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Health and Human Services Committee
February 06, 2014

[LB898 LB1050 LB1088]

The Committee on Health and Human Services met at 1:30 p.m. on Thursday, February 6, 2014, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB898, LB1088, and LB1050. Senators present: Kathy Campbell, Chairperson; Bob Krist, Vice Chairperson; Tanya Cook; Sue Crawford; Mike Gloor; Sara Howard; and Dan Watermeier. Senators absent: None.

SENATOR CAMPBELL: All right, welcome to the hearings for the Health and Human Services Committee this afternoon. We're awfully glad you're here and for those of you who are taking time to testify with us today. We'll go over some procedures at first. Please turn off all cell phones or silence them. As well as any tablets, if you have them, please silence those as well. We ask that if you're going to testify today, you complete one of the orange sheets on either side of the hearing room. Please print as legibly as you can. And as you come forward, you can give your orange sheet, and if you have any handouts, you can also give those to the clerk. We'd like 15 copies. If you need help with additional copies, either Emily or Stuart will be glad to help you, our pages for today. And we do use the light system. I know there's not very many of you, but we're going to try to be as fair to the first testifier as the last. So you have five minutes and when it goes to yellow you have one minute, when it goes to red, I'll be trying to get your attention. We will start with introductions. Senator Watermeier, I usually start with you, you want to introduce yourself, please.

SENATOR WATERMEIER: Senator Watermeier from the southeast Nebraska, District 1.

SENATOR HOWARD: Senator Sara Howard, I represent District 9 in midtown Omaha.

SENATOR COOK: I'm Senator Tanya Cook from District 13 in Omaha and Douglas County.

SENATOR CAMPBELL: And I'm Kathy Campbell and I serve District 25, east Lincoln and eastern Lancaster County.

SENATOR GLOOR: Mike Gloor, District 35, Grand Island.

SENATOR CRAWFORD: Sue Crawford, District 45, eastern Sarpy County.

BRENNEN MILLER: Brennen Miller, I'm committee clerk.

SENATOR CAMPBELL: And our pages today are Stuart and Emily. Stuart is from Lincoln, studying English at the University of Nebraska-Lincoln. And Emily is also at the University of Nebraska-Lincoln studying political science and is...lists her hometown as

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Sioux Falls, South Dakota. So we're always glad to have the pages; they help us a great deal. With all of those introductions...oh, and I should add that our legal counsel, Michelle Chaffee will not be with us today; she is with her mother on a medical procedure. So we expect her back next week. With that we will open the public hearing on LB898. The Performance Audit Committee brings this forward to require reports for public benefit programs delivery system. Welcome, Senator Watermeier, and you go right ahead.

SENATOR WATERMEIER: (Exhibit 1) Thank you, Madam Chair. Thank you, Madam Chairman Campbell and members of the Health and Human Services Committee. For the record my name is Dan Watermeier, spelled W-a-t-e-r-m-e-i-e-r, representing District 1 and I am Vice Chairman of the Performance and Audit Committee. LB898 addresses the ACCESSNebraska program at the Department of Health and Human Services, specifically, the reporting requirements established by the 2011 appropriations bill, LB374. LB898 would remove the reporting requirements from the budget bill and codify them in statute. The bill would also add additional reporting requirements which were recommended by the Performance Audit Committee in its recent performance audit of ACCESSNebraska. In that report, we identified several serious problems reflecting in key efficiency measures including the long length of time many callers had to wait to get through to a call center employee, the extremely high number of busy signal callers experienced, and the large backlog of work duties on many cases. I have provided you with a summary of that report, but will briefly highlight the findings related to these three areas. First, LB898 would mandate reporting more detailed data regarding call wait times. Under the existing requirement, DHHS reports the wait time for all calls. However, the performance audit determined that some types of calls experience much higher wait times than others; a fact that was not evident from the information being reported. For August, 2013, the report estimated that two groups of callers had from 10,000 to more than 16,000 callers who waited 45 minutes or more to talk to a call center employee. Some callers had waited an hour or even two hours. I would just note that the department did not contest these figures. LB898 would require reporting of the overall wait time, as well as the average and maximum wait times for each caller queue. Staff for each queue handle a particular type of eligibility question. Data presented in this matter will help DHHS and policymakers target areas where the problems may be developing. Second, the report showed that in July of 2013, more than 430,000 calls resulted in the caller getting a busy signal, compared to about 102,000 calls in which the caller was connected to a call center employee or, at least, placed on hold to wait for an available employee. LB898 would require additional detailed reporting on the number of busy signals so DHHS and the policymakers can identify potential problem areas or times and resolve them. Third, the report found that there were a high number of uncompleted work duties which are steps DHHS employees needs to complete to determine clients eligibility for services. Of particular concern was that in 7 of the 12 months reviewed, about three-quarters of the work duties were older than five days meaning the duties were not being completed in a

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timely manner. LB898 would require detailed reporting on the number of work duties, as well as the average number of days for completion. In all of these areas, LB898 would require the data to reported for both the Medicaid program and the economic assistance programs by month and by day. Finally, LB898 adds a reporting requirement for numbers of staff and vacancies in the ACCESSNebraska program. The committee believes that codifying the current reporting requirements and adding requirements based on Performance Audit Committee recommendations will help better evaluate the functioning and efficiency of the call centers and, consequently, access to public assistance benefits for our most valuable citizens. Thank you for allowing me to testify. I'd be glad to try to answer any questions, but it is kind of a complicated issue and if there were some questions I may have to defer to staff, but I'd be glad to answer some. And, of course, Senator Krist also serves on that committee with me. [LB898]

SENATOR CAMPBELL: Questions from the senators? I do have to say, Senator Watermeier, that this committee is probably quite familiar with the topic at hand. We've had a number of bills introduced, a number hearings; of course, we've had briefings from the department, so I think we're up to speed. But really do appreciate and want...and hope that you will convey to the staff and the members of the Performance Audit Committee that, as usual, a stellar job in terms of bringing an issue and very pinpoint saying what we need to do. [LB898]

SENATOR WATERMEIER: They're really very diligent, I've learned, working there just in the year and a half I've been there; it's really a good group. [LB898]

SENATOR CAMPBELL: We worked with them on LR37 and very closely the entire committee on child welfare, and so we're well aware of their work. But please convey our thanks to them. [LB898]

SENATOR WATERMEIER: You bet. [LB898]

SENATOR CAMPBELL: Senator Krist, did you want to add anything from the committee? [LB898]

SENATOR KRIST: Just to echo a few things that Senator Watermeier presented. We have a wonderful staff and they put together the data. I think mostly this effort was in cooperation with the department and they received good data, they analyzed it, and I thank them for their hard work. [LB898]

SENATOR CAMPBELL: Thank you, Senator Krist. Thank you, Senator Watermeier. [LB898]

