies. Here's some interesting information. While claim sharks' unaccredited companies charge fees to help veterans with VA disability claims have operated with relative impunity due to legal loopholes, they are increasingly facing consequences. These range from state-level lawsuits and civil actions to the pending Federal Guard VA Benefits Act, which aims to reinstate criminal penalties. If passed, the act would allow for, for federal penalties including up to one year in prison and fines. A similar proposal suggests up to two years in prison and fines of up to \$500 per person-- per violation. Attorney General investigations, such as in Minnesota, are actively targeting-- is that my time?

**SANDERS:** Mm-hmm. Cont--

**TONY ANGUIANO:** Oh. I--

**SANDERS:** --continue. And-- if you could wrap that up.

**TONY ANGUIANO:** OK. All right. The act would allow federal penalties including up to one year of imprisonment. Attorney generals such as in Minnesota are actively targeting claim sharks, investigating their businesses, practice, and encouraging veterans to file complaints. Many states are passing or enforcing consumer protection laws to prevent deceptive, advertised, and unfair high-fee contracts. Unaccredid-- unaccredited predatory firms have been sued by whistleblowers and state officials for engaging in illegal, fraudulent, unethical practices such as forging disability claims or exams. If claim sharks practice or operate with the confines of the law in-- and in the veteran's best interest, then tell me why we would need such harsh laws and penalties. The fact of the matter is that we wouldn't. The allegations that I've made are serious and the evidence of claim sharks defrauding, lying to, and misleading veterans can be found in official government reports, news investigations, and a public database of warning letters issued by the Department of Veteran Affairs. The investigative journalism-- journalism organizations, The War Horse and NPR created a searchable database of companies that received warning letters from the VA regarding their practices. You can search the company name and read the official letters on The War Horse website. The VA, the VA Office of Inspector General and the Federal Trade Commission provide information on identifying and reporting predatory practices, which include common, common scam tactics and red flags. The official vsafe.gov website details the various fraud schemes targeting veterans and offers resources of-- for pre-- prevention and reporting. Major news organizations such as The Washington Post and NPR have published extensive investigative reports detailing specific cases of fraud including instances of individuals lying about disabilities to claim benefits, and these investigations have resulted in federal prosecution. There is a saying: it's not what you know but what you can prove, which is-- perfectly captures the reality of a VA disability claim. There must be objective evidence to support a veteran's claim. Likewise, the fraudulent practices of claim sharks can be objectively proven by the aforementioned independent government and civilian agencies. Accredited veterans service officers, unlike claim sharks, have the veteran's best interest at hand, whereas claim sharks are self-serving. We are our brothers and sisters keepers, and at times we need to protect them from themselves. I have more.

**SANDERS:** I see that. Everyone gets three minutes.

**TONY ANGUIANO:** OK.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**SANDERS:** Appreciate your testimony--

**TONY ANGUIANO:** You're welcome.

**SANDERS:** --and your service. Thank you.

**TONY ANGUIANO:** Thank you.

**SANDERS:** Let's check to see if there's any questions from the committee. See none. Thank you--

**TONY ANGUIANO:** Thank you, madam.

**SANDERS:** --very much for your testimony and your hearing-- or, this hearing. Thank you. Welcome.

**CANDACE MEREDITH:** Good afternoon. Good afternoon. My name is Candace Meredith, C-a-n-d-a-c-e M-e-r-e-d-i-t-h, and I am the deputy director with the Nebraska Association of County Officials. Thank you for having me. I'll be really quick here. The NACO board of directors has not met yet. So they haven't taken any positions on legislation, but therefore NACO is reflecting the position to-- today based on the County Veterans Service Officers So-- Association's opposition to LB767. And we just really, truly appreciate the knowledge and the sharing of the veterans' stories in these testimonies today. And with that, I just thank you for your time. And if you have any questions, I'd be happy to answer them.

