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Government, Military and Veterans Affairs Committee  
January 29, 2014

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[LB745 LB792 LB804 LB833]

The Committee on Government, Military and Veterans Affairs met at 1:30 p.m. on Wednesday, January 29, 2014, in Room 1507 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB792, LB804, LB833, and LB745. Senators present: Bill Avery, Chairperson; John Murante, Vice Chairperson; Dave Bloomfield; Tommy Garrett; Russ Karpisek; Jim Scheer; and Norm Wallman. Senators absent: Scott Lautenbaugh.

SENATOR AVERY: Good afternoon, folks. Welcome to the Government, Military and Veterans Affairs Committee. We have four bills today. We will take them up in the order as they are displayed outside the room, starting with LB792, followed by LB804, LB833, and LB745. And before I start, let me introduce the members of the committee. We have, I think, barely enough for a quorum here. Starting on my right is Senator Dave Bloomfield from Hoskins, Nebraska. He will later be joined by Senator Garrett who is our newest member. Senator Garrett is from Bellevue. And here comes Senator Murante, right on cue. Senator Murante is from Gretna and he is the new Vice Chair of the committee. On my immediate right is Christy Abraham, she is legal counsel for the committee. I am Bill Avery from District 28 here in south-central Lincoln and I chair the committee. On my left is Senator Russ Karpisek from Wilber. And on his left is Senator Norm Wallman from Cortland and then Senator Scheer from Norfolk. Sherry Shaffer is on the very end down there, she is the committee clerk. If you are testifying, we have a green form for you to fill out. We ask that you provide the requested information, that you print clearly so that we can read it, and you give this to the clerk. If you have material that you wish to share with us, a copy of your...a written copy of your testimony or anything of that sort, supporting documentation materials, data, we ask that you provide us with 13 copies, 12 copies, 12 or 13 copies. And if you don't have copies for distribution, we would ask that you provide the intern or page with a original so that we can get copies made for you. And that brings me to introduction of our page, Colton Wolinski. He will be helping us out throughout today. The format that we follow is the same as other committees. The introducers have the first opportunity to present their proposals, followed by proponents, then opponents, and neutral testifiers. Closing remarks are reserved for the introducing senator only. We will be using a light system. It is a five-minute light system. The green light is four minutes. After that, the amber light comes on. You have one more minute to conclude your testimony. When the red light comes on you should be finished. We ask that you turn off any electronics that make noise or put them on silent mode and that will be appreciated so as not to disrupt our proceedings. With that, we are pleased to have with us today, Senator Kate Sullivan, who is going to introduce LB792. Welcome, Senator. [LB792]

SENATOR SULLIVAN: Thank you, Senator Avery. And good afternoon, colleagues and members of the Government, Military and Veterans Affairs Committee. I'm Senator Kate Sullivan. That's K-a-t-e S-u-l-l-i-v-a-n, representing the 41st Legislative District. LB792 eliminates an antiquated reporting requirement for county treasurers. Section 79-1034 requires

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county treasurers to send a semiannual statement to the State Treasurer that shows the amount of money collected on behalf of school districts from all sources and the amounts paid out. The State Treasurer does not use or need this report and some treasurers report that the State Treasurer has actually asked them to quit sending it in the mid-1990s. State Treasurer Stenberg submitted a letter of support for LB792 to the committee. I don't know if you have received copies of that letter. Okay, I happen to have copies if you needed it. The State Auditor also has no problems with eliminating this report. The funds show up in the semiannual financial report which is published in local papers and in the audit report at the fiscal year end. In the interest of streamlining government, county treasurers have asked to eliminate this statute. This bill does not affect the collection or distribution of school funds by counties. I would make sure that wouldn't happen. Separate sections of statutes set out those procedures. LB792 is simply intended to eliminate a reporting requirement that is no longer necessary. So I thank you for your time and interest and I encourage you to advance LB792 to General File. [LB792]

SENATOR AVERY: Thank you. I forgot to mention that if you wish to record your support for or opposition to any of these proposals but do not wish to testify, there is a separate form here for you to fill out if you wish to do that and that's available on the table there and on the table at the other door. Thank you. Questions from the committee for Senator Sullivan? Who said democrats are for big government and duplicated effort and all of that? Here you are, shrinking government a little bit. [LB792]

SENATOR SULLIVAN: A little bit, uh-huh. [LB792]

SENATOR BLOOMFIELD: And who requested that happen? [LB792]

SENATOR AVERY: I think (inaudible). Who did? [LB792]

\_\_\_\_\_ : I hear the trains are going off the tracks right now. [LB792]

SENATOR AVERY: All right, thank you. [LB792]

KATE SULLIVAN: You bet. [LB792]

SENATOR AVERY: We'll move now to proponent testimony. [LB792]

LARRY DIX: Good afternoon, Senator Avery and members of the committee. My name is Larry Dix, I'm the executive director of the Nebraska Association of County Officials, appearing today in support of LB792. My task today is fairly easy. It is to make sure to get NACO on record. We

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want to thank Senator Sullivan for carrying this bill. The report that typically was submitted years and years ago, was what counties typically call a fund balance report. And it is advertised in the paper. And it simply lists all the fund balances of a specific time over a six-month period of time. So the report, in essence, said here's the beginning balance, here were the collections, here are the disbursements, here is the end result of that report. That used to be, years ago, placed on file with the State Treasurer. Over the years, since we've gone to a lot more electronic reporting and things like that and, obviously, everything that's on that report is a public record. Anybody can walk into any courthouse and ask for that report. And so there really...we found no need to continue to send that to the State Treasurer. So with that, I'd be happy to answer any questions you may have. [LB792]

SENATOR AVERY: Why did it take you 20 years to get around to this? [LB792]

LARRY DIX: Oh, I don't know. You know, it moves slow. It is one of the things I would tell you that--and you're going to hear me mention later--NACO undertook a process in the year 2010 to look at efficiencies in government over the next ten years. And so we did look at a number of things. And we do see some things in state statute that, over time, come to our attention. And this actually came to our attention at one of our workshops when, I think, the State Auditor had mentioned the requirement for the report and just asked sort of for a show of hands how many people were still submitting their report. And some people said, we haven't done that for years. So that's...you're right. We're not on the ball. We should have been, we should have been doing this 15 years ago. [LB792]

SENATOR AVERY: Any questions? Senator Bloomfield. [LB792]

SENATOR BLOOMFIELD: Thank you, Senator Avery. Just out of curiosity, for those that continued to do it--although it wasn't everybody--what did it cost our counties a year? Any idea? Postage? [LB792]

LARRY DIX: Oh, it's...no. I mean, virtually, there's no...there's probably more cost on the State Treasurer's side to make a file folder that says, here's all the reports because, you know, realistically anymore from a county side, it's the running of a computer report--in many counties, it's a six-page report--what it takes to put it into an envelope, seal it, put a stamp on it, and mail it two times a year. [LB792]

SENATOR BLOOMFIELD: So before we break our arms patting ourselves too hard on the back, we're really not saving the taxpayer a lot of money but we are cleaning things up a little bit. [LB792]

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LARRY DIX: We are...Senator Bloomfield, I would tell you, I don't think you're going to be able to go home and say you can lower your tax rate in your county. [LB792]

SENATOR BLOOMFIELD: Okay. Every little bit helps. [LB792]

LARRY DIX: That's right. [LB792]

SENATOR AVERY: I don't see any more questions. Thank you, Mr. Dix. [LB792]

LARRY DIX: Thank you. [LB792]

SENATOR AVERY: (Exhibit 1) Any other proponent testimony? Seeing none, we'll move to opponent testimony. Anybody that wants to defend this archaic practice or oppose it? All right. Seeing no one wishing to oppose, anyone wish to testify in a neutral position? Senator Sullivan, do you wish to close? Senator Sullivan waives closing. It means that we now have one letter to read into the record in support and that is from the State Treasurer, Don Stenberg. Thank you, Senator. That ends the hearing on LB792 and now it is my turn. Good afternoon, committee, my name is Bill Avery, B-i-l-l A-v-e-r-y, representing District 28 here in Lincoln. I am bringing to you today, LB804. This is a corrective bill. It cleans up some sections of law that appear to be in conflict with the constitution. This changes the removal process for the Tax Commissioner and the executive director for the Crime Commission. With this bill, language is eliminated that provides for a public hearing if the Governor decides to remove either the Tax Commissioner or the executive director of the Crime Commission. In Article V, VI, and X of the Nebraska Constitution, it states that the Governor has the power to remove any person whom he appoints at any time and for any reason. That is in the Constitution, Article V, Section 10. This section makes an exception for persons appointed for a term. Persons who are appointed to a term are removed by the Governor following a public hearing. Neither the Tax Commissioner nor the executive director of the Crime Commission are appointed to a term, according to the Governor's Office. Therefore, current statutes, as defined in this bill, may be in violation of the constitution and probably are. The bill, then, is offered to clean up these two sections of law before the next Governor takes office. Is it a big issue? Probably not, but it is a potential problem where the law is not in full accord with the constitution and it needs to be cleaned up. With that, I'll take any questions you might have. [LB792]

[LB804]

SENATOR MURANTE: Thank you, Senator Avery. Are there any questions for Senator Avery? Seeing none, thank you, Senator Avery. [LB804]

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SENATOR AVERY: Thank you, Senator. [LB804]

SENATOR MURANTE: Are there any proponents on Senator Avery's bill? Welcome, Larry. [LB804]

