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Transportation and Telecommunications Committee  
September 16, 2009

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[LR152 LR192]

SENATOR FISCHER: Good evening and welcome to an interim study hearing of the Transportation and Telecommunications Committee. My name is Deb Fischer and I am the senator from the 43rd District in Valentine and I am chair of the committee. At this time I would like to introduce to you the people that are up here. On the far left, my left, is our committee clerk, Laurie Vollertsen. Next to her is Senator LeRoy Louden from Ellsworth, Nebraska. Next we have Senator Galen Hadley from Kearney, Nebraska. On my immediate right is our committee counsel, Dusty Vaughan. Next we have Senator Kathy Campbell from Lincoln. Next we have two senators who have joined us because they live in this area. They are not members of the committee, but we are happy to have them here with us today. We have our host, Senator Tom Hansen from here in Lincoln County and we also have Senator Mark Christensen from Imperial. With that, I would welcome all of you here this evening. We have two agenda items for our hearing this evening. The first one is LR152 that deals with highway funding. Next we have LR192, Senator Christensen's resolution that deals with school permits for driving. We run rather informally when we have our interim study hearings. We don't have people come up in either a proponent or an opponent position. We just ask people to come forward and give us their suggestions. We're here to listen to you on those two issues and I hope you will be comfortable in coming forward and bringing your ideas to us. I would, at this time, ask that you turn off your cell phones. We don't like music joining us as we have our hearings. Also, you will need to fill in a yellow sign-in sheet if you wish to testify. They are on the table back by the door over there. If you would fill that out and put it in this little box right up here on the stage for us. We also ask that you would state your first and last name and also spell your last name so we have that correct for the transcripts. And with that, I will open the hearing on LR152 and, Mr. Vaughan, would you please introduce that. [LR152]

DUSTY VAUGHAN: Thank you, Senator Fischer and members of the Transportation and Telecommunications Committee and Senator Hansen and Senator Christensen,

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thanks for being here. For the record, my name is Dusty Vaughan, spelled V-a-u-g-h-a-n, and I am the legal counsel for the committee. LR152 is introduced to conduct a comprehensive exam of Nebraska's highway funding structure and to analyze any possible funding alternatives. I don't think there is any question that Nebraska has reached a crisis level on how it funds its highways. A few main points need to be established to stress the magnitude of the situation that we're in, though. One, Nebraska has many capital expansion projects that are being put on hold due to inadequate funding. The cost of seven of the highest state priority projects is roughly \$730 million. Every year that these priorities are left off the construction program, the cost goes up. Currently, only two of these projects are on the department's five-year plan, that being the six-lane expansion between Omaha and Lincoln and the Wahoo Bypass. Number two, Nebraska is at the point where funding will be inadequate to even preserve the current highway system sometime in the next two years. The Department of Roads estimates that it takes \$286 million to preserve the current highway system every year, a number that rises with inflation. Last year's construction program was \$317 million. Granted, this year is quite a bit higher. I believe it's at a \$486 million construction program, but that is due to the federal stimulus funds that we received this year from the program that was passed back in February. I believe that the department is estimating that we will be closer to a \$300 million construction program for next year. So, you can see that \$286 million, to preserve the current system, and \$300 million doesn't leave a lot left for any other projects, any capital improvement projects. And eventually, we will reach that level where we won't even be able to fund the current system. Number three, because Nebraska employs a revenue sharing structure that the local governments rely heavily upon, they are in the same predicament as a state and are also falling behind on street and road maintenance and construction. We've talked about how some cities and counties rely exclusively on the highway allocation formula and their portion of the state's gas tax dollars. I believe they'll continue to fall farther behind until we fix how we fund our roads at the state level and place some kind of revenue sharing mechanism. And finally, number four, Nebraska's historic reliance on the gas tax is no longer sustainable under current economic conditions. With demand

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for gasoline stagnating over the past several years, higher gas tax revenues through increased consumption, is a thing of the past. Smaller, cheaper, more fuel efficient vehicles are adding to the strain on the Highway Trust Fund as we don't collect as much sales tax from them at the time of their purchase, as well as them not consuming as much gas. This is not meant to imply that the gas tax does not have a place in funding highways anymore. It simply means that the historic method of increasing revenues through increased consumption can no longer be relied upon. With that, Senator Fischer, I will turn it back to you. [LR152]

SENATOR FISCHER: Thank you, Mr. Vaughan. At this time, I would ask if anyone would like to come forward and testify before the committee on highway funding. Good evening. [LR152]

LARRY DIX: Good evening, Senator Fischer, members of the Transportation Committee, and welcome, Senator Christensen and Senator Hansen. For the record, my name is Larry Dix, spelled D-i-x. I am executive director of the Nebraska Association of County Officials. One of the things that certainly I like about the interim hearings is it is more of an informal process. And so today, keeping with that in mind, I'm here, I'm going to toss out a number of ideas to you. And I would tell you that the ideas that I am going to throw out, there are some in here that probably NACO could not support, some that we certainly may, some variations of that. And so when we're talking about highway funding, there's just a couple of things I want to throw out there for the committee to listen to. Certainly, some of the committee members heard some of this testimony while we were in Kearney earlier today, but we have a number of areas where we think it maybe worth our time to look into. One of those areas is the registration fee that we pay on our motor vehicles. Right now, every car in the state of Nebraska pays a registration fee and that fee, for the most part on cars, is going to be \$15. We have 2.2 million cars, cars and or pickups and trucks in the state of Nebraska. So if you were to increase that fee by \$10, that would equate to \$22 million. And when I throw these ideas out, I would tell you that I don't know that we can just focus on one idea. I don't know that we can

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just say, let's look at the registration fee, it is going to solve all of our problems. I don't think that that is probably the case. I think we have to look at a number of these options and say, what can we do, what can we expect. A second idea, and this idea has been out there for a number of years. We've talked about it, one that NACO has supported, that's an increase in the gas tax. A one cent increase...at least in the previous models, 1 cent would increase about \$12 million. Now that's prior to where we've sort of seen consumption decrease. So, that number may be slightly less than that. But, a gas tax increase, that would put more revenue in the pot. As I speak about this, from time-to-time, we talk about the distribution formula. And, I know, we have said, we don't see that there's necessarily a problem with the distribution formula, we just don't believe there's enough money to start with to go through the formula and that creates a problem. Another one, Senator Fulton had a bill a number of years ago that looked at the motor vehicle tax part that when you go into pay on your vehicle, there is a tax component and it's based on the price of your car, when the car was new. And one of the things that happens, as you move across the table, as your car gets one, two, three, four years old, it diminishes, the amount of tax that you pay diminishes until you get to the 14th year. When you get to the 14th year, regardless of the value of your car new, your tax is zero. As I used the example earlier today, I've got a pickup that's setting there 13 years. I pretty excited because next year, I'm going to have to pay zero tax, zero motor vehicle tax on it. This is a vehicle...I live just west of the city limits of Lincoln. Wherever I take that vehicle, primarily, I drive a half a mile, I'm on the city streets. I do not pay a wheel tax in the city of Lincoln, because I'm outside the city limits. That vehicle today has 50,000 miles on it. I'm going to probably be driving it for a number of years yet. But, I'm paying...next year, I will not pay any tax on that vehicle. What I would ask the committee to look at in that area is to move back to the left, so to speak, or move back to the sixth or seventh year and simply whatever you're paying in tax at that point in time, stop and continue to pay that tax. Don't continue to allow that to have a depreciated tax. If I were to take my pickup and move it back to the seventh year, I think I would be paying \$51 in tax. So, you can see even with that I'm still not going to pay a whole lot of motor vehicle tax, but I'm going to have still the same rights to drive on the

