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Judiciary Committee March 5, 2026
Rough Draft

BOSN: Good afternoon, everyone. Welcome to the Judiciary Committee. My name is Carolyn Bosn. I represent District 25, which is southeast Lincoln, Lancaster County, and I serve as chair of the committee. We will be taking up this bill. This is your part-- your opportunity to be part of the process and express your position on the bill. If you're planning to testify today, please fill out a green testifier sheet on the back of the table, print clearly, filling it out completely. Or alternatively you may use a yellow sign-in sheet to indicate your position which will be included as an exhibit in the official hearing record. As a reminder, please speak clearly, stating and spelling your first and last name to ensure we get an accurate record. We will begin with the introducer's opening, followed by proponents, then opponents, and anyone wishing to speak in the neutral capacity, closing with a statement by the introducer if they wish to give one. As a friendly reminder, we use a 3-minute light system for all testifiers. It starts off green, that means you have three minutes. When the yellow light comes on, you have one minute remaining, and the red light indicates you need to wrap up your thought and stop. Questions from the committee may follow. If you have copies of your testimony, please bring that forward.. Please silence and turn off your cell phones. Verbal outbursts and applause are not permitted, and such cause may be beha-- such behavior may be cause for you to be asked to leave. I will now have the committee members with us today introduce themselves, starting to my right.

STORM: Good afternoon. Jared Storm, District 23, Saunders, Colfax, Butler County.

HOLDCROFT: Rick Holdcroft, District 36, west and south Sarpy County.

WENDY DeBOER: Good afternoon. My name is Wendy DeBoer. I represent District 10, in vibrant, northwest Omaha.

McKINNEY: Good afternoon. Terrell McKinney, District 11, north Omaha.

ROUNTREE: Good afternoon. Victor Rountree, District 3, Bellevue and Papillion.

BOSN: Thank you. Also assisting the committee today to my right is our legal counsel, Tim Young, and to my far left is our committee clerk, Laurie Vollertsen, who is also retiring, so we're-- we wish her well, and we will certainly miss her a lot. We also have a page today. His name is Joel. Are you from UNL? Awesome. Joel is with us today from

UNL. With that, we will begin the AM2313 hearing for LB1096. Senator Bostar.

BOSTAR: Good afternoon. After spending a few hours with this committee already this session, it kind of throws me off to have you all on opposite sides of the room, so thank you. And with that, thank you Chair Bosn and members of the Judiciary Committee. For the record, my name is Eliot Bostar. It's E-l-i-o-t B-o-s-t-a-r, representing Legislative District 29. I'm here today to introduce AM2313 to LB1096. AM2313 refines LB1096 to ensure the bill is focused on the most pressing risks in Nebraska's agricultural economy and critical infrastructure. Agriculture is the foundation of Nebraska's economy and food security. Our producers feed the country and much of the world. AM2313 preserves, in full, the Preventing Lethal Agriculture and trans-- and, and National Threats Act, including the criminal prohibitions for knowingly importing high-risk agricultural pathogens or pests. The Department of Agriculture retains rulemaking authority to designate additional high-risk agents, ensuring the law remains responsive to emerging threats. AM2313 takes a more focused and targeted approach to protecting Nebraska's critical infrastructure. The amendment narrows the definition of covered infrastructure to systems where disruption would pose the most immediate and severe risk to public safety and economic stability, specifically: our 911 systems and communications infrastructure, high voltage electric systems, water treatment facilities, and cybersecurity systems. These are the backbone systems that keep communities safe and keep businesses operating. Rather than relying on the more expansive registration and compliance framework contained in the original language, the amendment focuses on the core objective, preventing foreign adversaries from gaining access to and control over Nebraska's most sensitive critical infrastructure systems. AM2313 establishes clear statutory guardrails by prohibiting any company or government entity from entering into an agreement that would permit a foreign adversary principal the ability to directly or remotely access or control critical infrastructure in Nebraska. The amendment preserves the underlying security goal of LB1096, blocking foreign adversary infiltration in Nebraska critical infrastructure, while streamlining the mechanism for achieving it and avoiding the creation of administrative burdens on Nebraska businesses and political subdivisions. The amendment also updates Nebraska's public records provisions to allow for the withholding of sensitive information related to critical water infrastructure and critical telecommunications and broadband infrastructure when public disclosure would create a substantial risk of public safety or system security.