LARRY BARE: Thank you, Senator Murante, members of the Government Committee. My name is Larry Bare, L-a-r-r-y B-a-r-e, Governor's chief of staff. I'm here to testify in support of Senator Avery's bill. He described it perfectly. You appoint someone for a term and you want to remove them, you need to give them a hearing. If they're not appointed for a term, they can be removed at any time. And actually, it goes further in the Tax Commissioner's case in that there's actually a constitutional provision that specifies that the Tax Commissioner will serve at the pleasure of the Governor. There are statutes which say that all agency directors are not appointed for a term. And so this just needs to be done to clean up a provision that somehow got done wrong in the first place. I'd be happy to answer any questions. [LB804]

SENATOR MURANTE: Thank you very much. Are there any questions? Seeing none, thanks for coming down. [LB804]

LARRY BARE: "Karpy", I thought you'd at least come up with something. [LB804]

SENATOR KARPISEK: I've got a couple of wise comments and questions, but I'll wait. [LB804]

SENATOR SCHEER: I'll give him a question. The assumption is, this just saves the state the opportunity for a lawsuit at some point in time if this were to (inaudible). [LB804]

LARRY BARE: I mean, I've not ever been aware of any occasion where either of these people have asked for a hearing. In most cases, you don't have a termination, you have a resignation. Yeah, it just needs to be cleaned up. And like Senator Avery said, we've got a new Governor coming in, try to get the law in as good a shape as we can. [LB804]

SENATOR SCHEER: Thank you. [LB804]

LARRY BARE: Thank you. [LB804]

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SENATOR MURANTE: All right, thank you. Thank you. Is there additional proponent testimony? Seeing none, is there any opponent testimony? Any neutral testimony? Senator Avery waives closing. We'll move on to Senator Dubas' bill. [LB804]

SENATOR AVERY: Yes. We're now moving...that ends the hearing on LB804. We'll now go to LB833 and welcome, Senator Dubas, to the Government Committee. [LB833]

SENATOR DUBAS: Thank you very much, Senator Avery. Members of the Government Committee, my name is Senator Annette Dubas, A-n-n-e-t-t-e D-u-b-a-s. I represent Legislative District 34, and I'm here today to introduce LB833. This bill would let the voters of each county with a population of 150,000 or less--and I believe, if I was looking at the right statistics this morning, that's about 91 of our 93 counties--it allows them to decide whether or not to keep an elected surveyor in their county. Currently, some counties have elected county surveyors, some do not. In those counties that elect...according to the legislation, in those counties that elect to not have a county surveyor or those counties who don't have a qualified surveyor, the county board can hire one on a full-time or part-time basis. Those counties that elect to keep an elected county surveyor, the residence requirement would remain in place. This issue was brought to me. I have some ongoing issues within my district, some questions about how the county boards use county surveyors. Are they allowed to just go out and hire surveyors? Should they be elected? There's just been a lot of, I would say, consternation going on within counties across the state and especially as you get into the more rural counties, the counties that have even smaller populations. And so I'm not here to say that I think LB833 is the answer. I introduce this bill to allow both sides of this issue to come forward, present their perspectives, their thoughts about what they think the statute should look like. And so I know there's people coming behind me. I know I've been working with Larry Dix on this issue. He and I have had some conversations. And I believe there will be some county representatives as well as some surveyors who will come forward and point out the pros and cons of where they think this legislation should look...what this legislation should look like. I'll be taking a lot of notes throughout this hearing and will be very, very happy to work with this committee on what you think is the best direction for this legislation to go. So the experts with the answers to the questions are probably behind me and I would hope that you would ask questions to them. [LB833]

SENATOR AVERY: Let me ask you about the fiscal note because, intuitively, you would expect that when you are making this kind of change, you would have some savings to the counties; in maybe some cases, significant savings. But the fiscal note doesn't seem to recognize that. [LB833]

SENATOR DUBAS: I don't have the fiscal note in front of me, I'm sorry. [LB833]

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SENATOR AVERY: Well, I was just wondering if you had an opinion. [LB833]

SENATOR DUBAS: I would definitely agree with what you said. In fact, I think there may be even some testimony that would tell you that some of the counties what they're building into their budgets right now if they don't have a surveyor, a very limited, very small budget that they aren't even using. But that if, at the end of the day, it's deemed that they need to have a county surveyor, that that budget would increase significantly because of wages, office, all of those other things. So by allowing counties, in my estimation, by allowing counties to have that...make that decision, do they want this to be an elected position, do they think it needs to be? Or should the county just be able to contract for what they feel they need based on budget and dollars, to me, makes sense. [LB833]

SENATOR AVERY: Or maybe decide they don't need one. [LB833]

SENATOR DUBAS: Exactly. Technology comes into this, too, as what we have available with GIS and all those other things. And I know that brings some consternation to surveyors as well. So, again, the reason for introducing this is just to have some conversation about what does the future look like for county surveyors. [LB833]

SENATOR AVERY: Okay. Thank you. Questions? Senator Scheer. [LB833]

SENATOR SCHEER: Senator Dubas, you show the election taking place on the 2020 ballot. So...and that's a lot of notice for counties or anyone else. And I can appreciate that. I'm just wondering if it would make sense to have the election...this may be nitpicking so I'm just...when clarification...the election was 2018, that it didn't become effective till the year 2020 so that you not only have notice that you're going to vote on it, but then it also gives them a full term or two years to implement that change. I mean, would that make sense? [LB833]

SENATOR DUBAS: Oh, yeah. And, again, those were things--as looking at putting this legislation together--I think those are the things that need to be brought out in this hearing if this is a bill that we're going to go forward with, is that...do we need to shorten that time span as far as the election? I think giving enough lead time and understanding, especially if you're a county that already has an elected surveyor. But what if your county decides... [LB833]

SENATOR SCHEER: Uh-huh. [LB833]

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SENATOR DUBAS: ...they don't want that position anymore? So I think, as I said, I'm open to anything, any direction that this bill may need to go as far as what this committee deems to be the best direction based on the testimony that will come forward. [LB833]

SENATOR SCHEER: Thank you. [LB833]

SENATOR AVERY: Any other questions? Don't see any. Thank you. Proponent testimony? Welcome. [LB833]

TERRY KEEBLER: Good afternoon, Senator Avery, members of the committee. My name is Terry Keebler, that's T-e-r-r-y K-e-e-b-l-e-r. I am a Johnson County Commissioner. I'd like to thank Senator Dubas for introducing this bill. It would change how or if county surveyors are elected. Johnson County is a small county, population of about 5,300 people right now; 4,200 or so that are free. We have the state prison in our county, so we have 800 or 900 that cannot vote. Those that are there expect us to spend their tax dollars wisely. We have not had an elected surveyor in decades. When we discussed it at our board meeting, we're not quite sure when the last one was. There seemed to be some recollection that there was one at some point. But beginning in 2015 that will change simply because we had a surveyor move into our county three years ago, announced that he would be running for surveyor at the next election. He's actually been our appointed county surveyor for the last seven to ten years, has done excellent work for us in that time. When we looked at what we had been paying for him as a contract surveyor over the last five years, it averaged about \$2,500 a year. And the highest amount was around \$4,500 a year. Obviously, this is only a part-time position. As an elected official, the surveyor will become eligible for full county benefits. When we looked at what this will cost the county, there will be at least \$8,000 and probably \$13,000 or more. And that is in addition to the salary that he will be paid. Our present county surveyor came in as we were setting salaries for the next term of office. We had to do that by January 15 for the term of office starting 2015. We set salary for the position at just a little bit over \$4,000 a year. Using the...what we had been paying and the fact that we were going to now be paying benefits. Total cost with all those numbers is going to increase at least \$8,000, maybe up to \$15,000. Could be more depending on what he would require for office, as Senator Dubas said, equipment, help that it is in statutes that he can request. In our conversation with him, he didn't talk like he would request any of that, but it is in statute. And if he does, I think we have to pay it. This bill provides the solution to this problem, allowing county voters to decide whether this will be elected or appointed instead of this decision being force on the county, simply by a surveyor moving into our county. Our county board members believe this should remain a contract position, especially for smaller counties like us, allow us to control costs, and still provide the needed services. I'd urge you to advance this bill. And I'd be happy to answer any questions. [LB833]

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SENATOR AVERY: Thank you, sir. Questions from the committee? Senator Bloomfield. [LB833]

SENATOR BLOOMFIELD: Thank you, Senator Avery. Do you have any idea how many other counties are in the same boat where they don't actually have one now? [LB833]

TERRY KEEBLER: I do not, Senator Bloomfield. [LB833]

SENATOR BLOOMFIELD: Okay. Thank you. [LB833]

SENATOR AVERY: Any other questions? I don't see any. Thank you, Mr. Keebler. Any other proponent testimony? We are on LB833. [LB833]

LARRY DIX: (Exhibits 1, 2) Good afternoon, Senator Avery, members of the committee. My name is Larry Dix, I'm executive director of the Nebraska Association of County Officials appearing in support of LB833. And a number of questions that have been brought up I want to address. Hopefully, I can get to most of those in the five minutes. If not, I would ask that you'd re-ask those and I'll try to address those. What I would ask you to look at in the bill is, this bill is four pages long and it addresses the election process. And I know there's been some misconception that folks have said, well, this is trying to put surveyors out of work. Or there's some folks that are saying, well, we don't think you're necessarily covering the need for a surveyor. This bill says nothing about the need for the surveyor. In fact, we know that there are needs for surveyors, either contracted, elected, appointed, or whatever. This bill deals specifically with a problem in an election procedure, so it says nothing to the work product. Earlier, I had mentioned what we call the 2020 Committee. And I've got a couple of handouts here. One is just simply a page from the 2020 Committee report that was done in 2010 when we identified this as a problem. So this is not any...as Senator Avery will get after me, well, why didn't you discover this earlier? It was a part of that committee. I would tell you that this has been an issue dating back to the year 2000. We've got some newspaper articles saying that it has been going on since the year 2000. In addition to that report, there's a map and it shows the state of Nebraska. And it will show which counties have an elected versus which counties have an appointed. It also denotes counties that share county surveyors because many counties you'll find where you have a situation where one county has an elected surveyor who is part-time and he also does...he or she also does work in a neighboring county. And that is fairly common. About one-third of the counties probably have an elected surveyor today. So when you get that map, you'll be able to look at that. Also in the bill, you'll note this has no impact on the largest three counties, the ones that are called out over the 150,000 population. One of the things that, as we'll point out, Mr. Keebler brought up Johnson County. That was a situation where we have a person who is absolutely qualified, will do a great job. We've been notified that Seward County just