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roads and damage the roads and load the pickup up with whatever I want to load it up with and drive it on those roads. We may want to look at that table and when I talk about stair-stepping, I'd be glad to go into the details of it, but you may want to look when you get to the more expensive vehicles, the \$90,000 vehicles, even if you go back to the year six, you still may be paying \$600 in tax. And, maybe that's something to look at from the committee's viewpoint to say, how far should we move back? But, I don't know the amount of money that that would generate, but I got to tell you, I think it's very significant. I think there are a number of vehicles out there, especially in this day and age where it used to be when I was growing up, you know, you'd get to about 100,000 miles on a car and you'd say, wow, that car must be just about shot. It's got 100,000 miles on it. Well in this day and age, we drive well beyond that. There are many cars out there that are 14 years or older on our roads. So it's an idea to look at. Senator Fulton's bill took and looked at that motor vehicle component of tax and that tax, when you pay that tax...when I pay that \$7 on my vehicle, 60 percent of that tax dollar goes to the schools, 23 percent is going to go...well, I should back up. I think it is 50, 23, and 22, or something like that, 23 goes to the cities, 22 to the county or vice versa. So, a majority of that tax goes to a school. Senator Fulton's idea was to take that 60 percent that goes to the school and drop it down 5 percent, so that only 55 percent would go. And, I've had a conversation with Senator Fulton. My statement was, if we're going to fight the fight, let's fight the whole fight. Let's take it completely away from the schools. Let's take our motor vehicle tax and when you pay a motor vehicle tax on your car, know that it's going to go for road improvements at the local level. That is...if you were to take that and move the 60 percent, the 60 percent is about \$120 million. So, that is a significant amount of money. The other thing that I would bring up to the committee, a year ago, couple years ago, we've been working on a road funding formula where we looked at the price of wholesale gas tied...the funding formula to wholesale gas. Nobody could predict what was going to happen to the price of gas over that time. When the original bill passed, that was back when we were paying \$4 plus per gallon. The formula was based on some of those calculations. What happened with the price of wholesale gas dropping and the way the formula was designed, cities and counties initially lost \$10

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million. And I would tell you by the time this year is over, we will have another drop. And the reason I say that, that rate is set every six months. So, when Department of Revenue sets it the next six months, I have a pretty good belief that we will drop another \$4 million in revenue. So, cities and counties will have lost \$14 million. I would ask the committee to look at that formula and possibly add a cent back dedicated to the cities and counties in that formula, that would be approximately \$12 million. While it wouldn't make us whole, it would move us back in the direction that we need to move back into. The motor vehicle fee on your...there's a registration fee, there's a motor vehicle registration, and then there's a motor vehicle tax. There's a motor vehicle fee on your car that it, too, diminishes over time. The first...when your car is one through six years old, you pay a hundred percent of that fee, then the next probably four years it drops down to 70 percent, and then it bottoms out at 35 percent. A suggestion I would throw out to the committee, that fee is not that great. Started at a hundred, leave it at hundred. That wouldn't...I'm not sure how much revenue we would look that that would bring it. Again, another idea that we throw out. One that NACO has put out there before previously, is a countywide sales tax, on top of the city sales tax. And that countywide sales tax would go specifically for road improvement, infrastructure projects, and it would be written in a fashion that that is the only thing that it could be used for. The last thing that I would bring up, there's an issue on apportioned vehicles. I don't really have the details on that. We'd talked about it and I think that's one we'll want to have a little bit more look at to understand it, but it's another area of funding. This is typically the trucks that pay a significant amount of money to travel across the United States. There's a separate funding source there. And so, that's one I think that we should look at to see how we compare, if we are in line with our bordering states, with our other states to the north and south of us, all the way around us. So, the thing of it is, we talked about the motor vehicle tax, the registration fee, the motor vehicle, all of these are differing ideas. And, I'm not sure anybody has the stomach to go out and say, yep, let's just raise them all, let's do this....but as I said before, it may be a combination of those that we have to look at that is palatable and that we can make it work. So, with that, I'll close my testimony and I'd be happen to answer any questions anybody would have. [LR152]

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SENATOR FISCHER: Thank you, Mr. Dix. Are there questions? I have a question. You mentioned Senator Fulton's bill to take the motor vehicle registration from the schools and put that money in the trust fund. I don't think anyone would argue the point that perhaps that should happen because it is tied to our highways. The problem, as I see it, and I think the committee saw it last year when we killed that bill, even though Senator Fulton only had a small percentage going to the trust fund, is how do you make up that money then for the school districts? You have some districts that are not equalized, they're nonequalized districts. They receive no state aid. Senator Fulton felt that the state could put more money into state aid to schools to make up that difference. But, even if that could happen, you still have nonequalized districts that would suffer. In the economic situation we find ourselves right now, I don't think that the body would be able to come up with \$120 million to put into state aid to schools, or in any other way fund that if the money is taken away. There were some that suggested last year we did not fully fund state aid to education. Although, I happen to be one of those who feel we did. I don't...I guess I'm saying I don't see that as a possibility because if we would take that money and we can't put in general fund dollars to make up the difference, all we've done is raise property taxes. Do you see the challenge with that? [LR152]

LARRY DIX: I see the challenge. I understand the challenge. And I believe, as you have described it, it's point on. It is when you move that money...if we were to move that \$120 million, it creates \$120 million hole over here in the state general fund, because then you get into the school formula. That money has to come from somewhere. When I look at it, and in the discussions I've had with Senator Fulton, is we come at it more from a policy type point of view. Is it the citizens of Nebraska, do they...and many may understand and many may not understand that when they pay that motor vehicle tax, even though it's called a motor vehicle tax, over 50 percent of it is going to pay the schools. And, I certainly understand that and, Senator Fischer, I would agree that's going to be...nobody has this magical pot of money and that's...now we're just talking about the equalized schools. Now, we've got another opening out here for the

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nonequalized schools that, again, we've got sort of some different dynamics that we have to deal with. And, one of the things I'm always glad I started out with is saying, we may agree with some of our own ideas, we may not agree with some of our own ideas. But, we're here for ideas and so we do, we throw that out. Maybe there's a component of it that we can make work. [LR152]

