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[AGENCY 69]

SENATOR HEIDEMANN: Thank you. With that, we will close the public hearing on LB485 and open up the public hearing on Agency 69, the Nebraska Arts Council.  
[LB485]

SUZANNE WISE: We lost our page. [AGENCY 69]

SENATOR HEIDEMANN: She'll be back shortly. [AGENCY 69]

SUZANNE WISE: We'll just leave that there. [AGENCY 69]

SENATOR HEIDEMANN: We can wait. [AGENCY 69]

SUZANNE WISE: Okay. [AGENCY 69]

SENATOR HEIDEMANN: Welcome. [AGENCY 69]

SUZANNE WISE: (Exhibits 3 and 4) Good afternoon, Senator and committee members, and thank you again, Senator Heidemann, for allowing us to go first, kind of connected. And I would just like to suggest for the future, since arts begins with an A, that maybe we go by, you know, the alphabet rather than the number of the agency, just a hint, just something for you to put in your hat. Okay. [AGENCY 69]

SENATOR HEIDEMANN: It's always nice to start with A unless you're Adams and there's a controversial vote coming up. (Laughter) [AGENCY 69]

SUZANNE WISE: Okay, duly noted. My name is Suzanne Wise, S-u-z-a-n-n-e W-i-s-e, and I'm the executive director of the Nebraska Arts Council. Our agency is in accord with the recommendations issued by the committee. It will be very tight but we will

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manage. I've passed out or will be passing out a copy of a memo that I gave to Senator Heidemann's office on February 9 which addresses the recommendation that the aid to the humanities be merged into the Arts Council's state aid program, and here is that memo and there's enough for everybody, including Anne and Jeanne and you.

[AGENCY 69]

\_\_\_\_\_: Well, thank you. [AGENCY 69]

SUZANNE WISE: You're welcome. The Nebraska Humanities Council is our partner in many important endeavors and we will do all we can to make the transition a painless one. Over 30 years ago, your predecessors asked us to provide an annual grant to public television in support of cultural programs. We have faithfully honored that commitment, which has grown into a close and productive working relationship between the two agencies. I have no reason to doubt that the same will not be true with the Humanities Council, particularly when the procedure is codified into a memorandum of understanding with them. I also wanted to remind you to attend the Nebraskans for the Arts legislative breakfast on March 4. The constituents from your district are anxious to tell you what's been going on in the arts in your district and thank you for your support, so that's March 4 in the early morning before you get started. As always, we are deeply appreciative of your support and I will take questions if there are any. [AGENCY 69]

SENATOR HEIDEMANN: Thank you. Thank you for coming in today. Senator Mello. [AGENCY 69]

SENATOR MELLO: Thank you, Chairman Heidemann, and thank you, Ms. Wise, for your brief testimony. I'll try to be very brief. Real quick, in your agency efficiency review plan, you listed an option that states that it's estimated that an additional 10 or 15 percent overall reduction in grant review costs could be accomplished if a small change in the state's open meeting laws could be accomplished. You also say that you were going to look into that. Did you end up...did the council end up deciding to do any

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legislative activity or ask a senator to look into this for you? [AGENCY 69]

SUZANNE WISE: Actually, we submitted some information to Senator Price about that... [AGENCY 69]

SENATOR MELLO: Okay. [AGENCY 69]

SUZANNE WISE: ...and kind of felt that maybe with what was happening this summer that perhaps there would have been a possibility that a study could have been done. I realize with some agencies and commissions that there's a good reason why they meet in person, but certainly that's not the case with us. So if I could suggest or recommend that some sort of study group, because there are lots of issues involved with open meeting, and perhaps I think you're best qualified to look at that. [AGENCY 69]

SENATOR MELLO: Well, I applaud you for providing this information at least to us. It was very helpful in the sense of... [AGENCY 69]

SUZANNE WISE: You're welcome. [AGENCY 69]

SENATOR MELLO: ...trying to identify something innovative in regards to helping with your operations. The last other question I have, and it's something that I've been asking most agencies, is, one, does the Nebraska Arts Council have a strategic plan and do you provide that strategic plan publicly available on your Web site? [AGENCY 69]