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recently has a situation where for years they have not had an elected county surveyor, but they have someone who has filed. And simply, if someone is filed, they go to the courthouse and file, their name comes on the ballot. And you would assume, if there's no one that runs against them, they're going to get sufficient votes to win that election. As Mr. Keebler pointed out, that does cause some instances of some additional costs. Our point by bringing this bill is, if it's additional cost, so be it. It's additional cost. We want to have the taxpaying public have an opportunity to weigh in on this. The way the state statutes are today, there's no opportunity for the taxpaying public to weigh in. If somebody...they can weigh in on who they want to elect, but they cannot weigh in on if they want that to be an elected position. Once it becomes an elected position, unlike other statutes that you folks have heard about before, there are no provisions in state statute for the county boards or the citizens to ever petition or for the county board to ever bring this and put it on the ballot for the citizens to vote on it. So once it happens, it happens. And that becomes the reality of it. So this bill--as I see my time is about out--this bill is about the election process. And we want to allow the citizens, the taxpayers simply to have a voice in that process at some point in time. And so when we looked at that...Senator Scheer, I'm going to run out of questions. Maybe you'll re-ask that and then I'll address that particular point of it. So with that, Senator Avery, I'll conclude my testimony here and open it to questions. [LB833]

SENATOR AVERY: Thank you, Mr. Dix. Senator Scheer. [LB833]

SENATOR SCHEER: You didn't quite get finished. Would you please respond to the rest?  
[LB833]

LARRY DIX: Sure. The question you had brought up about the year 2020, when we looked at that and when you look at the process, you want to take...if someone is an elected...and we're sitting here right now so we'll have an election for 2014. Those folks will be elected. They'll be elected for a four-year period of time. And so that will go through the process. So our thought was if we move it to 2020, the citizens in a county could vote if they do or do not wish to have an elected official. So then there would be two years' time so that it would be on the next logical rotation of elected officials. And we think we have that lined up right because, right now, you could also move that year to 2016 and say, take it to a vote of the people in 2016 because the next time the elected official would come up for election would be 2018. So we moved it out to 2020, certainly, so that people had plenty of time to prepare, but the committee could set that at whatever they want. But we do believe it would be in what we call a nongubernatorial year, presidential election year. [LB833]

SENATOR SCHEER: Odd year. So what you're doing is trying to make the election more of a position, not necessarily the person holding that, so there's not the confusion because you're really talking about a position here and not a person. [LB833]

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LARRY DIX: Absolutely. Absolutely. Yes. [LB833]

SENATOR AVERY: Senator Karpisek. [LB833]

SENATOR KARPISEK: Thank you, Senator Avery. Mr. Dix, if these counties have gone without an elected surveyor, do you see any way that it would adversely affect them? [LB833]

LARRY DIX: I guess I handed out all my maps. But when you look at the map, the ones that are in gold, for years I think they have gone without an elected surveyor. They've got very, very qualified people doing that job. And, in fact, in a number of the counties, you'll find the highway superintendent who holds the proper credentials and licensing to be a surveyor is actually doing the work in those counties. There is a unique loophole that we stumbled across which wouldn't really make anybody...the current people very happy. And I don't know that anybody really thought about it. But if you'll let me explain, in some counties--a couple of counties we know--where the highway superintendent is an appointed position and they are the county surveyor. Okay? No problem with it; the board has appointed them to do so. If, on the last day of the filing deadline right before the close of the office, somebody walks into that courthouse and has the proper licensing, they could apply to be the county surveyor. And the county surveyor who has been doing a fabulous job in the county for years and years and years, then the only option becomes a write-in after that. So that's why I'm stressing it isn't about the people. We think the people are doing a fabulous job. We think that there's a need for it. We just know there are some loopholes that we need to address from an election point of view. [LB833]

SENATOR KARPISEK: And do you think that it's...I know Johnson County talked about making it \$4,000 a year. Does that even seem...does that fly? [LB833]

LARRY DIX: Well, you can...the county board, by statute, can set the salary. It's a part-time position. They can determine that in the salary resolution that it is part-time and they can set the salary. I would tell you in a county like that, the benefits would far exceed the pay. No question about that. [LB833]

SENATOR KARPISEK: And so even at part-time, you'd still have benefits? [LB833]

LARRY DIX: Because you are an elected official. [LB833]

SENATOR KARPISEK: Well, and my point to that is, I'd hate to see them getting in trouble and do all these calisthenics just to try to save some money from what they're doing now. So I appreciate your answer. [LB833]

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LARRY DIX: Yeah. Yeah. [LB833]

SENATOR KARPISEK: Thank you. Thank you, Senator Avery. [LB833]

SENATOR AVERY: Any others? Senator Bloomfield. [LB833]

SENATOR BLOOMFIELD: Thank you, Senator Avery. I think you explained this but I'm not sure I picked it up. Wayne County in my district has a elected surveyor. [LB833]

LARRY DIX: Right. [LB833]

SENATOR BLOOMFIELD: If they decided they didn't want one and put it up for a vote and we voted that we did not want to have one and a couple of years later we decided that we'd made a mistake, is there a way to get him back? [LB833]

LARRY DIX: I don't think there is. But I think it's probably a good idea that there would be something...that there's a provision. Now how you would, I would imagine, would be a petition process because right now, I don't believe that you can eliminate the elected position in Wayne County unless the citizens would petition to put it on the ballot to eliminate it. [LB833]

SENATOR BLOOMFIELD: To remove it. [LB833]

LARRY DIX: There are...many of the other offices there are statutory provisions that say once you drop below a certain population threshold then you no longer have to have. Or there are some statutes where the county board may, by a board vote, say we want to take it to a vote of the people. But in the surveyor set of statutes, we do not find that there. [LB833]

SENATOR BLOOMFIELD: But you do think it would be a good idea that if we do this, if we establish a way to put him back on if the county decides they want to? [LB833]

LARRY DIX: Senator Bloomfield, I think it is always a good position when the taxpayers have an opportunity to have a voice in how they want their county government to look. [LB833]

SENATOR BLOOMFIELD: Okay. Thank you, Mr. Dix. [LB833]

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SENATOR AVERY: Any other questions? I don't see any. Thank you, Mr. Dix. Any other proponent testimony? Okay, we'll move to opponent testimony. Any opponent testimony? Good afternoon and welcome. [LB833]

LAVERN SCHROEDER: Good afternoon, Senator Avery and members of the committee. LaVern Schroeder, I'm the president of the Surveyors Association of the State of Nebraska. We represent about 200-plus members. We have 200-plus members who are all registered land surveyors. I'm actually here opposed to this bill. We would like to... [LB833]

SENATOR AVERY: Could you spell your name for us first? Spell your name. [LB833]

LAVERN SCHROEDER: Oh, LaVern Schroeder, L-a-V-e-r-n S-c-h-r-o-e-d-e-r. [LB833]

SENATOR AVERY: Thank you. [LB833]

LAVERN SCHROEDER: Okay. We would like to have a chance to work with NACO on this. We feel that there are better ways to accomplish this. One of my own personal ways just looking through the statistics on it, if you would instead of taking the number of 150,000--which represents the three largest counties that we have--and for example, if you would just take the number of 15,000, you end up affecting only nine counties that have elected surveyors. And in those counties, you only affect...there's nine of those counties only have one surveyor in them. But I think a more logical approach to this is--and to answer some of Mr. Bloomfield's questions on it--is if you would take a look at the map, and in counties that do not have a registered land surveyor within them, which you statutorily have to move into the county. You don't have to live there to run but you have to live there to take the office of county surveyor. If you would...if the law would be written such that to clear it up for the county clerks, but if they don't have a registered land surveyor in their county who has filed, this would not have to be put upon the ballot. And there you would automatically, if someone moves into the county and they filed, you wouldn't have to come back to this body to rewrite legislation. And you would have the opportunity to vote for someone. But if you have any questions, I'll... [LB833]

SENATOR AVERY: Questions? Senator Scheer. [LB833]

SENATOR SCHEER: Well, I understand the philosophy of the 15,000 though because those probably may or may not have enough to do that. But, you know, from a cost standpoint, it's hard to disagree that perhaps in a county with 3,000 or 4,000 people and if there's not a lot of surveying that the county needs, that they wouldn't be better off as a contracted position. Whereas, as presented in Johnson County, where you go from having an expenditure of \$2,500

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to \$3,000 when you throw in the benefits and so forth that go along with the county official, you end up at \$8,000 to \$10,000. You know, \$7,000 on a county's budget, you know, it's fairly good. [LB833]

LAVERN SCHROEDER: Yes. I understand that problem would be somewhat addressed if you used the...like if you drop it down to 10,000, then you're actually picking up, I think, it's about half or I think it's 20 or 25 of the elected county surveyors. And beyond that, you're having...below 10,000, you're having, oh, I think it's seven counties, seven of those counties that only have one surveyor in them right now anyhow. You would assume that they would probably be appointed. That's what we'd like to discuss with NACO because we feel that this could probably work better for the general public and for the surveyors' community. [LB833]

SENATOR SCHEER: Okay. And do you have a specific number, I mean, because anything can be amended. So I'm just wondering if you have a specific proposal that you would like to write Senator Dubas or somebody that could be considered as an alternative to the 150,000? [LB833]