**SANDERS:** Thank you very much for your message from NACO.

**CANDACE MEREDITH:** Thank you.

**SANDERS:** Thank you. Any questions for Candace Meredith? See none.

**CANDACE MEREDITH:** All right. Thank you.

**SANDERS:** Thank you very much. Any other opposition on LB767? Good afternoon. Welcome.

**JEFFREY BAKER:** Good afternoon, Madam Chairwoman. Madam Chairwoman, members of the Government, Military and Veterans Affairs Committee, thank you for the opportunity to be here today. My name is Jeffrey Baker, J-e-f-f-r-e-y B-a-k-e-r, and I am here on behalf of the Veterans of Foreign Wars of the United States in strong opposition to LB767. Today, I testify against LB767 because this bill does not

protect veterans. It protects the people who exploit them. And let me be direct: LB767 is not about choice. It is about greed packaged as choice, funded by pain, illness, and trauma of veterans who have served this nation. The suffering of veterans and their family members is what is paying the lobby that introduced Senator Holdcroft to the idea of choice. By these claims contul-- consultants who are paying over \$120,000 this year to convince you that you should shu-- shu-- you should support their scheme. These companies are paying more than Tyson, Meta, formerly known as Facebook, and Microsoft to convince you that the veterans of Nebraska should not be trusted nor should we be listened to. That money came from a va-- a Vietnam veteran with lung cancer caused by toxic exposure who was charged thousands of dollars the moment the VA granted his claim. A Gulf War battling-- a Gulf War veteran battling severe digestive disorders who signed a contract in a moment of desperation and now pays a portion of every monthly benefit to one of these companies, satisfying the debt that they put him in. A veteran recovering from military sexual trauma who thought they were getting help, only to discover they were trapped, paying \$6,000 per hour for assistance that exposed them and offered no relief in navigating the emotions and the vulnerabilities of their mental health condition. These veterans and their disabilities are what has funded the flights, the hotel rooms, the steak dinners, and the coordinated effort behind the falsely claiming-- claiming LB767 is the right answer for Nebraska's veterans. Not investors, not shareholders, but the profits derived from the sick and the injured. Take a second and let that soak in. The suffering and trauma of our country's heroes is underwriting this entire afternoon, trying to legitimize an industry that by its own omission in the statement of intent is violating federal law. That is not choice. That is exploitation wearing a suit calling itself a service. LB767 protects greed, and it shields the bad actors who are trying to reimagine themselves as doing good for veterans. You've heard polished talking points claiming LB767 regulates the industry. It does not. You've heard that it imposes guardrails. It does not. LB767 does not regulate predatory actors. LB767 protects them. And if you need an example, just look at their three-year-old trade organization, the Association of Veterans Rights that was founded by those identified by the VA as violating federal law, preying upon veterans. LB767 proposes giving those who simply identify as being good actors the keys to police themselves using a nonfederally approved certificate they printed on their HP printer. Their representatives here today have told you they are here to help veterans, but the people they help first and foremost are always



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

themselves. And the people who pay the price are veterans with chronic illnesses, chronic pain, and mental health conditions. Nebraska has always--

**SANDERS:** Continue, please.

**JEFFREY BAKER:** Thank you. Nebraska has always stood for a commonsense veteran-first strategy, and a veteran's disability should never be treated as a commodity to be exploited. LB693 upholds that principle, and LB767 destroys it. We thank Senator Meyer for his leadership and willingness to represent the veterans community by carrying LB693. Veteran or not, you are doing right by the veterans of Nebraska, and we appreciate your willingness to fight for us. The veterans service organizations have testified, logged their objections online, attended meetings in your districts, and taken a position opposit-- of opposition against LB6-- LB767, and it would be an absolute shame for you to ignore them, choosing instead to promote the interests of greed instead. Nebraska Veterans Council stands united against LB767, and we ask you to do the same. Protecting veterans who are suffering from lifelong illnesses is not right-- is, is the right and honorable thing to do. Protecting those who mask their greed as choice has no place in Nebraska, and I hope that you join Nebraska's veterans organizations in coming to the same conclusion. I thank you for the opportunity to testify. I'm happy to answer any questions, including regarding accreditation or county service officer questions you have for me.

