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Transportation and Telecommunications Committee February 17, 2026
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MOSER: This afternoon's Transportation and Telecommunications committee will now come to order. My name is Mike Moser. I'm the Chairman of the committee. I'm from Columbus, I represent Platte County and most of Stanton County. And then we'll introduce the senators beginning on my left.

BOSN: My name is Carolyn Bosn. I represent District 25, which is southeast Lincoln, Lancaster County.

BALLARD: Beau Ballard, District 21 in northwest Lincoln, northern Lancaster County.

BRANDT: Tom Brandt, District 32: Fillmore, Thayer, Jefferson, Saline, and southwestern Lancaster Counties.

FREDRICKSON: Good afternoon. John Fredrickson, District 20 in central west Omaha.

STORER: Good afternoon. Senator Tanya Storer. I represent District 43, 11 counties: Dawes, Sheridan, Cherry, Keya Paha, Boyd, Brown, Rock, Blaine, Loup, Garfield, and Custer.

MOSER: Can you spell those for us, please?

STORER: Not quickly, I can't.

MOSER: Yeah. No, just teasing. Senator Ballard is also Vice Chair of the committee. Our committee clerk is Katy Coquat. Our legal counsel is Gus Shoemaker. There are green testifier sheets on the table near the entrance to the room. Please complete it and hand it into the page if you want to come up to testify. If you want to record your presence but not testify, there's a yellow sheet in the book on the table near the entrance that you can sign. The Legislature's policy is that letters for the record must be received by the committee by 8 a.m. the day of the hearing. Senators may come and go during our hearing, this is common and required as they may be presenting bills in other committees at the same time. Testimony will begin with the introducer's opening statement, and then we'll hear from any supporters of the bill, and then those in opposition, and then those speaking in a neutral capacity. The introducer of the bill will then be given the opportunity to make closing comments if they wish to. Begin your testimony by giving us your first and last name, and please also spell them for the record. We will be using a 3-minute timer system today. Be sure to turn off your cell phones or to put them on

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vibrate so they don't disturb us during our meeting. And with that, that brings us to the first item on our agenda today, LB1073, Senator Bosn. While she's getting situated, Senator Guereca, you might introduce yourself.

GUERECA: Sure. Good afternoon. I'm Senator Dunixi Guereca. I represent LD 7, which is downtown in south Omaha.

DeBOER: Hi, everyone, I am Senator DeBoer. I represent District 10 in vibrant northwest Omaha.

MOSER: Welcome.

BOSN: Thank you. Thank you, Chair Moser and good afternoon to members of the Transportation and Telecommunications Committee. For the record, my name is Carolyn Bosn, C-a-r-o-l-y-n B-o-s-n. I represent District 25, which is southeast Lincoln, Lancaster County, including Bennet. To those of us who have never been trained to see it, human trafficking may be happening right under our noses. Imagine that in places like truck stops, rest areas, bus terminals, and gas stations, victims of human trafficking are hiding in plain sight. They are scared, controlled, and often invisible to the rest of us. The truth is that the people best positioned to see these signs are often truck and bus drivers. Human trafficking is not just an international issue, it is happening in Nebraska, along our highways, at our rest drop--rest stops, and in our communities. All 93 counties, cities, and towns of every size, infiltrating festivals and fairs. According to the National Human Trafficking Hotline, thousands of cases are reported each year across the United States. Highways are frequently used to transport victims and traffickers rely on the fact that most people just don't know what to look for. This is why we need to pass LB1073, which creates a new law requiring human trafficking awareness training for all students seeking any kind of a commercial driver's license or CDL. Professional drivers are the eyes and ears of our transportation network. They work long hours on the road and they see patterns. They notice unusual behavior, and without training, they may not recognize the warning signs: a young person who avoids eye contact and seems controlled by someone else, passengers who are fearful and unable to speak freely, or individuals who lack control of their own identification and money. A short mandatory training built into the CDL training program offered at either public training providers such as community colleges or private CDL schools could change this. It doesn't need to be complicated or time consuming. It can teach drivers how to recognize red flags, how to respond safely, and how to report

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concerns through proper channels such as calling the hotline or contacting law enforcement. Truckers Against Trafficking, or TAT as it will be called, has already shown how effective this approach can be, training thousands of drivers nationwide to identify and report suspected trafficking. And to be clear, this curriculum is available at no cost to the taxpayers, the schools, or the student. There is no fiscal note on this bill because we are assured by the Department of Motor Vehicles that the method of implementing this requirement on the training program providers is as simple as adding a box and some words to auditing forms that already exist. This law would not turn drivers into police officers, it would empower them with knowledge. It gives them the confidence to act when something just doesn't seem right. And, most importantly, it can save lives. By requiring human trafficking awareness training for new CDL students, our state would send a clear message: We refuse to let our roads be used as pathways for exploitation. We believe in equipping our workforce with the tools to protect the vulnerable and we are committed to turning awareness into action. Sometimes the difference between continued suffering and freedom is one person who recognizes the signs and makes the call. Let's make sure our drivers are prepared to be that person. There will be an amendment to make a small cleanup change and I am happy to share it as soon as I get it back. I thank you for your time and consideration and I am happy to answer any questions. I will also note there are a couple of testifiers behind me from the organizations that can answer any specific questions as it relates to them as well.

MOSER: Questions from committee members? Senator Fredrickson.

FREDRICKSON: Thank you, Chair Moser. Thank you, Senator Bosn, for being here for the bill. So the cleanup-- the amendment, it's, it's, it's a cleanup amendment or do you know the, the details of what the amendment will have or-- I don't want to put you on the spot, I just didn't know if it would significantly change.

BOSN: I, I don't have it back. I think it's just a cleanup, a small that we noticed after we had already gotten it back and filed, so.

FREDRICKSON: OK.

BOSN: My recollection is, it's [INAUDIBLE].

FREDRICKSON: Perfect. And then my other question was, so the-- I'm just reading the bill, so that the AG's Office will promulgate this.

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Are they-- is the AG's Office expected to create the training or, or the training is already created?

BOSN: No, the training is already in existence through the Truckers Against Trafficking. And they can explain what their program actually looks like as well in more detail.

FREDRICKSON: Got it. So it's plug and play, there's no new training has to be--

BOSN: It is, yeah.

FREDRICKSON: OK. Great. Thank you.

MOSER: Senator Brandt.

BRANDT: Thank you, Chairman Moser. Thank you, Senator Bosn, for bringing this important bill. Is this 30 minutes a year or 30 minutes just one time when you're getting your CDL?

BOSN: Correct, 30 minutes upon your initial application for your CDL.

BRANDT: So there's never any follow-up?

BOSN: Not under this piece of legislation.

BRANDT: OK. All right. Thank you.

MOSER: Other questions? Seeing none, thank you. We had nine proponents online, no opponents, no neutral, no ADA testimony. Our pages today are Kleh, who is a senior at UNL, and Sydney, who is a sophomore at UNL, and we appreciate their help. And now we're opening the floor for supporters of LB1073. Please begin. Welcome.

KENT GRISHAM: Thank you, Mr. Chairman and members of the Transportation Committee. My name is Kent Grisham, K-e-n-t G-r-i-s-h-a-m, and I am blessed and honored to serve as the President and CEO of the Nebraska Trucking Association. For your reference, and of course you've heard from us before, the NTA is one of the largest state trucking associations in the country with roughly 900 members. Our members represent every segment of the trucking industry, both motor carriers and the vendors and suppliers we call allies. It is rare that the trucking industry comes before a legislative or regulatory body and asks for a mandate. But we believe so strongly in the fact that we have been and will continue to make a big difference

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in the fight against human trafficking that we want every new professional driver to receive training on the subject as part of their overall CDL education in Nebraska. We thank Senator Bosn for her willingness to help us with this cause and her willingness to stand up as a champion for the victims of human trafficking by sponsoring LB1073. The CDL training world has changed a lot over the years, especially since the advent of entry-level driver training standards were implemented at the federal level. We know that there are 20 training programs duly registered with the state, ranging from our community colleges to our top notch private training schools and even the NTA itself. We also know that roughly 3,800 new CDLs were issued in Nebraska just last year. Under the provisions of LB1073, those training programs will pay nothing for the curriculum they need in order to be compliant. The students will pay nothing and the taxpayers will pay nothing extra to enforce it. Long before the bill was introduced, we held discussions with stakeholders, such as the Department of Motor Vehicles and the Attorney General's Office, just to make sure we were asking-- what we were asking for was doable and would not generate a fiscal note. LB1073 is the result. Some of the new professional drivers in Nebraska last year received this education because their training providers already offer the Truckers Against Trafficking curriculum. But with your help in passing this bill out of committee and, eventually, with your help it becomes law, imagine how much we can improve the odds of rescuing a victim from the grips of her trafficker or his trafficker with another 3,000 to 5,000 trained drivers on the lookout all day, every day. As a pastor once said to me, if we can reach even one, we will have done God's work. And we ask for your help to do that. Thank you.

MOSER: Questions for the testifier from committee? Seeing none, thank you very much.

KENT GRISHAM: Thank you, sir.

MOSER: Anyone else to speak in support of LB1073? Welcome.