SUZANNE WISE: Absolutely, Senator. [AGENCY 69]

SENATOR MELLO: Okay. [AGENCY 69]

SUZANNE WISE: If you go to the front page of our Web site and go to the section that says who we are, click on that, you will go to our strategic plan. You will see how we do

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it, who we ask to participate in it, the goals, the objectives, the evaluation. We happen to be an agency where part of our job is to provide good modeling for nonprofits, which include strategic planning and also includes evaluation methodology. Because unlike the private sector, unlike a factory, for example, you can't measure the number of widgets, but there are other ways that you can measure how a not-for-profit performs its functions and, similarly, that's the way a state agency like ours, which primarily is a service provider and a financial provider, do that. So, yes, it's available on our Web site and I can provide additional information is you'd like it. [AGENCY 69]

SENATOR MELLO: Well, I'll probably just get on. Thank you for doing that. [AGENCY 69]

SUZANNE WISE: You're welcome. [AGENCY 69]

SENATOR MELLO: I guess my second question is kind of a lead in from where you were just going, which is does the Arts Council provide any kind of...go through any, I guess, benchmarking or performance measurements that you as an agency can measure success or failure and something that we would be able to see as a committee or the public at large could see in regards to whether or not you met your performance measurements or benchmarks over the course of any given year? [AGENCY 69]

SUZANNE WISE: You know, it's an interesting idea because as an exercise we're asked to do that in terms of our budget document. Our budget document always, of course, has various columns for those things and it would be an interesting issue, I think, if the executive branch would ask us to then provide those measurement figures as part of that budget document. We don't do that, of course, because we haven't been asked to do it, but we do several things which are available to the public. One is our top ten list. Every year we provide to the board a list, kind of like a "honey do" list really, of ten items that we propose to complete during the fiscal year, and I report on that at the April meeting every year of what's been accomplished; if it hasn't been accomplished,

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why it has not been accomplished. And so that is available. Additionally, our staff is required on their time cards to indicate what amount of time they spend on service, what amount of time they spend in the granting process, what amount of time they spend in special projects, and what they spend in internal...kind of internal agency issues like the inventory, for example, that we're required to do every year. So we do measure that; that is also available. [AGENCY 69]

SENATOR MELLO: Okay. Thank you so much. [AGENCY 69]

SUZANNE WISE: Uh-huh. [AGENCY 69]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thanks for coming in today. [AGENCY 69]

SUZANNE WISE: Thank you. [AGENCY 69]

SENATOR HEIDEMANN: Is anyone else wishing to testify on Agency 69? Welcome. [AGENCY 69]

JULIE JACOBSON: Welcome. Good afternoon. Members of the Appropriations Committee, my name is Julie Jacobson. I'm the current chairman of the Nebraska Arts Council. My husband Mike and I reside in North Platte, the 42nd Legislative District, and we have two children as well as ownership in two businesses, NebraskaLand National Bank and Nebraskaland Farms. What I would like to share with you are...think that I know that you probably already know about the arts. They inspire us, they soothe us, they provoke us, and they connect us. But many of you probably are not aware of the strong and credible data that demonstrates its economic benefits. One of the things that the arts programs do, they serve as components of high-impact economic development programs, assisting government by leveraging cultural resources to generate economic vitality, revitalizing rural communities by serving as a centerpiece for downtown