LAVERN SCHROEDER: I'll be happy to make one out. I don't have anything written today. But yes, I'd be happy to work with you. [LB833]

SENATOR SCHEER: Well, it's certainly your prerogative but, you know, the essence of trying to get things done in the given year, that would probably make sense. Provide it to Senator Avery as a alternative. [LB833]

LAVERN SCHROEDER: If you would, I think it's lines...if you would just revise it in lines...if I can find it here. It's on the first...I don't have the bill in front of me. The first...there's two sections in the bill that refer to the 150,000. If you would drop that to either 15,000 or 10,000, I think that--and keep the language the same--I think that would be a real good alternative. [LB833]

SENATOR SCHEER: Okay. Thanks, LaVern. Thank you, Senator Avery. [LB833]

SENATOR AVERY: Thank you. Questions, additional? No more questions? Thank you, sir. [LB833]

LAVERN SCHROEDER: Thank you. [LB833]

SENATOR AVERY: Any other--are we on opponent--opponent testimony? [LB833]

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DAN MARTINEZ: Good afternoon, Senator Avery... [LB833]

SENATOR AVERY: Good afternoon. [LB833]

DAN MARTINEZ: ...and members of the Government Affairs Committee. My name is Dan Martinez, M-a-r-t-i-n-e-z. I'm a lifetime resident of Fremont, Nebraska, and a Nebraska registered land surveyor. Today I'm testifying before you as a representative of the Professional Engineers Coalition, PEC. The Professional Surveyors Association of Nebraska, PSAN--which Mr. Schroeder just spoke on their behalf--PSAN is one of PEC's many members. PSAN's membership includes over 90 percent of all registered land surveyors who are residents within the state of Nebraska. Currently I, myself, am serving as...on the PSAN board of directors and I am the Nebraska director to the National Society of Professional Surveyors. PEC opposes LB833 as introduced to the Nebraska Legislature on January 13 of this year. PEC's opposition to LB833 is supported by both or by PSAN and NSPS and the National Association of County Surveyors. It is understood that the Nebraska Association of County Officials, NACO, drafted LB833. And some concerns that we have with the way it was drafted is that NACO did not consult with PEC, PSAN, or any of the county surveyors of Nebraska, as we understand it. It is also understood that Hamilton County and possibly one or two or even more counties from the proposition or those that are here to speak on behalf of the bill in support of it, these counties made the request to NACO to prepare this bill due to the disputes, possibly, between some of the county board members and county surveyors. It's also our understanding that NACO's B-O-D, board of directors, includes a director who represents surveyors, highway superintendents, and engineers. That gentleman's name is Casey Sherlock, he is currently serving as that director, and he is a Nebraska professional land surveyor. He's also the Hall County surveyor and their highway superintendent. I was informed that Mr. Sherlock was not contacted by members or staff of NACO, while this bill was being prepared, for any input or thoughts that he may have. And in going with, I think, kind of the tone that Senator Dubas voiced, we...PEC understands that some Nebraska counties have genuine concerns regarding the office of the elected county surveyor. But passing a bill that is intended to allow a handful of counties to rid themselves of an elected county official is not in the best interest of the voters and landowners of the state of Nebraska. The content and purpose of LB833, as it's currently written, is limited to the views and desires of a few county boards and county board members and does not address the concerns of the registered land surveyors of Nebraska whose duty it is to protect the property rights of the Nebraska landowners. And while PEC opposes this bill as currently written, we encourage NACO and other proponents of LB833 to work collectively with PSAN in preparing a bill that addresses the concerns and views of all parties while adhering to the statutes that define the duties of the county surveyor. And these are current statutes...Nebraska statutes. One of the reasons--and I think the primary driving reasons--that we have an elected county surveyor position is to remove that official from being dictated to or the rules being set forth by a boss or a contractor; in this case, the county board. The statutes lay out what the duties of the county

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surveyors are. And in a number of instances, unfortunately, we know in our profession, in our group, that some counties don't follow that. And a lot of that's probably due to budget restraint issues and concerns they have. So what's the purpose? They don't see the purpose. And, again, as surveyors, we share in that realizing at times that our role between the county assessor's office, the register of deeds, sometimes the highway departments, and the property rights of the Nebraska landowners goes without us voicing it or being there to describe what our purpose is. Currently we have, I think, it's 63 counties that appoint a county surveyor. I think this was discussed earlier. Thirty counties, as of 2012, which elected their county surveyor. Of those 30, 24 only had one name on the ballot. Of those 24, only 9 of those 24, though, actually only have 1 land surveyor living in the county based on the statistics we were given, which means of the other 15, there are additional residents or surveyors that are qualified, but they choose not to run for whatever reason. In running for a county surveyor position, an individual, a surveyor, can put their name on the ballot and not reside in the county at the time of the election. But upon election, they are required to move in. So there are...you know, the statutes do lay out situations where there can be more than one opponent on the board. Have I run out of time? [LB833]

SENATOR AVERY: Yes. [LB833]

DAN MARTINEZ: Okay. [LB833]

SENATOR AVERY: Do you have... [LB833]

DAN MARTINEZ: I'd be glad to answer any questions. [LB833]

SENATOR AVERY: Okay. Thank you. [LB833]

DAN MARTINEZ: I apologize for running long. [LB833]

SENATOR AVERY: Senator Scheer has one. [LB833]

SENATOR SCHEER: As a county surveyor, you are able to provide other services, as a private individual, surveying. Yes or no? [LB833]

DAN MARTINEZ: That's been a question in the past where county...elected county surveyor has been a full-time position versus a part-time. Part-time position, I think, is...you know, there's clarity as to whether or not they're a county surveyor or in private practice. [LB833]

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SENATOR SCHEER: Okay, but that position does not exclude one from doing that service... [LB833]

DAN MARTINEZ: Right. Right. Yes. [LB833]

SENATOR SCHEER: ...as a private individual for money outside of that position. [LB833]

DAN MARTINEZ: Right. [LB833]

SENATOR SCHEER: Is that...that's correct? [LB833]

DAN MARTINEZ: Yes. [LB833]

SENATOR SCHEER: Okay. And in your comments, you said there were some duties that would become in conflict with other positions within a county. Could you elaborate what those duties may be? [LB833]

DAN MARTINEZ: Sure. One of the important roles of the county surveyor is to maintain, protect, and perpetuate the section corners, you might know them as. Original government corners is what we refer to them as. And those were the original corners in place. And it's our duty to make sure they're maintained and reestablished if one is lost through construction or whatever means. There are examples where as an appointed county surveyor, there could be a situation where another surveyor is trying to do a survey for a client, these corners are missing or a corner is missing. The county then contacts their contractor to reestablish that point. Some means of redoing that requires some fairly extensive field work. It could be digging, sometimes with county machines. And there are cases where the county board has elected not to go to that expense. Not to allow an asphalt road, for example, to be uncovered to look for the original government corner if the surveyor assumes or has some good evidence that it's still there. And instead, they're told just to do the work without carrying out that important role. It's a very important role to establish where that corner is missing...excuse me, obliterated or lost. [LB833]

SENATOR SCHEER: Okay. [LB833]

DAN MARTINEZ: And there are many others. And I might point out that in the counties that are over 150,000, by statute, they elect a county engineer. And if that county engineer is not also a licensed land surveyor, then they appoint a county surveyor. And my question regarding this bill is, why aren't we including them? Why not have the county engineer be a contractor also? I

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mean, that brings up I think, some interesting questions. But I hope I've answered your question, I've been rattling on. [LB833]

SENATOR SCHEER: Sure. Thank you. Thank you. [LB833]

SENATOR AVERY: Any other questions? Senator Wallman. [LB833]

SENATOR WALLMAN: Thank you, Chairman Avery. Yeah, thanks for coming. Nowadays, you know, with ag land and stuff, they do it with satellite and that. But does that have to be a licensed surveyor as well? [LB833]

DAN MARTINEZ: Yes. In order to subdivide or survey ground to create legal descriptions, these are all requirements that fall under the definition of a land surveyor in most states, including Nebraska. And GPS is just a nice way of measuring today. [LB833]

SENATOR WALLMAN: Right. [LB833]

DAN MARTINEZ: It doesn't find the stone for you. But it does...it is a great technology we have. [LB833]

SENATOR WALLMAN: Thanks. [LB833]

SENATOR AVERY: Any other questions? How big a problem is this whole thing of missing corners? [LB833]

DAN MARTINEZ: I'm glad you asked that. In the counties that you possibly hear that they have some really low budgets for this county surveyor's position, whether it's appointed or elected, versus the counties that--I'm not saying it has to be a significant budget--and the lack of real estate transactions, meaning the private sector is not having land surveys done because the land is not being subdivided or farm places aren't being surveyed off of farmsteads, it's probably...the lack of activity and there's the lack of finding those corners. They somehow get destroyed, whether through construction, again, whatever means. And then no one realizes it until years later. And the counties that do have an active county surveyor's office, those county surveyors are involved with the assessor's office, register of deeds, and the GIS departments. Sometimes the GIS departments are run with the county surveyor having a managing role. And in those cases, I think you'll find--like Lancaster County, for example--they have a very nice system and their section corners are well maintained. [LB833]

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SENATOR AVERY: I don't see any more questions. Thank you, Mr. Martinez. [LB833]

DAN MARTINEZ: Thank you for your time. [LB833]

SENATOR AVERY: Any other opponent testimony? Welcome, sir. [LB833]