KYLLA LANIER: Thank you. Good afternoon, Chairman and committee members. My name is Kylla Lanier, K-y-l-l-a L-a-n-i-e-r. I'm cofounder and Deputy Director of Truckers Against Trafficking, or TAT, nonprofit. In January 2015, an RV pulled into a truck stop in Virginia, and police were quickly called to the scene. When they arrived and after interviewing the occupants of the vehicle, the story made headlines. A young woman, 20 years old, had been kidnapped out of Iowa 18 days prior. She had been beaten, raped, her entire body burned

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with instruments heated on the RV stove, branded, and starved. She was being sold by her traffickers, Laura Sorensen and Alder Hodza, through sex ads on Craigslist where men were paying to, to rape her, and then they were coming to that RV to do just that. She was dying from malnutrition and the torture that she had been subjected to. And had that call not been made that brought law enforcement to that truck stop, she would have died within the next few days based on what the doctors reported. That call was made by professional truck driver, Kevin Kimmel, who recognized that something was off, something was wrong. And instead of turning a blind eye, he made a call. She calls him her guardian angel. He calls himself a Trucker Against Trafficking. TAT stands committed to educate, equip, empower, and mobilize members of key industries and agencies to recognize and report human trafficking. People ask us all the time, why truck drivers and bus drivers? And there's a lot of great reasons, but I'll start here: At any given time, there are more professional drivers on the road than law enforcement officers. They are the eyes and ears of our nation's roadways. They see things that other people don't see, and they're already trained to be vigilant. And they are interacting alongside travel plaza and bus terminal employees with potential victims of human trafficking. And, therefore, the transportation industry is critical in this fight. To date, we have trained over 2.5 million transportation professionals across the United States and Canada. The National Human Trafficking Hotline and 911 have received thousands upon thousands of calls from industry members that have impacted the lives of thousands of trafficking victims. We've worked alongside the Nebraska Trucking Association for the last 10 years and have multiple opportunities to speak to member companies. And we, alongside our mutual partners at the Nebraska State Patrol, have worked extensively to communicate and educate about human trafficking and the critical role they play in it. Trained, equipped, and empowered to recognize the signs of human trafficking and report it, professional drivers will continue to save lives. Who better than to train on the signs of this crime? We are very pleased to stand in support of LB1073 that would ensure that this information and training be given out for free to all of the CDL training schools within the state. While it is plug and play and it requires no extra training for instructors, if they want more information, we will provide free training webinars. We also have a toolkit with FAQs, things of that nature to help them. We are grateful to Senator Bosn for her leadership in sponsoring this bill, and we wholeheartedly ask for the Legislature's support to bring this vision to reality. You will join 15 other states that have already passed such legislation, and your

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leadership will bring others to the table around the country. Thank you.

MOSER: Thank you. Questions from committee members? Yes, Senator Brandt.

BRANDT: Thank you, Chairman Moser. Thank you for coming to Nebraska today to testify. So in the 15 states that have, have passed this, and I assume you keep track of the data and the statistics on this, do you see an increase in recovery of victims?

KYLLA LANIER: We are seeing an increase nationally. TAT does not collect those numbers, but law enforcement are seeing an increase of trafficking. The hotline is also receiving an increase of calls. As more people are educated, more calls tend to be made. Yeah.

BRANDT: Do you have any idea how effective your program is? Do you see a 5% increase, a 10% increase?

KYLLA LANIER: Unfortunately, it's really hard to get that data specifically. We get cut out once law enforcement is involved, because of active situations and things of that nature. But what we do have is we give an award out to an industry member every year that has made the call. And we always have a number of great nominations from around the country of truck drivers and bus drivers who are identifying trafficking victims in their normal paths as a result of the training.

BRANDT: So as a truck driver it'd be my responsibility basically just to call a phone number--

KYLLA LANIER: Yes.

BRANDT: --and then that phone number goes to your organization or it goes to the FBI or where does that phone number go?

KYLLA LANIER: We ask if they see a crime in progress to call 911, and that's what we train so that law enforcement can come out immediately like in the case of Kevin Kimmel that I talked about earlier. If they're unsure of what they're seeing or they have a victim who wants services, we direct them to the National Human Trafficking Hotline because they are connected with vetted service providers around the country that connect the, the victim to the services.

BRANDT: All right. Thank you for what you do.

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KYLLA LANIER: Thank you.

MOSER: Senator Ballard.

BALLARD: Thank you, Chair. Thank you for being here. Can you talk a little about your industry's specific curriculum? What does that entail?

KYLLA LANIER: Yeah. So we have a, a documentary style training video for over-the-road truck drivers. We have a different one for local drivers, and then an additional one for movers, in-home delivery, and then we have one for school transportation personnel as well as motorcoach. So these are short 20 to 30 minute videos, plug and play. It has a law enforcement officer, survivors of human trafficking speaking on there, a TAT representative, and typically an industry professional sort of educating on the very specific indicators that they will see. An over-the-road truck driver will see trafficking differently than a mover or in-home delivery personnel or a bus driver. So they're all seeing it differently. And then the accompanying card, which you all received a copy of, are wallet cards that we have for over the road. There's different indicators in there and it's just sort of a handy tool. We also have a free app that can be downloaded. So really the training is putting in the video, letting them watch that. They can also take it online on ours and get a certificate when they're done with it. But it's just watching the video, getting that wallet card, and they are, they are trained.

BALLARD: OK. Thank you.

MOSER: Other comments? So just to help us understand the clues, what are some clues that truckers would look for?

KYLLA LANIER: Yeah. So I would say, across the board, anybody that's under the age of 18 being sold for sex, that's automatically a trafficking victim by, by national statute. And every state has adopted that. So a minor being sold for sex. Another thing that we see often is truck drivers are reporting that a car will pull in, drop somebody off at a truck, leave, come back within 15 or 20 minutes, pick that person up. That is your trafficker dropping off the victim to a buyer and then coming back and picking them up and taking that money. They've also reported that they've seen girls and boys that are under the guise of selling magazine subscriptions or perfume or things like that, they're dressed like normal kids, jeans, t-shirts, things of that nature, they're going up to the truck drivers, engaging them

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in a seemingly innocent conversation and then in the course of that they are offering sex as well as part of what their trafficker is telling them to do.

MOSER: OK. Thank you. Any further questions from the committee? Thank you for your--

KYLLA LANIER: Thank you.

MOSER: --testimony. Anybody else to speak in support of LB1073? Welcome.

GEORGE WELCH: Thank you. Good afternoon, Chairperson Moser and members of the Transportation and Telecommunications Committee. My name is George Welch, G-e-o-r-g-e W-e-l-c-h. I'm an Assistant Attorney General with the Nebraska Attorney General's Office. I'm assigned to the Criminal Bureau and prosecute violent and sexual crimes throughout the state of Nebraska. I also coordinate the Nebraska Human Trafficking Task Force, which is made up of law enforcement officers, prosecutors, advocates, service providers, medical and mental health professionals, and other community, community members who fight every day to end trafficking in Nebraska. I come here today on behalf of the Attorney General's Office in support of LB1073. The Nebraska Human Trafficking Task Force needs the public to join the fight against human trafficking and we are proud to work alongside those in the trucking and transportation industry to end this exploitation. This industry has been supportive since the beginning of the, of the task force in our efforts. LB1073 mandates that any commercial motor vehicle driver training program that begins after January 1, 2027 must offer a minimum of 30 minutes of anti-trafficking training as part of their course. This curriculum will be prescribed by those in my office and it will only apply to those in a training program and not to existing CDL holders. An effective curriculum will focus on an understanding of what human trafficking is, what the signs and risk factors of trafficking are, and how to properly report suspected trafficking while being drafted to meet the unique experiences of those in the trucking industry. According to the Nebraska Department of Motor Vehicles, there are 20 commercial motor vehicle training programs in Nebraska, and over 3,800 new commercial driver's licenses were issued in 2025. That is thousands more Nebraskans that will be equipped each year with the knowledge of how to end trafficking when they see it. These training programs are offered across Nebraska from private enterprises to those found at community colleges and elsewhere. They are audited by the Department of Motor Vehicles on a regular basis, so

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the assurance that students are receiving this training should not be any additional burden on the state. There was no fiscal bill submitted on-- there's no fiscal note, excuse me, submitted on the bill. We thank Senator Bosn and her team for having the foresight to bring this bill forward. Thank you for your time today, and I welcome any questions from the committee.

MOSER: Committee members with questions? Senator Guereca.

GUERECA: Thank you, Mr. Chairman. And thank you, sir, for being here today. So I'm looking at the bill and it says that the Attorney General's Office shall review and update the curriculum every 3 years.

GEORGE WELCH: Yes.

GUERECA: OK. And, again, that's just for new CDLs being issued, it's not-- is there any education that goes to folks that have already taken the--

GEORGE WELCH: Not in this bill, no.

GUERECA: OK. Thank you.

MOSER: Other questions from committee? I have one. I was talking to somebody this morning and they wondered whether these schools are subject to our jurisdiction in Nebraska. Is that a concern for your--

GEORGE WELCH: The Department of Motor Vehicles-- my understanding is the Department of Motor Vehicles audits the programs to make sure their criteria, their curriculum is, is up to speed, so to speak, across the training platform. All of the things that the--

MOSER: Well, the private educators as well as the federal?

GEORGE WELCH: I've not heard any other reason to believe that, so.

MOSER: OK. Well, I don't know everything about it, so that's why I was asking those questions. All right, other questions from committee members? Thank you for your testimony. Anybody else here to speak in support of LB1073?

ELIZABETH NUNNALLY: Good afternoon,--

MOSER: Welcome.

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ELIZABETH NUNNALLY: --Chairman Moser, members of the committee. My name is Elizabeth Nunnally, E-l-i-z-a-b-e-t-h N-u-n-n-a-l-l-y, and I'm here testifying in support of LB1073 on behalf of Nebraska Family Alliance and the thousands of families and individuals we represent who believe taking steps to combat human trafficking should continue to be a top priority in our state. Ending human trafficking in Nebraska is essential to our mission to uphold in value-- uphold the value and dignity of every person. No one should ever be bought and sold like a commodity and we want to see Nebraska become a place of safety and hope for those facing coercion and abuse. A 2017 study showed that every month in Nebraska, 900 individuals were advertised for commercial sex. It's commonly known that interstates such as I-80 serve as a corridor of human trafficking as victims are moved from place to place. Omaha, Lincoln, Grand Island, and North Platte have the highest incidence of trafficking and are all located along I-80. Because of this, truckers are uniquely positioned to be able to identify and help trafficking victims. Requiring commercial motor vehicle training, driver training programs to include anti-trafficking training, as recommended by the Attorney General, will help to raise awareness on trafficking in Nebraska and give truckers the knowledge and tools they need to identify victims and help to prevent trafficking in our state. Nebraska Family Alliance supports efforts to prevent trafficking, increase awareness, provide rescue and restoration to victims, and punish those who attempt to sell and purchase human beings as commodities. We thank Senator Bosn for introducing this important legislation and encourage the committee to advance LB1073.

MOSER: Thank you. Questions from committee members? Seeing none, thank you.

ELIZABETH NUNNALLY: Thank you.

MOSER: Anyone else to speak in support of LB1073? Seeing no further testifiers in support, are there any opponents to LB1073? Anyone to speak in the neutral on LB1073? Seeing none, Senator Bosn, you're welcome to close.