SENATOR WATERMEIER: You bet. [LB898]

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SENATOR CAMPBELL: And we do know that you have a lot of other bills up today. [LB898]

SENATOR WATERMEIER: I have another bill to introduce. I'm going to stick around here until I'm told otherwise though. [LB898]

SENATOR CAMPBELL: Okay, excellent. Thank you. [LB898]

SENATOR WATERMEIER: You bet. [LB898]

SENATOR CAMPBELL: Our first proponent for the bill. Anyone speaking? [LB898]

JAMES GODDARD: (Exhibits 2 and 3) Good afternoon. My name is James Goddard, that's J-a-m-e-s G-o-d-d-a-r-d, and I'm the director of the Economic Justice and Healthcare Access programs at Nebraska Appleseed. I'm here today to testify in support of LB898. As you indicated, Senator Campbell, this committee is well aware of ACCESSNebraska and some of the issues that have been around for several years now. So I won't take up much of your time. But just to say that the quarterly reporting that was required by LB374 started in about 2011, but that was through appropriations. So that means it has to be redone every couple of years. And one of the things the audit took a look at was moving that into the code so that it doesn't have to be done every so often, and we get that information on a regular basis. Some of the other recommendations that were made, I think, Senator Watermeier summarized really well and I don't think I need to rehash. The only thing I would say in conclusion is that having these various data points and measures can help us ensure that we continue to have regularly produced information that can show the health or problems with the system. With that I would ask you to support the bill. I also wanted to note that I'm handing around a statement of principles that was signed by 14 organizations or individuals, including Senator Dubas, that include recommendations related to data collection. And some of those recommendations, I believe, are components of LB898. So with that I'll conclude. [LB898]

SENATOR CAMPBELL: Thank you, Mr. Goddard. Questions from the senators? Senator Gloor. [LB898]

SENATOR GLOOR: Thank you, Senator Campbell. James, jog my memory, what's the LB374? What's LB374? [LB898]

JAMES GODDARD: LB374 was a bill that was put into...it was put in and passed through an appropriation. And that set up a number of measures that require...it was a quarterly report that would put out a bunch of measures including looking at things like call wait times, benefit processing time frames, and a number of other different measures. That was put in 2011. It was then modified slightly last year; I can't

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remember the bill number for that one. But it was altered a little bit. And as I said, so what that means is, in another two years, if this committee decided that you wanted to see that information, it would then again have to be passed again. [LB898]

SENATOR GLOOR: Thank you. [LB898]

JAMES GODDARD: You're welcome. [LB898]

SENATOR CAMPBELL: Any other questions for Mr. Goddard? Thank you very much. [LB898]

JAMES GODDARD: Thank you. [LB898]

SENATOR CAMPBELL: And for bringing the list of people who support the principles. [LB898]

JAMES GODDARD: Thank you. [LB898]

SENATOR CAMPBELL: Our next proponent for the bill. Good afternoon. [LB898]

MARK INTERMILL: (Exhibit 4) Good afternoon, Senator Campbell and members of the committee. My name is Mark Intermill, M-a-r-k I-n-t-e-r-m-i-l-l, and I'm here today representing AARP; just three quick points. In preparation for the hearing today, I made some calls to some of the aging service providers that we work with just to do a check on how things were going. And the first sentence of my statement sums up what I heard: It's not getting better. There are...continue to be problems the community organizations are having, in being able to help people get assistance and that older people are having in being able to navigate the ACCESSNebraska system. So I think that circumstance led me to conclude that we need to continue the reporting requirements that were outlined in LB374. The second point is I would ask consideration, one additional piece of information in the report, and that is what was information about contracts that have been entered into with community-based organizations as have been outlined in LB825. I think that would be an additional bit of information that would be useful. And then the final point is...I read the fiscal note, and I have to agree with the comment in the fiscal note that there have been cuts in administration in HHS which make it difficult for the staff at HHS to fulfill new requirements. I think they do need additional staff both in terms of meeting the requirements of reporting such as this. But also as I look at ACCESSNebraska, I think the solution is pretty clear is that we just don't have enough people to handle the work that's being asked of HHS. So that would be the third point that I have. And we urge you to consider an amendment to the bill and to advance LB898. [LB898]

SENATOR CAMPBELL: Okay, any questions? Mr. Intermill, if the Performance Audit's

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staff wishes to discuss with you the proposed amendment, that would be fine, right?
[LB898]

MARK INTERMILL: Absolutely. [LB898]

SENATOR CAMPBELL: You do not have anything in writing yet? [LB898]

MARK INTERMILL: I did not, no. I would be happy to try. [LB898]

SENATOR CAMPBELL: Really? I'm kidding. Sometimes it's a whole lot easier just to convey to them and I'm sure they'll follow up with you. [LB898]

MARK INTERMILL: Okay. Great, thanks. [LB898]

SENATOR CAMPBELL: Okay. Thank you very much. [LB898]

MARK INTERMILL: Sure. [LB898]

SENATOR CAMPBELL: Our next proponent. [LB898]

AUBREY MANCUSO: (Exhibit 5) Good afternoon, Senator Campbell and members of the committee. My name is Aubrey Mancuso, A-u-b-r-e-y M-a-n-c-u-s-o, and I'm here on behalf of Voices for Children in Nebraska. I know the committee is well informed on the challenges related to the ACCESSNebraska system over the last few years, so I won't take up a lot of your time today, but we just wanted to add our support. We believe data is useful in helping to determine when we make a major system change, like the switch to ACCESSNebraska, is our system really working effectively and are we really ensuring accountability for this public system? So we would urge the committee to advance the bill and I'm happy to try to answer any questions. [LB898]

SENATOR CAMPBELL: Any questions today? Thank you very much. [LB898]

AUBREY MANCUSO: Thank you, Senator. [LB898]

SENATOR CAMPBELL: Voices has consistently followed the issues, so we appreciate your testimony. [LB898]

AUBREY MANCUSO: Thank you, Senator. [LB898]

SENATOR CAMPBELL: Other proponents for the bill? Okay. Those in opposition to the bill? Okay. Those in a neutral position? [LB898]