AM2313 retains important enforcement provisions related to communications providers by requiring annual certification that federally prohibited communications equipment, the equipment identified at the federal level, as posing a threat to national security, is not in use in Nebraska systems. Finally, AM 2313 clarifies and strengthens Nebraska's economic security by prohibiting foreign adversarial companies from receiving state tax incentives across multiple economic development programs. If an entity is organized under, controlled by, or operating on behalf of a foreign adversary, it should not benefit from Nebraska taxpayer supportive incentive programming. This provision does not target legitimate international commerce, rather it ensures that state incentive dollars are not subsidizing entities tied to governments that may pose strategic risks to our state and nation. AM2313 keeps the strong agricultural bioterrorism protections intact, sharpens the critical infrastructure provisions to make them more workable and focused, strengthens confidentiality protections for sensitive infrastructure information, and adds clear safeguards to ensure state incentive dollars are not used to subsidize America's foreign adversaries. I thank you for your time, respectfully urge your support, and happy to answer unanswered questions.

BOSN: Thank you. Are there questions for Senator Bostar? Senator Holdcroft.

HOLDCROFT: Thank you, Chairwoman Bosn. Section 12 requires that the PSC and the, the Attorney General "shall" impose penalties, rather than "may" impose penalties. Most Nebraska statutes give regulatory discretion so that, that they can distinguish between bad actors and good faith compliance. Why is it necessary here to remove that discretion and require penalties in every case, every case?

BOSTAR: It's almost word-for-word from a document that I saw earlier. Thank you for the question, Senator. There's a good answer for that. There is full discretion already available. One, the point where they would like to put shall instead of the may would structurally upend the entire statutory framework within that section of law. There is probably ways of bifurcating the specific penalties that relate to the covered equipment lists versus the rest of the PSC provisions, so we can certainly look at that. So there's a way to do that without making that switch, which would kind of destroy everything else. But I will say this. Even without doing that, there's a significant amount of discretion. So currently, the penalties are up to \$10,000 per day. There's full discretion, even under a "shall" environment, for those

penalties to be issued at, for example, \$1. So I, I would say that probably a lot of discretion already exists. I think probably more discretion exists than some folks maybe have realized at this point, but certainly happy to look at that more.

HOLDCROFT: Yeah. I would say "may" always gives them the authority to go to the maximum. I mean, they may always do that. They always have that authority--

BOSTAR: Sure.

HOLDCROFT: --under that. A "shall" is like us telling them they "shall" do this. It kind of takes away from the "discretion-cy" of the PSC and the Attorney General, so why have them if they don't have some of this [INAUDIBLE]?

BOSTAR: We, we just can't have that one particular shh-- if we want to separate things out, we have to do it differently than changing that "shall" and "may," because just doing that will have further-reaching consequences that I don't think anyone wants. So we're happy to visit with the committee about ensuring that the most possible level of discretion is available for what is being contemplated within this particular legislative framework.

HOLDCROFT: Thank you, Senator Bostar.

BOSTAR: Thank you.

BOSN: Senator Storer, followed by Senator Hallstrom.

STORER: Thank you, Chair Bosn. And thank you, Senator Bostar. Just to follow up on Senator Holdcroft's question, the original bill said "may," correct?

BOSTAR: No, not, not exactly. So yes, in some places, and, and again, right, we-- we've certainly had communication from the folks that are, I think, motivating some of this dialogue. So I think that there is some confusion from folks about where "mays" used to exist and where they do now, versus what's-- the amendment simplified things and I think carried stuff over to different sections. That's creating some confusion. But again, what I'll say is: there are ways to accomplish what's being asked that we are happy to do. So maximizing the level of discretion, there isn't actually a problem with that for the noncovered list, PSC functions. We're absolutely happy to ensure that

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that is, is fully discretionary, which, which I-- which, which is what's being asked for.

STORER: Right.

And we're happy to--

I think, I think the concern is just that that-- I mean, anytime-- we all know what a huge difference there is between "may" and "shall"--

BOSTAR: Right.

STORER: --in statute, and so--

BOSTAR: We just want to do it in a way where we're not creating unintended consequences.

STORER: Right. So I would, I would read that currently, in the amendment, you know, "shall" is not negotiable. That's a "shall" of \$10,000 a day.

BOSTAR: Up to.

STORER: Right.

BOSTAR: So it could be \$1, right. They have that discretion.

STORER: OK.

BOSTAR: Well, even with the "shall," is what I would say. But yes, if the dollar seems like that would be too burdensome, we are happy, again, to work on that language to make sure even a \$1 would be discretionary.

