

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

[LB229 LB237 LB654]

The Committee on Appropriations met at 1:30 p.m. on Tuesday, March 10, 2015, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB229, LB237, and LB654. Senators present: Heath Mello, Chairperson; Robert Hilkemann, Vice Chairperson; Kate Bolz; Ken Haar; Bill Kintner; John Kuehn; Jeremy Nordquist; John Stinner; and Dan Watermeier. Senators absent: None.

SENATOR MELLO: Good afternoon and welcome to the Appropriations Committee. My name is Heath Mello. I'm from south Omaha and represent the 5th Legislative District and serve as Chair of the Appropriations Committee. I'd like to start off today by having members do self-introductions, starting with my...on my left, with your far right.

SENATOR KINTNER: Bill Kintner, Legislative District 2, which is south Sarpy and Cass County.

SENATOR NORDQUIST: Jeremy Nordquist from District 7, downtown and south Omaha.

SENATOR KUEHN: John Kuehn, District 38, seven counties in south-central Nebraska.

SENATOR HILKEMANN: Robert Hilkemann, District 4, west Omaha.

SENATOR STINNER: John Stinner, 48th District, Scottsbluff.

SENATOR BOLZ: Senator Kate Bolz. I'm proud to represent south-central Lincoln, District 29.

SENATOR HAAR: Ken Haar, Legislative District 21, which is northwest Lincoln and part of northwest Lancaster County.

SENATOR WATERMEIER: Dan Watermeier, District 1, Syracuse.

SENATOR MELLO: Assisting the committee today is Rachel Meier, our committee clerk; and our committee pages for the day are Julia and Rachel. On the tables in the back of the room you will find some testifier sheets. If you're planning on testifying today, please fill out one of the yellow sheets and hand it to Rachel when you come up. It helps us keep an accurate record of today's public hearing. There's also a sign-in sheet on the back table that if you do not wish to testify but would like to record your position on a specific bill or an agency budget item. If you

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

do have any handouts, please bring at least 11 copies and give them to one of the pages when you come up. If you do not have enough copies, the pages will help make more for us. During the portion of the day that is the public hearing on legislative bills, we will begin bill testimony with the introducer's opening statement. Following the opening statement, we will hear from supporters of the bill, then those in opposition, followed by those speaking in a neutral capacity. We will finish by having a closing statement by the bill introducer, if they wish to give one. We ask that everyone begin their testimony by giving us their first and last name and spelling it for the public record. When we hear testimony regarding state agencies, we will first hear from a representative of that state agency. We will then hear testimony from anyone who wishes to speak on that agency's budget request. We will be using a five-minute light system today for all testifiers other than the introducer of a bill or the agency representative. When you begin your testimony, the light on the table will turn green. The yellow light is your one-minute warning. And when the red light comes on, we ask that you wrap up with your final thoughts. As a matter of committee policy, I'd like to remind senators that the use of cell phones and other electronic devices is not allowed during public hearings. At this time, I'd ask all of us, including senators, to please check our cell phones and make sure that they are on the silent or the vibrate mode. And with that, at this time we'll begin today's public hearing with Agency 5, the Nebraska Supreme Court. Welcome, Chief. [AGENCY 5]

(AGENCY BUDGET HEARINGS)

SENATOR MELLO: Any other testifiers on Agency 46, the Department of Correctional Services? Seeing none, that will close today's public hearing on Agency 46, Department of Correctional Services, and take us to our first of three bills for the night, LB229 from Senator Watermeier. [LB229]

SENATOR WATERMEIER: Chairman Mello and fellow Appropriations Committee members, I am Senator Dan Watermeier, spelled W-a-t-e-r-m-e-i-e-r. I represent District 1 in the southeast corner of the state and here to introduce LB229 for your consideration. LB229 would provide a specific appropriation to the Court Appointed Special Advocate--or the CASA, C-A-S-A--Fund in the amount of \$400,000 in each of the biennium. In case you're not aware, CASA volunteers are trained citizens who are appointed by a judge to speak in court for the safety and well-being of abused and neglected children. There are 22 CASA programs serving 38 counties in Nebraska. More than 650 CASA volunteers advocated for abused and neglected children in 2014--15 more volunteers than in 2013 and 366 more than 2010. More than 1,500 children had a CASA volunteer in 2014--137 more than served in 2013 and 388 more than 2010. However, more than 2,000 abused and neglected children are in the system without a CASA volunteer. Statistics show that a child with a CASA volunteer is more likely to find a safe and permanent home, is more likely to be adopted, half as likely to reenter foster care, and substantially less likely to spend time in long-term foster care. CASA volunteers spend significantly more time