**SANDERS:** Thank you, Mr. Baker.

**JEFFREY BAKER:** Thank you.

**SANDERS:** And thank you for your service. Check to see if there are any questions for you from the committee. I see none.

**JEFFREY BAKER:** Thank you.

**SANDERS:** Thank you. Are there any other opponents on LB767? I also want to make sure we say for the record, you-- Nebras-- Nebraska's very unique in that every bill, good or bad, gets a hearing. So I thank you for all being here today. With that, we have neutral. Anyone in the neutral that would like to testify? I see none. For the record, we do have 3 proponents and 11 opponents. And Senator Holdcroft, if you'd like to close.

**HOLDCROFT:** OK. Well, as much as it was said here, I do have to dispute. First, I want to thank all the veterans who came today and for your service. I mean, it's a sacrifice, and obviously we wouldn't have the country we have today without our veterans. Despite what was said, this is about choice. This is about giving other options to veterans when they claim-- when they file their claims. As I said in my opening statement, we have 120,000 veterans in the state and only 600 service officers-- veterans service officers. And so I, I think there is, there is a, a demand for something beyond what we currently have. And it is-- and, and their service is free. So it's a clear choice. I mean, if, if it was so-- if, if the service currently being given at a free cost was so great, then there would be no need or demand for something in addition to that, which is what, is what my bill is proposing. But what my bill does is it also puts-- and they, they said there are no guardrails. Well, there are a lot of guardrails in this. So let me just-- a person seeking to receive compensation for advising, assisting, or consulting with any individual in connection with any veteran ben-- benefit shall, before rendering any services, memorialize the specific terms under which the amount to be paid will be determined in a written agreement signed by both parties. Compensation for such services will be purely contingent upon an increase in benefits. In other words, if there's not an increase in benefits, there's, there's no payment. That amount will be five times the monthly amount. So-- I mean, that-- I think that got a little-- that sounds like a lot, but we're talking about five times the monthly amount goes to the individual-- the third-party here, but the, the veteran gets that amount for the rest of his life. So it's not really a big chunk. I mean, it is-- it's-- and we're talking about the increase per month, five times that. That's the set fee, one-time cost. And the veteran's getting that amount for the rest of his life. Such persons shall not charge any initial or nonrefundable fee. Such persons shall not charge interest on any payment plans agreed. If the amount owed for compensation in conformance with this section exceeds the amount of any past due benefits awarded to the claimant, such persons shall not require the claimant to pay such total amounts. And right upfront, the individual this applies to must advise the veteran that there are free options, that they can go to a VSO and not be charged. So to me, this is just an added benefit. I mean, if the-- if, if, if things were going so great and it doesn't cost anything, why would you even consider going outside the current situation, the current-- there were bad actors, and that's why LB693 came out. But we-- that was recognized-- I think LB693 went too far and it excluded some options that benefit-- that,

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

that-- some, some benefits that I think veterans deserve. But we do need to put safeguards in place to make sure that those bad actors don't come back and take advantage. So that's what I, I hope my bill does. And I appreciate your consideration. And I'm happy to answer any questions.

**SANDERS:** Thank you, Senator Holdcroft. And thank you for your service as well. Check to see if there are any questions from the committee. Senator Lonowski.

**LONOWSKI:** Thank you, Chair. And thank you, Senator Holdcroft. So a, a veteran can still go outside of the VSO if it's an accredited law firm or, or accredited person to help them. Is that correct?

**HOLDCROFT:** That's correct, yes.

**LONOWSKI:** So they, they still have that outside help? I just wanna make sure.

**HOLDCROFT:** Yeah.

**LONOWSKI:** All right. Thank you.

**SANDERS:** Any other questions? I do have a question, Senator Holdcroft.

**HOLDCROFT:** Yes.

**SANDERS:** Today, it seems that it was LB767 versus LB693. And I think everyone up here would probably agree that we're all wanting what's best for our veterans. Is there a way that these two bills could be worked together, take the best of both--

**HOLDCROFT:** I'm, I'm happy to, to look at that. I think LB693-- I think, I think LB30-- LB767 could fold into LB693, but what it does is it opens it up beyond-- LB693 essentially cuts off the veterans. He's got, he's got essentially the VSOs. And he can go to some of these certified VA law firms, but that's it. And so all-- what-- all this-- the, the third-party piece of it is, is completely cut off. And so what LB767 does is kind of broaden, broaden the scope of where the veteran can seek assistance.