STORER: Thank you.

BOSTAR: Yep.

BOSN: Senator Hallstrom.

HALLSTROM: Senator Bostar, I, I apologize. I walked in a couple minutes late, but there was a Omaha Chamber letter that talked about the fix to the LB644 language. Can you just explain briefly how that, how that fix works in your bill?

BOSTAR: Yeah. And I think, I think clarity is probably how I would describe it over necessarily a fix, right? So I think the, the intent for those provisions of LB644 is being maintained, which is that we don't want to see incentives and tax credits being used and expended for the benefit of adversaries to the United States. In LB644, there was divergence in the definitional language of what, what sort of triggered a foreign adversarial designation. And so the fix in this bill, so to speak, further aligns that definition as it relates to the incentive framework with the definitions that were-- already existed in LB644, for, for example, the foreign adversary registration provisions, and that difference primarily exists when we're talking about parents and subs for companies. So in the, the mainline of LB644, if a parent company was a foreign adversarial company, then that subsidiary would be treated as foreign ad-- foreign adversarial as well, but not the other way around. And then in the incentive language, it grabbed both of these. And so, we were-- we had a situation where, if you had, if you had a foreign subsidiary but an American parent, then the American parent was also being considered a foreign adversary, and so we're aligning that to the registration definitions that were in LB644.

HALLSTROM: So I'm a Nebraska corporation, I'm getting incentives, I have a subsidiary that has a presence in the foreign adversary country. That's OK, but the other way around is going to taint the, the relationship?

BOSTAR: Well, I would say I-- you know, I, I don't know if I would say it's OK.

HALLSTROM: OK.

BOSTAR: But I would say you're going to get to keep your incentives.

HALLSTROM: Thank you.

BOSN: I just did a quick Control F search. If I look at Section 12 that we've had the questions about the "mays" versus "shall," I cannot find the word "may" in Section 12 anywhere. So it would be a deviation from-- it's got 8 subsections. Section 1, shall. Section 2, shall. Section 3, shall. Section 4, shall. Section 5, shall. Section 6-- all of them are "shalls."

BOSTAR: Yes.

BOSN: So--

BOSTAR: Which is why we can't simply make the-- that "shall" to "may" that's in question here, because it would, it would create further problems for all the statutes that already exist.

BOSN: OK.

BOSTAR: So then that's why I said there are ways to do this, that we can do it. They already have discretion of that \$10,000 number. I'm not sure everyone understood that that was "up to," so the discretion for the-- the PSE could say, hey, this is not a big deal. Our fine's \$1. They don't have to go to \$10,000. They can, they can do that under this now. But again, if that's already kind of too burdensome, we can bifurcate the section appropriately in order to add that other discretion so that they don't even have to give a \$1 fine. But it just-- it can't work the same way where you're just flipping that one "shall" to a "may" because it'll have all of the other second order effects.

BOSN: Thank you. Any other questions in light of that? Oh, sorry. Senator Rountree.

ROUNTREE: Thank you, Chairwoman Bosn. Thank you so much for your testimony and the opening today. On that particular issue that we're looking at there, at that paragraph (6), beginning 1 November 2026, states, "in addition to other penalties and relief provided by law." What are some of those? I guess I could go and research it, but are you aware of what some of those other penalties and relief provided by law are?

BOSTAR: I mean, I don't, I don't have a list.

ROUNTREE: OK.

BOSTAR: We just-- I think the intention here wasn't to change anything that was preexisting. It was simply to say-- to, to address particularly that covered list infrastructure and, and the, the penalties associated with that.

ROUNTREE: Thank you.

BOSN: All right. Thank you very much. Oh, I'm sorry. Senator Storer.

STORER: Sorry. And I was just looking for the exact language, but I think it's on Section-- page 23 of the amendment. And you and I had visited about this, the date for--

BOSTAR: Oh, yes.

STORER: --kind of extending that to reflect federal guidelines. And just as a note-- and I'm guessing you're willing to work with us on this. But ideally, we'd like to, you know, it would-- seems like it would make sense just to say whenever the federal deadline is, so it's all in concert, so there's not sort of confusing deadline?