BOSN: Thank you, committee members, and I'll be brief. Just a couple of updates for Senator Fredrickson's question. The amendment change is on page 2, line 11 and 14, where it currently says anti-trafficking, the change would be to make it synonymous through the whole thing that says human trafficking, so we don't sometimes refer to it as anti-trafficking and sometimes refer to it as human trafficking. So

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that is the-- what the amendment does more specifically, and I apologize, I didn't have that at the tip of my tongue. The other thing I want to clarify is, this is just for individuals who are seeking their CDL for the first time. And while the program is monitored certainly by the Attorney General for approval as that it meets the needs and requirements every 3 years, the individual who, Kylla, I think it's Lanier, I didn't catch if I was pronouncing that correctly from TAT, is who provides the programming and they will work with us to make sure that we have it. Something that's meaningful and, and can be implemented successfully. As to the Chair's question regarding the third-party testers, right now in Nebraska, and I have a map here that I'm happy to share with everyone, third-party testers are companies authorized to conduct the driving skill examination for the issuance of CDLs for a fee. They provide a two business day advance notice to the DMV. So they essentially administer it through the DMV as these third-party testers. So they would have to be in compliance with whatever the DMV standards are. In this case, it would be this 30-minute course.

MOSER: OK. Any other questions or comments? Senator Guereca.

GUERECA: Thank you, Chairman. Thank you, Senator Bosn, for bringing this legislation forward. So the, the bill says-- calls for a minimum of 30 minutes,--

BOSN: Right.

GUERECA: --and I believe the video was 20 minutes. Do you know what the other 10 minutes is?

BOSN: That's a great question and I don't know the answer but I can get it for you, I'm sure.

GUERECA: I just thought of it, and, like, as soon as she left the chair, I'm, like, oh, gosh. All right.

BOSN: I, I bet I can get that answer for you before the end of the day.

GUERECA: I appreciate that, Senator. Thank you so much.

MOSER: All right. Any other questions? Thank you very much, Senator.

BOSN: Yeah.

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MOSER: OK, that will conclude the hearing on LB1073.

BOSN: Were there any letters in support sent in on that one?

MOSER: I'm sorry?

BOSN: Were there any letters in support?

BRANDT: Yeah, he read them.

MOSER: I read that. It was nine letters of proponents, no opponents, no neutral, no ADA. OK, the next bill is LB1158. There were one proponent testimony, one neutral testifier, and no ADA and no opponents. Welcome.

DeBOER: Thank you, Chair members-- Moser and members of the Transportation and Telecommunications Committee. My name is Wendy DeBoer, W-e-n-d-y D-e-B-o-e-r, and I represent the 10th Legislative District in vibrant northwest Omaha. I'm here today to introduce LB1158. The issue is simple, we have a system in place for how we transport our rail crew workers, and that requires any rail crew transport service to receive a license from the Public Service Commission. But we have Transportation Network Companies providing this transport outside the scope of this license. I introduced LB1158 because during a Public Service Commission hearing on the issue, they suggested that legislation might be needed. That was that week that I was gone while I had COVID and that's the same time that the Public Service Commission docket hearing was on this issue. The docket is ongoing and we might not-- we don't need the bill this year. What it's turned out is we introduced the bill, and it looks like we're not quite ripe yet on this issue. The conversation between the interested parties, those who are rail crew workers, the Transportation Network Companies, which is like Uber, Lyft, that sort of thing, and the railroad, those conversations are ongoing. And so I think we might be able to just wait and see what happens in the Public Service Commission docket, see what they do. And so I will ask you to let the Public Service process-- Commission process go forward. There'll be a couple of people who want to testify and just to kind of tell you about the issue. And we can hear them and then hold this and let the PSC do their work this year. And this might be something for those of you who will still be on the committee next year.

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MOSER: Thank you, Senator. Questions from committee members? Seeing none, thank you. Is there anyone here to speak in support of LB1158? Welcome.

ANDREW FOUST: Thank you. Good afternoon, Chairman Moser and members of the Transportation and Telecommunications Committee. My name is Andrew Foust, A-n-d-r-e-w F-o-u-s-t, and I'm here today representing SMART TD as the Nebraska Safety and Legislative Director. First, we'd like to thank Senator DeBoer for introducing LB1158, as always-- and always supporting the safety of all our members across the state. Today, I'd like to provide some context to how we got here today. In 2019, Senator Friesen introduced LB461, the statutory modification shifting from a certificate to a license for rail crew carriers and it was designed to open up the market. I distributed 75-304.04, and it currently states in section (1) Any motor carrier operating in the state engaged in intrastate transportation for hire of employees of a railroad carrier engaged in interstate commerce to or from their work locations shall apply to the Commission for a license prior to transporting such employees in intrastate commerce. During the 2019 legislative session, SMART TD participated in meetings with senators. And our organization did not oppose the bill when it was passed. As we look ahead in 2026, our membership has no objection to the use of TNCs. However, we believe the TNC should be required to obtain the proper license and comply with all applicable rules and regulations similar to the requirements imposed on the rail crew carriers by this law. I'd like to thank you for allowing me the opportunity to provide testimony today, and I'll try to answer any questions that you might have.

MOSER: Questions from committee members? Seeing none, thank you very much.

ANDREW FOUST: Thank you.

MOSER: Anybody else to speak in support of LB1158?

ANDREW BECK: Good afternoon.

MOSER: Welcome.

ANDREW BECK: My name is Andrew Beck, A-n-d-r-e-w B-e-c-k. I represent Railcrew Xpress. We're here to testify in support of LB1158. RailCrew Xpress is a transportation company that provides service to railroad crews based on awarded contracts for their customers at their various

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service units. RCX is contracted to transport railroad crews to and from locations and on demand in some circumstances as scheduled shift basis. Railcrew Xpress employs 300 employees in Nebraska, providing transportation services for Union Pacific and Burlington Northern Railroads. RCX doesn't oppose the railroad or any customers using TNCs, but we do believe all parties should have the same requirements to complete for their business. Otherwise, the additional state regulations and contractual requirements for RCX will price out the rail crew haulers business. We're just asking for a level playing field. This allows all bidders to compete on safety and performance results instead of a large price advantage. RCX is not aware of any specific contractual requirements for any TNCs with their railroad customers. Many of these items may be addressed in their contract but doesn't allow for independent examination by the Nebraska PSC for compliance. There are obviously many items not addressed in the TNC regulations that apply to crew haulers today starting with our drivers, our company employees and, therefore, RCX pays UI and payroll taxes to the state of Nebraska. RCX also requires the following railroad policies standards listed in our contracts we have with them. We must adhere to additional regulations and requirements mandated by the Nebraska PSC. And these are some lists of some requirements we have here, eRailSafe programs for all drivers. All drivers must pass a stringent background check followed by training and eRail testing before they transport a rail crew, crew member. In the state of Nebraska, also all drivers must be approved by the respective railroads before they can transport a railroad crew member. Motor vehicle report compliance: all RCX drivers are monitored for compliance to adhere to our contracts within the railroad and Nebraska PSC rules to avoid disqualification from operating in the state of Nebraska. Driver qualifications: all RCX drivers require DOT physicals and annual MVR reviews to remain qualified to all railroad crew members in the state of Nebraska. Our insurance: RCX has mandated insurance requirements for each client in the state of Nebraska that are specific before we can transport railroad workers and our vehicles for specific vehicles to be in compliance to all railroad crews. Both railroads require haulers to have railroad radios in each vehicle to communicate with crew members, cargo nets installed in all vehicles to ensure luggage is secured, first aid kits, inward and outward facing cameras for driver safety and driver performance monitoring. Additionally, both railroad clients require specific vehicle types railroad crews-- to haul railroad crews in the state of Nebraska. All RCX vehicles are inspected annually by the Nebraska PSC vehicle inspectors also. And then our driver training: to be in compliance

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with current railroad contracts, all RCX drivers must complete a defensive driving course and operation lifesaver training before hauling a railroad crew member in the state of Nebraska. All drivers must complete a pre-employment ride along to determine if they are fit to haul railroad crews in the state of Nebraska. Hours of service: RCX monitors all driver hours of service daily to make sure we are in compliance with passenger carrier regulations. Drug testing: RCX requires pre-employment drug testing, post-accident drug testing, and random and reasonable suspicion drug testing programs for all our drivers. In closing, RCX will continue to provide the safest and best service to our railroad customers. As we ask that if the TNCs are going to transport railroad crews, the drivers' vehicles and driver qualifications should all have to be maintained to the same requirements as the Nebraska PSC has mandated that dedicated crew haulers follow.

MOSER: All right. Questions from committee members Seeing none, thank you very much.

ANDREW BECK: Thank you, appreciate it.

MOSER: Anybody else to speak in support of LB1158? Is there anyone here to speak in opposition to LB1158? Welcome.

KRISTEN HASSEBROOK: Good afternoon, Chairman Moser, members of the Transportation and Telecommunications Committee. My name is Kristen Hassebrook, K-r-i-s-t-e-n H-a-s-s-e-b-r-o-o-k, and I'm here today testifying on behalf of Uber Technologies in opposition to LB1158. First, I just want to say thank you to Senator DeBoer for an open line of communication and wanting to work through these issues together. Uber has been connecting riders and drivers in Nebraska since 2015. Every week, thousands of people in Nebraska use the Uber app to earn income on their own schedule, and tens of thousands of Nebraskans rely on Uber to get home safely. I'm here today to convey Uber's view that Transportation Network Companies, or TNCs, should not be required to obtain a separate license for train crew transportation. This is because permitting for TNCs and licensing for motor carriers come from two sort of incompatible regulatory schemes. These regulatory schemes are different from, not additive to each other, and they can't simultaneously work between both. First, I would like to note, as you've heard, that there is an active PSC proceeding regarding this topic where we have been engaged and participating through this process as well. When the TNC regulatory scheme was created in 2015, the Legislature created an entirely new framework exempting TNCs from

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the rules and regulations that apply to traditional motor carriers, such as motor carriers of railroad employees. This exemption was both practical and necessary. TNCs are a unique type of transportation model in that we use an online platform to connect independent contractor drivers with all types of riders. And this required the creation of unique rules and regulations different from those that apply to motor carriers. As a result, TNCs and motor carriers of railroad employees are subject to, among other things, different rider and vehicle identification requirements, different insurance requirements, different record keeping, log books, drive time requirements, and different door display requirements. This doesn't mean, however, that TNCs aren't-- these regulatory schemes are functionally-- not functionally equivalent to how traditional motor carriers are regulated. They both provide for safe and reliable passenger transportation. They simply achieve the same policy objectives with TNC specific rules over here and motor carrier specific rules over here. And moreover with respect to safety in particular drivers for both TNCs and motor carriers are subject to similar criminal background checks, motor vehicle record checks, and with drivers disqualified for certain violations, drivers for both TNCs and motor carriers of railroad employees also must be free from drug and alcohol use, and vehicles for both providers are subject to inspection. LB1158 would undo this kind of fundamental distinction by requiring TNCs to obtain a license to operate as a motor carrier of railroad employees in addition to obtaining their TNC permit. This is not just a matter of Uber meetings or additional safeguards. On top of TNC requirements, it would require TNC drivers to simultaneously meet two different sets of requirements with different provisions addressing the same topics when the Legislature has created sort of two separate regulatory tracks and specifically exempted TNCs from traditional motor carrier requirements. There's also no added safety or reliability benefit to subjecting TNCs to these separate licensing requirements either. Again, TNCs are already subject to their own functionally equivalent set of rules. Furthermore, the nature of Uber's platform makes LB1158 impractical to enforce. I have a few more, but I'll wrap that up in case there's any questions.