**SANDERS:** One of the things that we're all directed by the Speakers that we fix these things in committee before it gets out of committee, so I, I know there needs to be work on here. Clearly, the

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

opposition is large today and we need to recognize that. And so look forward to working with you in committee. And thank you for being here.

**HOLDCROFT:** OK. Thank you.

**SANDERS:** Thank you. We'll now move on to LB786.

**ANDERSEN:** All right. So this will begin the hearing on LB786. Senator Sanders, the floor is yours.

**SANDERS:** Thank you, Senator Andersen. And good afternoon members of the committee. I am Rita Sanders, representing District 45, which encompasses much of Bellevue and the Offutt community. R-i-t-a S-a-n-d-e-r-s. LB786 changes provisions relating to military honor plates under the Motor Vehicle Registration Act, which creates the Military Department Aid Fund, administered by the Adjunct [SIC: Adjutant] General, which provides direct financial assistance to the Department of the Military-- Nebraska Military Department. The fund will consist of gifts, grants, legislative transfers, and other unauthorized sources, and any available money will be professionally invested with earnings credited back to the fund. Grants may be awarded to eligible service members under the rules adopted by the Adjunct General, and recipients will not be required to repay the assistance they receive. This bill is needed, as our service members can face unexpected financial hardships, whether due to deployment, emergencies, or personal crisis, and existing resources do not always fill those gaps. LB786 creates a responsible, transparent mechanism to ensure help is available when it is needed the most. Most importantly, the bill limits eligibility, in-need service members, and requires clear rules to ensure accountability and fairness. While there is a fiscal note, it is-- it, it has no impact on the General Fund. LB786 is a modest but meaningful way to support those who serve our state and our country. Following me is Major General Strong to speak in support of LB786. Thank you.

**ANDERSEN:** Thank you, Senator Sanders. Any questions for the good senator? I have one question for you, ma'am. In talking about the, the fiscal note, I understand there's nothing at the state level. Do we un-- do we know if there's gonna be an impact at the county level?

**SANDERS:** I think Senator-- Senator-- General Strong will, will speak on that because it is funds moving through their own department.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**ANDERSEN:** Awesome. Thank you, Senator Sanders.

**SANDERS:** Thank you.

**LONOWSKI:** Demoted him.

**ANDERSEN:** General Strong, welcome.

**CRAIG STRONG:** Thank you.

**ANDERSEN:** Thanks for your service and thanks for being here today.

**CRAIG STRONG:** Good afternoon, Chairwoman Sanders and members of the Government, Military and Veterans Affairs Committee. I'm Major General Craig Strong, C-r-a-i-g S-t-r-o-n-g, the Adjutant General for the Nebraska National Guard and director of the Nebraska Military Department. I'm proud to lead the approximately 4,500 members of our state's National Guard. I come to you in support of LB786. Every year, I'm very grateful for the funding the Nebraska Legislature provides to the Nebraska Military Department, but I'm coming to you to highlight that our uniformed service members are not immune to financial hardship. The Nebraska Military Department currently assists our uniformed service members in need through financial donations from fellow members and community organizations. None of these funds are attributed to the, to the state or federal appropriation. On average, we distribute a modest \$3,000 annually in support of our members. Approximately 65% of this aid is spent on gas and grocery cards. In calendar year 2025, we provided about \$7,200 in aid because of the federal government shutdown caused most of our members to not receive paychecks during this lapse in appropriation. Although we refer service members in need to community assistance programs, the availability of funds has been the most limiting factor in our ability to pay-- to help our fiscally struggling members. Through our discussions with the Nebraska Department of Veterans Affairs, we have learned that there may be a potential opportunity to assist our members through the redistribution of funds that are generated from the sale of military honor plates. The Nebraska Department of Motor Vehicles sells alphanumeric and personalized message Army and Air National Guard honor plates to qualify Nebraska National Guard service members. Each new or renewed alphanumeric plate costs \$5, and the State Treasurer transfers this funding to the Nebraska Veterans Cemetery Systems Operational Fund. Each new or renewed personalized plate costs \$40, and the State Treasurer moves 75% of this amount to the Nebraska Veterans Cemetery System