BOSTAR: So I think-- so there's some limitations to doing that. We always have to be careful of unlawful delegations of legislative authority. So by, by saying, hey, it's whenever the feds say, that could conflict with some potential constitutional restrictions we have. So, I think, you know, as, as we've talked to before, what the ask was, was, hey, the, the deadline's in May, and then they're envisioning a 6-month extension. And it was, can you give us till then? And so, the agreement is yes. Now, I know you had pointed out that if we, if we take that more literally, we're looking at November 8 and not 1, and I think that that's fine. That makes sense. You know, when we're having an amendment hearing, we can't bring more amendments to it, right? We have to have the hearing on the amendment. But of course, those kind of changes are, are completely fine.

STORER: Thank you.

BOSN: All right. Thank you very much.

BOSTAR: Thank you.

BOSN: Can I see a show of hands how many individuals here are planning to testify? 1, 2, 3-- oh, OK. 1, 2, 3, 4, 5, 6, 7-ish. OK. All right. Thank you. Proponents. Welcome.

KENNY ZOELLER: Welcome. Thank you, Chairwoman Bosn and members of the Judiciary Committee. My name is Kenny Zoeller. That is spelled K-e-n-n-y Z-o-e-l-l-e-r. I serve as Governor Jim Pillen's director of his Policy Research Office. I'm here today to testify in support of AM2313. I don't have any prepared remarks out of respect for this being over the lunch hour. Just want to hit a couple of things. The Governor is supportive of changes that would clarify, as Senator Bostar mentions, language that was passed in LB644 last year, in terms of how the statute's better defined for tax credits and how the state determines who is at foreign adversary company and who is not. And then, the last thing I would like to mention in my remarks is in regards to some of the questions brought up by Senator Holdcroft,

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Senator Storer, on the "may" verse "shall." This language was on page 18 in the original introduced copy of the bill. The point of it is to make sure that if we have technology that is of concern still, in Nebraska, that we, we find those said companies that are using that technology. So with that being said, I'd be more than happy to answer any questions.

BOSN: Questions? Seeing none, thanks for being here.

KENNY ZOELLER: Thank you.

BOSN: Next proponent. Welcome back to Nebraska.

JENNIFER CREAGER: Thank you. Literally, just back to Nebraska. Chairwoman Bosn, members of the Judiciary Committee, for the record, my name is Jennifer Creager, J-e-n-n-i-f-e-r C-r-e-a-g-e-r, registered lobbyist for the Greater Omaha Chamber, testifying in support, and the scope of our support, both of my testimony and our support, is limited to the incentive sections of AM2313 and LB1096. So that would be Section 7, starting on page 4, and then there are a couple of references in Sections 8-10 on that piece. You-- I was gonna be very brief, but it sounds like you have my letter. That was prepared because I just landed in Omaha on a flight at 10.30 and wasn't sure, due to travel delays, if I would get here, so that was intended to be a backup. But basically, we want to say that we-- this has been a-- I would say, a long topic of conversation with the administration, Senator Bostar, Chairman [SIC] von Gillern, and we had come to an agreement on the incentive portion that several of our members had raised to us, and, and we had good-faith negotiations and got to a compromise. So this language reflects that compromise, and so we are supporting that piece of the bill and the amendment.

BOSN: Thank you. Questions? Seeing none, thanks for being here.

JENNIFER CREAGER: Thank you.

BOSN: Next proponent. Welcome.

JESSICA SHELURN: Good afternoon, Chairwoman Bosn, members of the Judiciary Committee. My name is Jessica Shelburn, J-e-s-s-i-c-a S-h-e-l-b-u-r-n, and I'm the Deputy Director of the Nebraska Department of Agriculture. I'd like to, again, thank Senator Bostar for his work on LB1096 and AM2313, and my understanding is there will be another amendment coming as well-- and his collaboration with Governor Pillen to introduce this critical piece of legislation, as

well as the committee allowing me to testify today. Adoption of LB1096 and the proposed amendment-- amendments would be a tool to help prevent the introduction of any agent, toxin, or organism design-- designated as a high-risk agricultural pathogen or pest into Nebraska. These pests and diseases could cause significant harm to crops, livestock, or other-- or agricultural ecosystems. This bill would allow the department to use existing authority to issue permits or authorization for the importation of these pathogens or pests. Such permits are most commonly issued by the United States Department of Agriculture's Animal and Plant Health Inspection Service, or APHIS. For that reason, the department believes it makes sense to adopt the proposed amendments-- and I understand that since we are having a hearing on the amendment, like Senator Bostar mentioned, there is some additional language that might be coming-- found in sec-- to address Section 3 of the bill. Our plant and animal health teams are already working every day to prevent these diseases and pests from negatively impacting Nebraska agriculture by conducting inspections, implementing mitigation plans to further limit the spread of high-risk threats, and by working closely with our federal counterparts to protect Nebraska agriculture from all such diseases and pests. This bill strengthens the preventative measures against the examp-- against the examples that I gave you at the original hearing-- which I can get into if you would like, but in the effort of time, I'm going to skip those-- and by making it a felony for a person to knowingly import these high-risk agricultural pathogens or pests. New and effective approaches, such as the changes in LB1096, prevent the threats from entering our state and these are welcomed by the department. Thank you again to Senator Bostar and his collaboration with the administration for his work on this legislation, and to the Judiciary Committee for hearing our testimony today.