GENE THOMSEN: Thank you, Senator and Senators. My name is Gene Thomsen, G-e-n-e T-h-o-m-s-e-n. And if you take a look at me, you can see I've been around a while. I've been surveying for over 40 years. I'm the deputy state surveyor and I've surveyed in every county in the state of Nebraska. And so I've seen from one side of the state to the other. And the counties that I have dealt with that doesn't have an elected official, we usually have a problem finding these missing corners. And it makes it really tough. And what I mean by tough is, there's no record or nobody has ever located these points. And these points were set in the 1850s, 1860s, 1870s. And your job is to go out and find your boundary, which is pretty hard to do when you're looking for maybe a oak stake or a stone with no survey information. The counties that do have elected county official, you'll see volumes of books where you have records where you can go and research this stuff and have a good chance of locating an area where you can dig and find these boundary markers. I've had a couple of incidences where...northwest corner of Nebraska we were surveying. I'd talked to the...they used to have the elected official there, county surveyor. He had a little file cabinet by his desk that had survey records in. He left and went to central Nebraska to work. Tried to find that file cabinet three or four years later with the survey records. They had gotten rid of the office so they took the desk and the file cabinet and put it someplace. And three or four people looked all through that courthouse two or three different times for that file cabinet. All them records were destroyed. Now that stuff doesn't mean anything unless it's your property that somebody is trying to survey. And one thing you find out in surveying is, you cannot probably put that point back exactly where it was at before unless you have that information. Another incidence, I was in central Nebraska looking for the records. The county clerk says, well, the survey records are in the county commissioners' board room. And the reason they were in there was because they don't have an elected official, so there's really no place to put them. She said, them records don't mean much. And I said, well, what are all these books in your office here? Them are deeds, right? And I said, did you ever read all those deeds? All those deeds start with a boundary corner, a property corner, a section corner. Every one of those. And all the records to find that point to survey that is in these books that you say are not important. What I'm getting at here is when you don't have an office of such a elected official, someplace where somebody can have their files and somebody can oversee this stuff, it leaves it up to uninterested parties to decide what they want to do with that file cabinet, them field books, or that information that we, as surveyors, find so valuable to be able to do our work in the best manner that, you know, we can. And like I said before, it doesn't matter unless it's your lot or your farm that we're surveying and come to find out that where you think the corner was at, with this information and where it ends up getting set and could be, you know, 10, 20, 30,

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40 feet different because of the rules that we end up going by. The person that is elected county surveyor has a vested interest in performing their duties for the good of the people of that county. They are proud to live in that county because there was...that's where they have their home, family, friends, and pay taxes. Having an office of county surveyor in the courthouse lets the taxpayers know there is someplace they can go when boundary questions need to be answered. The county surveyor has custody of the old survey records. Those records give clues to the original boundary locations of the lands owned by the people of that county. A person in the capacity of county surveyor usually has a feel and understanding of how former county surveyors accomplished their work. That knowledge, gathered over time, gives an insight on the tendencies and clues on how to find the old boundary markers which saves money for the person requiring the survey. There is no compelling or sufficient reason to terminate the election of county surveyor which is meeting the needs of the common good of the taxpayers of the county. And the last thing I want to say is here, in my mind, the elected county surveyor job is to preserve the survey monuments and serve the public. And what I've seen is a lot of contract surveyor jobs. Their bottom line is to serve the owner of the company. And thank you. [LB833]

SENATOR AVERY: Thank you, Mr. Thomsen. Senator Scheer has a question. [LB833]

SENATOR SCHEER: Did I hear you correctly? The person that had the file cabinet, was that an elected or appointed? [LB833]

GENE THOMSEN: That was an elected. And then when they left, the county needed the space. They moved the...they said they moved the file cabinet up to the third floor. And two times, different surveyors went up there and scrounged that whole area and never did find that file cabinet. So somebody probably took it. But they, you know, got rid of the records. [LB833]

SENATOR SCHEER: Okay. But certainly, you...I mean, I guess you don't have to agree. But there are some counties, evidently, that don't have the need for a full-time and, evidently, not really even a part-time surveyor. If one is elected by statute, then they are provided the benefits. I mean, this really comes down to is a cost factor, not a job description, to me. If you are working as an independent, you're still going to find the same post. Will it take you longer because you don't have the adequate background and the information to support it? Probably. But from the county's standpoint, if they don't need that on a very frequent basis when benefits are running almost \$1,000 a month plus whatever, even if it's a nominal fee, the \$4,000 for a part-time, in a lot of small counties, that's a big ticket. So I'm not sure that this doesn't have a function in some areas of the state, perhaps not all, but it would seem that in some areas, there's probably not the need for that position. [LB833]

GENE THOMSEN: Well... [LB833]

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SENATOR SCHEER: And when you look at, in the last eight years the amount of ground that has transferred ownership...ground is not like houses. It doesn't switch every five years. A lot of ground is generational, at best, and sometimes multi-generational. So in some of these very rural areas where there are larger ranches and bigger pieces of ground, if that sold in the last year, it may not sell again for another 25 or 30 years. So for you to have to have a person available just in case, you know, I'm not sure that's a good use of governmental...of those county's funds. [LB833]

GENE THOMSEN: That's what they're doing right now, though. They're...they don't have a county surveyor... [LB833]

SENATOR SCHEER: Uh-huh. [LB833]

GENE THOMSEN: ...in those counties. So they have a contract with a county surveyor. So they're not paying any benefits or...so that's actually...what you're saying is true. That's exactly what's happening right now. [LB833]

SENATOR SCHEER: But the point would be, if you or I--well, I couldn't. I'm not a surveyor--but if I wanted to, I could move to any of those counties and simply go in and file as a candidate for that. It is an elected position and once I file, they really don't have the choice of--they get the choice of setting my salary...but I am going to get benefits. And regardless if I work one day a year or if I work one day a month or one day a week, I'm still going to be receiving those benefits. And that's really, to me, what this is coming down to is not a question of what you're performing but how often. And is the added addition of benefits of value to that county? [LB833]

GENE THOMSEN: Well, in my case, I'm the person that loves to protect the information, the corners. I don't...I'm not a county surveyor. I'm more the person that loves to go out and look for these old records and... [LB833]

SENATOR SCHEER: But looking at the map, those that are brown already don't have a surveyor. [LB833]

GENE THOMSEN: Right. Okay. [LB833]

SENATOR SCHEER: And so why wouldn't you want to at least give those counties the opportunity to decide to take that off the picture so they don't have to worry about...and I'm assuming, and I believe this to be true, that we have high-quality surveyors in the state of Nebraska. What if there's somebody in Kansas or some other state--I better not pick on Kansas--

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is a terrible surveyor at the point where I'm going to want to retire? So what am I going to do? I look at the map. Well, here's a nice little town, I'm going to go settle in there. And by the way, I am a certified surveyor so the next election process I simply just go file because no one else is going to run against me. I win, and now all of a sudden I've got benefits and I really don't have much of a job to perform, even if it's on a part-time basis. I don't even have to take a salary because now I have full-time benefits. I just...you know, I understand where you're coming from. But we have a large number of counties that are not utilizing the services that you're talking about and fervently trying to defend. And I can appreciate that, that is your industry and your profession. But when they are not being utilized, is there really a reason not to give those communities or those counties the opportunity to decide if, indeed, they want to leave it the same? [LB833]

GENE THOMSEN: Well, it's like most things. If it doesn't affect you, you don't really...it doesn't really matter. But when you have to go out and have a survey done, it's better to have somebody that is an elected official because they know what the norm has been from years ago of a surveyor going out and working. They know that when they measure a certain distance, maybe your measurement is shorter than theirs, so you have a better idea and understanding of what to, you know, find out there. [LB833]

SENATOR SCHEER: Yes, sir. I can appreciate that. But we already have an instance where that is not happening in a large number of counties. Giving them the opportunity to maintain what is their constant now, they've chosen not to utilize what you're talking about. So if, as a county, they choose not to utilize that service and haven't been, are we incorrect in giving them the option of changing the law so that what they have had in practice for the last long number of years becomes state statute? [LB833]

GENE THOMSEN: Well, you might have to ask the legal counsel is that something that can be...can the state dictate to the counties this particular item to tell them how to run the...run their county? [LB833]

SENATOR SCHEER: Not at all. They're giving the county voters the option if they want to maintain this position, as I understand the proposal in front of us. [LB833]

SENATOR AVERY: Yeah. I'm not quite sure what that means but it came from both of you. It means a draw? [LB833]

GENE THOMSEN: It means a standoff. [LB833]

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SENATOR AVERY: Senator Bloomfield. [LB833]

SENATOR BLOOMFIELD: Thank you, Senator Avery. At the "nonintended" risk of offending you and your profession, I frequently find surveyors to be a lot like attorneys. If you have three of them, you're liable to have three different answers to the same question. And I think this idea of letting the counties decide whether or not they want to pay somebody to be on the role at all times, probably makes sense. But do you have any answer to why we can hire two or three different surveyors, all professional, and get two or three different answers to where a given spot is? [LB833]

GENE THOMSEN: A lot of it has to do with the research, again, of being able to...most surveyors and I'd say everybody in here could probably measure really well. But the problem is, is finding the point, the beginning point, the point to start surveying from. It isn't sticking up out of the ground with a neon light saying, start here. It's...to be able to interpret those survey notes, those deeds, and to be able to find those old points to be able to go out and perform the survey. And depending on, you know, if you're in a position where you have the county board saying, well, you got...I'll give you \$1,000 to do this. We have spent...I have spent weeks and weeks on certain jobs just to find one point just to start. [LB833]

SENATOR BLOOMFIELD: In our part of the country where we deal with the Native American tribes, we had surveys that had stood for 100 years. And they came in with a different survey and physically took land away from people that had been farming it for generations because the new survey said that the row was now 30 feet the other way. And there was no contesting it, even with our--at that time--elected surveyor. They couldn't contest what the federal government came up with which was a totally different survey that makes me wonder sometimes if surveying is worthwhile. [LB833]