THOMAS PRISTOW: (Exhibits 6 and 7) Good afternoon, Senator Campbell. My name

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is Thomas Pristow, T-h-o-m-a-s P-r-i-s-t-o-w. I'm the director of Children and Family Services for DHHS and I'm here to testify in a neutral position for LB898. LB898, and a portion of what is proposed in LR400, would expand the information provided to the Legislature through quarterly reports the department currently provides. I'd like to take this opportunity to share with the committee information on what we are currently doing and some improvements we've made since October 2013. On September 30, this past year, the service delivery of economic assistance and Medicaid benefits through ACCESSNebraska was changed. MLTC and family services staff began performing only the work respective of their own areas. This is also the date that phone lines were split for each of the divisions. And the department believes that this split thus far has been successful. One improvement that has been achieved, as a result of this split, is the significant decrease in wait times for the clients who are contacting ACCESSNebraska. The average wait time for the month of January for Children Family Services was 12 minutes and 31 seconds. The average wait time for the month of January for the MLTC was 9 minutes and 44 seconds. Work task numbers have also decreased in the past few months for Children and Family Services. From this past January to February 3, CFS had a 48 percent drop in work tasks from 53,000 to 25,000. Both divisions have also improved access for clients through increased staff in local offices across the state and additional assigned caseloads. CFS has workers who are assigned a case for a period of time during the application process. MLTC has ongoing assigned caseloads for specified caseloads. The divisions also working on collaboratively to address common client concerns through joint meetings with community partners and frequent communications between the divisions. Continuous Quality Improvement, or CQI, has been integrated into ACCESSNebraska and is an important goal for both divisions. CFS has created an interdivisional team that is dedicated to the evaluation of data necessary to improve the quality of service and processes for economic assistance benefits. MLTC has created a quality of care team which assesses the 26 child and adult CMS health care measures. In addition to the internal work of the department, CFS is working with a consultant through USDA, Department of Agriculture, at no cost to the division. This consultant has been on-site twice since November, this past November, will be working with the division over the next 18 months. The consultant's objective is to help the division identify more efficiencies in our daily work, as well as to estimate the average time it takes workers to perform certain tasks during the day. This will help the division set continued goals for average wait times and realistic work task numbers. Finally, as I submitted to the committee, a cross walk on current data provided to the Legislature regarding ACCESSNebraska as it compares to LB898 and LR400. The department appreciates the dedication of the committee and the Legislature to services provided to the citizens of Nebraska. The experience of our citizens in the ACCESSNebraska delivery system for the past few years has been inconsistent at best, and the interest of the Legislature has been understandable. We firmly believe the department will continue to make improvements of service delivery in the coming months and we are committed to make this service the best we can for our citizens across the state. I'd be glad to answer any

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questions. [LB898]

SENATOR CAMPBELL: Okay. Senator Krist. [LB898]

SENATOR KRIST: Thank you for your testimony and thanks for coming today. I just...I have to make a couple of observations having been involved with the performance audit process, having watched the heat been turned up on the department to fix this, and in the time that you have spent trying to do that, and I can appreciate that. But this cross talk really...cross walk, whatever we call it, really tells me that we're not asking you to do a whole lot different than what you're doing right now. There's two other areas, average maximum time or EA and MLTC CSC response in each menu queue. And then total number of work tasks created. When I was in Scottsbluff, it seemed to me that the data collection and the reporting upstream was already in place. So we're adding two more categories to their information that is coming to you; you're already collecting the information and you're doing a great job of analyzing how you're making things better; I don't understand one more person and another \$35,000 unless there is a legitimate concern that we're asking you to do more than what you're doing. The information already available, we're asking you to put it in a format...I'm finding an issue with what we're actually asking you to do in addition to what you're doing already. [LB898]

THOMAS PRISTOW: I understand. Senator, what we're looking at is a split between MLTC and the division, one person between the two to help correlate the data on a full-time basis. [LB898]

SENATOR KRIST: Well, you know, you could have come back as part of this legislation and said we're not going to give it to you in that format, we're going to give it to you in this format; and the analyst, we already have the analyst there that will look at the information on the other side. I'd suggest that rather than being neutral, that you'd be against it and you would suggest that to fix it so that there's a zero cost analysis here that you're going to present the information in a different way and offer an amendment. And if you'd still like to do that, I would think this committee would look at doing that as well. It's just another fiscal note. [LB898]

THOMAS PRISTOW: If I could just, the other thing we are doing, sir, is, I think Monday, I'm meeting with Executive Committee to talk about LR400. There's going to be some...there may be some other additional tasks with that or however that's going to play out. So as that comes together, we will sort it out. We're not trying to say...we're not saying at all that we're not going to provide data, absolutely we will. We're just not sure how that path is going to look right now. [LB898]

SENATOR KRIST: And don't get me wrong, I'm not saying that you're drawing a line in the sand, I'm saying that if we need to fix it, we fix it. [LB898]

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THOMAS PRISTOW: Right. [LB898]

SENATOR KRIST: And your segue into LR400 is where I was going to go. We'll now be looking at two different fiscal notes. This one will say it's worth \$100,000 over here; this one will say it's worth \$2 million over here. I'm exaggerating. But there are two separate ones and there's a lot of common data in terms of reporting coming back in. So I would hope that you would use the time with the staff to take a look at it. And if this isn't the format, we use the format that you're currently doing, because really, there's no...I mean, I don't see a huge difference here. So, those are my comments. [LB898]

SENATOR CAMPBELL: Senator Howard. [LB898]

SENATOR HOWARD: Thank you, Chairwoman Campbell. And thank you for your testimony today. I was a little confused about why you came in neutral as opposed to a proponent since you are collecting so much of this data already. [LB898]

THOMAS PRISTOW: Again, not sure where LR400 is going and looking at how, you know, the split with MLTC and ACCESSNebraska is still new. We're still sorting things out; we're still trying to make sure that we're doing the best service we can. We're not against this. And I think as we go through this over the next month, or as Senator Krist points out, as we sort this out, I think we can come to a process where we all can get where we need to be. [LB898]

SENATOR HOWARD: And then, just as a follow-up, last year when we had a hearing about ACCESSNebraska, I asked one of your staff members what we could do as a body to help fix the problem and what you needed from us to be successful, because I'm still receiving complaints about ACCESS in my office. What can we do to help you be successful? [LB898]

THOMAS PRISTOW: When you get complaints, if you could call me directly so that we can sort them out, I'd be very happy to take those complaints on. We are...ACCESSNebraska is our number one priority among many priorities across the division. We realize that our service over the past year, year and a half, I mean we've evolved, we've changed protocols, we've changed processes, and our service hasn't been the best. We're doing better than we have, especially since October, but we can do better. We are peeling that onion back every which way we can in order to get to the best service possible. [LB898]

SENATOR HOWARD: Is there anything we can do to help you? Do you need more money? Do you need more staff? [LB898]

THOMAS PRISTOW: Right now, we are still in a process of MLTC and the split happening. The customer service centers have...the call centers have been split out.