BOSN: Thank you. Are there questions for Ms. Shelburn? Seeing none, thanks for being here.

JESSICA SHELburn: Thank you.

BOSN: Yes. Next proponent. All right. We'll move to opponents. Anyone here in opposition? Good afternoon and welcome.

TIP O'NEILL: Thank you, Senator Bosn, members of the Judiciary Committee. My name is Tip O'Neill. That's T-i-p O'N-e-i-l-l. I'm the president of the Nebraska Telecommunications Association. We represent 20 companies providing broadband and landline telecommunication services in Nebraska. We appreciate the work that has gone into

narrowing this amendment from the original bill, and we certainly pledge to work with Senator Bostar, the Governor's Office, and, and your committee in, in, in going forward, as far as this legislation is concerned. However, we remain opposed to AM2313, which is what is before us today, as drafted, because of one key issue in Section 12-- the mandatory nature of the penalty provisions. There are 2 categories of telecommunications providers that could be penalized under this section. The first category includes any telecommunications company that fails to make a timely annual registration or certification filing with the Public Service Commission. Under the amendment, the PSC and the Attorney General are required to fine a provider for violations of those filing requirements. That means even a clerical error, late submission due to a technical issue, or a promptly corrected administrative mistake would require a fine. That is inconsistent with how Nebraska regulatory enforcement typically works. Agencies are generally granted discretion. They may assess fines when appropriate. They may issue warnings. They may allow correction. The word "shall" removes judgment and mandates punishment regardless of circumstances. The second category involves providers that are unable to certify their networks are free of covered equipment by November 1, 2026. This issue arises in the context of the federal law commonly known as Rip and Replace program. It's a nationwide federal program affecting dozens of rural carriers across the country. It establishes the removal requirements, reimbursement process, compliance standards, and timelines. It also includes a formal extension process for companies that demonstrate good-faith efforts but encounter legitimate supply chain, labor, or engineering constraints. Our position is straightforward. When telecommunications providers are operating under federal mandates, federal oversight, and federal timeliness, those federal requirements should govern. If a provider is complying with federal law, actively engaged in removal work, and operating under a federally granted extension, the Attorney General should not be required to impose automatic daily penalties under state law. Changing "shall" to "may" would not weaken enforcement. It would preserve necessary discretion so that regulators can distinguish between the types of, of violations, whether they're intentional or, or, or bad or good, whether-- and, and our amendment-- so basically, there are 2, 2 areas in the amendment. The first one is in the original bill and in the AM2313. The word in-- "may" was stricken in terms of the PSC's authority, and shall was inserted. That's on line 31 on page 22 of the amendment. And then, of course, in the Attorney General's authority, and we would propose striking "shall" in those cases, and inserting "may."

BOSN: Thank you.

TIP O'NEILL: I'd be happy to answer any questions.

BOSN: Are there questions from the committee? Senator Holdcroft.

HOLDCROFT: Thank you, Chairwoman Bosn. Thank you for testifying today. Can you-- I mean, you seemed to indicate that we-- I mean, this is a federal, FCC-enforced program already. Correct?

TIP O'NEILL: That is correct.

HOLDCROFT: So what is, what is-- I mean, what do they use for criteria for determining whether or not a-- an extension should be granted?

TIP O'NEILL: Well, you've got a better expert with a testifier from Viaero than I, than I will have, on that issue. But generally, I think they have to show specific evidence that, that the reason for their being able not to be compliant with that deadline is that something is out of their control, whether it be a-- supply chains or materials or, or other, other circumstances, and then the FCC weighs that evidence and, and determines whether or not the company should be granted the extension or, or should not be and then punished accordingly under federal law.

HOLDCROFT: OK. Thank you.

BOSN: Thank you. Are there other questions? All right. Seeing none--

TIP O'NEILL: Thank you.