SENATOR FISCHER: And I do appreciate that you came forward with a number of ideas. I picked that one out because I view that as shifting money around and that's not always possible to do. But, I do appreciate the other ideas you came up with. You met the charge here with the resolution. I appreciate that. Any questions? Senator Louden. [LR152]

SENATOR LOUDEN: Well, thank you, Larry, for coming all the way to North Platte here today. What you were talking about wasn't the motor vehicle registration fees, you're talking about the motor vehicle tax. Right? [LR152]

LARRY DIX: What I'm talking about the... [LR152]

SENATOR LOUDEN: I mean the part that you're going to change and take part of it from the schools because that motor vehicle tax is all local revenue. [LR152]

LARRY DIX: The motor vehicle tax is revenue. It goes to three taxing entities. It goes to the schools, cities, and counties. [LR152]

SENATOR LOUDEN: Yeah. And at the present time, none of that goes into the Highway Trust Fund. [LR152]

LARRY DIX: None of it goes into the Highway Trust Fund. [LR152]

SENATOR LOUDEN: Right. And then the vehicle registration is where you mention



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raising it...you just threw a figure out of \$10. And, perhaps that's something that needs to be looked at. When you say increase in gas tax, as I asked you before, when we come to these hearings, I ask, what is the right number to increase the gas tax, you know, three, five, four, two, one, whereabouts because when I drive around the state, like I said before, I think my gas will vary 20 cents a gallon at least from different places. And probably here in town is probably more than 5 cents difference at different places. What would be something that would probably work and would people even notice it if it was increase? [LR152]

LARRY DIX: Well, as I mentioned earlier in my testimony, NACO has always supported that concept. And there's a couple of reasons why we support it. One, it's one of the few taxes that people from outside of our state pay, as opposed to putting the whole burden on the property tax and the citizens of the state of Nebraska. So, that's appealing to us. Number two, when you talk about will somebody notice it or not notice it, I think I used, one other time, I used the example, I have a feeling that a very, very high percentage of people go to buy gas at the same station probably 80 plus percent of the time, because it's convenient, it's in their neighborhood, and they're not going to drive across town. And so, if there was an increase in the gas tax, I'm not so sure they would notice it. The last thing, when you actually compute the amount, if you increase it a penny, I think we sort of use the example if somebody drives 20,000 miles and their car gets about 20 miles to the gallon, somewhere in that area, this is probably about a \$12 increase to somebody's pocketbook in a year period. That's a dollar a month. And so, is the right number a dollar a month? Is the right dollar \$5 a month? It's the price that the public would want to pay so that they can have their bridges reopened, so they can have a street paved, or we can look at adding shoulders so we can add economic development to an area. I don't know that there is any magical number. We get into that debate of then the border bleed and how many times do we have people driving across a state line. I would tell you, setting in North Platte, I don't think anybody is going to drive to Kansas if we got a 5 cent gas tax. Nobody's going to drive to Kansas to save 5 cents, nor are they going to drive to Wyoming or Colorado to save that 5 cents. So, you know,

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I don't want to say it's what the market will bear, but I think there's some room for it. I think it's a tax that probably is something that a majority of the population in the state of Nebraska could handle and probably would never ever notice the difference after what we have seen in the fluctuation of gas prices in the last year. [LR152]

SENATOR LOUDEN: Very good. Because, as you mentioned, an increase in registration fee would be on local Nebraskans. An increase in gas tax would be, perhaps, on people driving across Nebraska on Interstate 80 or whatever. And so, we would get help from an outside population. [LR152]

LARRY DIX: Absolutely. [LR152]

SENATOR LOUDEN: Thank you, Larry. [LR152]

SENATOR FISCHER: Other questions? I see none. Thank you, Mr. Dix. Next testifier please. Is there anyone else wishing to testify? Good evening, Mr. Seacrest, how are you? If you want to put it in that box. [LR152]

ERIC SEACREST: Good evening, and thank you for being here and thank you for your leadership in recent years. You've done some wonderful things to keep our state prosperous. My name is Eric Seacrest. I'm from North Platte and have had a longtime interest in transportation matters. The subject you have in front of you is an extremely difficult one and I'm glad you're taking it on. I don't have a lot of suggestions, but one that just cries out for some sort of political leadership is urging our federal government to be a partner that they need to be. The federal government has not changed the federal gas tax since the 1980s. This is just absurd. Now, I'm not looking for big increases, but all they've done is basically reduce it on an inflation adjusted basis. And that just does not make any sense. The state has done some appropriate things over those years and so we're in a relatively decent position. But, why this is so important is Nebraska does not have a lot of strategic advantages, but the one strategic advantage

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we have is our location. We're on the best east-west route across America. And, as is previously pointed out, people travel through this state and they pay part of the expense for maintaining our roads. And, it is an imperative for this state's future prosperity to maintain our transportation system and maintain our position as having the best east-west route. And, it would be great if the federal government would, now and then, do the right thing with the federal gas tax and share appropriate parts of it with Nebraskans. Related to the federal contribution, is the contribution for paying for our great crossing separations. The federal government has had a special program and they have helped us a little, they could do far more here. And, this particular program impacts Nebraska, probably more than virtually any other state, because we have these major coal routes on the Union Pacific and the Burlington Northern Santa Fe and our need for great separations is greater than most other states. Here in Nebraska, we also need to show appropriate amount of political leadership and political courage to keep our state prosperous. We now and then need to have modest increases in the gas taxes we have and in the other fees we have. And if we keep them modest, and we do them regularly, we can handle it. At the very least, try to keep up with inflation. And, we'll let the people that travel through and stop at our truck stops and travel centers, pay for part of the freight. Hopefully, there is 50 states that are wrestling with this same problem. And, I know you've got great aides and researchers to keep track of what all the other states are doing, and every year I think it is appropriate to look at what those states are doing and what innovative ideas that they are trying and see which ones might be worth emulating. This problem, unfortunately, is only going to get worse. And so, I wish your best wishes are your very difficult assignment and hope you have much success. Thank you. [LR152]

SENATOR FISCHER: Thank you, Mr. Seacrest. Are there questions? Always a pleasure. Thank you. Anyone else? Good evening. [LR152]

DAN MAUK: Good evening. For the record, my name is Dan Mauk. I am the president and CEO of the North Platte Area Chamber and Development Corp. welcoming you to

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our town. [LR152]

SENATOR FISCHER: Thank you. Could you spell your last name? [LR152]