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redevelopment and cultural renewal, creating vibrant public spaces, and contributing to our region's innovative habitat. Thriving cultural life generates income, jobs, and tax revenue, and it also creates visibility for our state. These efforts are made possible with support from the Nebraska Cultural Endowment and allow Nebraska Arts Council to work toward its goal of making arts a basic part of education in Nebraska. Some of the programs I'd like to speak to you about are possible with a statewide initiative. Because of location and geography, our students in North Platte are not able to access the same opportunities of their counterparts in eastern Nebraska. The Lied Center's Arts Across Nebraska Program focuses on public performance provision with venues across the state. "Moses Brings Plenty" and Many Moccasins Dance group came to North Platte for arts education workshops in the schools, culminating to their public performance on the weekend for area families from 26 schools and 36 neighboring towns. This experience was inspiring, exciting, and very explosive. One of the partners was the Downtown Association that had planned a Halloween walk for over 2,000 youth. Words cannot express the elation that we felt as volunteers witnessing costumed children and their families fill the Neville Center not once but twice that day with their candy buckets and full of enthusiasm. When children have the opportunity to experience and participate in this kind of learning experience, it deepens their understanding across the curriculum and heightens their appreciation and understanding of their own cultural realities. Our teachers have participated in Prairie Visions, another wonderful program that has unique examples of statewide collaboration and networking of organizations for the arts. Sheldon Museum of Art's outreach program, Sheldon Statewide, has been active in North Platte for over 20 years. As chairman of this event in our area, I have witnessed magic in the making. As the visual art exhibitions were installed and over 4,000 students per year are given "docented" tours, teachers receive quality educational materials with integrated classroom activities for continued learning and they are engaged in conversations about art. This may be the only opportunity for most of our students to see museum-quality art and it is embraced by the entire community with coordinated events. These arts education conversations are very important to instill in our youth because they develop creativity. Creative minds of today are tomorrow's

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problem solvers. Whether they are bankers, businessmen, scientists, teachers, doctors, or farmers, everyone benefits from the arts. As local business owners, we support the arts financially and passionately and appreciate the ability of these arts events to leverage additional events, related spending, further audiences that pumps vital revenue into restaurants, hotels, retail stores, and other local businesses. Valuable commerce is generated by our local rural merchants when we sponsor regional arts events. A recent study of ours showed that the typical attendee spends \$27.79 per person per event in addition to the cost of the event. Nonlocal attendees that come in to our community spend twice as much as the local. Local tourism shows that cultural travelers stay longer and spend more. The Nebraska Arts Council has also been collaborating with Teammates mentoring programs and also made possible three years ago the Omaha Symphony Orchestra to take the LinkUP Program to us. It was explosive in impact and it was a supportive boost for our music educators and the 5th grade students across the district as they were able to play with professional musicians. This is only an example of the many wonderful programs that are available, and I see I'm out of time so I will close. The Nebraska Arts Council is also very efficient by evaluating their programming and their staff job descriptions. Their budget is efficient as it provides arts for all. Nebraska Arts Council is not only effectively managed but they have been recognized nationally by the National Endowment of the Arts with competitive grant funds for Nebraskans in the areas of underserved arts communities and arts education. In closing, I wish to extend my heartfelt thanks to each of you for your dedicated service to the state of Nebraska and ask that you continue to support the arts and humanities across the state and see the value of sustaining their future for the quality of life we have learned to expect and the rural economic development that it fosters. Thank you very much for your time. [AGENCY 69]

SENATOR HEIDEMANN: Thank you for... [AGENCY 69]

JULIE JACOBSON: I tried to get a lot in, in a small amount of time. So thank you.  
[AGENCY 69]

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SENATOR HEIDEMANN: Thank you for coming in today. For the transcribers that transcribe later on, could you state and spell your name? [AGENCY 69]

JULIE JACOBSON: Oh, yes, Julie Jacobson, J-u-l-i-e, Jacobson, J-a-c-o-b-s-o-n. [AGENCY 69]

SENATOR HEIDEMANN: Senator Hansen. You have a question, if you'd be willing to answer. [AGENCY 69]

SENATOR HANSEN: Thank you, Julie, for coming from North Platte today and testifying in this...behalf of the Arts Council. Every year I get a thank-you note from the Wallace school district who gets a scholarship, and the scholarship is an art scholarship. All it amounts to is it pays for the transportation for Wallace school district, which is 163 students, I believe. Anyway, a couple of their grades get on a bus and come to North Platte to see the arts display in North Platte. Who pays for that scholarship and will I be getting that thank-you letter this year? [AGENCY 69]

JULIE JACOBSON: Nebraska...I hope so. Nebraska Arts Council does. It's our best grant program. It's one of the wonderful grant programs that we have. [AGENCY 69]

SENATOR HANSEN: And can you continue that program this year with... [AGENCY 69]