MOSER: OK. Questions for the testifier? Senator Brandt.

BRANDT: Thank you, Chairman Moser. Thank you, Ms. Hassebrook, for appearing. What's the great difficulty in complying with becoming a railroad carrier?

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KRISTEN HASSEBROOK: Yeah, so when you think about the two different sort of regulatory schemes, TNCs have their own-- you know, the, the bulk of the regulatory scheme for TNCs address sort of the functional equivalent of what is required on the motor carrier for railroad employee side. They just sort of do it through two different regulatory scheme-- regulatory schemes, if that kind of makes sense. So we're all moving in the same direction, providing safe, reliable passenger transportation. TNCs are just unique in that-- you know, we're, we're facilitating through an online platform to connect drivers to riders versus a-- you know, a-- the vehicle, the motor, the motor carrier railroad employees who have a structure-- you know, a structured company doing, doing that work.

BRANDT: So is this just Nebraska that doesn't use Uber and Lyft or all the states are using a railroad express?

KRISTEN HASSEBROOK: I can't speak to that, but I do know that we partner with railroads in other states beyond Nebraska.

BRANDT: So the train engineer calls up Uber and says, I'm going to get dropped off at Plymouth and I'll be there at 3:00 in the afternoon. I mean, how does this work with your organization?

KRISTEN HASSEBROOK: So there is a Union Pacific testifier behind me who could speak more to, like, how the company process works, but I will share with you there are two ways in which railroad employees may end up in a, a ride to sort of a TNC. One, the more traditional way, they have an Uber app on their phone, which is free to download, and they can request trips just like any other person. We also have an Uber For Business platform where we work with companies of any type to provide sort of transportation opportunities for their employees and they might use that system then, too.

BRANDT: Coming from a rural part of the state, and a lot of these crews get dropped off in very rural parts of the state, where I doubt there's even an Uber or a Lyft in the entire county, how does this make sense?

KRISTEN HASSEBROOK: I'm going to leave that for maybe the company testifier if that's--

BRANDT: All right. Sounds good.

KRISTEN HASSEBROOK: --from a business case perspective.

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BRANDT: All right. Thank you.

MOSER: Senator Guereca.

GUERECA: Thank you, Mr. Chairman. Thank you, Ms. Hassebrook, for being here. So I think the word you were using was comparable regulatory scheme. So the, the requirements that the rail crews are subjected to under, what is it, 75-307, whatever statute that is.

KRISTEN HASSEBROOK: Yeah.

GUERECA: So that, that, that, that same framework is being met by Uber drivers that are [INAUDIBLE]?

KRISTEN HASSEBROOK: That's our perspective, yeah. So if you go and look at all the different provisions that are required for motor carriers for railroad employees, there is a functionally equivalent, sort of like, again, we're kind of rowing in the same direction, but TNC specific regulatory scheme as well in their own separate licensing structure. And that's appropriate because, again, we function through an online platform that's-- you know, that's connecting riders to drivers, you know, versus a company facilitating that.

GUERECA: But there is an Uber business, so--

KRISTEN HASSEBROOK: Yes. But it--

GUERECA: --it could say, you know, certain drivers meet the threshold to be able to move, to move rail crews. So through the Uber business platform, say, OK, if it's going to be a railroader asking for a ride, that driver will have had to meet the regulations set forth by the PSC, like, you know, there's the ability to call for an Uber ride. It could be an accessible van, that is accessible to carry a wheelchair, but not necessarily the rider that is calling that will require the wheelchair. So that, that, that vehicle-- that driver has the-- the equipment has the, the certification, has the training to handle that sort of passenger, right? So is that-- and that might be something they're working out at the PSC level, but, you know, I, I just don't think I've ever seen an Uber with a cargo net like the gentleman from Rail Xpress talked about, so. I guess maybe it's more of a coming back and forth thing until you get to the PSC level, but maybe just having drivers certified to the level set forth in the PSC regulations to be able to service the [INAUDIBLE].

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KRISTEN HASSEBROOK: So I, I would highlight a couple of things if that's all right.

GUERECA: Sure.

KRISTEN HASSEBROOK: First, we don't, you know, mandate. That's-- you know, one of the unique functions of TNCs is we don't force any driver to accept a ride. Drivers are deciding on their own which rides they want to accept and which rides they want to reject. So we're not in the business of saying you have to take these, these rides. We're creating that opportunity and then creating-- and creating sort of minimum, you know, or maximum threshold-- you know, thresholds for sort of, you know, if there's a complaint about drug or alcohol abuse, you know, we're required to, to suspend their-- suspend them from driving and immediately investigate. You know, so we're sort of creating a, a threshold, you know, to sort of be into the program, but then we don't require that any driver take or respond to any ride, like that's on the driver's decision even under the Uber For Business platform, we're not-- you know, that's is-- that's an opportunity to partner with businesses. It's not-- it's still maintaining the kind of relationship structure between the online platform and the drivers in terms of letting them dictate when and where and how they want to facilitate that with their vehicle.

GUERECA: But if a driver did want to increase the, the, the safety levels, the certification of their ride, to be able to qualify for that PSC exam that could potentially open up to that market, should be regulated in a way that only drivers that meet that threshold of, of certification are able to accept rides from the rail-- railroads.

KRISTEN HASSEBROOK: So I'm going to follow up with you kind of-- if that's all right, with sort of a comparison so you can sort of see, like, what is actually required in statute and regulation for motor vehicle carriers of railroad employees and, like, the functionally equivalent sort of like TNC piece? Some of the provisions that the previous testifiers were talking about are company specific things that they are maybe, you know, requiring on top of, cargo nets, you know, those sorts of things. You know, that some of those provisions are, you know, even beyond what is in existing regulations for motor vehicle carriers of railroad employees in Nebraska statute and regulations, if that makes sense.

GUERECA: Sure. [INAUDIBLE]

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KRISTEN HASSEBROOK: [INAUDIBLE]

GUERECA: Thanks.

MOSER: Senator Fredrickson.

FREDRICKSON: Thank you, Chair Moser. Thank you for being here and for your testimony. Just out of cur-- I kind of have been listening to this bit and wondering. Did-- do the railroaders, do they get a choice when they get transported, like how they choose to be transported, like by the driver or--

KRISTEN HASSEBROOK: So, again, I'm going to--

FREDRICKSON: Defer to--

KRISTEN HASSEBROOK: --defer that a little bit to the-- that side of it to the railroad testifier, but like I said there's kind of two ways in which a railroad, you know, employee or crew member might end up in our vehicles either one using the traditional sort of Uber app the way you or I might, you know, experience it or through the Uber For Business platform.

FREDRICKSON: Got it. Thank you.

MOSER: Senator Guereca

GUERECA: Quick follow-up. It's an easy one. When were TNCs carved out of, of the--

KRISTEN HASSEBROOK: 2015.

GUERECA: 2015. OK.

KRISTEN HASSEBROOK: So prior to the establishment of the motor carrier for railroad licensure-- licenses.

GUERECA: OK. Thank you.

MOSER: All right. Thank you for your testimony. Anybody else to speak in opposition? Welcome.

DOUG SVATOS: Good afternoon, Mr. Chairman and members of, of the committee. My name is Doug Svatos, D-o-u-g S-v-a-t-o-s. I serve as General Director of Crew Management Services at Union Pacific and am based in Omaha. In my role, I oversee the 24 by 7 dispatching of train

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crews. Union Pacific respectfully opposes LB1158. We are concerned that, as drafted, this bill would create regulatory uncertainty or impede Uber and other Transportation Network Companies from offering UP employees a safe and effective transportation option. As you consider the future of LB1158, I'm here to explain to you how UP utilizes and our train crews are already benefiting from early stages as Transportation Network Companies like Uber. My comments align with the testimony I provided to the Public Service Commission on January 14, 2026, during its review of the issue in Docket PI-258. Union Pacific primarily utilizes what some refer to as traditional motor carriers specializing in train crew transportation for most crew movements in Nebraska. These traditional motor carriers operate under one section of regulation, while TNCs operate under another. Like many Nebraska companies, Union Pacific has found Transportation Network Companies such as Uber to be effective for employee travel. In recent years, TNC service has been utilized by my team to move train crew employees. Recently in Nebraska, UP uses Uber on average of one trip per day for train crew positioning. While Uber is currently limited, a complimentary service to two traditional motor carriers, we agree with recent Public Service Commission statements that train crew transportation industry would benefit from additional competition. I can briefly, briefly describe how UP successfully uses Uber across our 23-state network, and, please, if you have addi-- ask questions if you have additional-- and I can provide additional detail. Uber is used in locations and scenarios where any driver can safely pick up or drop off a crew with no specialized or location knowledge. Uber drivers use the same established entry and exit routes that employees, vendors, and visitors use to access our facilities, and do not rely on specialized railroad or location knowledge. We have simplified criteria for what is considered an "Uberable" trip into three key factors: the supply of Uber drivers in a geographic area, the type of trip needed for the movement, and the level of difficulty involved with the planned journey. From an employee standpoint, Uber is ordered using the contact numbers or numbers the employee has provided to UP. If an employee has a safety concern during their trip, they may report it through Uber safety channels in addition to the multiple feedback channels Union Pacific provides as well. During the PSC's 2026 hearing and through employee feedback, we've heard that any train crew members have positive experience with both traditional motor carriers and Uber. Like any service vendor, we also receive concerns and suggestions for improvement. While we do not believe additional regulation is necessary to address these issues, we continue to invite

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feedback and review best practices with our employees. Thank you for the opportunity to speak today. I'm happy to answer any questions.

MOSER: Questions from committee members? Senator Guereca.