DAN MAUK: My last name is spelled M-a-u-k. I would first address Senator Louden's comment about the gas prices. We have a gas station here in town where you can find that much variation in the same gas station for the same grade of fuel. (Laughter) They're not a member, so I can say that. We've got a fundamental question that you're addressing, or trying to address, we can't afford to pay for roads. It's as simple as that. The federal system is in the same shape. With the trends of more fuel efficient cars and trucks, buying fewer gallons of fuel to go the distances that we drive, we've seen a couple of years with significant reductions in overall miles driven, it's just a worse case scenario for highway construction. We are...have private conversations with some in the Department of Roads that think that we've already reached that sustainability level that we don't really have any money right now to do capital projects. As Mr. Seacrest mentioned, we have few strategic advantages here in Nebraska. Once you get outside of the metro area, many of our communities struggle for sustainability and without transportation connections, game over for many communities. Here in North Platte, we're very fortunate to have Interstate 80 come through. But we see a north-south link that's important, but not even "dreamable" with the current funding situation. I moved from Madison County, which I thought was a conservative county, in March and I have a new definition of conservative. Senator Hansen here I consider a friend and it's going to be difficult for me to go to his office and say, I encourage you to increase taxes. It's going to be very difficult in the whole body to go door-to-door and say, we're asking you to increase taxes. But, I don't think we have a choice. Transportation is so key at the city level, county level, statewide for economic development, for public safety, any kind and every kind of way transportation touches us all. And, without a funding stream that protects what we have and enables us to make improvements as needed to provide sustainability for the biggest body of the state, for the hundreds of square miles we have to maintain and to connect. We're just going to have to look at some fundamental

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changes and fees and taxation. And, as bigger pills that may be to swallow, particularly, in the worse recession that any of us alive have probably experienced, it's going to be a tough sell. I offer our support to your committee and to the body, as you address this challenge this session and the sessions that will follow because I guess we could hope that we could get the problem fixed in this session, but might be doubtful. But, we'd like to help you do that. User fees has always been kind of a fair way of allocating the cost of building roads and depending on whether you got Larry Johnson in front of you representing the truckers, or whoever, there might be some debate about what is fair. But generally, if it's related to putting a motor vehicle on the public highway system, there ought to be some costs associated with that and we ought to do our best to make those as fair as we can. And perhaps, some of Larry Dix's ideas ought to be vetted and see if we can find some consensus in supporting that. Once again, pledge to work with you in this upcoming session. This is a critical problem for the state of Nebraska on so many levels and maybe Nebraska can be a leader, because all the states in the country and the federal government are, one way or another, having the same discussion. I'd close my comments and open up for questions. [LR152]

SENATOR FISCHER: Thank you, Mr. Mauk. And I do appreciate the support from many, many people in Lincoln County over the past three years in helping work on this problem. Any questions? Senator Campbell. [LR152]

SENATOR CAMPBELL: Thank you, Senator Fischer. Mr. Mauk, can you just give us a picture...we were in Kearney and some of the Kearney people talked about how they were handling their local roads problem and how that might transfer to the state. How is North Platte doing in terms of handling its local infrastructure? [LR152]

DAN MAUK: In terms of the city of North Platte? [LR152]

SENATOR CAMPBELL: Yes, keeping up... [LR152]

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DAN MAUK: You experienced some construction as you got off of Exit 177 that...and I probably shouldn't speak for Jim Hawks, our city administrator who is in Lincoln today and I don't believe he has anybody here to speak for him. And I'm new to the committee, so I probably shouldn't venture a guess with an answer. But, I suspect we're probably in the same shape as...in a lot of communities where we're getting by and we're...certainly this budget for the city of North Platte is a very difficult budget. They initially had a million dollar shortfall. Some very tough decisions were made, some controversial decisions were made. We've got a downtown sector that has significant infrastructure deficits, and one of those being the condition of the roadways where the old bricks have buckled and it's an unsafe, unsafe for pedestrians to even get out of the car and get up to the curb. So, those challenges are here and it just doesn't seem to be enough money to ever keep up. So, we always can of...let's defer this capital expense for now because we have these urgent needs and the deferred maintenance strategy rarely works in the long-term. [LR152]

SENATOR CAMPBELL: Thank you. [LR152]

SENATOR FISCHER: Other questions? I see none. [LR152]

DAN MAUK: Thank you. [LR152]

SENATOR FISCHER: Thank you very much. Next testifier please. Good evening.  
[LR152]

REX NELSON: Good evening. I'm Rex Nelson, N-e-l-s-o-n, executive director, McCook Economic Development in McCook. Appreciate the chance to speak to you this evening. Clearly, as an economic developer, I'm a proponent of good transportation infrastructure. It's necessary for business to do what they need to do. I'm also a proponent of low taxation and the challenges that come when those two meet are fairly obvious, I think, to everyone. It's been well stated already. I do believe that maintenance

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is job one, when we come to working on highway issues and we hope that can continue to be the case. But, strong capital improvement needs to happen as well and obviously, the funding streams that we're working with right now are not adequate for the task and they're not apt to become adequate in the future as the nature of automobiles have changed and major transportation is changing. Those issues, though, have motivated me to be active with Nebraska On the Move and speak tonight really as a member of that committee. I think it's really important, as we work on this, that we assure...that we defend the integrity of the Highway Trust Fund. I would suggest that we protect the variable gas tax. It didn't work exactly as planned, but it still is a good component of the overall composite of funding sources. It is important to minimize the effects on counties and cities. There's already been some comments about the challenges that counties and cities are dealing with to maintain their own infrastructure. So, that needs to be high in our presence of mind. I think there's...there's probably a time to consider bonding as a potential component. Obviously, it needs a reliable funding stream for that to be a viable alternative. I think we need to continue to keep the expressway system on the table of possibilities. But obviously, we're here tonight to talk about how do we fund projects. I think a solution won't be found until we find some streams that really do decouple from gasoline taxes, because obviously, automobiles are changing and those funding streams just aren't working the same. At some point, I hope that we look at vehicle miles traveled in some form. There have been some suggestions made relative to adjusting gas taxes or sales taxes on gasoline. And certainly, it's difficult to talk about new taxes. But in reality, what we're dealing with, both at the federal and state level, are decreasing funding streams, taxing streams that are going down. So, we're proposing alternative taxes when we do those things. Adjustments to motor vehicle taxes, again, may be part, at least a small part of the puzzle. Understand how difficult the decision would be, decisions plural, and sure willingly to be part of the conversation, don't come with a lot of solutions and wish you the best as you tackle this difficult issue. That's all I have to say. Any questions? [LR152]

SENATOR FISCHER: Thank you, Mr. Nelson. Are there any questions? I have a

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couple. [LR152]

REX NELSON: Yes. [LR152]

SENATOR FISCHER: You mentioned the vehicle miles traveled. You're the first person to do so. We've had...of course, this is just our third hearing, but you're the first person to bring that up. I'm curious where you heard about it and why you think it might work here in Nebraska. [LR152]

REX NELSON: I'm not sure where I read about that. I read a lot of different sources. At some point, I think it will be part of the solution, however...certainly I think the biggest challenge for Nebraska is the number of vehicles that are traveling through and I don't know how you capture that. So, it may not be a good tool at the state level, it may be a federal tool, but at least it's worth discussing because an electric vehicle that is using zero gasoline, we all know...we'd like to capture them somehow, capture that funding stream. [LR152]

SENATOR FISCHER: Oregon did a pilot project. Are you away of that? [LR152]

REX NELSON: No. [LR152]