JULIE JACOBSON: We're hoping. [AGENCY 69]

SUZANNE WISE: We're going to try. [AGENCY 69]

SENATOR HANSEN: That's all we can do is try. I appreciate that and it took me a little while to figure out where that money came from when that thank-you note came from the Wallace school children. But when I found out it was the Arts Council, it made

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sense. So appreciate that. Thank you, Julie. [AGENCY 69]

JULIE JACOBSON: All right. Thank you, Senator Hansen. All right. [AGENCY 69]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thank you for coming in today. [AGENCY 69]

JULIE JACOBSON: Thank you. Yes, thank you for your time. Thank you. [AGENCY 69]

SENATOR HEIDEMANN: Is anyone else wishing to testify on Agency 69? Welcome. [AGENCY 69]

BARBARA ZACH: Good afternoon. I'm Barbara Zach, Z-a-c-h. I'm executive director of Lincoln Symphony Orchestra. In the case of Lincoln Symphony Orchestra, Nebraska Arts Council and Cultural Endowment funding support makes up about 5 percent of our annual operating budget, and this public support helps us to leverage private support from corporate sponsors, private family foundations, and individual donors. Because of the stringent grant process implemented by the Nebraska Arts Council, funding from the Nebraska Arts Council carries with it a stamp of approval from an independent committee of industry professionals and this gives our donors a sense of security that they are giving to a well-run, mission-driven organization, and so we use this to leverage dollars, support, and trust from our donors. During difficult financial times, giving to the arts might be one thing that's easy to think about cutting, but I passionately believe that this would be cutting into our future. The critical piece of funding that we get from the Nebraska Arts Council helps us to work in collaboration with schools. There are schools that also use that same bus funding to bring their students to our young people's concerts that we have every year. Lincoln Symphony Orchestra serves more than 5,000 young people every year. We have young people's concerts, we do in-school visits, we work with the teachers advisory committee, we have family concerts, we do a side-by-side concert with the youth symphony. I'm sure that you've all heard or read the

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statistics telling you that arts participation increases math and science scores. It makes better students, which will create in the future better doctors, teachers, and citizens. In fact, research shows that the average adult patron of the arts is what they call a super citizen---someone who volunteers in their community, donates to many causes, and cares about making their community a better place. And so in addition to asking for the financial support of the arts, I'm asking us to create an example. This is the kind of people we want to cultivate in Nebraska and this is why it's critical to lead by example by supporting the Nebraska Arts Council and the Cultural Endowment. One final point I'd like to make is that you can be assured that now more than ever the money is going directly to meet mission. LSO has been a good steward of financial resources. We've balanced our budget four out of the past five years. We, like many nonprofits, have had some very difficult organizationwide discussion. We've made cuts of up to 15 percent to our budget and I know that we're not the only nonprofit who's doing this. We're not the only arts organization who's doing this. Everyone is doing less with more (sic). And also we have made substantial cuts, we were able to maintain all of our contractual commitments to our orchestra in terms of salary and service guarantees, and I say this because these are the people who live and work in our community, who are paying mortgages in Lincoln, who are buying groceries, sending their kids to public schools, and who are contributing to the economic as well as the artistic life of our community. LSO is part of the economic engine by paying their salaries and we've prioritized those salaries during the past few years. So retaining a high quality of performance and educational programming and refraining from making those personnel cuts were priorities that we've really maintained, and that funding has really been critical for us during that time. So I really can't emphasize enough the importance of the Arts Council and the funding that we get from that. It has provided us not only a really stable base of support in our budget but also some great leverage as we go out and talk to our donors about the importance of supporting the arts during difficult financial times. Thank you.