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We're still maneuvering, making sure we have the right ratio of the staff and how we process the information. At this point, if any of the senators get any information about their constituents that are not happy with the service, please send it to me. [LB898]

SENATOR HOWARD: Okay. Thank you. [LB898]

SENATOR CAMPBELL: Other questions? Mr. Pristow, just for the people who may be listening in, certainly for the transcribers' benefit, can you briefly describe the LR400. Maybe Senator Krist wants to come in on this, but... [LB898]

THOMAS PRISTOW: Sure, and I might have the...the committee what their...the Performance Audit Committee, I just have the correct name for... [LB898]

SENATOR CAMPBELL: Yes, yes. [LB898]

SENATOR KRIST: The Performance Audit Committee. [LB898]

THOMAS PRISTOW: The Legislature asked the Performance Audit Committee to come in and review ACCESSNebraska. They started that this past fall. We've had, I think, a very good relationship with Performance Audit folks. We've met on numerous occasions. And we've worked really well together to just kind of sort out what we needed to look at as far as wait times on a whole host of other different fields also. [LB898]

SENATOR CAMPBELL: And this legislation then came from that legislative resolution, would I be saying that right? I just want to make sure that for the record that we have it clear. You are required now to provide these reports and you already are doing some of them. Would it be...would it be helpful...and I'm really looking at committee members too, for us to do a briefing, maybe not every quarter, but to kind of hear the update as you go along? [LB898]

THOMAS PRISTOW: I would be more than happy to come and brief the committee at your convenience quarterly, if that's what you so chose. [LB898]

SENATOR CAMPBELL: And that way we could also invite members of the Performance Audit Committee who have looked at this; any of those senators that would like to come. It just may keep us more focused in what you're trying to accomplish. [LB898]

THOMAS PRISTOW: There would be absolutely no problem with that, Senator. [LB898]

SENATOR CAMPBELL: Okay. The other thing is that in the mainline budget bill last year, there were a great number of added FTEs, and I realize some of that was to get ready for the ACA and the Medicaid Division. Were any of those employees assigned

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then to ACCESSNebraska? [LB898]

THOMAS PRISTOW: We received about 22 additional staff out of that mix. [LB898]

SENATOR CAMPBELL: Okay. And those 22 staff is...this probably gets back to Mr. Intermill's point, maybe making the difference in the improvements that you could be seeing. [LB898]

THOMAS PRISTOW: Right, as well as the split to Medicaid from ACCESSNebraska, that workload decreased for us, plus additional staff has helped out. And we're in the middle of analyzing exactly how that sorts out now. [LB898]

SENATOR CAMPBELL: Right. And I'm seeing Senator Conrad here, but Senator Conrad has had ACCESSNebraska on her radar, had interim study, I think, that we had, maybe one or two, and Senator Dubas. And in terms of trying to continue to figure out whether the additional staff would make a difference. So when we bring everyone together, I think it will be really critical to look at the number of staff and, you know, how many vacancies you might have and that kind of thing, because staff is going to make the difference. [LB898]

THOMAS PRISTOW: If I may also add, there's one point in mid-December where we had only 10 vacancies across the state of Nebraska for ACCESSNebraska. And that was the lowest we've ever had, which is...and our training programs are up and running. I mean, so we are working really hard to make sure that we have a full capacity and also trained well. [LB898]

SENATOR CAMPBELL: I...oh, Senator Krist. [LB898]

SENATOR KRIST: No, go ahead. [LB898]

SENATOR CAMPBELL: No, I'm trying to think, you go ahead for a while. [LB898]

SENATOR KRIST: Just to be clear, I'm not being critical. What I'm saying is, if there is a format differential there or something we can do to facilitate the data that's coming in, let's get together and talk about it. The way the data is presented is not as important as getting the data and helping you analyze and get better. That's what this is about. So if you're already doing something in a particular format and we need to speed it up or slow it down or reformat it, please let us... [LB898]

THOMAS PRISTOW: I will do that, Senator. [LB898]

SENATOR KRIST: Okay, thank you. [LB898]

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SENATOR CAMPBELL: I was just trying to think and recall from one of the other hearings how high was the vacancy number at one point? It was fairly high, wasn't it? [LB898]

THOMAS PRISTOW: It was...I can't recall off hand. My deputy is here, she would have that number, but it was probably 40 or so, 50 at one point. [LB898]

SENATOR KRIST: She is shaking her head. [LB898]

SENATOR CAMPBELL: Is she? Is she saying you're there. But, I mean, I think all along, from the very first time that Senator Conrad had a hearing on this, which is what, three years ago, Senator? She's nodding, thank you. And each subsequent one it really came down to staff to make a difference for the folks that were needing that individualized attention. Well, we will be back in touch with you, assuming that the bill goes and passes the Legislature. And we'll try to set up a briefing at some point, maybe not every quarterly, but I think it would be helpful for the senators to hear. [LB898]

THOMAS PRISTOW: Thank you, Senator. Thank you. [LB898]

SENATOR CAMPBELL: (Exhibit 15) Thank you, Mr. Pristow. Other testifiers in a neutral position? Senator Watermeier did you...he's waiving closure. Okay. If you are leaving, try to leave as quietly as you can. We should note that we had a letter of support for this from the Nebraska Association of Behavioral Health Organizations. And with that, Senator Conrad is right. [LB898]

SENATOR CONRAD: Hello. Good afternoon, committee members. [LB898]

SENATOR CAMPBELL: She's right on. This public hearing this afternoon is on LB1088, Senator Conrad's bill to change income eligibility provisions relating to federal child care assistance. Welcome. [LB1088]

SENATOR CONRAD: (Exhibit 8) Thank you. Thank you, Senator Campbell; thank you, members of the committee. My name is Danielle Conrad, that's D-a-n-i-e-l-l-e, Conrad, C-o-n-r-a-d; I represent, as you know, the "Fightin' 46" Legislative District of north Lincoln. I'm here today to proudly introduce LB1088. This is a bill to raise the child care eligibility from 130 percent of the federal poverty limit to 135 percent in fiscal year '15, and 140 percent in fiscal year '16 and thereafter. This is not going to be a new concept to any member of the committee. Thanks to your leadership, we made great strides forward last year through the combination of LB507 on the quality piece, and LB625, my piece that bumped up our eligibility for this important program. Just a brief history lesson for the record: In spring, 2002, over 10 years ago, almost 12, Governor Johanns used a line-item veto to cut funding for this program. We used to have eligibility at 185 percent of the federal poverty level. Through that line-item veto, it was cut down to 120 percent