GENE THOMSEN: I think I know probably the gentleman that did that. And knowing that guy, we were lucky to have a person like that. In my mind, I would bet that it had been wrong for 100 years up until the time he found evidence of this original...of these original... [LB833]

SENATOR BLOOMFIELD: It wasn't a single property, it was a whole... [LB833]

GENE THOMSEN: Yeah, he surveyed for...he surveyed sections and sections of it up in Thurston County. [LB833]

SENATOR BLOOMFIELD: Thurston County, yeah. [LB833]

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GENE THOMSEN: But a lot of it was, is his ability to go out and locate these old records that he found scattered all over in places that...beings they didn't have an office of county surveyor, you went to different places, and if he found...and there's probably more but they've been destroyed, you know, to go ahead and locate where those original locations were. [LB833]

SENATOR BLOOMFIELD: But the original locations didn't matter anymore. The stones from the original locations no longer counted, as did not the fences that had been in place for 50, 60 years. That was all a moot point. Thank you. [LB833]

GENE THOMSEN: Uh-huh. [LB833]

SENATOR AVERY: Any other questions? Thank you for your testimony, sir. [LB833]

GENE THOMSEN: Thank you. [LB833]

SENATOR AVERY: I have a hearing in another room, another committee. So I'm going to turn the chair over to Mr. Murante, Senator Murante. [LB833]

SENATOR MURANTE: Thank you, Mr. Chairman. It looks like we have further opponents. Welcome. [LB833]

DUANE KATT: Welcome. My name is Duane Katt, D-u-a-n-e K-a-t-t, I am the Hamilton County Surveyor. I have my own private business, Katt Surveying. I have been in both positions, appointed, working for a county surveyor and appointed as a county surveyor and elected as a county surveyor. One of the points that Senator Scheer brought up was the cost factor. As an elected county surveyor, we have a lot of jobs that we do. One of them, for instance, we had an overlay job a year ago on last year's paving curb one and six plan. Everything is done in-house in our county. Our county does not pay outside for consultants to put the plans and everything together. My salary at that time was \$36,000. They have decided to make my salary \$9,000 a year now. But at that time it was \$36,000. We had \$880 of outside work from my crew to go out and do all the survey work on this project. It's a \$2.5 million project. Standard fees for a consulting firm are 6.4 percent to 6.7 percent of the total project. You can do the math. At \$880 besides my wages was one hell of a savings to the county. You know, that's the things that, as county surveyors and as elected surveyors, we do. And if you take a look at the...you go through everything that we have as far as this is your job description. This is what you do. If you're appointed...and I worked for an appointed county surveyor from 1971 to 1997. And when he passed away, I was appointed to fill his position in '97. And in 2010, it became an elected position because we had three people living in the county. And I felt that it was only fair to the

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other people in that or the people of the county and the other surveyors in there to actually have a choice. The money that we save the county is by the things that we do. And, you know, I'm talking about working with the GIS. In our county, we have our GIS. I work with the flood plain administrator. Flood plain administrator doesn't have survey equipment and that. If you're working with FEMA, you have...you know, we've had some disaster funds and that. They want to know what the elevation of this thing was when the flood came through. They want to know what the elevation of the decks of these bridges are. If you're going to go and hire a consultant for all of that, your county doesn't have enough money. And if you're an appointed county surveyor, they never call you. In all those years that I was appointed, the only thing that I did--and it was all in the same county--was go out and dig up corners when somebody needed them. That's the only job. And to this day, the people on our board think that's the only thing a county surveyor does. I, you know, I bring up the fact that, you know, here's the plans. We put these plans together. So what? Well, so if you had to hire somebody, these plans are going to cost you \$130,000, \$140,000. And it makes your, you know, actually makes your salary look fairly small when you talk about it that way. These \$4,000, \$7,000, \$10,000 a year that they're paying their surveyors, they're not getting anything out of it other than corners brought up. If the counties want to save money, have an elected or even if it's an appointed, give him a full-time job. My job is considered part-time. That's the only part-time job I've ever had that it's about 50 hours a week. I mean, it's ridiculous. But the consideration that we get from our boards...you know, any monkey can go out and dig a hole. It's got to the point where it's kind of beyond ridiculous. But if you have a county surveyor, that county surveyor, he's got a vested interest in that county. After 41 years, 42 years in our county, that's my baby. I want it to be the best. Granted, we have budget restraints. But we still take an oath of office to do the best that we possibly can, abide by all of the laws, and give the taxpayers the best bang for the buck. You know, I guess one of the reasons that I'm here is, the problem that we had with Hamilton County and myself is not a surveying problem. It's a personnel problem with three of the five board members. And they lowered the salary to \$9,000 so that they're sure that I won't run for the job because I'm not going to work 40 hours a week for \$9,000. That's one of the things. We have to be able to justify... [LB833]

SENATOR MURANTE: Can we ask you to wrap up your testimony? You can see your red light is on. Sorry about that. [LB833]

DUANE KATT: Okay. Thank you. [LB833]

SENATOR MURANTE: Thank you. Are there any questions? Senator Wallman. [LB833]

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SENATOR WALLMAN: Yes, sir. Thank you, Senator Murante. In other words you, as a surveyor, do you also grade property in the flood plain that way? You know, as more concrete gets poured, you change the flood plain. [LB833]

DUANE KATT: We go...what we do is with the flood plain administrator--the maps that FEMA has put out, they are incorrect--we go out and remove portions of that from the flood safety-hazard area. And that's something that the flood plain administrator can't do. They don't have the equipment to go out and do that. Same way with planning and zoning. I've sat in on every planning and zoning meeting since 1997 with the exception of one. And I'd have been there if I hadn't been in the hospital. But there is legitimate questions that come up pertaining to surveying at each one of these meetings. [LB833]

SENATOR WALLMAN: Thank you. [LB833]

SENATOR MURANTE: Senator Scheer. [LB833]

SENATOR SCHEER: You know, I can't speak to Hamilton County. I'm not a resident of Hamilton County, obviously. But...and I'm not trying to impugn the integrity of surveyors or their value. And certainly, if they are not valued by their county commissioners, that's an internal dispute within a county. But when you look at the map that was provided us, those that are not utilizing an elected position, it would be...isn't it incumbent of the commissioners, then, if they indeed have that election, and those that are in the surveying industry then to both make those positions available to the electorate because this doesn't say they're getting away, that they don't have them. This bill just says they get the opportunity to have a vote on that position. And if what you say is true in Hamilton County or whatever county it is...you know, certainly Madison County we have a surveyor who does an excellent job. And if it were on the ballot, I am sure it would be retained and we would continue to have that position and, quite probably, that person or maybe somebody else at some point in time. But there's a vast number of counties that are not utilizing that. And this would give them the option of determining if they want to have that position. And yeah, it is about dollars. But in some counties, you know, perhaps there's not the demand even to go dig up corners because ground doesn't turn very rapidly or very often at all...if at all. So I'm not trying to imply that you folks aren't doing a great job but this bill doesn't question your abilities. This job...this bill just simply says, as counties, you get the opportunity to decide if you want to keep that position in place or not. And if you do, fine. Everything remains stagnant. If not, then they go to an alternative system of hiring people to do that work. And maybe you're cutting yourself short. Maybe you ought to just contract with the county and make more money than what they're willing to pay you, including the benefits. I don't know. That's something that, you know, is internal to your county. But I'm just trying to make sure that I'm staying on point to the extent that this is not doing away with survey at all. This is about an

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electoral process of counties having the ability to decide if they want to keep a position or not. [LB833]

DUANE KATT: There's a problem that I run into, though, with appointed officials. They're doing exactly what the county board tells them to do. They have no choice. And our county board would really like to, or not our county board, there's members on our county board that would like to see this an appointed position in our county because that way if a surveyor doesn't do exactly what they want him to, they can fire him. And when you take the oath of office, you take the oath of office to uphold all of the laws of the state of Nebraska. I never once was given the oath of office as an appointed official; never. And I can't think of any of the other people that I've talked to that are appointed that have ever taken the oath of office. [LB833]

SENATOR SCHEER: I can appreciate that. But, again, look at the brown. Those are either contracted or appointed. I don't know that it's 50/50 or not but, certainly, some of those are appointed. Some of those are contracted. You know, the fact that they take or not an oath of office, they're still providing the same duties if they were appointed, I would assume, as if they were elected. [LB833]

DUANE KATT: That's just it. [LB833]

SENATOR SCHEER: I mean, they have the obligation to do so, certainly. [LB833]

DUANE KATT: They most certainly do because--let's see here--28-924, "A public servant commits official misconduct if he knowingly violates any statute or lawfully adopted rule or regulation relating to his official duties." If all the counties...you know, we're going to appoint this surveyor and all he's going to do is go out and dig up corners when we need them. And that's basically what happens in all the appointed counties. There are...we have statutes, bunches of them. That is the law. If they don't allow you to do--if you're appointed or elected--if you're not allowed to do what the statutes state, that's official misconduct the way I look at it. [LB833]

SENATOR SCHEER: I don't disagree with you. So I guess my point is, under the change of this statute, how...we are not changing the definition as an appointed official. So they still have these same obligations as if they were elected. Based on your testimony, you've said that regardless if they are appointed or elected, you still have the same obligation. This bill changes nothing in relationship to that. [LB833]

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DUANE KATT: I agree with what you're saying. You're letting the counties make a choice. But if the counties are not in compliance with state statutes in what they're doing now, you're giving them a choice to not stay or not get into compliance with the state statutes? [LB833]

SENATOR SCHEER: I don't know that they're not in compliance. Do you? [LB833]

DUANE KATT: I know of a lot of them that aren't. [LB833]