SENATOR FISCHER: They did a pilot project on the VMT and with only 140 some cars, but the senator who was working on that was excited about it. He feels that, if things even go smoothly, he feels that that would be maybe 10 years down the road before it would be feasible to have it in. And also on the fed...I think it's an interesting idea. I would like to support it and explore it. But after he told me he thought it was 10 years down the road, I...we have term limits in Nebraska. [LR152]

REX NELSON: Yeah, the beauty of gas tax is the administrative system already exists. Obviously, creating a new system would be a formidable task. [LR152]



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SENATOR FISCHER: Right. At the federal level, the new Secretary of Transportation mentioned that early on in the Administration as a possibility and was shot down immediately by the President. So, I don't think we'll be seeing it come from the federal level either. There's concerns with big brother identity and just the cost in setting it up, but I...it would be an interesting project to explore. But as you said, how do you cross state lines. It would be interesting. [LR152]

REX NELSON: Yeah, it has its challenges. [LR152]

SENATOR FISCHER: You also stated that you feel maintenance is important, but that we need capital construction, but that you support low taxation. Would, on a personal level, I want to hear regular people talk at these and we haven't so far gotten any. But, on a personal level, would you support a gas tax increase? Would you support a motor vehicle registration increase? Those were two ideas. You know, we're talking about an increase of something here. As I stated earlier, I don't think there's General Fund money, I know there's not any General Fund money that will be available in the situation we find ourselves now, so I'd like to know if people support their roads and road projects enough to have higher taxes or higher fees to pay for them. [LR152]

REX NELSON: Those are good questions. And obviously, one of the challenges we're dealing in Nebraska, we're a sparsely populated state of a disproportionate number of miles of road for the number of people that we have here. I think people don't understand that. Why can't we be like those other states that have lower taxes. Well, that's probably the biggest single reason in many different departments. Personally, I think the gas tax is probably more palatable than the motor vehicle registration. We're already, I think, fairly high relative to other states there and it's easier to compare, it's easier to bleed across state lines. I don't think very many people are going to scoot along south of the border to get lower gas taxes or a tank of gas, but that's just off the cuff. [LR152]

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SENATOR FISCHER: Thank you. I like those off the cuffs. I like to hear them. Thank you. [LR152]

REX NELSON: And my wife may dispute whether I'm really that regular, but...a regular person, but that's my opinion. [LR152]

SENATOR FISCHER: Senator Hadley. [LR152]

SENATOR HADLEY: I just wanted to comment on the possibility of using the miles driven, such as that. And I thought to...and it happen to cross my mind because I was driving in here and I put my GPS on 601 State Farm Road and it told me within 15 feet of where I was suppose to make the turn. And I was thinking, you know, 10 years ago if someone would've told you, you could have had that in your car or I get on a plane and it shows me exactly what time I'm going to take off and, you know, where I'm going to land 3,750 miles later and it tells me the minute that we're going to touch down. So, I think, eventually that solution may be the answer to the problem because it strictly is a user then if you don't drive, you don't have to pay it. [LR152]

REX NELSON: And interestingly enough, in order to enable that GPS, you had to tell it that you were comfortable, you could accept that yes, your vehicle could be identified in some means and your travels could be identified. So there is a big brother issue there, but I have one too and we're comfortable enough to say yes to those aspects, aren't we and with are cell phones. [LR152]

SENATOR HADLEY: And we're building them in cars now, too. So, is the next step to build a type of computer that does register miles driven that we can pay. [LR152]

REX NELSON: Absolutely. [LR152]

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SENATOR HADLEY: Thank you. [LR152]

SENATOR FISCHER: Senator Hansen. [LR152]

SENATOR HANSEN: Thank you. Rex, welcome to North Platte and to everyone else from out of town, welcome to District 42 and hope you feel...have a good time while you are here. Rex, I have a question on this vehicle miles traveled. There is a senator up here tonight that claims she drives over 30,000 miles a year. If she's driving a 1999 Honda Civic, like another senator that has been term limited out drove, they would probably get somewhere around a \$700 bill at the end of the year. Some people are going to find that not fair, especially when Mr. Dix says, you know, you get a 10-year-old vehicle, you're not paying any vehicle tax. Yet, you know, there are some people that drive older vehicles. I'm not sure what Senator Fischer drives, but I don't think she drives a 1999 Honda, but she's still going to have sticker shock at the end of the year where she's paying a lot of money for miles traveled even if, you know, you don't take into consideration how much that vehicle happens to be destroying the road, which would probably be very little. How would you respond to that criticism of vehicles traveled, in that source of raising funds for the roads? [LR152]

REX NELSON: I didn't know I was going to get to analyze this issue to that detail, but I should have prepared better. That's interesting because in reality, you're still paying the gas tax. So, how you equalize those factors, I'm not sure how you would do that. That would be part of the development process. This is the sort of thing that would take a couple of years to understand the implications for different people. But fortunately, we have brave politicians that are willing to stand up against a little bit of headwind sometimes to do the right thing. So see, it'll probably take care of itself. That was tongue-in-cheek humor, too. (Laughter) [LR152]

SENATOR HANSEN: I think we've spent enough time on that one. So, thank you. [LR152]

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SENATOR FISCHER: Any other questions. Senator Louden. Aren't you happy to be here? [LR152]

REX NELSON: Sure. This is fun. [LR152]

SENATOR LOUDEN: Yeah, I guess...As you mention that then, are you advocating then to do away with the gas tax and go to a pay per mile fee? Because one way or another, you either pay the tax or you pay the per mile and if you put that device on my pickup that I'm out checking pastures in, am I paying highway taxes driving around the pasture checking that. How do you sort that all out so that just when I'm driving down the highway that I'll pay taxes? And, perhaps if Senator Hadley here wants to go down a buy a loaf of bread, it probably takes him five minutes and probably drives a mile and a half. If I'm want to buy a loaf of bread, I'm going to drive 30 miles up and 30 miles back. So, how do you factor that into, if you're going to charge on a per mile basis? [LR152]

REX NELSON: Let's just go to the EPA fuel economy ratings. It's published, it's widely available. Your electric vehicle will have a big zero on fuel consumption. So, it would rely heavily on vehicle miles traveled. Just a thought. [LR152]

SENATOR LOUDEN: Okay. Now when you mentioned electric vehicle, I don't know if you're old enough or not, but do you remember in the 1980s when we had diesel cars? [LR152]

REX NELSON: Oh, yes. [LR152]

SENATOR LOUDEN: And we had on farm storage and we had to pay a special fee if we had on farm storage. That was before we had dye diesel fuel. So, there's been ways to get around electric cars that are using that. [LR152]

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REX NELSON: Oh yeah. And we had the non-tax gas tank as well on our farm. We were fairly honest with it, I think, but it was there. So yeah, there's the opportunity to evasion. Just takes good systems and hopefully, an honest public, too. [LR152]

SENATOR LOUDEN: Okay. Thank you. [LR152]

REX NELSON: Sure. Any other questions? Thank you. [LR152]