GUERECA: Thank you, Mr. Chairman. Thank you, sir, for being here today and for your testimony. So when a, a UP employee is ordering an Uber, is there a restriction on which type of Uber they can order?

DOUG SVATOS: Yeah, so the, the way it works, so a, a train crew member out on a train or going to a train isn't the one who's actually ordering the Uber. It comes to-- from our centralized dispatch center at the Harriman in Omaha. So the Harriman would order that Uber for that train crew member to take them to the train or pick them up off the train so it's not really them ordering it.

GUERECA: So but-- I mean, there are, there are different types of Ubers that can be ordered.

DOUG SVATOS: Oh, yep, yep. I'm sorry, second part. So we order UberXL. So it's the larger vehicle comparable to the same vehicles we would use, like, with our TNCs.

GUERECA: And I know different markets have different rider availabilities. I know certain companies, when they ask their employees to use rideshare services, generally-- like this is, anecdotally, a, a, a family member of mine, they, they work for an energy company and they're only allowed to use professional driver services. So it would be the Uber Black. I know that isn't available everywhere, but-- so the [INAUDIBLE] is just the UberXL?

DOUG SVATOS: Correct.

GUERECA: Not necessarily a professional driver?

DOUG SVATOS: Correct.

GUERECA: OK, thank you, sir.

MOSER: Senator Fredrickson.

FREDRICKSON: Thank you, Chair Moser. Thank you for being here and for your testimony. You said you only use Ubers, it's one time a day?

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DOUG SVATOS: Yeah, so in the state of Nebraska, we average about one Uber per day.

FREDRICKSON: OK. And are there plans to increase that just based on need? I'm just wondering.

DOUG SVATOS: No, that's a good question. So it kind of goes back to one of the questions asked prior, so it really depends on the location. So do we have a robust supply of Ubers? And then do we also have what we consider, like, good pickup, drop-off points? Really today, when you look at our pickup, drop-off points in the state of Nebraska, it's really minimal. So that's why you see about one trip a day. There's probably-- you could probably capture a handful more on the high side with some different infrastructure improvements, but there's-- the outlook, there's just not a lot there as it is today.

FREDRICKSON: And for the other rides, so I'm, I'm, so I'm assuming, and maybe I'm assuming incorrectly, so please tell me if so, but the, the-- I'm assuming you-- that you use the Uber once a day here because you are unable to get a rail-- like other transport available, is that--

DOUG SVATOS: No, that's, that's a good question. So we look at it-- we will-- we kind of built rules that say, all right, this is what we call an "Uberable" trip because the pickup and drop-off point is something that somebody who has no railroad knowledge, it's an easy pick up, drop off, similar to how anyone else would use Uber, where you're not traveling deep into a yard to go pick up a training crew or going [INAUDIBLE] or a ride away for an extended period of time. That's where, if it's real simple, hey, you're picking up at the yard office, going to a hotel or to a crossing that has a safe place for an Uber to pull off. That's what we consider an "Uberable" trip as opposed to going to our traditional van vendor who, hey, you need a little more specialized, you're going to go deeper into a yard, further down a ride away. So that's, that's where we would kind of pivot between the two. It's really a complementary service we use in addition to our traditional motor carriers.

FREDRICKSON: OK. Understood. Thank you.

MOSER: Senator Guereca.

GUERECA: Thank you, Senator. It's kind of following up on that, sort of building off of something you said. So the railroad carriers, they

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are certified to come onto your property to certain pickup and drop-off points, then?

DOUG SVATOS: Yeah, I, I want, I want to say certified, we-- basically, they're mapped to go to specific areas in the yard so we wouldn't have them go any further then--

GUERECA: But they have received specialized training, like here's the route you take to get to--

DOUG SVATOS: The traditional motor carriers?

GUERECA: Yes, the, the certified rail crew carrier service.

DOUG SVATOS: Yeah, they'll give some additional training to go further into the yard.

GUERECA: OK, whereas the Uber is just, like I said, the public accessible office going to a--

DOUG SVATOS: Correct. Something that our traditional vendor would use, FedEx, mail, you know, something to get them to the yard.

GUERECA: Thank you.

MOSER: So does the employee pay the fare or does the UP pay the fare?

DOUG SVATOS: So that goes through our UP business account, so we pay the fare. The employee has nothing to do with the fare whatsoever.

MOSER: And the reason for the ride may be that the train crew chimes out somewhere, maybe they had a repair or something that made them go over time?

DOUG SVATOS: Yep, yep, that's a perfect example, maybe they didn't make it all the way to the terminal so we had to order a crew to take that-- a new crew to replace them and take them back to the terminal.

MOSER: You normally have it figured out so they would have a schedule to get on where they're supposed to get and get off where you plan to get them off. And if something goes wrong, then you have to-- or maybe they'd be so far away when they-- normally they time out and you have to haul them somewhere.

DOUG SVATOS: Yeah, I, I would say it's a mix, some of them by plan, they don't maybe make it all the way to the, to the yard office, other

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times the exact scenario that you're describing, hey, hours of service expired, they didn't make it to their crew change point, so we had to replace them with another crew.

MOSER: OK. Questions other than that? Thank you.

DOUG SVATOS: Thank you.

MOSER: Anyone else to speak in opposition to LB1158? Welcome.

JEFF DAVIS: Welcome. Thank you, Mr. Chairman, members of the committee. Jeff Davis, J-e-f-f D-a-v-i-s, on behalf of BNSF Railway to testify in opposition to LB1158. BNSF is committed to the safety of our workers, but we respectfully disagree on how to best achieve the same goals of zero accidents and making sure everybody gets home from work safely. We do not feel that legislation or further regulation is necessary. I understand what the senator is trying to do here. I'm in agreement with her statement that we should let the process at the PSC work. So in light of those remarks, I'll just say that we're committed to working with SMART, with the PSC, with Railcrew Xpress, with everyone to find a solution that will hopefully work for everyone. Thank you and happy to answer questions.

MOSER: Questions from committee members? So does the BNSF use the same rail crew,--

JEFF DAVIS: Yes.

MOSER: --the transportation company that is like the other railroads also use?

JEFF DAVIS: We, we use, we use Railcrew Xpress, yes, and we use a lot of the same railroad transportation carriers.

MOSER: Yeah. So that sounds sensible that you get along that way. Do sometimes the rail crew express vans get stuck in faraway places for hours waiting for their rides to come?

JEFF DAVIS: Yes, and they're-- forgive me, I can't remember the year, but there were, there were a few years-- there was 2 or 3 years ago 2021, 2022 when we actually had executives, like, coming to Nebraska in company vehicles because we were having so many-- we were having network trouble and we were having trains time out, there were not enough vans to transport our employees so we had executives, like myself, driving around in a company vehicle picking up crews and, and

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taking them, you know, back to home base or wherever, wherever they needed to go.

MOSER: So you kind of make the rail crew employees serve the needs of your employees rather than the other way around?

JEFF DAVIS: Well, Rail-- I mean, Railcrew Xpress is, by itself, and this is my opinion, but they are a, quote, contract carrier. So they have a contract with BNSF to transport our employees from whatever point A to whatever point B that we, that we, that we need them to.

MOSER: But they more or less exist to serve your employees and get them where you want them to get.

JEFF DAVIS: Yeah, to, to my knowledge, yes. I don't-- I'm not aware of them transporting any other-- you know, they may-- for instance, Railcrew Xpress may transport employees for BNSF or Union Pacific separately, but I'm not aware of them transporting any other type of employees or, or any other-- doing any other contract work.

MOSER: All right, thank you. I've seen the vans around, I just didn't ever think about, you know, who they're working for and, you know, what they're doing, and, so. And as long as we're the committee that regulates it, I might as well know how it works, I guess. Any other questions from committee members? Thank you very much, appreciate your testimony.

JEFF DAVIS: Thank you, Mr. Chairman.

MOSER: Anybody else to speak in opposition to LB1158? Anyone to speak in the neutral for LB1158? Seeing none, Senator DeBoer, you're welcome to close.

DeBOER: I'll just briefly say thank you for the conversation today. This is something that we will need to figure out because we do have specific regulation within the common carrier statute for railroad crew carriers. Maybe there's something that can be done within the TNC regulatory scheme. Ms. Hassebrook talked about how there were two different schemes. Maybe there is something that can be done within the TNC regulatory scheme to address specific concerns about railroad crew carriers under that particular scheme. So not quite ready yet. PSC still needs to work out their piece, might be back here, you know, next year asking you as a private citizen to work on this, so. That's it.

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MOSER: All right. Thank you, Senator. Questions from committee members? All right, thank you. That will close our hearing on LB1158. And now we will move to LB1162. Senator Ballard, welcome.

BALLARD: Thank you. Good afternoon, Chairman Moser and fellow members of the Transportation and Telecommunications Committee. My name is Beau Ballard. For the record, that is B-e-a-u B-a-l-l-a-r-d, and I represent District 21 in northwest Lincoln, northern Lancaster County. LB1162, brought on behalf of the Nebraska Public Service Commission to update references to federal code and regulations that relate to their state participation program in the Federal Railroad Administration, or FRA. The Public Service Commission has two rail inspectors who work in conjunction with the FRA. Current law references few specific provisions of federal regulations that the Commission must enforce. Updating these references to include all relevant provisions of the federal code and regulations ensure that the Commission inspectors can carry out the responsibilities and fully collaborate with the FRA to ensure that safe operation of railroad transportation in our state. Upon further discussion with the Commission and Union Pacific, I've, I've distributed an amendment with some minor changes. First, the amendment would specify that regulations would be adopted by reference to make clear that federal rules would apply without changes. Second, some dates are removed to provide for a general reference to the federal rules like, like what is in current statute. Finally, instead of potential violations, it would just say violations to avoid reporting violations that may fall outside of federal safety regulations. I ask you to advance this bill to keep up to date with railroad safety programs. A representative of the Public Service Commission will be followed-- will follow me to provide testimony and further explanation of the bill, but I'd be happy to answer any questions.

MOSER: Questions from committee members? So is this a bill to harmonize current regulations--

BALLARD: Correct.

MOSER: --or you have some--

BALLARD: Just harmonizing.

MOSER: --new agenda that you're trying to--

BALLARD: No agenda from my end, just harmonizing current regulations.

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MOSER: OK. And somebody brought the bill to you?

BALLARD: Public Service Commission, been working with the Public Service Commission for a number of weeks now.

MOSER: OK. Other questions? All right, thank you.

BALLARD: Thank you, Chair.