BOSN: Thanks for being here. Next opponent. Good afternoon and welcome.

JEREMY CRANDALL: Good afternoon. My name is Jeremy Crandall. That's J-e-r-e-m-y C-r-a-n-d-a-l-l, and I'm here again today on behalf of CTIA. I spoke to you all about a month ago. We are the wireless industry trade association, in respectful opposition to this amendment. Before I start, let me repeat what you just heard-- that we do want to thank the sponsor for what is his ongoing dialogue with our industry on possible ways to address our concerns. As you know, this committee spent a considerable amount of time diving into the details of this issue a month ago. And so my comments today, I really want to focus on a few high-level elements about what we're talking about. All of the following that I'm about to share exist today and will exist

tomorrow, regardless of whether this amendment passes. Number one, the federal government will continue to have in place an active and ongoing process to eliminate equipment that, that is manufactured by companies based in China that pose a risk to our national security. This process will continue to apply to all subsidiaries and affiliates of those companies based in China. This process would continue to be managed by the FBI, Homeland Security, and the NSA, among others. And most importantly, Senator, on the item that you just brought up, that process will continue to hold accountable our members and all providers who are required to remove this equipment or face substantial and potentially crippling penalties for noncompliance. Now, I said this all to you a month ago, and it bears repeating. I would respect all of you looking at me skeptically saying, well, hey, the federal government's working on it, so trust us. So I'm going to go one step further. No matter what you do today, existing Nebraska law will continue to be more restrictive than what is in current federal law. This is due to legislation that was passed in 2023. Now, the specific federal requirements that I just cited, I did do that intentionally, because they do directly relate to the amendment that is before you. There are specific provisions in AM2313 that are duplicative, but more importantly, some of them directly conflict with what the FCC, the Trump administration, and the federal government is doing on this issue right now, so I'd be more than happy to dive into some specific elements about the amendments-- the amendment. You know, the details really matter here, of course. I also want to emphasize our industry's strong commitment to continued compliance with current Nebraska law and federal law, as well, but I do just want to bring it home with we can't lose sight of the fact that our opposition at its core is based on what will be the impacts on your constituents, their connectivity, and the Nebraska economy, as well. So thank you for having me again.

BOSN: Thank you. Are there questions for this testifier? I guess part of the issue that I see with this-- and, and I appreciate your self-awareness to say, you know, we're the feds. We're here to help. We should just rubber stamp whatever they say they're doing. But there are a lot of state dollars that we appropriate from the state level to these telecommunications companies that require us to approve and rubber stamp things. And so I think some of the concerns that we have, I mean, I-- it sounds like you agree that some of these concerns are valid, that do require some of that enforcement, and we do want to have that oversight. Because on the flip side, we're also accountable to our constituents when they say, you let them continue doing this,

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and you-- you're, you're giving them taxpayer dollars to help build these programs, with an oversight of, we just trust the federal government. So that's-- does that make sense, where that hesitation and concern comes from?

JEREMY CRANDALL: It does, Madam Chair. Can I speak to that?

BOSN: Please.

JEREMY CRANDALL: If that's OK. So it makes complete sense. And here's the really important piece that I want to emphasize. And I've been trying to, frankly, think of a metaphor to describe this. I still haven't come up with a good one. What is really important is that you have federal law and obviously, what you all do on Nebraska law. Those 2 pieces as, as it relates to this issue, have to work in congruence, and I'm more than happy to go into more detail about why. Directly, AB2313 [SIC] does not work in concur-- in, in collaboration, if you will, with those federal components. And that really is the key, Madam Chair. You know, there-- there's an issue related to the covered list that you guys heard a month ago. Again, I'm happy to go deeper if you all want. I want to respect your time. But as, as we are looking at the amendment right now, that amendment and federal law are not working in lockstep, if this became law. That's the key here.

BOSN: OK. All right. Thank you very much.

JEREMY CRANDALL: Thank you.

BOSN: Next opponent. Good afternoon and welcome.