SENATOR FISCHER: Any other questions? I see none. Thank you, Mr. Nelson. Anyone else wishing to testify on this resolution? Good evening, Mr. Commissioner. [LR152]

RON BOOKS: Ron Books. I changed my mind. That's B-o-o-k-s. I'm from North Platte and I happen to serve on the Highway Commission. And so I told Senator Fischer earlier I wouldn't speak just to keep the meeting a little shorter if that would help you all. But, I thought I would make a couple of quicks comments and then if there is anything I can do for you, I'd sure be glad to do that. One of the things I'm a personal believer and have been in the 14 years I've been on the Highway Commission, is I think the public will stand for gas tax increases. Back in '88 when we did the 1988 summary and so forth, you know, we had a plan put together. I say we, in the big sense, you know, had a plan put together and there were going to be incremental increases that never happened. And therefore, we don't have some of the projects done that were suppose to be done by 2000. And I'm not saying that's good or bad, because...easier for to sit here and say, because I don't have to sit in your seats, and which leads me to another issue. And, I think people will pay, and whether it's for schools, whether it's for roads, I think they'll pay if they get their monies worth and they feel like they do, and if they understand what's happening to them and what they're getting. I think we're all seeing this last six months in our country what happens when things aren't explained well and people don't really perhaps understand, and then you put that with politics and with emotions and, you know. About, I want to say six months ago, but I'm not sure about that, at the Highway Commission we had an outstanding presentation by a friend of

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Monty's from another state that had been involved with a large, large fund-raising effort for highways and they spent two or three years doing it and did some PR work that absolutely made the difference. I think that an approach like that from you all standpoint, but more than just the highways. I think it could be done in the whole finance of the state in terms of putting together programs to take care of the very issues you are bringing up about you take \$120 million here, it leaves \$120 over here. And that's, you know, pretty much what we do, dig a hole in the backyard to fill the one we did in the front yard. And so, I think an approach where we can put together, where you all, with the help of those of us who are willing to help you, put together a program, you know, that can balance all those things and then go out to the citizenry and sell it to them in terms of what they are getting from their state government in terms of the needs, is whether it's schools, again, roads or anything else. You know, you all have the enviable job of looking at the huge picture, you know. I can make a case for the fact that I really get screwed when it comes to the taxes for the university. You know, you have this (inaudible), you know, but I don't get that football games and bring millions of people in every week, you know. And so there are a lot of things like that that we tend to focus awful narrow on just highways, you know, sometimes when perhaps, and especially when things get tough like this when you need to maybe be expanding what we're looking at saying, how can we be fair all around? The same with the gas versus the mileage. You probably going to want to do a combination of both to take into consideration cars that don't use much gas as opposed to, on the other hand, probably the difference in damage to the highway is negligible. In fact, Monty said many times, you know, passenger cars do very little damage to the highway. It's the trucks and weather that really damage it, not the passenger cars going across it. And so, anyway, to make my point, I think it might be an approach that the state of Nebraska could at least take a look at in terms of, you know, going out there and putting together a good package of taxes and things that those taxes are good for and then, you know, use the expertise of people that can do that better than any, and go out and sell it. And I think people are willing to pay, if they understand what they're going to get. [LR152]

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SENATOR FISCHER: Thank you, Commissioner. Are there questions? [LR152]

RON BOOKS: I would also say that the commission's always available for questions to do whatever we can do to help you make your guys job easier, because it's a tough one, I know. And so, we're always there. So, if we can ever be of assistance, be sure and give us a holler and you're always welcome to our meetings. [LR152]

SENATOR FISCHER: I appreciate that. Thank you very much. [LR152]

RON BOOKS: Thank you. [LR152]

SENATOR FISCHER: Is there anyone else who would like to testify on this legislative resolution? Good evening. [LR152]

LINDA TAYLOR: I want to thank you for all being so patient and listening to us. My name is Linda Taylor. T-a-y-l-o-r. I've been with Nebraska On the Move since 2002 when Governor Johanns, at that time, asked us to do a study of the transportation in the state of Nebraska. We traveled throughout the state listening to the wants and needs in all areas of transportation. One thing that comes to mind, to me, in 1969, we bonded for our Interstate 80. We did a \$20 million bond and at that time, the Legislature set a cap on the bond of \$50 million. That's the most we could ever bond for. We've never done anything of that type since 1969. And what I'm hearing tonight is everybody is really happy about having Interstate 80. It has done a lot for the state of Nebraska for economic development. We have seen growth of the cities and counties along Interstate 80. They have had the opportunity to grow. I bring to you a challenge tonight. We need to take the state of Nebraska forward into the future. Not just think about now, think about the fact that we will see inflationary times again. So maybe we, as a state, need to look at bonding. And I've heard numbers thrown out there, \$350 million. That's a lot of money. And, I know, that our state right now is looking at a lot of tough economic times. But when we're talking about getting our...I hear all the times, interstates are not being

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completed in Nebraska. We have bridges. We have county roads. We have cities that need their streets taken care of and we don't have the money to do it. Well, I know, we're talking about how do we raise the money in the state of Nebraska, and we've talked about gas tax. We've said, what happens? Well, you know, right now we are paying 45 cents a gallon at the pump. We pay 19 cents in federal tax, and of course, our 26 cents in state tax that we pay. So, every time I watch my gas go over, I think, well, we're giving this much to the state for roads, and that's important because our roads are very important. I don't think anybody will deny that a good transportation city is the backbone of our state's economy. And we need to step up to the plate and make for sure our transportation is in a good position. As leaders, we need to develop good public policy and we need to look 10, 20, and 50 years ahead. I know none of you will be here, I won't be here, because of term limits, you won't be sitting there unless you come back and run after you set out a term. However, we need to look at what can we do. One of the things Senator Christensen mentioned when we were in a Nebraska On the Move meeting in Lincoln is, why don't we look at a fee on pop, Coca-Cola, maybe water, maybe a beverage fee? And we have fees on alcohol, maybe a candy bar fee. I mean, you know, with thinking out of the box and instead of saying, okay, we'll raise gasoline taxes, why don't we look at a fee that is palatable to everyone in Nebraska and be a leader. You're sitting there with a can of Coke, Diet Coke, a nickel a can? You know, would this make a difference to our state of Nebraska's roads fund? We're not taking away from schools. We're not taking away from somebody else. Maybe we need to look at a different hype of a way to fund our roads. The other thing I noticed, and I'm a great newspaper clipper, I have stacks of articles about roads. But, this was July 9th of 2008, and it happened to be an editorial in the North Platte Telegraph. And I'm sure probably Senator Hansen probably read the editorial and probably some of the others. But, back in April, when the Legislature raised the gasoline tax by 3 cents per gallon, some lawmakers predicted motorists wouldn't even notice the increase. This gasoline tax increase, for the purpose of maintaining roads and promoting economic development, makes the situation worse. It drives home the point that the Senate just doesn't get it. Now, this is the North Platte Telegraph making this statement. [LR152]