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federal poverty level. And eligibility remained at 120 percent until just last session when we were able to stair-step it to 125 percent and then 130 percent. That's about \$25,000 for a family of three. This legislation, LB1088, would raise it to 140 percent which for a family of three would be about \$27,700 a year. So again, very modest earnings still. And the changes we made last year didn't go far enough and we're still putting lower income working families and children in a precarious position by setting our eligibility standards so low. Even with the increase last year, Nebraska is still ranked 44th; 44th in terms of how this program plays out nationally for eligibility and the Child Care Assistance program. You know, bottom line is this: We've moved from 50th to 44th as a product of that legislation. But I simply refuse to believe that 44th is good enough for our kids. It's not, and we can do better. Nebraska also has one of the highest percentages of working mothers at 73 percent, and families where both parents work at 74 percent, demonstrating a very, very, clear need for access to child care. Making child care subsidies available to families at 140 percent of the federal poverty level and below would be a positive move for Nebraska. Child care subsidies make day care more affordable for low income working families meaning that children will be in safe environments while their parents are working. That helps the economy because without this needed service, individuals are forced to quit jobs, forgo raises, decrease hours, or utilize more forms of public assistance, quit school, or spend less time with their children. All of those things are bad for the economy and bad for society. More children being able to access safe and affordable, critical child care services is good for Nebraska. I urge your favorable consideration of the bill. And I'm happy to answer any questions. Also, going to have the page go ahead and pass around a brief chart in terms of how Nebraska stacks up to some of our sister states as well. And what you'll see from a quick glance is that even with the progress we made last year, which again I'm very grateful for your assistance and leadership on that effort, we still have a long way to go. We're not competitive with many of our sister states; and then nationally we continue to rank very, very low, while we have a high, high number of folks working. So with that...and I will let the committee know, now would be the best time for questions because I'm double-booked this afternoon. So I'm running back to Appropriations and I will waive closing. [LB1088]

SENATOR CAMPBELL: Okay. Are there any questions? Senator Krist. [LB1088]

SENATOR KRIST: Well, I was just going to ask you if appropriations is available to bump it up? Do you have an idea? I haven't looked at the fiscal note yet, but is it reasonable? [LB1088]

SENATOR CONRAD: It is. [LB1088]

SENATOR KRIST: Okay. [LB1088]

SENATOR CONRAD: It's a great bargain. (Laughter) This modest increase in eligibility

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carries with it a fiscal price tag of about...just shy...about \$850,000 in the first year and about \$1.7 million in the second and thereafter; which is very similar to what we saw with the increases in the last session. And keep in mind, with that price tag, we're literally talking about thousands and thousands of children and families that will be able to access utilize those services. So I have great confidence in Liz Hruska's fiscal note and think that it is indeed a great value. As you well know, thankfully, Nebraska is in an incredibly fortunate position to have resources available, thanks to our strong economy. And there's a great debate before this very body about how we prioritize and how we utilize those resources and I'm never going to stop making the case for this program because it's proven, it's important, and before we eviscerate our revenue structure, my point is, we have some obligations we still need to attend to. [LB1088]

SENATOR KRIST: And would you like to speak to the other fiscal note? [LB1088]

SENATOR CONRAD: No. You know what, and it's very simple. I appreciate everyone has a chance to weigh in and to share their perspective, but from a legislative perspective, our rules allow us to use one number and that's what's provided by the nonpartisan Fiscal Office and I stand by their numbers. [LB1088]

SENATOR KRIST: And I appreciate that. And that was a loaded question. (Laughter) As a valued member of the Appropriations Committee with all the experience, that's what I would expect, so thank you very much. [LB1088]

SENATOR CONRAD: Very good. [LB1088]

SENATOR CAMPBELL: Other questions? Comments? Senator Conrad, thank you very much. [LB1088]

SENATOR CONRAD: Thank you. [LB1088]

SENATOR CAMPBELL: And I know I speak for the whole committee, we enjoyed the partnership we had last year on the bill. [LB1088]

SENATOR CONRAD: Absolutely, absolutely. And those were critical steps forward. I don't mean to diminish that work. We were able to help out almost 7,000 kids, or something to that number, and in those stairstep eligibilities with the 10 percent over two years, so that's very, very important. But my point is, you know, in 2002, we were doing much, much better with this program; we had to pare back because of budgetary issues and the recession, but we're still not even close to coming to where we once were. And as we continue to right the ship and recognize what our state obligations are, this program just...it has to remain in the public view. [LB1088]

SENATOR CAMPBELL: (Exhibits 16 and 17) And just so that you know before you

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leave, we received a letter of support from First Five and Children and Family Coalition of Nebraska, also known as CAFCON. [LB1088]

SENATOR CONRAD: Yes, very good. Thank you very much. [LB1088]

SENATOR CAMPBELL: Thank you. Okay. Our first proponent for LB1088. Good afternoon. [LB1088]

AUBREY MANCUSO: (Exhibit 9) Good afternoon again, Senator Campbell, members of the committee. My name is Aubrey Mancuso, A-u-b-r-e-y M-a-n-c-u-s-o and I'm here on behalf of Voices for Children in Nebraska. Access to affordable child care helps keep kids safe so parents can work. And we support LB1088 as another step towards restoring the cut that Senator Conrad mentioned that was made to the child care subsidy program in 2002. Like Senator Conrad also mentioned, we very much appreciate the work this committee did in working to improve both access to and quality in the child care subsidy program last year, but, unfortunately, we're still not where we need to be for working families. Attached to your testimony is an updated version of a report that we released earlier this week called the Family Bottom Line. And it looks at what Nebraska families need to make ends meet without assistance. And the charts attached to my testimony are based on the report data that show the minimum average amount a family with two children would spend on child care in different regions of Nebraska, as well as the portion of that family's budget that is devoted to child care expenses. The regions are based on the USDA's rurality designations; and the metropolitan counties are the larger counties and counties adjacent, like Lancaster. The non-metropolitan counties have a population of at least 2,500; Adams County would be an example. And the rural counties are the smaller counties, less than 2,500 in population; Banner County, I think, was the example county used. And you have the comparison of child care cost for both a single parent and a two-parent family with two young children. And in every case, child care is the most significant expense in the budget for families with young children. Depending on area of residence and family composition, the costs represent about 26 percent to 33 percent of the family budget in Nebraska. And that monthly cost ranges from about \$960 a month in rural areas of the state to \$1,350 in the metro areas of the state. So we feel that, you know, our current income eligibility just doesn't reflect the financial reality for families when it comes to child care. And we urge the committee to continue their interest in that issue. I'll answer any questions. [LB1088]

SENATOR CAMPBELL: Thank you, Miss Mancuso. So any questions from senators? Always appreciate the data. Thank you very much. [LB1088]

AUBREY MANCUSO: Thank you. [LB1088]

SENATOR CAMPBELL: Our next proponent for the bill. [LB1088]

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JAMES GODDARD: (Exhibit 10) Good afternoon again. My name is James Goddard, that's J-a-m-e-s G-o-d-d-a-r-d, and I'm the director of the Economic Justice and Health Care Access programs at Nebraska Appleseed. I'm here today to testify in support of LB1088. This committee is very familiar with the child subsidy program. It's an important program that helps low-income families maintain employment, go to school, or acquire the skills to get a job. Without this assistance, many Nebraskans, simply, would be unable to work. Improvements were made to this program last year in terms of eligibility levels and we want to thank Senator Conrad and this committee for that long-awaited change. As the committee might recall however, the original proposal from Senator Conrad would have raised eligibility back up to 185 percent FPL which would restore eligibility to the 2002 levels. At that time there were promises that eligibility would be restored, but that has not yet happened. While the increase from last year is a critical step forward for low-income families, needed child care remains inaccessible for many Nebraskans. As Senator Conrad indicated, we continue to rank poorly in terms of national eligibility. And what that means is families earning just slightly more than the eligibility level are unable to get this assistance, even though child care is very expensive for them. This bill would get us a lot farther towards the goal of restoring eligibility where it once was and ensure, essentially, a more realistic eligibility level. This is good for Nebraska families. It's good policy; and it's also very good for the health of our economy. And with that I would urge this committee to advance the bill. [LB1088]