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

Operation Fund and 25% to the Department of Motor Vehicles Cash Fund. The Nebraska Department of Veterans Affairs administers the Nebraska Veterans Cemetery System Operation Fund. The Nebraska Department of Veterans Affairs estimates that they receive approximately \$27,000 a year in revenue from the sale of these National Guard honor plates. Although the Nebraska-- Nat-- our-- although Nebraska's National Guard soldiers and airmen purchase these plates to reflect their honorable service, many of our members do not qualify for the Nebraska Veteran Aid Fund administered by the Nebraska Department of Veteran Affairs because they have only served on active duty for training and do not have any qualifying service as outlined in Nebraska Revised Statute 80-401.01. The Nebraska Department of Veterans Affairs generously suggested, though, the, the-- through the support of the Legislature that the money they receive from the sale of these alphanumeric and personalized message Army and Air National Guard military honor plates would potentially be-- could be re-- reprogrammed to the Nebraska Vet-- from the Nebraska Veterans Systems Operation Fund and instead going to the Nebraska-- to the Nebraska Military Department Aid Fund. LB786 would create the Nebraska Department Aid Fund-- or-- I'm sorry-- the Military Department Aid Fund administered by the Adjutant General to assist qualifying, needy, uniformed service members of the Nebraska Military Department. This fund would consist of moneys generated from multiple sources such as the sa-- such as the sale of Army and Air National Guard military honor plates, private donations, potential money generated-- potential money appropriated to this fund by the Legislature in the future, grants, and gifts. The Adjutant General of the Nebraska National Guard would adopt and promulgate rules and regulations identifying who qualifies to utilize the fund, how qualifying service members can apply, and how the amount distributed will be determined and how distr-- dist-- disbursements will be tracked, and how interest-- interested persons can donate to the fund. If LB786 would become law, the Nebraska State Investment Officer will invest and reinvest the money in accordance with Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. This could create additional revenue if the fund beco-- for the fund because any capital gains or interest generated from these investments that-- will, will then be moved to the Nebil-- Military Department Aid Fund. We initially estimate that we could provide approximately \$13,500 in aid to our most needy members and additional aid as the fund matures. We also anticipate that this fun-- as the fund grows, we may require additional measures or resources for administration, but not at this time. I want to thank Chairman Sanders and Director Hilgert also for

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

their support and members of the Nebraska gi-- to this committee for your time today. And I'm prepared to answer any questions you might have. Thank you.

**ANDERSEN:** Thank you, General Strong. Any questions for the general? Yes, Senator Lonowski.

**LONOWSKI:** Thank you, Vice Chair. Thank you, General Strong. I, I have one important question. Where were you on the last bill? I needed you.

**CRAIG STRONG:** I-- great question. I'm not sure I can an-- is that-- I won't answer that one.

**LONOWSKI:** [INAUDIBLE] rhetorical.

**CRAIG STRONG:** I-- rhetorical. It was very interesting discussions. So I'll just leave it at that.

**LONOWSKI:** Yes. Thank you. So does the National Guard hold this money in its own funding area?

**CRAIG STRONG:** This money would be, would be allocated from DMV to us. Currently, this money that's generated from the plates is administered by the Nebraska Department of Veterans Affairs. So this would be a very-- it'd be a very distinct carve-out specifically-- just from those two plates, Air National Guard, Army National Guard. But the other honor plates would still-- for the other services would still go to Veterans-- Department of Veterans Affairs.

**LONOWSKI:** Thank you.

**ANDERSEN:** Any other questions for General Strong? Sir, thank you very much for your time and for being here today.

**CRAIG STRONG:** All right. Thank you very much.

**ANDERSEN:** Any other proponents? Seeing none. Any opposed. Any in the neutral position. Thank you. As Senator Sanders takes the chair, online, we had 2 opponents, 0 opponents, and 1 in the neutral position. Senator Sanders.