JON BECKER: Good afternoon. Good afternoon, Committee. My name is Jon Becker, J-o-n B-e-c-k-e-r, and I am testifying today on behalf of Viaero Wireless, in respectful opposition to AM2313. The provisions related to rip and-- to the Rip and Replace Program that we discussed at the original LB1096 hearings remain a concern. Before I go into that, I want to reiterate that Viaero supports the national security goals behind this legislation. We agree that covered equipment identified in the federal-- by the federal government should be removed from communication networks. As we are already-- as we have already shared, that is exactly what we are doing through the FCC's Rip and Replace Program. AM2313 would impose a state civil penalty of up to \$10,000 today-- a day, beginning on November 1, 2026, on any carrier that cannot certify its network is completely free of the covered equipment, even if the carrier has actively and compliantly

working through this federal mandated replacement process. We continue to ask the committee to align LB1096 provisions with the federal law and not to use a specific date. We share the desire to finish this project as quickly as possible, but a \$10,000-a-day state penalty does not accelerate the process of tower climbs, resolve supply chain delays or create additional crews. It diverts capital away from equipment and labor and, and towards fines. Viaero remains fully committed to completing the complex infrastructure rebuild in protecting the communities we serve. We respectfully ask that the committee-- to reconsider imposing daily penalties that could slow the very progress we are trying to achieve, and continue to ask for alignment with the FCC program, which will continue to be responsible to unique factors controlling the pace of this work. Thank you, and I'm happy to answer any questions.

BOSN: Thank you. Senator Rountree.

ROUNTREE: Thank you so much, Chair Bosn. And thank you so much there for coming to testify again. The last time we had a hearing, we talked about supply chain and I guess Senator Holdcroft can understand that if he gets ready to turn his ship, it takes a wide berth to do that. How are we looking since the last time, as far as supply chain and accomplishing the goal and the mission?

JON BECKER: I appreciate that question, Senator. As we spoke about last time, we've seen significant delays in supply chain, and those have just continued to compound as we go. In some of the supply chain that we spoke about last time, we've resolved those supply chain issues. But as those issues get resolved, we find new issues that keep coming about. And I will, I will tell you that just probably right after I testified the last time, as we brought in new equipment to sup-- to deal with one supply chain issue, one of the connectors for that piece of equipment, a small connect-- connector that we call a two-hole lug, actually became another problem, and that delayed us another 2-3 weeks. Trying to solve one problem, we created another. Not "knownst" to anybody that that was the, the case, but a lot of these manufacturers that we're finding in telecom equipment had slowed down their manufacturing for the holidays and for other reasons, into thinking that the telecom equipment-- this equipment was going to slow. So instead of having this stuff sitting, they need to ramp back up and manufacture it. That becomes a significant problem for us and we are still battling that every day.

ROUNTREE: All right. Thank you.

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BOSN: Thank you. Any other questions? Thank you for being here. Next opponent. All right. Neutral testifiers. Welcome. Is this your first hearing in your new role?

MATT WILLIAMS: Well, not used to sitting in this chair. Chair Bosn and members of the Judiciary Committee, I'm Matt Williams, M-a-t-t W-i-l-l-i-a-m-s, representing the Nebraska Chamber of Commerce and the Lincoln Chamber of Commerce. You might have guessed, I'm certainly not a subject-matter expert on LB1096 or the amendments. However, I am here today to talk to you about the process and finding solutions that work for the people of our state. I would like to thank Senator Bostar and the Governor's Policy Research Office team, and many others for their willingness to engage in the thoughtful conversations that have happened. As the State Chamber, we are responsible for representing our members. We have a diverse membership, but it's always our responsibility to actively engage in discussions where the outcome may add more regulation and reporting requirements to our members. I'll note continued feedback from contractors, life science firms, and a variety of communications providers on this topic. Protecting them is part of our job. You, however, have a different responsibility. You have the responsibility of protecting the people of our state and protecting our critical infrastructure. The question is how do we balance these responsibilities? Over the past weeks, conversations have continued to evolve, and yes, there is progress being made, and I think we can continue that progress with Senator Bostar and Mr. Zoeller, and others who are willing to commit to solutions. These parties are working to find balance, and we are looking for that now. Additionally, you heard concerns from the Omaha Chamber. We echo those same concerns. These changes will create certainty for Nebraska firms that compete in the global marketplace, and yet, invest their capital and create jobs right here in Nebraska. None of us sitting here today are true experts in this field. And I would tell you, even the experts can and do disagree. What I do believe is we need to continue this process. Sitting in your seat, you can demand that negotiations continue, demand that we find a solution that fits Nebraska. I encourage you today to advance LB1096 as amended, but also to request that all the parties continue to engage in thoughtful compromise, and find solutions as this bill moves to the floor. Thank you for your time and efforts, and Senator Bostar is in charge of lunch.

BOSN: Thank you.

STORM: Thank you.