SENATOR CAMPBELL: Any questions? Thank you, Mr. Goddard. [LB1088]

JAMES GODDARD: Thank you. [LB1088]

SENATOR CAMPBELL: Our next proponent. Good afternoon. [LB1088]

SARAH ANN KOTCHIAN: (Exhibit 11) Good afternoon, Chairwoman Campbell and members of the committee. My name is Sarah Ann Kotchian, S-a-r-a-h A-n-n K-o-t-c-h-i-a-n, and I appear in support of LB1088 on behalf of the Holland Children's Movement, a nonpartisan, not-for-profit organization established by Richard Holland to address public policy changes to improve the outcomes of children born into low-income families. We would like to commend Senator Conrad for her leadership and ongoing attention to the issue of child care subsidy income eligibility and commend this committee and Legislature for the increases made to the program last year, as well as for the recent advancement of Senator Cook's LB359 to Select File to allow families the opportunity to increase their earnings while receiving the subsidy. Last year, through the leadership of Senator Campbell, Nebraska joined 37 other states and the District of Columbia in creating a quality rating and improvement system through the Step Up to Quality Child Care Act. This Legislature is emerging as a national leader in recognizing that access to child care and quality child care are interrelated and equally important issues. When families can access quality child care that nurtures and promotes their

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child's development, it enables parents to work and go to school under considerably less stress. This makes for a more reliable and productive work force and in turn allows for more positive parent-child interactions at home in an environment of greater economic security where both adults and children can thrive. We know that the numbers of children ages birth through five at risk due to family income has been on the rise in Nebraska. This information and this long-standing issue of child care subsidy eligibility is, like everyone else has said, not news to this committee. But I do think it worth mentioning for the record that if Nebraska had maintained or would restore the child care subsidy eligibility level to what it was in 2002, every at-risk child, birth through five, in a working family could have access to child care. Just as we know that children considered at risk benefit the most from the highest quality care, we also know that chief among the risk factors linked to academic failure and poor health is family economic hardship. Just as the Step Up to Quality Child Care Act addressed quality, LB1088 directly addresses the access issue of the child care equation and is a step in the right direction. Child care assistance is one of the most critical work-support programs we have available for low-income families and we would urge you to advance LB1088. I thank you for your time and consideration of this issue. [LB1088]

SENATOR CAMPBELL: Questions or comments? I have one comment. Having had, the last two weeks, our three-and-a-half-year-old grandson with us, (laughter) and we were able for that time to get him in to a child care development center; they were extremely understanding and helpful. I'm very appreciative of every comment in this letter. (Laughter) And particularly the quality that's needed for child development. So thank you for your testimony. [LB1088]

SARAH ANN KOTCHIAN: Thank you. [LB1088]

SENATOR CAMPBELL: Other proponents for the bill? Those who wish to testify in opposition to the bill? Those who wish to testify in a neutral position? And Senator Conrad has waived, so that will close the public hearing on LB1088, so if you are leaving us, please leave quietly. And Senator Cook, would you conduct the next one while I go? [LB1088]

SENATOR COOK: Why not? [LB1050]

SENATOR CAMPBELL: Why not? [LB1050]

SENATOR COOK: Absolutely, Madam Chair. [LB1050]

SENATOR CAMPBELL: Thank you. Senator Krist said he would be back. But we'll keep moving. [LB1050]

SENATOR COOK: All right, let's do that. All right, we're going to...as soon as Chairman

Campbell takes the stage, yes, begin our hearing on LB1050. Senator Campbell, welcome. [LB1050]

SENATOR CAMPBELL: Thank you. I'm Kathy Campbell, and I represent District 25, and that is spelled K-a-t-h-y C-a-m-p-b-e-l-l, and it is certainly my pleasure to introduce LB1050. The intent of LB1050 is to require all child care providers who are required to be licensed by the state of Nebraska to have a health and safety inspection prior to being issued a license. Current law allows for family child care home I providers to obtain licenses before undergoing basic health and safety inspections. Specifically, current law allows applicants to self-certify that they are in compliance with all health and safety regulations and then gives the Department of Health and Human Services 60 days to complete the inspection after the license is granted. Parents may not be aware that the license was granted without an inspection and they may consider the license to mean that their children are in a safe and healthy place. Although a significant majority of providers pass these inspections without incident, a small number of licenses have been granted to homes with unsafe and unsanitary conditions that are not easily remedied. LB1050 does not apply to child care providers who are not required to be licensed. And LB1050 will protect children and provide families the assurance that all licensed child care providers meet basic health and safety standards upon licensure. Now, if you were like me, you were kind of like, okay, what does child care want or what does this mean? And I have to say that First Five Nebraska first brought this to my attention, and so I thought that what I would do for us today is just kind of step us through and then will be glad to take questions. Although there are a number of classifications: only school age, only child care centers, and certain family child care homes, are at issue here. Okay? Now, if a family child care center...and this is, you know, in-home, Mrs. Smith down the block serves four or more children, Mrs. Smith would have to obtain a license. And Senator Cook has been very good about raising that issue, you know, does everybody have to be licensed? Well no, only if they have four or more children. The family child care home I...there's two designations, there's a I and a II, but we're dealing with family child care home I licensees...are permitted to serve up to eight children with some exception depending upon the ages of the children. Okay? Family child care home II licenses are permitted to serve up to 12 children. Okay? At this point, current law allows for child care home I providers to obtain a license in advance of inspections for compliance with basic health and safety requirements. Specifically, the law only requires that inspections occur within 60 days of licensure. While some family child care homes are in compliance with most the regulations within that 60-day inspection period, there have been a number of providers whose homes would never pass basic health and safety requirements. And my question was: Well, give me an example. The department went out and found that they had no running water; that they had found rat droppings in the home; and very unsafe conditions. So the vast majority of the people who do this care have a very safe home. But there have been instances where they have found that. In addition to allowing an unsafe facility to operate with a license, the child care licensing staff must take disciplinary action to