MOSER: Appreciate it. Someone here to speak in support of LB1162? Welcome.

DILLON KEIFFER-JOHNSON: Good afternoon, Chair Moser and members of the committee. My name is Dillon Keiffer-Johnson, spelled D-i-l-l-o-n, last name K-e-i-f-f-e-r-J-o-h-n-s-o-n. I am the Director of the Motor Transportation Department and the Railroad Safety Manager for the Nebraska Public Service Commission and I am here to testify to the Commission's unanimous support of LB1162. The Commission partners with the Federal Railroad Administration, the FRA, under the State Safety Participation Program to provide supplemental inspections to those done by the FRA. The Commission has inspectors for two disciplines: mode of power and equipment, and track. I have provided the committee with a handout that provides more information on the State Safety Participation Program. The bill would support that program by updating the references to include all relevant provisions of federal code and regulations. While the rules applicable to each discipline may primarily be found in specific Code of Federal Regulations, or CFR, parts, such as those already cited, each discipline has related rules scattered throughout the Federal Code and Regulations. For example, for track inspectors, CFR part 213 outlines Track Safety Standards, but inspections in the track discipline also include CFR parts 209, 211, 214, 234, and 237 for rules related to general railroad safety enforcement, general rules of practice, railroad workplace safety, grade crossing safety, and bridge safety standards. A more comprehensive reference to the applicable rules makes clear that the inspectors can fully carry out the requirements of their discipline. This bill does not expand the Commission's jurisdiction or create independent state enforcement authority. Instead, this change promotes accuracy in reporting, consistency with federal expectations, and public safety by removing any potential ambiguities within our existing program. Thank you, Senator Ballard, for introducing this legislation, and I'd be happy to answer any questions you may have.

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MOSER: Questions from committee members? Well, I guess the same question that I asked Senator Ballard. What are we accomplishing with this bill? Why is it necessary?

DILLON KEIFFER-JOHNSON: As, as the, as the statute is currently written, it only references six or seven specific CFR parts. Those CFR parts do not fully encompass all of the federal expectations for certified rail safety inspectors. So there's some ambiguity when a Nebraska state inspector is conducting a, a track inspection, for example, that the, the expectation of their certification may be for them to look at certain aspects of rail safety and CFR parts that currently aren't made clear that they have that ability in state statute. So all this bill does is make a reference to those CFR parts to make it clear that state inspectors can meet the expectations of their certification.

MOSER: OK. Other questions from committee members? Thank you very much.

DILLON KEIFFER-JOHNSON: Thank you.

MOSER: Is there anybody else here to speak in support of LB1162? Welcome.

ANDREW FOUST: Hello again, Chairman Moser and members of the Transportation Committee. My name is Andrew Foust, A-n-d-r-e-w F-o-u-s-t, and I'm here representing SMART TD as Nebraska Safety and Legislative Director. While SMART did not collaborate with Senator Ballard on the specific language of the bill, we're here today to express our support of LB1162. We would like to thank Senator Ballard for introducing this important legislation that addresses railroad safety in our state. I distributed a March 6, 2023 press release from Governor Pillen about railroad safety in Nebraska. The PSC responded promptly to Governor's-- to the Governor's request by hiring the motive power and equipment inspector and also the track inspector. The recent-- the release included a notable quote, recently there have been multiple railroad derailments in Nebraska, while key railroad inspector positions have remained unfilled at the PSC for years. I call on the PSC to refocus on its core duties and remain diligent in bettering rail safety. Although our state hasn't experienced major derailments like those a few years ago, major incidents still occur across the United States, and we hope these inspectors will help, help prevent them. Currently, existing language restricts the inspectors-- what the inspectors can do. But with a simple change, they will be

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able to address all regulations related to their discipline. As I mentioned, the PSC responded to Senator-- to the Governor's request. I urge the committee to do the same and encourage every member of the committee to support LB1162. Thank you for granting me the opportunity to, to speak today and I'll try to answer any questions you might have.

MOSER: OK. Questions from committee members? Seeing none, thank you very much.

ANDREW FOUST: Thank you.

MOSER: Anyone else here to speak in support of LB1162? Seeing none, is there anybody here to speak against LB1162? Welcome again.

JEFF DAVIS: Mr. Chairman, members of the committee, Jeff Davis, J-e-f-f D-a-v-i-s, on behalf of BNSF Railway in opposition to LB1162. With LB1162, the PSC means well, but good intentions don't improve rail safety. FRA data shows that railroading is safer today than at any point in history. The most significant safety gains come from technology, system level programs, and coordinated national oversight, not by duplicating federal inspections. FRA and Bureau of Transportation statistics show long-term sustained declines in key safety metrics. Railroad accidents and injury rates are at or near all-time lows. Equipment level and track related incidents are also near all-time lows. The Class I railroad derailment rate is down 40% since 2005. And of those remaining derailments, 74% of those occur in yards at low speeds under 5 miles an hour. In 2024, there were approximately 200 mainline derailments nationwide, only five resulted in injuries and six resulted in hazmat release. The existing federal framework is working. LB1162 does not address a safety need. To use a football analogy: Putting more referees on the field or giving them more duties won't change the outcome of the game or even the plays that we're calling. State inspectors are not an independent safety layer, they are supplemental to federal oversight. And expanding state authority simply duplicates work already being performed under a unified system. The most significant safety improvements in recent years have come from our use of automated track inspection technology and our ODIN technology, which is Onboard Detection and Identification Network. Last year, we covered 400,000 miles of track. That's an inspection of our entire network every month. This year, we're hoping to go over 5 million miles. That's three inspections of our entire network every week. We have thousands of wayside detectors employed all across our system and they are working. They detect heat from

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bearings, cracks not visible to the human eye, and other-- and we have other advanced train control technologies. Finally, we have all these wayside detectors synced together using algorithms to measure the changes between stations. We are preventing accidents before they happen. These tools operate continuously at system scale. We're collecting millions of data points, analyzing them, and using that data. Adding one or two state inspectors driving the same track segments already covered by federal inspectors, and the more than 50 inspectors that we have in Nebraska won't deliver any measurable safety improvements. And for these reasons, I ask you not to advance LB1162.

MOSER: All right, questions from the committee? Senator DeBoer.

DeBOER: Thank you. Did you say you went through inspection of all of your rail line once a month to--

JEFF DAVIS: That's the, that's the--

DeBOER: --three times a week?

JEFF DAVIS: --that's the, that's the goal this year. I mean, essentially-- you know, last year we covered 400,000 miles with the ODIN system. This year, the goal is to get to 5 million miles. So we have roughly a 32,000-mile network. So that's the equivalent of getting that entire network, you know, covered three times a week.

DeBOER: Why-- I mean, that's an order of magnitude.

JEFF DAVIS: Yes. Well it's-- you know, once you have the technology, and you've got the technology and you can deploy the technology, basically it's, it's a box that adds on to each locomotive. So it's like once we, once we had the technology and we refined the technology, now that we can-- you know, we can scale and, and go up exponentially. That's the plan.

DeBOER: So that technology is new is what you're saying?

JEFF DAVIS: Yes.

DeBOER: OK. Thank you.

MOSER: Questions? Senator Brandt.

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BRANDT: Thank you, Chairman Moser. Thank you, Mr. Davis, for, for testifying today. What's wrong with one more inspector?

JEFF DAVIS: Nothing.

BRANDT: I mean, they might catch something that somebody missed.

JEFF DAVIS: True. They, they might. I would say that-- you know, one of the reasons why I was told that this was, was needed was, was because of, of hazmat, OK, 99.98% of all of our hazmat trains arrive without accident. So base-- or with-- I'm sorry, without incident, not accident, incident. So incidents are, are smaller even than, than accidents. That being said, we're looking for 2 out of 10,000 trains. Is it conceivable that one of these inspectors could, could find that needle in the haystack? It's possible, not likely, but possible.

BRANDT: And that's the only function of these inspectors to look for hazmat violations?

JEFF DAVIS: Well, I mean, they look-- I mean, they look for, you know, I think you've got mechanical inspectors, you've got track inspectors. But it's like-- you know, we have our own track inspectors where they are the federal's layered over and anytime there is an actual accident or derailment, then you're going to have either the NTSB or somebody else that's going to immediately swoop in and take jurisdiction.

BRANDT: So are there federal track inspectors also?

JEFF DAVIS: Yes.

BRANDT: OK, so there's federal track inspectors, there's company track inspectors, and then there's the PSC. Is there anybody else in this equation besides those three?

JEFF DAVIS: No.

BRANDT: All right. Thank you.

MOSER: So does the-- did you have a question?

STORER: It was last minute. Sorry.

MOSER: Go ahead, Senator Storer.

STORER: Thank you, Chair Moser. I-- and I'm just kind of trying to wrap my head around-- I mean, similar question. And the bill,

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[INAUDIBLE] say may, so not a requirement of the PSC, as I would read it or understand it. My main question is, would this put any additional burden on BNSF?

JEFF DAVIS: The burden is that, that we have to help train these people and it distracts from our efforts that we know that are actually improving railroad safety. And we are driving these safety numbers down. We can see that because we have fewer equipment-related accidents. We can see it because we had fewer track-caused accidents, accidents or incidents. We have fewer railroad accidents, collisions. We have lower injury rates. So we're already doing all of these things and it's like, OK, so, you know, here come, here come the inspectors, so let's, let's spend some time with them and help them. It's like, OK, that's-- you know, it's distracting from our, our mission.

STORER: And, admittedly, I probably don't understand or maybe you can just briefly help me understand when you say you are responsible for training them, I mean, what--

JEFF DAVIS: Well, they, they go through their own training program, but then it's like when they come out, then, you know, my employees, my transportation people, my engineers have to spend time with them as well and--

STORER: OK.

JEFF DAVIS: --kind of educate them on what we do, how we do, etcetera, and bring them up to speed because once you-- once they graduate from the text-- textbook courses it's, OK, how is this actually applied in the field? And that's what they're, that's what they're coming out to us to, to see [INAUDIBLE].

STORER: And you currently have to do that with federal inspectors?

JEFF DAVIS: Mm-hmm.

STORER: So it's not-- what I'm hearing is it's not-- you just basically don't see the need for this. It's not that it creates a financial burden or a new requirement for an additional layer of employees somewhere or anything like that. It's just a question of duplicity?

JEFF DAVIS: Yes.

STORER: Thank you.

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MOSER: So are there expenses to the Burlington Northern from these extra inspectors somehow?

JEFF DAVIS: I'm not aware of any.