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SENATOR FISCHER: I take the paper. Yeah. [LR152]

LINDA TAYLOR: You take the paper. You read this. And it didn't feel good thinking that you weren't making the right decision. And it said it affected all families in Nebraska. It raised taxes on every working family in Nebraska, and the Governor vetoed it. Right? And then you guys came back and it says here: The Governor gets it, however, he vetoed the bill saying it raised taxes on every working family in Nebraska. Okay. [LR152]

SENATOR FISCHER: If I can interrupt, that article was incorrect and I tried to correct it at the time and it never got a correction from the paper. [LR152]

LINDA TAYLOR: It never happened. [LR152]

SENATOR FISCHER: But, their facts are wrong in that article, completely. [LR152]

LINDA TAYLOR: Let's step on down to the next article, which I find interesting. May 17, 2009. Let's fast-forward, where we are. Okay. And these...we did raise the tax, okay. Nebraska's experience to 6.5 percent increase in tourism dollars over a period beginning in 2003 and concluding in 2008. That increase spending equates to an additional \$2.3 billion in tourism dollars flowing back into local and state economies. Okay. Lincoln County has experienced a 21 percent increase in tourism dollars spent. \$68.9 million from 2003 through 2008. North Platte. Infrastructure is important to us. Yes, we do have to do things that we sometimes don't choose to do, like gasoline tax increases. However, when we see how it comes back into our state, sometimes we have to step out of the box and look at creative ways of taking care of our state of Nebraska, because we're right in center of the United States. We have people coming in from all directions. And I know constantly we hear the fact that, okay, 14 cents is what Wyoming is, 24 cents is what Kansas is. Obviously, they have other ways of paying for

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their roads fund. I know, Colorado has their gambling. I'm sure Kansas does. North Dakota, South Dakota, you know, I don't know if that is the place to look, where are they getting their funds? However, we might step out of the box and look at putting a fee on soda pop, or something else that might work. The other thing is, how about driver's licenses? How about if we increased the driver's license because they are drivers in the state of Nebraska of \$5 a driver's license? The main thing we need to do is keep Nebraska moving forward. We don't need to continue to get behind on our infrastructure because, you know, doing the same thing over and over again and expecting different results is, of course, the definition of insanity. And we keep thinking that we're getting further and further behind. So, we need to move ourselves forward as a state and we need to step up to the plate. And if it is a \$350 million bond, that it is going to take to get our infrastructure where it needs to be, then maybe we need to take a serious look at this. And, I know we're looking at economic times being tough; however, if it is, I don't want to take tax from somewhere else, I don't like digging the hole in the backyard for the front yard and vice versa. But, I do think we need to take a look and step up to the plate of what we can do for Nebraska. I thank you very much for your time. Are there any questions? [LR152]

SENATOR FISCHER: Thank you, Miss Taylor. I appreciate your work on funding for roads for many years, and you did a nice job testifying. Appreciate the thinking outside the box. [LR152]

LINDA TAYLOR: Thank you. [LR152]

SENATOR FISCHER: Any questions? Senator Louden. [LR152]

SENATOR LOUDEN: Thank you for your testimony, Ms. Taylor. I think you hit on something, whether you realize it or not, when you were talking about the tourism dollars. I introduced that legislation to help with that tourism dollars and the point was, at the time, that somebody else, besides Nebraskans, were paying part of that money. It

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was coming in from tourists. It was a hard sell because a lot of people didn't realize that, but after that bill was passed, that was LB726, I think, in 2003, there was some counties that made out like Chinese bandits over that thing when they found out how much money they could actually get. Same line of reasoning, if we raised the gas taxes, we have the interstate here and you can't get across Nebraska without buying a tank of gas. So, how many...what percentage of people are helping us work towards our roads, rather than put a tax on something that's more confined locally, such as registration, driver's license, Senator Fischer's can of pop, or somebody like that. So, as you've noticed, if we have to think about something like that, we are only 1,700,000 people, but yet, we have probably a road that would service 400,000 people, because that's probably what traveled...or 400 million people...or 4 million people, because that's what probably travels across it all the time. So consequently, I think we find ways to help other people pay for our expense. Do you have a comment on that? [LR152]

LINDA TAYLOR: I agree with you wholeheartedly. However, I've never seen a car stop at a filling station and fill with gas that also didn't buy soda when they were there. Or, you know, hit the vending machine or whatever. So, I'm thinking that that would be a way that they could help us, because I do know...and I know that no one would drive over to another state to buy a soda or a six-pack of soda, or whatever. So, that might be a way to do it. But, I do agree that there are a lot of people that use our roads in Nebraska and it is fair that we ask them to help pay for our infrastructure. I do know that they bring a lot of money into our state, and we're happy for that. For instance, here in Lincoln County or North Platte, they didn't come in on Union Pacific and they didn't...a few might have come in on the airplane, but most of them drove in on the interstate or on Highway 83, or other roads in order to get here. [LR152]

SENATOR LOUDEN: Thank you. [LR152]

LINDA TAYLOR: Okay. Any other questions? [LR152]

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SENATOR FISCHER: Other questions? Senator Christensen. [LR152]

SENATOR CHRISTENSEN: More of a comment, but Linda has heard this before because when we was at Nebraska's On the Move, I made one more statement that might save some money long-term, be another way to look at this. I told them if they would have looked at making Highway 6 four-lanes, instead of the interstate six, they'd have an automatic detour if there's problems on one, make it an expressway. They would have less construction cost when you need to resurface because you could close one side, use the other expressway, they're close enough to detour to, you would not have to have all the time wasted putting up barricades when you're going to one lane, or cross them over to the other side of the intersection...or interstate and splitting that lane. I think there's some, also things that we can look at here, too, that might save some dollars. Yes, it'd cost more to buy some more land to make it four-lanes, but if you'd make it an expressway where the roads cross, instead of the overpasses, you've got the natural detour if there's a wreck, you've got the natural detour for road construction that could potentially save cost of redoing roads in long-term. I'll throw that one out as a suggestion. [LR152]

SENATOR FISCHER: Duly noted. Any questions? I see none. Thank you very much. [LR152]

LINDA TAYLOR: Thank you. [LR152]

SENATOR FISCHER: Anyone else wishing to testify on this resolution? Anyone else to come forward? With that, I will then close the hearing on LR152. Open the hearing on LR192 and Senator Christensen, would you like to open on your resolution, please. We're pleased to have you with the committee today. Thank you. [LR192]

SENATOR CHRISTENSEN: Thank you, Chairman Fischer and Transportation Committee, Senator Hansen. What this study is looking at is, would it be feasible to give