**SANDERS:** Thank you, Senator Andersen. In closing, I would first like to note that there is currently a Government amendment-- a Government Committee amendment to this bill, Bill Drafters at the request of

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

Director Lahm from the Department of Motor Vehicles, adjusting the implementation of this legislation to be on or before January 1, 2027. The DMV is asking for this time so that they can update their system to make this change as seamlessly as possible for county officials. LB786 honors the service and sacrifice of Nebraska's unfurred-- uniformed service members in a practical, meaningful way by pairing public recognition with direct accountability, support the grant created through this legislation addresses real-life needs that can arise for men and women serving our state and nation. Thank you. Any questions?

**ANDERSEN:** Thank you, Senator Sanders. Are there any questions? Seeing none. That concludes our hearing on LB786. And we will move to LB787. Chairwoman, the floor is yours.

**SANDERS:** Once again, good afternoon, Vice Chair Andersen and members of the committee. I am Rita Sanders, R-i-t-a S-a-n-d-e-r-s, representing District 45, which encompasses Bellevue and much of the Offutt community. LB787 makes targeted, cleanup-style updates to status-- statutes governing the Department of Veterans Affairs and the Commission on Military and Veterans Affairs. First, the bill updates the membership of the commission. It clarifies who serves as voting members, ensures representation from each congressional district, and requires that the public members include individuals with military experience and business backgrounds. It also modernizes the list of nonvoting ex officio military representa-- representatives to better reflect Nebraska's current and future military presence. Second, the bill adjusts the commission's reporting requirement. Instead of an automatic annual report, the commission will prepare a report when requested by the Governor or when the commission has determined it is needed while still outlining Nebraska's military assets, their economic impact, and strategies to preserve and grow those assets. Third, the bill removes outdated statutory provisions related to a veterans home lease agreement, utility service that are no longer relevant. Finally, it repeals two outdated sections of statute that no longer serves as-- a purpose in current law. In short, this bill modernizes statutes, impro-- improves clarity, and ensures our military and veterans' governance structure reflects today's realities without changing core services or benefits. Following me to speak is a member of the Nebraska Department of Veterans Affairs, John Hilgert, director, to support LB787. Thank you to the members of the committee and those who came to testify-- never-- that's closing. Thank you. Any questions?



Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**ANDERSEN:** Thank you, Senator Sanders. Any questions for Senator Sanders? I assume you'll be staying. Excellent. Director Hilgert.

**JOHN HILGERT:** Good afternoon, Senator Andersen, members of the Government, Military and Veterans Affairs Committee. I am John Hilgert, J-o-h-n H-i-l-g-e-r-t, director of the Nebraska Department of Veterans Affairs. And I'm here to offer testimony in support of LB787. First off, I want to thank Senator Sanders for introducing LB787 at the request of the Nebraska Department of Veterans Affairs. Thought-- LB787 is a thoughtful, forward-looking, and practical piece of legislation that strengthens Nebraska's relationship with the military community, improves the quality of information available to policymakers, and modernizes our statutes to eliminate outdated and confusing provisions such as-- first, LB787 strengthens the Commission on Military and Veterans Affairs. 2025, the United States Air Force established the 95th Wing at Offutt Air Force Base. Offutt is one of Nebraska's most critical strategic assets, and the commission already includes ex officio representation from the other major wings stationed there. Adding the commander of the 95th Wing is simply consistent with existing practice and ensures that all major operational commands in Nebraska have a voice at the table. Furthermore, Nebraska's home to military organizations whose missions extend far beyond Offutt and whose operations have direct and lasting impacts on our communities, our infrastructure, and our economy. LB787 recognizes that reality by expanding the ex officio representation to include the commander of the United States Air Force's 90th Missile Wing, which oversees a missile field where the majority of silos are located in Nebraska and are currently undergoing major modernization efforts. Those upgrades affect land use, transportation networks, public safety coordination, and local economies across large portions of our state. The Director of Defense POW/MIA Accounting Agency. The proposed growth of this laboratory will significantly increase visibility in Nebraska in carrying out one of the Department of War's most sacred missions: ensuring that those who never come home are accounted for. This is not only a military responsibility but a moral obligation that reflects our deeply held values. And a Defense-- Department of War service secretary or service component representatives for Nebraska such as participants in the civilian aid to the Secretary of the Army and U.S. reserve ambassador programs, these individual service critical bridges between civilian leadership and military organizations. By broadening participation, LB787 improves the lines of communication, ensures that the state considers full scope of