MOSER: Do you have to pay a tax or a fee or anything to the Public Service Commission to support the track safety people?

JEFF DAVIS: I believe we do. And if you will, Mr. Chairman, I'm going to, I'm going to reserve the right to, to respond to that in writing here later this week if I can.

MOSER: Yeah, that's all right. I was just curious.

JEFF DAVIS: I want to make sure that I give you the correct answer because I believe there is an assessment but I want to make, I want to make sure that I'm telling you absolutely correctly.

MOSER: OK. Any other comments or questions from committee members? Thank you. Appreciate your testimony.

JEFF DAVIS: Thank you, Mr. Chairman.

MOSER: Yep. Anybody else to speak in opposition to LB1162? Seeing none, is there anyone to speak in the neutral on LB1162? Senator Ballard, you're welcome to close. We had letters of support from four people. We had no opponent contacts, one neutral, and no ADA testimony. Senator Ballard.

BALLARD: Thank you, Mr. Chairman, and thank you to the committee. I think it's fairly straightforward, it's harmonizing state statutes with federal regulations. We're not trying to do anything special. I appreciate the committee's questions of Burlington Northern. I, I appreciate that. So-- and I just want to take time to thank the PSC for their diligent work on this. Thank you, Union Pacific, for, for working with me since January to try to get the language right where it's not a burden on Union Pacific. We'll continue to work with Mr. Davis and making sure that everyone's held harmless, but we are ensuring that our rail-- our railroad workers that do so much for the state are protected and safe as they, as they work for Nebraska. Thank you, Mr. Chair.

MOSER: OK. Questions? Senator Storer.

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STORER: Thank you, Chair Moser. And thank you, Senator Ballard. I'm, I'm just kind of, again, trying to make sure I understand the-- because it's may, not shall, right?

BALLARD: Mm-hmm.

STORER: What do, what do you envision the result of this? I mean, does it-- will it result in actual PSC inspectors coming out and doing the same inspections that the feds are doing now?

BALLARD: It's just making sure all our, all our t's are crossed, i's are dotted, making sure that there are some-- if, if there's something missed by the FRA that we harmonize. So it's nothing more-- you're right, there's a ton, ton of may. There's nothing more burdensome in state statute under this-- under LB1162 that there would be in federal regulations. So it's making sure that PSC has all the same, all the same equipment, all the same ability as FRA. So nothing more.

STORER: There's no fiscal note, which tells me that they probably don't intend to put an employee on this or--

BALLARD: No.

STORER: Is that fair to say?

BALLARD: Correct.

STORER: OK.

BALLARD: Correct.

STORER: Thank you.

BALLARD: Yes.

MOSER: All right, thank you, Senator, appreciate it.

BALLARD: Thank you, Mr. Chairman, appreciate it.

MOSER: That will close our hearing on LB1162. And now we will begin the hearing on LB1180. Welcome again, Senator.

DeBOER: Thank you very much, Chair Moser and members of the Transportation Committee. My name is Wendy DeBoer, W-e-n-d-y D-e-B-o-e-r, and I represent District 10 in vibrant northwest Omaha, and I'm here today to introduce LB1180. Committee members may recall

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my bill last year, LB227, which made modifications to the public convenience and necessity or PCN statutes with regard to common carriers. LB227 modernized the way the Public Service Commission handled this process, cutting previous red tape and letting free market competition occur. LB1180 is the next-- is a next step, I believe, we should take to modernize our statutes. When a carrier wants to provide interstate medical-- Medicaid Non-emergency Medical Transportation services-- from here on out, I will call that NEMT-- they first have to apply for a PCN license with the PSC. Committee members know, of course, this involves an analysis of the carrier's fitness to provide services, among other items. If granted a license by the PSC, the applicant carrier then goes through a licensure and approval process with the Department of Health and Human Services. This process is substantially more thorough and specific to the needs of the NEMT services. As such, LB1180 changes the application process for carriers wanting to provide NEMT services. Instead of starting at the PSC, the applicant is to start with DHHS. Then upon approval from DHHS to provide NEMT, the PSC will approve the final license as the regulation of these carriers is their constitutional duty. I understand the Transportation Network Companies have some concerns with this bill and I'm committing to working with them to ensure that the language in LB1180 doesn't create a scheme where they would be brought in or a duplicative regulatory scheme that they'd have to comply with. So there are folks behind me from the PSC and DHHS who will be able to provide expertise on the PCN process, the NEMT process. But, basically, what I'll say is we have a process where we ask a few questions and then you become part of a pool of carriers that then DHHS does a much more thorough process of vetting. And what we want to do is say you don't need this first vetting process and then to go through the whole thing again. Basically, there's two steps and we can do it in one. Since the second one is much more--

MOSER: Thorough.

DeBOER: --in depth, then we don't need to do the first one as well. It's-- it just takes longer to get people through the process and it is an unnecessary step. Basically, what the bill will do is say, we'll let DHHS do their much more thorough process, and then the PSC because they have a regulatory requirement or they have a requirement, we'll say, yes, we agree. So the real decision-maker has always been DHHS and we will continue to let them be the real decision-maker. But we're trying to get rid of some of the regulatory red tape here and just make this process cleaner and easier without actually getting rid of

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any of the difficulty or strenuousness of the process. I hope that made sense.

MOSER: OK. Questions from committee members? Senator Bosn.

BOSN: So if I'm understanding you correctly this is essentially cutting down the process without losing any of the benefits of the process reducing government oversight

DeBOER: So it doesn't actually reduce government oversight because the, the--

BOSN: I guess you're right. I understood--

DeBOER: --DHHS process is, is more thorough. So all of the oversight that we have-- it's like you have to answer questions A, B, C with the PSC. Then you go over to DHS-- DHHS, you answer questions A, B, C again and then D, E, F through Z. So we're saying we don't really need to do it twice.

BOSN: Thank you.

MOSER: Senator Storer.

STORER: Thank you, Chair Moser. And thank you, Senator DeBoer. Is the, the licensing fee, is that changing who issues that or the amount?

DeBOER: Ask somebody behind me on that one, I'm not entirely sure.

STORER: OK. Thank you.

MOSER: All right, other questions from committee members? Seeing none, thank you, Senator. Anyone here to speak in support of LB1180? We had no online comments, no proponents, no opponents, no neutral, no ADA testimony. Welcome.

TIM SCHRAM: Thank you. Good afternoon, Chair Moser and the members of the Transportation and Telecommunications Committee. My name is Tim Schram, T-i-m S-c-h-r-a-m. I am the Chair of the Nebraska Public Service Commission and I am here today to testify in support of LB1180. The Public Service Commission regulates for-hire passenger transportation within the state of Nebraska. This bill proposes to change Non-emergency Medical Transportation, or NEMT, to a licensing structure like was done in 2020 with the household goods movers and the rail crew employee transportation. To receive a license, a carrier

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would still need to meet basic fitness requirements, but would no longer need to show the Commission that there is a demand for a need for an additional carrier in the market unless that carrier wanted to perform other types of regulated transportation services. The Commission supports this change because it reduces the regulatory burden on new carriers. In the for-hire motor carrier statutes, the Legislature expressed the intent to reduce redundant regulation and protect the public safety. This bill furthers those goals by reducing regulation in areas where another state agency already plays a role in deciding to whom to contract with, while maintaining oversight in areas that protect public safety, such as by maintaining insurance requirements and motor carrier inspections. For similar reasons, the Commission supports a change that when a carrier agrees to rates for its transportation services with another state agency, the Commission would not need to approve those rates. This avoids redundant regulation and ensures that there is no delay in the ability for carriers to provide service to other agencies while seeking Commission approval. I want to thank Senator DeBoer for her interest in transportation matters and the committee for your time this afternoon. I am happy to answer any questions you may have. Thank you.

MOSER: Questions from committee members? Seeing none,--

TIM SCHRAM: Thank you.

MOSER: --thank you for your testimony. Anyone else to speak in the support of LB1180? Welcome.

MATTHEW AHERN: Good afternoon, Chairman Moser and members of the Transportation and Telecommunications Committee. My name is Matthew Ahern, M-a-t-t-h-e-w A-h-e-r-n, and I'm a Deputy Director in the Division of Medicaid and Long-Term Care within the Department of Health and Human Services. I'm here to testify in support of LB1180. This legislation makes a targeted, beneficiary-centered improvement to the Nebraska Medicaid Non-emergency Medical Transportation framework. By establishing a distinct designation for transportation providers and drivers who contract with DHHS to serve Medicaid members, the bill removes procedural barriers that currently delay provider participation without compromising safety oversight or accountability. Under current law, prospective NEMT providers must complete a lengthy approval process that includes demonstrating the absence of other carriers in a service area, area and navigating a formal protest period during which existing providers may contest market entry. While these requirements may be appropriate for general commercial

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transportation, they create unnecessary barriers when applied to providers seeking to serve Medicaid beneficiaries under DHHS oversight. By creating a separate designation for DHHS-affiliated NEMT providers, this bill streamlines the approval process and allows qualified providers to begin serving members more quickly. This change directly benefits Medicaid beneficiaries by expanding the available transportation network and reducing delays in access to medically necessary services. Importantly, this legislation does not reduce DHHS's ability to oversee providers or enforce program standards. Transportation providers operating under this designation would continue to be subject to Medicaid contractual requirements, background checks, and compliance monitoring. The bill simply aligns the approval process with the urgency of beneficiaries' needs and the operational realities of the Medicaid program. In summary, this proposal improves access to care, strengthens the Medicaid transportation network, and supports better health outcomes for Nebraskans' most vulnerable residents. We respectfully request the committee advance the bill to General File. Thank you for your time. I'd be happy to answer any questions on the bill.

MOSER: All right, questions from committee members? Seeing none, thank you.

MATTHEW AHERN: All right. Sounds good. Let me off easy.

MOSER: Yes. Anyone else to speak in support of LB1180? Seeing none, is anyone here to speak in opposition to LB1180? Seeing none, is there anyone here to speak in the neutral on LB1180? Welcome.