SENATOR SCHEER: Well, then perhaps you need to notify somebody. I mean, the fact of the matter is, the bill in front of me just simply says it allows all counties, other than the three largest counties, to have an election to determine if they want to continue the position of an elected surveyor; either yes or no. If, yes, you want to continue, then I'm assuming those green spots on here continue to be green. If they say, no, they don't want to have that position--and I don't know that all the browns end up being those that determine they want to do that or not--but certainly, I suppose, some of them might. And it gives them the option just to contract or, I suppose, they can continue to appoint somebody. But it would not be an elected position or they then would put the county at risk for the financial obligation of those benefits. [LB833]

DUANE KATT: Paul Douglas' Attorney General's Opinion number 82186 in 1982: This was asked by Robert J. Simmons, Jr., Banner County Attorney. And he asked, can the county surveyor be an independent contractor? The answer was, no. [LB833]

SENATOR SCHEER: It wouldn't be an independent contractor. I'm assuming they would contract for services. I believe there's a difference there. I mean, I'm not an attorney, honestly. And I'm not trying to pick a fight here. I'm just...I'm looking at the map, I'm looking at the bill, and I'm trying very hard to determine...to distinguish the problem we have here by allowing these counties to determine if they want to continue a position--and however many those brown ones are--in counties that no longer have that elected position. We're not changing their world, we're just allowing them to make permanent what they are already doing on a temporary basis. And I'm still trying to find out why that would be a bad thing. I understand some of the first comments that is 150,000 the right number? I don't know. Is 10,000 the right number? I don't know that either. I think there's room for negotiation in those. But in some of these areas, for example, you're talking about a county of 4,000, 5,000 people. So certainly in some of these areas, it may make sense to those counties to do it differently and take the risk of those...of someone just, unilaterally, deciding they're going to be the surveyor in that county by virtue of just simply going in and filing. I think that's what they're looking at. I don't think they're looking at that surveyors are bad or they're not doing a good job. And maybe in some areas, they're not doing as much as they should. But if that is because of the county commissioners, then shame on the county commissioners and those...that electorate shouldn't be reelecting or electing those

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people into those offices. And that was a soapbox statement, so I'll (inaudible). Thank you, sir. I appreciate it. [LB833]

SENATOR MURANTE: Senator Bloomfield. [LB833]

SENATOR BLOOMFIELD: Thank you. You just a little bit ago made reference to apparently a legal opinion about whether or not a surveyor could be an independent contractor. Can you expand on that just a little bit where that came from, what we're looking at, because it might be something we need to look at. [LB833]

DUANE KATT: Yeah. It's Attorney General's Opinion number 82186 from 1982. Robert J. Simmons...the Opinion was Paul Douglas, Attorney General. [LB833]

SENATOR BLOOMFIELD: And it said that they cannot be an independent contractor? Okay, thank you. [LB833]

SENATOR MURANTE: Thank you, Senator Bloomfield. Any additional questions? Seeing none, thank you for your testimony. [LB833]

DUANE KATT: Thank you. [LB833]

SENATOR MURANTE: Are there additional opponents wishing to speak? Seeing none, is there any neutral testimony today? Senator Dubas, you are recognized to close. [LB833]

SENATOR DUBAS: Thank you very much, Senator Murante and members of the committee, for listening. You know, I struggled as to whether I should introduce this legislation because I do have constituents who are on both sides of this issue and wasn't quite sure what is the answer to this. And I guess I'd like to go back to what Larry Dix said. This is about a process and this is about giving counties the opportunity to decide what is the best way that they believe to go. Every county is different, every county manages their county differently, they have different expectations and needs depending on the types of land and how the land is used and all of those other things. And when we're looking at especially those smaller rural counties where the population is smaller, what does a full-time or even part-time elected official mean to them? Even some of our maybe midsize counties, what does that mean? I know the...Seward County has had a budget for surveying of around \$8,000, I think, for the recent past. And now they were...someone has come in and filed for that position, so they've looking at probably about a \$50,000 budget now because salary and all of those other things. You know, is that right or wrong? I don't know. But, again, I think this allows counties to put it to their people to make the

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case. It allows surveyors to put it to the people and make their case. And that's what I said. That's what I told the people, especially the surveyors who contacted me because they weren't happy with this bill. I said, this is an opportunity for us to lay the whole issue out on the table to discuss it. As I said, I'm not married to any part of this bill. I am open to what is the best policy that we can put forward to the Legislature to make a decision if that's the way this committee wants to go. So I am certainly open to working with this committee as well as all of the stakeholders as far as where do we go from here. So I thank you for your attention and your questions. [LB833]

SENATOR AVERY: Thank you. Any more questions for Senator Dubas? [LB833]

SENATOR BLOOMFIELD: I don't know, but I want to thank her for bringing something we'd never given any thought to (inaudible) our land. [LB833]

SENATOR DUBAS: Neither had I. [LB833]

SENATOR AVERY: Thank you. Thank you. [LB833]

SENATOR DUBAS: Thank you. [LB833]

SENATOR AVERY: That ends the hearing on LB833. We'll move now to LB745, which is my bill. And I will turn the chair back over to Senator Murante. [LB833]

SENATOR AVERY: Good afternoon, committee. My name is Bill Avery, B-i-l-l A-v-e-r-y, I represent District 28 here in south-central Lincoln. I am bringing to you a bill today, LB745, that was brought to me by the Department of Administrative Services. They are here today to make sense of my testimony after I finish. This bill makes several changes to statutes relating to the Department of Administrative Services. First, the bill changes the date when agencies are required to submit to the Governor a report of its proposed building renewal projects. With the change, the report is due on September 15 of each even-numbered year. Currently, the reports are due December 15 of each year. And I'm sure somebody who will follow me can explain why that's desirable. Secondly, the bill changes the process for lost warrants. With the bill, an officer authorized to issue warrants have the authority to issue a replacement warrant. The current language requires a duplicate warrant numbered the same as the original with the word "duplicate" printed in red ink. The current system does not allow for issuing a duplicate warrant with the same number. Next, the bill changes the term "state-owned vehicles" to "state-owned passenger cars" in Section 81-1018, requiring that vehicles purchased, leased, or rented be of the intermediate, compact, or subcompact class. And you may remember this, in 2012 the term "passenger cars" was changed to "state-owned vehicles" in a bill to allow the state to rent

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passenger cars. I believe that was my bill. It was not my bill. I'm getting a head shake from the committee counsel. In...seems like it was my bill. We must have talked about that a long time. [LB745]

SENATOR BLOOMFIELD: Are you wishing it was your bill? [LB745]

SENATOR AVERY: No. In Section 81-1018, the use of the term "state-owned vehicles" is eliminated...eliminated the ability to have pickup trucks and vans in the Transportation Services Bureau fleet. The bill changes the term back to "passenger cars", thereby eliminating the issue inadvertently caused by the 2012 bill. It was a mistake, so it wasn't my bill. Finally, the bill allows the Materiel Division to purchase service contracts without going through the competitive bidding process if the price for the service has been established by the federal General Services Administration or competitively bid by a group of states. This was my bill. These contracts will still be required to complete the proof to...the contracts will still have to have a proof-of-need analysis if they are over \$15 million. You may recall that the Legislature passed LB858 in 2012, that requires service contracts over \$15 million to complete a proof-of-need analysis. It is important for large contracts, and even if they are competitively bid by the GSA or a group of states, to go through the proof-of-need analysis and we do not change that in this bill. There is a representative or two here from the Department of Administrative Services who will be able to answer your technical questions. [LB745]

SENATOR MURANTE: Thank you, Senator Avery. Are there questions for Senator Avery? Senator Scheer. [LB745]

SENATOR SCHEER: And this might not be...this might be in their realm but I'm going to ask you and then, if not, they can answer it. When I look at, if it's already been contracted or bid by the GSA or by a group of states, my concern would be that either a bid from a group of states...those states may have different requirements from vendors as far as what they, you know, they may have to pay on an hourly basis or what benefits they may have to provide. And for example on a GSA, now with the federal requirement, if the President changes the minimum wage that a federal contract is issued at being \$10.10, our state minimum wage might be different than that. So how do we pick up on those nuances if we are just simply going to utilize those? And if you can't answer, sir, that's fine. [LB745]

SENATOR AVERY: I'm going to kick that question back... [LB745]

SENATOR SCHEER: Okay, perfect. [LB745]

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SENATOR AVERY: ...to others. But I think it's important to point out that the GSA, if they've already established a price, generally we can trust that to be... [LB745]

SENATOR SCHEER: Well, and that would be the case, Bill, excuse me, Senator, other than if we now have a... [LB745]

SENATOR AVERY: A change in the minimum wage... [LB745]

SENATOR SCHEER: Yeah. [LB745]

SENATOR AVERY: ...that could...yeah, I understand. But I'm not quite sure of the answer. [LB745]

SENATOR SCHEER: Okay, thank you. [LB745]

SENATOR MURANTE: Thank you, Senator Scheer. Any additional questions? Thank you, Senator Avery. [LB745]

SENATOR AVERY: Okay. [LB745]

SENATOR MURANTE: Are there proponents wishing to testify? Mr. Oligmueller, welcome. [LB745]

GERRY OLIGMUELLER: (Exhibit 1) Good afternoon. Thank you, Senator Avery, for introducing the bill for us. And thank you, Senator Avery and members of the committee. My name is Gerry Oligmueller, it's spelled G-e-r-r-y O-l-i-g-m-u-e-l-l-e-r. I'm the state budget administrator and acting director for the Department of Administrative Services. I'm here today to provide testimony in support of LB745. I also have with me Bo Botelho who is the administrator of our Materiel Division. I'll have him up here in a moment to answer your question, specifically, Senator Scheer. Bo is the administrator for Materiel and has had previous work with the committee on procurement and contract issues. And we certainly can delve into that subject further and answer your questions. Section 1 of LB745 proposes to amend state law to allow for the procurement of services when the service has been competitively bid by another state or group of states and any political subdivision of any other state or a cooperative purchasing organization on behalf of a group of states or when a price has been established by the federal General Services Administration. This change will allow Nebraska to utilize these highly competitive service contracts, thus allowing the state to take advantage of the volume offered by these contracts. This change will provide reduced turnaround time for procurement of