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

military impacts when making policy decisions, and creates a formal pathway for military re-- leaders to raise concerns the state can help address. That is smart governance and good stewardship of one of Nebraska's most important strategic partnerships. It also modernizes military assets and economic reporting process by striking the requirement that the Commission on Military and Veterans Affairs prepare an annual report. Since 2021, the bottom line data under Section 55-606, such as top military-related jobs and economic impact of the military assets in Nebraska, has increased by less than 5%. When adjusted for inflation, that growth is essentially flat. Even so, this report has become a critical baseline tool that allows lawmakers to measure whether further policies strengthen Nebraska's military presence and economic benefits. It brings transparency, consistency, and accountability to decisions that often rely on anecdotal information. Importantly, the change does allow for an updated, refocused report produced, if called for, by the Governor or the commission. LB787 preserves this data while recognizing how it is realistically used as a benchmark to inform long-term policy decisions. Finally, it cleans up outdated ser-- statutory language regarding the veterans homes and references the leases and utility agreements that were tied to the Thomas Fitzgerald Veterans Home in Douglas County. In closing, LB787 is not flashy, but it is important. It strengthens Nebraska's relation to par-- with the military and improves the quality of information available to policymakers, and its responsibility modernizes our statutes. For that reason, I respectfully urge the committee to advance LB787. Thank you for your time and your consideration. That's a long yellow. I appreciate it. Thank you.

**ANDERSEN:** Thank you, Director Hilgert. Are there any questions? Yes, Senator Hunt.

**HUNT:** Thank you. I just want to ask, can we have a copy of that testimony you gave?

**JOHN HILGERT:** That I just gave?

**HUNT:** Yeah. You can email--

**JOHN HILGERT:** I did not pass it out, but I could certainly make that available.

**HUNT:** Just, just email it or something. I just want to be able to review it.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Government, Military and Veterans Affairs Committee January 21, 2026  
Rough Draft

**JOHN HILGERT:** Will do. And we'll make it available to the committee--

**HUNT:** Thank you.

**JOHN HILGERT:** --as well as you specifically.

**HUNT:** Thanks.

**JOHN HILGERT:** Ab-- absolutely.

**ANDERSEN:** Any other questions? Yes, Senator Guereca.

**GUERECA:** Just wanted to welcome a former representative from LD 7 to, to the committee. And glad to see you.

**JOHN HILGERT:** I appreciate that. I miss it. I miss the neighborhood, so.

**GUERECA:** Come back, come back down any time.

**JOHN HILGERT:** I, I, I go there frequently. You know, 19th and F, right-- Spring Lake Park.

**GUERECA:** There you go. Right there.

**JOHN HILGERT:** Janet Bonet has done outstanding work with that-- putting the lake back in Spring Lake Park.

**GUERECA:** Yes. It's looking great.

**JOHN HILGERT:** I couldn't believe that when that was done. I thought the titration from the runoff of the sides would render that obsolete, but it has, it has stayed pretty solid. Thank you, Senator.

**ANDERSEN:** Any other questions for the good director? Director Hilgert, thank you very much for your time. Thanks for being here.

**JOHN HILGERT:** Appreciate it. Thank you.

**ANDERSEN:** Any other proponents? Seeing none. Any in opposition? Any in the neutral position? Seeing none. Senator Sanders to-- she waives closing. On-- there was zero online comments. And with this, we will conclude our hearing on LB787. Thank you very much for everybody's participation.