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close those programs which should never have been issued a license in the first place. And this places an enormous administrative burden on the state not to speak to the fact that the parents would have had no idea that the safety of the home was in question. And the other issue when I started talking about this is not only is the inspections important, but think about the provider here. You're starting a business; it is a business, and you're saying, well, okay, I have a license for 60 days and then the inspection comes back and you find that for some reason you don't comply. Well, you already have children; you already have families. If I were going to start a business, I would want to know from the front, before I started my business exactly what the regulations were. The other issue, I think at hand, is I found out that when the department goes out, does those inspections and all that is taken care of, they sit down and they go over with the provider, you know, a notebook of suggestions and helpful and, you know, this is what you need to know. If you're starting a business, you want to know that from the beginning before you open your door. I think that this is an issue, safety for children. Certainly, for parents knowing that their children are there. And really for the providers who do this, I think in the long term it gives them some idea of how to operate their business from the very beginning. And that's really why I brought the bill forward. So with that, Senator Cook, I would conclude my opening. [LB1050]

SENATOR COOK: Thank you, Senator Campbell. [LB1050]

SENATOR CAMPBELL: Oh, I should note, I'm sorry, I missed a piece. I wasn't paying attention. [LB1050]

SENATOR COOK: Yes, of course. [LB1050]

SENATOR CAMPBELL: (Exhibit 12) We will have...and I need the pages to pass out...we will have an amendment. This amendment allows the family child care home I inspections to occur within 60 days of an amendment to a license...and it's really...we...it's incorrectly worded and we should have caught it: Amendments to licenses occur when there is a change of ownership. Okay? So we need to clarify. This section of statute should have been included in the green copy and was not. And so this amendment corrects that oversight. It's really a technical oversight in how the bill was put together. And I do apologize for that. Thank you, Senator. [LB1050]

SENATOR COOK: Thank you, Senator Campbell. Are there questions from the committee? I see Senator Gloor's hand. Senator Gloor. [LB1050]

SENATOR GLOOR: Thank you, Senator Cook. Thank you, Senator Campbell. Whenever I see a bill like this, I ask...the first question that comes to mind for me is, so why was it set up this way in the first place? What is the...what was the reason or rationale that it was felt appropriate and necessary to allow class I's to not have a previsit? Did you get any insight on that? [LB1050]

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SENATOR CAMPBELL: You know, when I looked...some information was provided to me about the history of all these classifications. And apparently at one point in time we had something like 4,000 across the state of these class I...not class I, but family care home I's and II's, I would guess, they might have been in that number. Now we are closer to the number 2,000. And so, Senator Gloor, the explanation that I read was that they were just overwhelmed. So what they decided to do was to say, okay, we'll go ahead and issue the license and then come back. Well now we don't have that number. And I suspect, Senator Gloor, we don't have that number because we're seeing more centers opened than we might have seen well over 20 years ago, probably, so it has balanced out. Well now we should ensure that very licensee has this inspection and instruction before we issue one. [LB1050]

SENATOR GLOOR: Okay. [LB1050]

SENATOR CAMPBELL: Does that help? [LB1050]

SENATOR GLOOR: Yes. [LB1050]

SENATOR CAMPBELL: And I'll be glad to...I'm not sure I've got the document with me, but I'll be glad to share it, because I asked the same question. Why did we ever start this practice in the first place? And my guess is, over the years we've just not gone back to bring everything into compliance. [LB1050]

SENATOR GLOOR: So, is this in reg, but not in statute? [LB1050]

SENATOR CAMPBELL: This is in...we do have to have a statutory change. Apparently, the way it was written, the family care home II is...that can be changed in regs. But this one, for some reason or another, needs a statutory change. I know, I know. But we did take a good look at that. And it might be that people behind me might be able to address your question better. [LB1050]

SENATOR GLOOR: Well, that's one of the reasons I asked, I thought it would tee it up for others who might be able... [LB1050]

SENATOR CAMPBELL: Thanks, you're very good at teeing up those questions; I appreciate it. [LB1050]

SENATOR COOK: Thank you, Senator Gloor and Senator Campbell. Any other questions? Senator Crawford. [LB1050]

SENATOR CRAWFORD: Thank you, Senator Cook. Thank you, Senator Campbell. Do we know what...is there a waiting list for these inspections, or do we know what the

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capacity is to get them done in a timely manner? [LB1050]

SENATOR CAMPBELL: You know, that's a good question. I think they feel that they can get them done in a timely manner. And the people who are behind me might be able to answer. [LB1050]

SENATOR CRAWFORD: Okay. [LB1050]

SENATOR CAMPBELL: I had suggested that perhaps we have some of the family home I's testify, but as you can well imagine, they're all with children. So I would hope that the people who follow may be able to...otherwise, we will get that answer for you. [LB1050]

SENATOR CRAWFORD: Excellent. Thank you. [LB1050]

SENATOR COOK: Thank you, Senator Crawford, Senator Campbell. Any other questions? Thank you. [LB1050]

SENATOR CAMPBELL: Thank you. [LB1050]

SENATOR COOK: I am guessing that you're staying around for closing with us this afternoon. [LB1050]

SENATOR CAMPBELL: I will. [LB1050]

SENATOR COOK: Thank you very much. First testifier in support of LB1050. [LB1050]

JEN GOETTEMOELLER: (Exhibit 13) Good afternoon, Madam Chair, members of the Health and Human Services Committee. Thank you for hearing my testimony today. My name is Jen Goettemoeller, that's spelled G-o-e-t-t-e-m-o-e-l-l-e-r. I'm here on behalf of First Five Nebraska to ask you to advance LB1050 and the accompanying amendment. Thank you, Senator Campbell, for introducing this bill. Senator Gloor, you just touched on it, a moment ago, in some of your questions. I wanted to give you just a little bit more history on the self-certification process. So prior to 1978, all family day care homes, is what we called them at the time, were actually inspected prior to becoming licensed. And then around 1978, Nebraska and a number of other states decided to institute the self-certification process in the licensing process in order to increase the numbers of licensed child care across the state. So if you think about the timing of things, a lot of women going into the work force, that sort of thing, more child care was really needed. And so Nebraska, and as I mentioned, a couple other states decided to really try to encourage more licensed child care across the state to serve those families who were going to need that, and decided to make this change. So they allowed family home I's to self-certify. No other licensed child care providers had that option. So the home II's and