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BOSN: We do have a rule in this committee that if you keep us over a mealtime, you have to provide lunch, so thank you. Are there questions for this testifier? Seeing none, thanks for being here. Next neutral testifier. All right. Senator Bostar, to close.

BOSTAR: Thank you, Chair Bosn and members of the committee. I appreciate everyone coming in for this conversation. As you heard, we will have additional language for you, again, it being inappropriate to distribute a different amendment in an amendment hearing. I apologize for how our procedures are, but that's just a reality. But you'll have, you'll have things that address some of the stuff that's been talked about shortly. Again, the may and shall, we are fine with adopting language that resolves what's being requested in a way that won't have next order effects for how our statutes work. So, you'll have that. That's fine. There was conversation around how the language here doesn't align with the feds. That's wrong. That's just an incorrect statement. First of all, we are-- it is requested of us by the White House, by the FBI, by federal partners, to enhance these protections, to work on these laws, to do this. And of course, the industry that's being regulated doesn't want to be more regulated, so they're going to be opposed. But any suggestion that this doesn't align with the federal, either federal priorities, federal initiatives, federal law, federal programs is completely inaccurate, wholly inaccurate. The other thing I want to mention is the critical infrastructure component of what's in the amendment is currently the law in Texas. It wasn't opposed by the telecom industry in Texas, and so we are having discussions about why it seemed to be OK in Texas, but not here, and if there are-- if there-- in translating the bill for Nebraska, if there was something that got tweaked along the way, we're happy to address it. But this is currently the law in other states, it's about to be signed by the governor in Utah, and it's-- I think it just passed the legislature and is going to the governor in Florida, as well. So this isn't novel. This is, is fully aligned with how the feds work. There isn't a problem. And again, any suggestion otherwise is completely untrue. And so I'm happy to walk through those other states' laws with any member of the committee that would be interested in how we are simply replicating what those other states have. Again, happy to make some of those adjustments to the timeline to make sure that, that extension is fully realized. That was the request given to us, was let's get to the deadline and get that full, 6-month extension. Agreed. Fair enough. And, and pleased to be able to find that the, the solution on the LB644 language from last year, to ensure that we are focused on the actual priorities we have when it

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comes to foreign adversaries. With that, happy to answer any final questions.

BOSN: Thank you. Questions from the committee? Senator Storer, followed by Senator Hallstrom.

STORER: Thank you, Chair Bosn. And again, thank you, Senator Bostar. Just-- I was just wanting to make sure I understood you correctly, that the, the language in this bill is reflective of language in other states, including Florida-- did you say Florida and Utah?

BOSTAR: Yeah, so it's, it's, it's currently law in Texas, and it's about to be signed by the governor in Utah, and I think it's just through the legislature in Florida.

STORER: OK. And was that-- were some of the-- was that like the original bill language, not that it-- but just so I had some [INAUDIBLE].

BOSTAR: In the amendment-- in this, in this amendment.

STORER: In the amendment. OK.

BOSTAR: Yeah.

STORER: Thank you.

BOSTAR: Absolutely. For-- and I'm, I'm-- just, just to clarify, on the, the critical infrastructure part of this. Yes

STORER: Thank you.

BOSN: Senator Hallstrom.

HALLSTROM: I wasn't quite sure that I captured the essence of your suggestions regarding their testimony. Would you characterize it as being devoid of any accuracy?

BOSTAR: I, I would say that there's, there's a-- well, there's, there's just a gap between what was said and what is true.

HALLSTROM: Thank you.

BOSN: Any other questions? Senator DeBoer.

DeBOER: The current amendment says November 1, right?

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BOSTAR: Yes. Happy to make that November 8.

DeBOER: Well, so there is a difference between federal law and it, then, at least 7 days. So it's not entirely inaccurate--

BOSTAR: There's not--

DeBOER: --to say that there is a difference between federal law and this.

BOSTAR: The fact that they don't-- they can't comply with each other.

DeBOER: I'm just saying like, there is a difference between federal law and this.

BOSTAR: I didn't say there wasn't a difference between federal law, Senator. What I said was, federal law and what we have here on paper--

DeBOER: Oh, I misunderstood you, because I thought what you said was that there wasn't a difference between federal law and this, but you think that yours can comply with federal law.

BOSTAR: 100%.

DeBOER: OK.

BOSN: Any other questions? Seeing none, thank you very much.

BOSTAR: Thank you, all.

BOSN: That will conclude our hearing on AM2313.

DeBOER: It's not what he said.