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services, reduce costs, and will provide consistency among goods and services statutes. Nebraska law, Section 81-153 already allows the procurement of personal property from GSA-established pricing and from contracts competitively bid by another state or group of states. The changes proposed in Section 3 of LB745 harmonize the current language of 81-153 relating to personal property with the changes proposed for services in Section 1. Section 2 of LB745 proposes to amend state law to recognize our current process for production of duplicate warrants. Current state accounting system does not allow for the production of duplicate warrants with the same warrant number and the printed message in red ink as required under current statute. The system can and currently does create a replacement warrant which will have a unique warrant number. This change in state law will bring the statute in line with our system's capabilities. Section 4 of LB745 proposes a technical revision to state law to harmonize the date...a date for requesting allocations of task force for Building Renewal Funds with current practice and state law providing for submission of biennial budget requests on September 15. This revision would change the reporting requirements in the Deferred Building Renewal Act, Section 81-181, to clarify that certain reports which constitute requests for task force or Building Renewal Funds be made to coincide with the biennial budget submission of September 15 for even years...even-numbered years. The statute references December 15 currently for each year for the request. This date is no longer applicable because it pertained to requests of LB1100 assessment funds which are no longer provided for in state law and are no longer collected. The proposed change to Section 81-181 will eliminate that confusion and clarify the appropriate dates. We're requesting task force funds and bring the request process directly in line with the biennial budget submissions. And then Section 5 of LB745 proposes a technical revision to statute 81-1018. The intent of statute 81-1018 was to limit the Transportation Services Bureau's acquisition or approval of passenger cars to only the intermediate, compact, and subcompact classes. The statute was later revised, which replaced the term "state-owned passenger cars" with "state-owned vehicles". I believe it was Senator Lautenbaugh's legislation. That revision had the consequence of also prohibiting the Transportation Services Bureau from acquiring or approving the purchase of other types of passenger carrying vehicles such as minivans, full-size vans, and pickup trucks which are not available in intermediate, compact, or subcompact classes. The proposed change in Section 5 remedies the consequence of the terminology used to make the earlier revision in state law. I'd be happy to answer any questions. I've learned from earlier testimony, it's best to bring these technical revisions in state law sooner than 20 years, perhaps, after they're initially discovered. So that pretty much explains our presence here today. I know that Bo has worked with the committee over the years here as the department's legislative liaison and, specifically, as administrator of the Materiel Division and legal counsel. He continues in those capacities for me, as acting director, and is an excellent resource on the issues presented in LB745 and available to comment as well. Maybe I start with...if it's okay, with the question that Senator Scheer posed and have Bo join me, unless there are questions of me specifically.

[LB745]

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SENATOR MURANTE: Are there questions for Gerry? Senator Scheer. [LB745]

GERRY OLIGMUELLER: Senator Scheer. [LB745]

SENATOR SCHEER: Yes. Similar to but different, to the extent that I understand, that if you're bidding a vehicle or desks or a product rather than services, that there is advantage to those specific contracts. When we move to the realm of a service contract, my concern--and I'll let you respond because it's really an opinion or your thoughts on it--but there may be companies in the state of Nebraska that, although are not large enough to bid on a national contract through the GSA or perhaps not doing the services in areas that other states would be bidding on as a multistate contract, by not, then, having that local ability for those to bid on state contracts, are we concerned that we may not be excluding local vendors from providing services to the state of Nebraska? [LB745]

GERRY OLIGMUELLER: Yeah, I guess it would be my opinion, and certainly not my intent, to exclude that local bidder from that opportunity. So I'd see this, you know, applicable in those situations where it's clearly something that is, you know, of significance or scale that is beyond, you know, the reach of what we can find, you know, within our own immediate environment. [LB745]

SENATOR SCHEER: So you...I mean, and I'm not trying to put... [LB745]

GERRY OLIGMUELLER: Yeah. [LB745]

SENATOR SCHEER: ...more wording there for you to work with. But, I mean, you're cognizant of that... [LB745]

GERRY OLIGMUELLER: Yes. [LB745]

SENATOR SCHEER: ...and you're assuming that that would not happen... [LB745]

GERRY OLIGMUELLER: Yeah. Yeah. [LB745]

SENATOR SCHEER: ...if there was the availability of local vendors having the opportunity to provide those services that...and maybe they can do it locally at the same price as a national contract, they just don't have the national exposure in order to handle those products. [LB745]

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GERRY OLIGMUELLER: And I've asked Bo to, perhaps, bring along a couple of examples of, you know, what might be a situation that would present itself where we could take advantage of this national scale (inaudible). [LB745]

SENATOR SCHEER: Okay, thanks, Gerry. I appreciate it. Thank you, Senator. [LB745]

SENATOR MURANTE: Thank you, Senator Scheer. Are there any additional questions? [LB745]

GERRY OLIGMUELLER: Thank you very much. [LB745]

SENATOR MURANTE: Thank you very much. Welcome. [LB745]

BO BOTELHO: Hi. I'm Bo Botelho, Materiel administrator, general counsel, Department of Administrative Services. I think you had a question. [LB745]

SENATOR MURANTE: Before we get started, would you spell your name for the record, please? [LB745]

BO BOTELHO: B-o-t-e-l-h-o. [LB745]

SENATOR MURANTE: Thank you. [LB745]

BO BOTELHO: Senator Scheer, your first question regarding the terms and conditions on these contracts. The contracts, they're bid out by the...by other states. The one we most likely use is the Western States Contracting Alliance. They have general terms and conditions, although each state that joins that contract then negotiates specific terms and conditions to make it in line with their own state statutes, which we routinely do for commodities; that's allowed to do. Generally, those terms and conditions are consistent because states' laws are more similar than they are different. But there are nuances in Nebraska law that we do have to negotiate specifically. And those vendors are used to doing that. They have to deal with multiple states. And that's usually pretty simple to do. On the GSA level, that's a pricing...it's a particular service at a price. And then you negotiate the terms and conditions of that contract. It will be the vendor's contract that we negotiate. And it's more negotiating on a GSA contract than there is on a statewide WSCA contract because it's usually a vendor's boilerplate contract. Then we negotiate those terms and conditions, again, making it in line with our own state law. So there is no exact boilerplate these contracts where we just sign it. We invariably negotiate some of the terms and conditions to make it consistent with our law. [LB745]

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SENATOR SCHEER: Okay, thank you. [LB745]

SENATOR MURANTE: Thank you. Are there additional questions? Seeing none...oh. [LB745]

SENATOR SCHEER: Well, you were going to give us some examples that you have (recorder malfunction), please. [LB745]

BO BOTELHO: Most of these service contracts that are bid out are usually your high-level IT contracts. These are very large companies or sometimes only like three or four of them that provide these types of services. An example--although there's more of them--but like wireless communications. That's one that was just recently bid out by WSCA for state contracts. So these are...tend to be...they're not the labor-intensive service contract for boots on the ground. These are usually technical type contracts--companies like Oracle or Microsoft--these are the types of vendors that are bidding on these types of service contracts. So wireless is one. Remote electronic monitoring, which is used by law enforcement, is another one that WSCA just bid out. [LB745]

SENATOR SCHEER: But no...just to clarify where your looking, but no way local vendors would be excluded from the opportunity to bid under these processes? [LB745]

BO BOTELHO: If it went out to a bid, they would be able to bid on it. If a agency wished to use a contract that was already bid by WSCA or GSA, what they would use is a deviation process where they submit a request for a deviation to Administrative Services saying this is a contract that would normally be required to be bid. We're not going to bid it because we found a WSCA contract that provides these services and they will justify the findings...the reason why we want to go through this is because it will save the state X number of dollars. [LB745]

SENATOR SCHEER: Okay. [LB745]

BO BOTELHO: And then we would have to approve that deviation. [LB745]

SENATOR SCHEER: Okay. [LB745]

BO BOTELHO: But if they use this, then it would not go to bid. It's a deviation from the bidding process... [LB745]

SENATOR SCHEER: Okay. [LB745]

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BO BOTELHO: ...which, currently, it's like a sole source or uniqueness of service which would not require them to be bid. It's not an exception where we have statutory exemptions for bidding for services but never have to be bid. This is a contract that would normally have to be bid, that is not being bid because one of these other contracts exists. And then the agency would put forth their argument as to why this is...using this contract would be better than going through the bidding process. [LB745]

SENATOR SCHEER: Okay. Thank you. [LB745]

SENATOR MURANTE: Thank you. Senator Wallman. [LB745]

SENATOR WALLMAN: Yeah, thank you, Senator Murante. And thanks for coming. I'm interested in this, you know, this rental. I think that was Senator Lautenbaugh's bill on rental vehicles. Now is that saving us any money in the state do you think? [LB745]

BO BOTELHO: The use of rental vehicles? [LB745]

SENATOR WALLMAN: Yes. [LB745]

BO BOTELHO: Yes, I think it is. [LB745]

SENATOR WALLMAN: Okay, thanks. [LB745]

BO BOTELHO: We don't have to buy as many vehicles. [LB745]

SENATOR WALLMAN: Uh-huh. [LB745]

SENATOR MURANTE: Thank you. Any additional questions? Seeing none, thank you for coming down. [LB745]

BO BOTELHO: Thank you. [LB745]

SENATOR MURANTE: Are there additional proponents wishing to testify on the bill? Are there any opponents? Is anyone neutral? Senator Avery, would you like to close? Senator Avery waives closing. And that closes the hearings for the day. [LB745]