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kids that are 14 and 15 that have school permits, the ability to drive to work. Also, the same as they drive to school. They're already trained and driving. I just believe that it would allow them to become productive citizens. I know in my area, there's a number of farmers that would like to have help a half a day, 2, 3 days a week. But, they figure time they shut down their machine, they drive into town and pick up somebody and drive back, maybe 30 minutes both ways, it might as well just try and do it themselves and work a little longer. And I think it'd give the opportunity...it's a couple of things. I really believe kids learn to work at younger ages to have good work ethics. The older the kid gets before they drive...and I'll use an example. In my family, I've started couple of kids driving at age 14 for school permits, and I started one at 16 because we lived in town. There's no comparison in who's the better drivers. It's the one who started younger. For one reason, they were teachable. When they become 16 and older, they know more than I do. I'm just a dumb parent. And, I think the same thing applies to work ethic. Kids learn to work younger, learn better habits, and they tend to work better. So, but what the bill does, it requires the permit holder to use the most direct route. It allows the permit holder to transport him or herself to work with no others, and they may either drive from school or from place of residence. And now...I think the reason just make them productive citizens. It helps families that have both parents working, or a single parent family that one's already working, how do they get home to take them out to work, because this would apply into summer, as well as in the falls. So, I think it's ability to help our kids out. And, I know during the testimony of the bill that was brought forth, people said, well, it's not important in the city. So, there's options of limiting that, because there may be public transportation in the city. There isn't in the rural areas. Some people say it's too risky, but if they believe they're capable to drive to school, then they should be capable to drive to work. And, you know, I think the parents are the ones that could make the decision whether they are old enough to have that extra work permit, or ability to do that on the side. I'm going to give you just what some of our adjacent states do. Kansas, they have a farm permit which allows 14-15-year-olds, who reside or work on a farm to drive to school and work, presumably, for farm work. Wyoming, restricted license allows 14-, 15-year-olds, who have an extreme

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inconvenience, to operate a motor vehicle to school or a regular job, if the school or job is over five miles from home. South Dakota, restricted minors permit. Allows a minor at age 14, but less than 18, to operate a vehicle between the hours of 6 a.m. and 10 p.m., with the permission of parents or guardian. Iowa, special minors permit, license for the purpose of going directly to school. This license allow them to go to school between schools and to access public transportation and a service station for refueling between the hours of 5 a.m. and 10 p.m. Missouri and Colorado have none. Are there any questions? [LR192]

SENATOR FISCHER: Thank you, Senator Christensen. Are there questions? I see none. Thank...oh, Senator Hadley. [LR192]

SENATOR HADLEY: Thank you, Senator Fischer. Senator Christensen, would this apply in the summer? Or, would a person have a permit to drive during the school year, but then during the summer, they couldn't drive? [LR192]

SENATOR CHRISTENSEN: No, the school permit's even valid during the summer. [LR192]

SENATOR HADLEY: If it's to and from...you would allow a person... [LR192]

SENATOR CHRISTENSEN: To and from school. My son goes into weight lifting. If there's a FFA project going on, he drives into that. It applies year round just to school functions, the way it reads now. I'm just asking that it be opened up to allow them to drive to work, also, either by the same permit or by an additional standard as some states do as a farm permit. [LR192]

SENATOR HADLEY: Second question. Have you talked to any educators as their feeling about making it easier for children to work. Does this cause problems in the academic setting because of work becoming...as we make it easier and easier, students

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spend more time working than they do going to school. [LR192]

SENATOR CHRISTENSEN: Understand the point. I've talked to a number of school administrators, number of them have brought up the point they thought that was a concern. I didn't ask the question, specifically. But, I will give you an example of my own life. When I was in college, first year, took 15 hours of class. Didn't have a job. I was a C, C+ student, 15 hours, because I goofed off all of the time. Didn't work hard. It was sad. Starting the second semester, my freshman year...my sophomore year, started taking 19 to 21 hours, I was working a 40-hour a day job, 40-hour a week job, how about that (laughter) and... [LR192]

SENATOR FISCHER: We know you're a hard worker, Senator, but come on now. [LR192]

SENATOR CHRISTENSEN: And you know what, my grades went up two grade levels. I become a B student. So, I actually think what you find out when people feel like they're contributing to society and have the ability to work, earn money, be able to go do things, they actually become better students. [LR192]

SENATOR FISCHER: Other questions? Senator Hansen. [LR192]

SENATOR HANSEN: Thank you, Senator Fischer. Senator Christensen, I have two grandsons and they both live in Valley. If they went to work, they'd either work in Valley or Omaha. More than likely, the 30 miles into Omaha. One of those grandchildren, would probably...grandsons, would probably, you know, be borderline on whether they should be driving that far, especially, at age 14. The other one definitely shouldn't. He's 18 now and still is questionable driving. I think there is so much difference between a city of the metropolitan class, that we talk about, and cities of...does that include...does metro include Lincoln? [LR192]

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SENATOR CHRISTENSEN: No, that's primary. [LR192]

SENATOR FISCHER: That's first-class. [LR192]

SENATOR HANSEN: First-class. So what are we out here? [LR192]

SENATOR FISCHER: Important. [LR192]

SENATOR HANSEN: Important. Very...it is much easier for youth in the important section of the Nebraska to have that opportunity. But, when you start talking about 14-year-old driving on 680 in downtown Omaha to get to a swimming pool so they can lifeguard during the summer, or to a theater, I just can't see this being practical, you know, in other places other than in rural Nebraska. So, if we can...if our neighboring states that you talked about, had the minor permits or the farm permits, I think we should, you know...I'd be in favor of looking at that, but to let 14-year-olds drive in Lincoln and Omaha, I think we're asking for a lot of trouble. [LR192]

SENATOR CHRISTENSEN: I offered the committee an amendment that said, take out metropolitan and primary class, that's Lincoln and Omaha and use Class Is and IIs and villages and that pacified a lot of the metropolitan area senators with the same concern you got. Or, you could take it to a farm permit. Have a farm permit that is on the side only allows them to go to work. I know I have received several e-mails and one gal didn't make it here to testify, I can see, that wanted her son to be able to get out of town to her grandfather's place to work on the farm. And that, with my current language, that wouldn't work. With Kansas language being farm permit, they could get that. And that would be another alternative that, I think, would be very good. If wants to be limited to farm work, that's fine with me, too. So, I guess what I'm looking at is, I'm trying to give the kids that desire the work the opportunity to be able to get to a job that they may not be able to get to otherwise. [LR192]



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SENATOR HANSEN: Thank you. [LR192]

SENATOR FISCHER: Other questions? I see none. Thank you very much. Is there anyone here who would like to testify on this legislative resolution? Anyone else to testify on the resolution? I see none. With that, I will close the hearing on LR192. I would like to thank Senator Hansen for hosting us in his legislative district. I would like to thank Mid-Plains Community College for the use of their very fine facility, and the city of North Platte and Lincoln County, also, for allowing us to be here. I think it's always very, very important for senators to hold interim study hearings around the state to make it accessible for people who live in those areas to come and visit with us. I thank you for being here today. I do have some of my business cards here if anyone is interested in picking one up so you can communicate with me or with my committee counsel. Please feel free to come up and get one. And with that, I will close the hearings for the day and thank you all for being here. [LR192]