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the centers still had the inspection prior to licensure. But that gives you just a little bit more background in terms of the history. And Senator Campbell did already mention, we really saw a peak, it was in 1995 where we did have 4,000 child care providers. All of them were home I's that were licensed in the state of Nebraska. It was only 200 in 1978 when that process was changed and we really wanted to encourage more licensed child care providers across the state, at the time only 200 of them existed. So then you see the big uptake. We peaked in 1995 with 4,000 home I's and now, as Senator Campbell mentioned, we really, every year, hang out around 2,000. In a year's time, approximately 140 to 150 new family home I's apply to be licensed. And most of those, 95 percent of those, pass the inspection without incident. Of course that inspection happens after the license is already granted; no incidents, no problems there. But about 5 percent of them, or approximately 8 every year, licenses are granted to homes with very unsafe and unsanitary conditions that are not easily remedied. And on the back of the handout that you just received, attached to it is a form that looks like this. This is a glimpse of the numbers over the last six years from '08 to 2013 that shows 47 cases that had a license granted that when the health and safety inspectors went into the homes, they immediately recognized this is an environment that should not be licensed. So if you look at that first paragraph, it lists the violations of those 47: no running water, no hot water, no electricity, fire safety hazards, no second exist, an infestation of roaches or rodents, and unlocked firearms. If you read a little bit further down, there is some more information about offenses that are not so serious. These are offenses that a provider has to come up with a plan and they have to fix that, so they go on that probationary status. They would not have required that denial of a license. And those are things like: ratios or failure to allow an inspector into your house when they come. Things that are not as minor, those are not the cases that we're talking about here. We're talking about the 47 very egregious cases with infestations or no running water, that kind of thing, pretty serious. One of those 47, just to give you a little bit closer example, the license provider was there and they went in and found that the house was actually condemned, which they didn't realize until that inspection was done. So that's the kind of cases that we're talking about here. We just really feel that when a license is issued from the state of Nebraska, it should mean what it already implies to parents, which is, the state has done its due diligence and this is a place that is deemed to be a safe location for children. So, thank you so much. [LB1050]

SENATOR COOK: Thank you, Jen. Are there questions from the committee? If not, thank you very much. [LB1050]

JEN GOETTEMOELLER: Thank you. [LB1050]

SENATOR COOK: I'll turn the chairmanship back over to Senator Krist as he has returned. [LB1050]

SENATOR KRIST: You're doing such a great job. [LB1050]

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SENATOR COOK: Well, I don't want you to feel unwanted. [LB1050]

SENATOR GLOOR: Make him earn his pay. [LB1050]

SENATOR KRIST: Next...we're still on proponents? [LB1050]

SENATOR COOK: Yes, sir. [LB1050]

SENATOR KRIST: Thank you. Thank you, Senator Cook. Next proponent. Welcome. [LB1050]

TRACY GORDON: (Exhibit 14) Thank you. Good afternoon, Senator Campbell and members of the committee. My name is Tracy Gordon, T-r-a-c-y G-o-r-d-o-n, and I am representing the Nebraska Association for the Education of Young Children. Nebraska AEYC is a membership organization representing 500 or more early childhood stakeholders across the state. We work in partnership with the early childhood community to improve the quality of early childhood environments, recognizing that these environments have a lifelong impact on children. We are here today to support the passage of LB1050 and we would like to express our appreciation to Senator Campbell for introducing this bill. Research shows that children's experiences during their first five years profoundly affect social, emotional, and cognitive skill formation and healthy life outcomes. Implementation of LB1050 would allow family child care home I providers the opportunity to evaluate the health and safety aspects of their program prior to obtaining a license by the Nebraska Department of Health and Human Services. By evaluating aspects of the health and safety of their program, they are ensuring that they are well prepared and equipped to receive a child care license in a timely manner. As an agency who works with a variety of child care programs to improve quality, we recognize that health and safety concerns should be a number one priority for child care providers. By addressing these items prior to a licensing inspection, providers are taking the first steps to ensuring they're providing an environment that meets the minimum health and safety needs of our youngest children. We would like to thank you for your serious consideration of this bill and strongly encourage you to advance LB1050. Thank you. [LB1050]

SENATOR KRIST: Thank you, Ms. Gordon. Thank you for being so concise. [LB1050]

TRACY GORDON: You're welcome. Happy. [LB1050]

SENATOR KRIST: Any questions? Thank you. Thanks for coming. [LB1050]

TRACY GORDON: Thank you. Thank you. [LB1050]

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SENATOR KRIST: Next proponent. Welcome. [LB1050]

SARAH ANN KOTCHIAN: Thank you. Good afternoon, Senator Krist, members of the committee, my name is Sarah Ann Kotchian, S-a-r-a-h A-n-n K-o-t-c-h-i-a-n, and I appear in support of LB1050 on behalf of the Holland Children's Movement. You have already heard the merits of this bill. We think it is a very commonsense change to protect the health and safety of our youngest children. We would thank Senator Campbell for her introduction of this legislation and ask for your consideration of advancing this bill. [LB1050]

SENATOR KRIST: Wow. Thank you, more concise. (Laughter) Thank you for coming. [LB1050]

SARAH ANN KOTCHIAN: Thank you. [LB1050]

SENATOR KRIST: Any questions? I don't see any. Any other proponents? Welcome. [LB1050]

PENNY GILDEA: Hi, thank you. Hi, I'm Penny Gildea, P-e-n-n-y G-i-l-d-e-a. And good afternoon, Madam Chair and Health and Human Services Committee members. Thank you for the opportunity to provide supportive testimony in support of LB1050. I've been working in the field of early childhood care and education for over 40 years and I've delivered training and provided coaching and I teach college classes related to care and quality. So one of the training projects I've been involved with is child care health consultant training on the importance of good quality health and safety centers and home providers. My extensive work has given me the distinct pleasure of being in many child care and homes and centers across the state of Nebraska. I support LB1050. Currently, all licensed providers, as you've heard, both homes and centers are already required to have health and safety inspections. Child care centers must have the inspection prior to the licensing and family child care programs after they receive their license. Often the majority child care programs are already meeting the basic health and safety needs as Jen said. Because health and safety inspections are completed after a family child care license is issued, there are times family child care providers do not meet the health and safety standards, child care providers and parents can be surprised and perplexed on why the program does not meet the health and safety standards after the license is issued. Many times parents and child care providers make the assumption the family child care program meets the health and safety standards because a program has a license from Health and Human Services. The inspection prior to licensing could alleviate this problem. Logically, it's easier to address health and safety issues before a license is issued. The child care provider knows the health and safety issues and can choose to make the changes in order to receive their child care license. Parents will then need to find a new provider if the program has to close for health and safety issues. And choosing a new child care program can be time intensive for families. From

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my point of view, it just makes sense to have the inspection completed prior to issuing of any child care license. LB1050 assures consistency in the licensing procedures. Family child care programs and child care centers receive a health and safety inspection prior to licensing. And parents can be assured basic health and safety standards are met in the child care program their child is attending. And most importantly, children will be in programs meeting basic health and safety standards. So thank you for your work to protect children, their families, and the child care work force. Thank you for the opportunity to provide supportive testimony about this project and LB1050. [LB1050]

SENATOR KRIST: Thank you. Any questions? Seeing none, thank you for coming; thanks for your testimony. Any other proponents? Any opponents? Any neutral? Senator Campbell...waives. The time I remember it, she waives. (Laughter) That concludes our hearings for the day. Thank you very much. (See also Exhibits 18 and 19) [LB1050]