KRISTEN HASSEBROOK: Thank you, Chairman Moser, members of the Transportation and Telecommunications Committee. My name is Kristen Hassebrook, K-r-i-s-t-e-n H-a-s-s-e-b-r-o-o-k. I'm here today testifying on behalf of Uber Technologies in neutral on LB1180. Uber has been a partner in Nebraska's transportation landscape since 2015, and we also operate in many other states, but not Nebraska, Uber Health, kind of like Uber For Business platform, but this one streamlines care coordination and improves patient experience and drives better health outcomes in partnership with government agencies. We currently participate in 27 states through their Medicaid Non-emergency Medical Transportation programs. And maybe someday we'll provide that same service here in Nebraska as well. We so much appreciate the intention of LB1180 and working with Senator DeBoer to kind of make sure that some clarification language gets into the, the bill, but very supportive of the intentions to help streamline the

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process for providing NEMT services in Nebraska. We just want to make sure that any-- the, the language confirms that we're creating an independent licensing process and that TNCs would still remain subject to their TNC sort of specific requirements. Again, we've got sort of functionally equivalent but separate sort of regulatory structures that we're moving forward. For context, Nebraska is a national outlier in NEMT approval process. In virtually all other states, the authority for approving Medicaid NEMT providers does rest with their state Medicaid agency without a secondary layer of approval. As the entity closest to the needs of the Medicaid population, the Medicaid agency is responsible for maintaining an adequate provider network and ensuring positive outcomes. We are hopeful that this legislation can help simplify the process and remove more burdensome authorization. The benefits of integrating modern transportation networks like TNCs into the NEMT program can be significant. Uber's NEMT solutions have demonstrated the potential for 30-70% cost savings over traditional NEMT services, saving Medicaid programs approximately \$268 per expected users. These efficiencies are already proving successful at the federal level. For an example, the Veterans Health Administration has seen upwards of \$30 million in cost avoidance and cost savings by utilizing these models. Beyond cost efficiency, the reliability of the service is a major win for state administration. Based on NEMT broker partnership data, these services maintain a 92% on-time arrival rate and a 97.5% successful trip completion rate. Furthermore, the average wait time for members is less than 5 minutes. The patient experience is reflected in the feedback from our veterans, 90% of whom have stated they would recommend Uber Health to another veteran. We're hopeful that LB1180 can help streamline this process, and we so much appreciate the Chairman and Senator DeBoer for working with us on this critical legislation. I'm happy to answer any questions.

MOSER: Questions from committee members? Seeing none, thank you very much. Anyone else to speak in the neutral? All right, Senator DeBoer, you're welcome to close.

DeBOER: Thank you. I will take a second to answer Senator Storer's question, which is that we are not affecting the fees. So, right now, if you want to be certified by the Public Service Commission, you have to go through that-- all my competitors come through and say that we don't need me, hearing process, that's part of that certificate of necessity. So we would be getting rid of that part, but they still, because they're required to-- it's their constitutional duty to regulate them, they would still have to give them a license after DHHS vets them. DHHS says these are the, these are the people we want to

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use, then they would have to go through and say, OK, you're approved. And they would still have to give them their-- technically they would have to be the one that, that certified them, gave them the license. So that's a long answer for a short question. But so right now-- and I'm happy to work with you all on this, right now, we would still have the fee the same.

MOSER: OK. Senator Storer.

STORER: Thank you. Just, I guess, to follow up on that. So the, the fee doesn't change, but the, the issuer-- I mean, PSC issues the license now and that's who would still issue the license at the same fee. But what I-- without kind of really laying out or understanding what they currently have to go through with DHHS and, and PSC, is PSC would basically have to be taking DHHS's recommendation. I mean, they're issuing the license, but this eliminates, and I'm all for streamlining, I'm just trying to really understand, like, given the PSC's responsibility, but, yet, they're, they're kind of--

DeBOER: They would still, they would still, like, go over the paperwork and make sure that the things that they need to go through were checked through, like that they had vetted those things. But starting with the DHHS process because it is so much more intensive, then the PSC says, OK, we're going to check, yep, yep, all these things are in order.

STORER: So is, is the PSC currently doing pretty much a mirror of what DHHS is doing? Are they doing two different things?

DeBOER: They're doing two different things. They're doing this come and tell us that they're-- that they have to do a hearing that where the competitors come in and say, there's no need for them. And they say, yes, there's a need for us in this area. That's the piece that we're trying to get rid of completely. Then they also have to answer some questions about, you know, do they have the insurance and things that they need? The insurance piece, all of that would stay in place, but DHHS asks all of those questions and a bunch more. And so they would ask all of those questions, and there are a bunch more. They decide, OK, we like this person or this carrier, and then they would-- I think the process is send the material over to the PSC, maybe the-- maybe they get submitted both at the same time, I don't know. And then when DHHS says, OK, we vetted them, they're good, then the PSC would give them the license assuming that they had the pieces that the PSC looks at done. So it gets rid of the hearing.

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STORER: OK.

DeBOER: And actually I'm probably not doing the best job of explaining this, and so I'll make sure that somebody talks to you.

STORER: OK. Thank you.

MOSER: Senator Brandt.

BRANDT: Thank you, Chairman Moser. And thank you, Senator DeBoer, for bringing this. So last year, you did, like, moving vans and stuff like that. But this bill deals with the transportation of people in Medicaid. And, quite often, these people could be medically fragile or, or, or, I mean, it's not an ambulance, but who knows who's getting transported here. Is a PSC kind of abdicating some of its power to HHS by saying, oh, it's, it's your ability to do this. I don't want to see the PSC give up any power on transportation when maybe they should be making these decisions and have been making these decisions. How do you, how do you square this?

DeBOER: Yeah. So they're not, because they will still be checking the boxes that they checked, except for the one where the people get to come in and say you don't need to, to come into this area, there's plenty of us, the competitors, that certificate of, I can never say it, necessity and convenience. That certificate of necessity and convenience is just the place where the competitors-- your competitors get to come in and to have a hearing and say we don't need-- Dear PSC, we don't need this guy, we got it covered. So we're taking that whole hearing out. There's a, a waiting period-- so you, you file, then there's a waiting period so that the competitors can come in and say, hey, we've been on notice, so now we want to tell you, you're not needed in this area. Don't give him a license, he's not needed in this area. We're taking that piece out. That piece that takes the-- and makes little monopolies. None of the rest of the pieces are going away.

BRANDT: So this is-- is this similar to what we did with taxis last year?

DeBOER: Yes.

BRANDT: And they came in and they objected because they had a territory. So the existing ones could say we don't want any competition because we've got a good thing going.

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DeBOER: Yes.

BRANDT: Is this, is this--

DeBOER: It's the same-- so this is the certificate of convenience and necessity, which I can never keep that in my head. That's the taxi thing, and it's this thing. We're getting rid of that process now here in the Medicaid transfer, non-emergency transfers, because-- well, I don't think we need it, first of all, because Medicaid-- because the provider, DHHS, still says, do we want to use this company or that company or this company or that company? They're, ultimately, the ones that are picking who gets used, so.

BRANDT: But are these the same people that are running the taxis, though? It seems to me, at least, where I'm at in rural Nebraska, there's only one or two of these taxis. And they're always hauling a lot of people to the doctor in Lincoln and Omaha that appear to me to probably fall under Medicaid. Would these-- do you think these are the same as the taxis diversifying into Medicaid transport or it's a different, it's a different category?

DeBOER: The answer is yes and no. So your taxis go through a lesser level of scrutiny because they-- their process stops with the PSC. They don't then go over to DHHS who does this more intensive process. So it may be that your taxi company wants to do this work. They go through-- they get their taxi license, whatever, and then they go through the additional thing. It may be-- and there are, in many cases, groups that are wanting to do this sort of exclusively. And so they don't need to go through becoming a taxi cab in order to go do this work.

BRANDT: Could you provide us with some numbers on this at a later date?

DeBOER: What numbers?

BRANDT: How many people are doing this in the state? How many companies it affects? How big of a problem this is in the state of Nebraska?

DeBOER: Sure.

BRANDT: OK. I appreciate it.

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DeBOER: I mean, think I understand what your question is, so I'll do my best.

BRANDT: Yep. Thank you.

MOSER: Other questions from committee members? So I guess I have a question about eliminating that hearing. It's not just eliminating the hearing. It's eliminating the requirement that they prove that there's a need for them.

DeBOER: Yes.

MOSER: They just apply and get approved and DHHS decides who they're going to hire.

DeBOER: Well, it's not quite like that because DHHS has to figure out who they want, they-- that they go through, they look through, they make sure everybody's the right fit, whatever they need to do. And then they're the ones who, ultimately, get to hire someone, right? So--

MOSER: Yeah.

DeBOER: --they're the ones who are doing the hiring.

MOSER: But if somebody is already transporting them at a higher price and this new company will transport them for a lower price, the higher price companies can't say, oh, we've already got that market covered. We don't need these low-cost providers.

DeBOER: That is precisely it, Senator Moser. We don't need to be protecting folks who are going to charge the government a higher price and use higher cost to taxpayers if they fit within the same, like, safety concerns, insurance concerns, all those things that DHHS vets for. If they fit the bill as much, and the difference is that they have a little monopoly right now, and so they're able to charge a higher price, don't we want DHHS to be able to find a carrier who's just as fit but charges less money to the taxpayers?

MOSER: Yeah, that, that was my question. I was just trying to--

DeBOER: Yeah, that's exactly it, Senator.

MOSER: --see whether there was negative feedback on switching to just an application process where they don't have to prove a need.

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DeBOER: They don't-- like having that hearing where they have to go and show there's not enough carriers in this, in this area to fit the need, you need to approve me and then the carriers in that area say, oh, no, no, we've got it covered. What that does is it sort of artificially inflates the price that we are being charged.

MOSER: It's kind of protectionism.

DeBOER: It's 100% protectionism, and, and it's unneeded because the PSC doesn't need to vet what DHHS is already vetting because DHHS is the one who, ultimately, picks who they want to use anyway.

MOSER: All right. Senator Brandt.

BRANDT: So to follow up on what Senator Moser was talking about, would the PSC and HHS just put out on Facebook or newspapers and say be a carrier for Medicaid, apply, apply?

DeBOER: I mean, I suppose they could do that now, but I don't think they do.

BRANDT: Well, but there's a limitation today, is there not, on how many you've got?

DeBOER: It's not a number. It's that you go through these hearings and if the, if the Public Service Commissioners say, oh, we don't need you in this area, then arguably they could just say, OK, we don't need you in this area and they wouldn't give them permission. But I don't think that's, I don't think that's the, the kind of regulatory hurdle we're trying to promote.

BRANDT: OK, we'll talk afterwards.

DeBOER: OK.

BRANDT: All right. Thank you.

MOSER: Any other questions? Thank you very much, Senator. That will conclude our hearing on LB1180. And if the room could clear, we're going to have an exec session.