[AGENCY 69]

SENATOR HEIDEMANN: Thank you for coming in today. Senator Fulton has got a

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question, if you could oblige. [AGENCY 69]

BARBARA ZACH: Yeah. [AGENCY 69]

SENATOR FULTON: Thank you for being in today. A question and then a comment. The question is, you touched on this a little bit, have there been a performer...orchestra of performers who have had to been let go and can you explain how that has...within your budget, have you had to make those kinds of decisions in recent years or who couldn't be paid I guess? [AGENCY 69]

BARBARA ZACH: Through our orchestra are you asking? [AGENCY 69]

SENATOR FULTON: Yeah, just Lincoln probably. [AGENCY 69]

BARBARA ZACH: Many regional orchestras in our budget size across the country have had to make very difficult payroll decisions. I am glad to say that that is not a decision we have had to make. We were very proactive and we cut in every place other than personnel. And so we're operating with less marketing and, you know, in different ways, but we met all of our contractual obligations in terms of personnel. We're using less outside soloists, but all of the local personnel were... [AGENCY 69]

SENATOR FULTON: That's been intact. [AGENCY 69]

BARBARA ZACH: Exactly. [AGENCY 69]

SENATOR FULTON: Okay. If you'd allow the tables to be turned, Mr. Chairman, just for a moment, you should hear, I don't know if you hear this very often but we appreciate the work that you do here in Lincoln. We watched...my wife was a practitioner of the performing arts at one time and then we started having kids, so we've watched from afar and you've done a very good job here with LSO. And so I appreciate you coming down

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to testify. [AGENCY 69]

BARBARA ZACH: Thank you. [AGENCY 69]

SENATOR HEIDEMANN: Are there any other questions? Seeing none, thank you.  
[AGENCY 69]

BARBARA ZACH: Thank you. [AGENCY 69]

SENATOR HEIDEMANN: Is anyone else wishing to testify? And I see there is.  
[AGENCY 69]

CHRIS SOMMERICH: (Exhibits 5 and 6) Thank you, Mr. Chairman and members of the committee. My name is Chris Sommerich, S-o-m-m-e-r-i-c-h. I'm the executive director of the Nebraska Humanities Council. In 2010, more than 390,000 Nebraskans in 138 different communities experienced educational humanities related programs funded by the Nebraska Humanities Council through grants or other collaborations with state and local institutions. For example, 1,500 high school students and deliberated important global issues and the future of U.S. foreign policy through Capitol Forum on America's Future, with 100 of those students coming here to the State Capitol for Capitol Forum Day. Four thousand children read and discussed books together at Prime Time Family Reading Time sessions in libraries, schools, and community centers. Thirty-five thousand Nebraskans of all ages explored their history and culture at presentations by scholars from our speakers bureau. Four thousand people traveled back in time with scholars portraying historic figures at our "Bright Dreams, Hard Times" Chautauqua and relived how America weathered the Great Depression. I would not deem to tell you that none of this would have taken place without the funds appropriated by the Legislature, but I assure you that some of it would not have. In a tough year for private donations, the funding from the state of Nebraska and through the Nebraska Cultural Endowment enabled us to, with a little belt tightening, avoid significant programmatic cuts. On behalf

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of those many thousands of Nebraskans whose lives were enriched this past year through those experiences, thank you very much. When you think about the Nebraska Humanities Council and what it brings to the state through a combination of public and private funding, think of us first and foremost in terms of educational opportunities. One specific focus is closing the achievement gap in some of our state's minority populations. More generally, we exist to serve Nebraska because a strong, vibrant democracy requires informed, engaged citizens. We recognize that the continuing economic challenges and projected budget shortfall necessitate that we all do our part in bearing the burden. As senators, you have a difficult task with many worthy programs coming up against the urgent need for fiscal responsibility. With your support, the Nebraska Humanities Council will continue to meet the evolving needs of our state and use our funding to maximum effectiveness. A guiding compass for me, as executive director, is effective stewardship of our financial resources entrusted to us through...from all sources, public and private. Thank you once again for continuing to recognize the value of the humanities programs in your district and throughout the state. And I left with you some words from a more eloquent gentleman than myself, the chair of the National Endowment for the Humanities, Jim Leach, who the Omaha World-Herald republished a speech of his in Saturday's paper. And I'd be happy to answer any questions. [AGENCY 69]

SENATOR HEIDEMANN: Are there any questions? Seeing none, thank you for coming in today. Is anyone else wishing to testify on Agency 69? Seeing none, we're going to close up the public hearing on Agency 69. [AGENCY 69]