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

with the child than a paid guardian, a guardian ad litem, and help children receive more services. In return, it has been shown that children with a CASA volunteer do better in school as well. We are all aware of the enormous need to do what we can to address the issues surrounding abused and neglected children. The issues that are facing families in the state are daunting. However, one of the bright spots is the beneficial role that court appointed special advocate volunteers play in our system. CASA volunteers do an extraordinary job throughout the state, acting in many cases as the child's only constant in a sea of changes. It is the CASA volunteer who provides the children with the consistency that are expected for those who work with our most vulnerable youth. I'm familiar with and have been impressed by the efforts of the CASA volunteer system in the area I represent. Mari Jackson, who is the Otoe County CASA coordinator, is here today to testify about their successes with the grant program that we have provided. I've also gotten to know Corrie Kielty, the executive director of the Nebraska CASA program. I believe she will also testify about the overall effect that this funding can have on our state. I'd like to give you a little more history on the CASA funding. The vast majority that CASA funding receives is used on offer grants to local CASA programs. Other expenditures include director salaries, training costs, and contracts for local program evaluation. Although CASA has been in Nebraska for almost 30 years, the first time the program received any state support was in fiscal year '11 and '12. CASA received \$100,000 that year and \$200,000 the following year. The original proposal was to fund the program through \$1.25 increase in court fees, but when this funding source was rejected, it was decided to transfer funds from a cash fund. In 2013, Senator McGill offered LB126, which was introduced and included intent language for the appropriation of \$500,000 per year to the Court Appointed Special Advocate Fund. Her bill was incorporated within the budget bill, appropriating \$200,000 in fiscal year '13-14, and \$200,000 in fiscal '14 and '15 from the General Fund, for a total during the biennium of \$400,000. However, this funding was not included in the base, meaning that the money was appropriated through fiscal '14 and '15 only. I believe in the past it was thought that this program needed to prove itself, that it was doing what it was...that it was intended to do it does, and that by moving forward and growing in other areas of the state. Through the statistics that I and others will give you, I believe the CASA program has proven itself. I think it is time to discuss a continual funding source so that the CASA program doesn't have to worry about continued funding and can, instead, focus on serving the state's children in need. State support has become the largest source of income for the CASA program, which also receives income from fund-raising and a smaller amount from the National CASA program. Therefore, I firmly believe that an annual appropriation needs to be set in the base, allowing funding for the program to continue every year. I also believe that we should strive to seek more CASA volunteers throughout the state. We also need to expand the CASA volunteer program into additional counties. In addition to an annual \$200,000 appropriation, Nebraska state CASA believes that with another \$100,000 in annual funding they can provide additional services, expanding into counties where they do not exist now, can recruit and retrain more volunteers, and can develop new and innovative programming. Therefore, I strongly support an annual appropriation of \$300,000. As to the remaining \$100,000 increase proposed in

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

LB229, many changes have been made in the last couple of years with juvenile justice and its funding. Community-based aid funding passes through the Crime Commission. In the past, some of this funding was granted to local CASA programs. If we were to grant this additional \$100,000 then local CASAs would not need to apply for these grants from the Crime Commission, and those dollars could be utilized for juveniles within the juvenile justice system. We ultimately need to make a decision about this extra \$100,000 would be appropriate to give to CASA, thereby freeing up some funding for juvenile justice programs. I appreciate the time today to introduce LB229 and I'd be happy to answer any questions if I can. I think I will stick around and close and listen to the other testifiers. [LB229]

SENATOR MELLO: Thank you for your testimony, Senator Watermeier. Are there any questions from the committee? Seeing none, thank you, Dan. [LB229]

SENATOR WATERMEIER: Okay. [LB229]

SENATOR MELLO: We will first hear from proponents for LB229. [LB229]

CORRIE KIELTY: (Exhibit 1) Thank you, Senator Mello, as you dash out, members of the committee, for your time and consideration of LB229. My name is Corrie Kielty, C-o-r-r-i-e K-i-e-l-t-y. I'm the executive director of the Nebraska CASA Association. I'm here today to provide you with an overview of CASA in Nebraska and the use of state funding received for the last four years. I will also overview our plans for continuing to serve and expand our services to children who are abused and neglected. There are also two local program directors here today to share the local program perspective. We are asking you to continue state funding to CASA programs so we may continue to serve the 1,546 children that were assigned to CASA volunteers by Nebraska judges in 2014. We will also continue expanding CASA programs so that every child in Nebraska who needs one has a CASA volunteer. As the senator said, the first CASA program was established in Nebraska in 1986. In your CASA fact sheet that I provided you will see, on the right-hand side, that there's the list of the 22 programs that serve 38 counties. I didn't think you wanted me to state that in my testimony. (Laugh) Six of those programs were started due to the funds that we have received in the last four years through the CASA Fund. Eighty percent of the Nebraska CASA Fund has been designated for grants to local programs. These grants subsidize the recruitment and training of new volunteers. As Senator Watermeier stated, we increased the number of volunteers statewide from 412 in 2010 to 656 in 2014. That's a 60 percent increase. The CASA Fund has also allowed us to expand into additional counties. CASA of South Central Nebraska is now serving Webster County, in addition to Adams, Clay, and Nuckolls. Seward County CASA has expanded into Jefferson and Saline Counties, and they've changed their name to Southeast Nebraska CASA because they do plan to expand into more counties. New local CASA programs are also being funded. Cheyenne County has a new

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

program due to the CASA Fund. Lincoln County CASA began in 2012, and by December of that year 18 volunteers were trained and sworn in by the judge. Saunders County CASA began just before this funding. They began their quest to advocate for abused and neglected children in July of 2010. Sixteen volunteers have been trained and sworn in, and they've advocated for 38 children. Christina McIntire is one of our local program directors here and she is going to share with you the story about the Kearney/Buffalo County program, which is probably the best story that you're going to hear today. Although we served 388 more children in 2014 than four years ago, on an average day we still have 2,000 children in the foster care system with no CASA volunteer. Additional funding is needed to continue serving more children. Program funds are being stretched further as we train and support more volunteers. In addition to local CASA program plans to expand into five more counties, the Nebraska CASA Association is now working with experienced local nonprofit agencies to add services to nine additional counties and a tribal court. Although we partner to save costs and we work with every local program to raise their own program funds, the investment of the state of Nebraska into CASA volunteers is essential and it saves the state more than it invests. In addition to program expansion, recruiting, training, and retaining volunteers with the CASA Fund, Nebraska CASA has also contracted with the University of Nebraska-Omaha Support and Training for the Evaluation of Programs, or STEPs program. Through this partnership, we measure and assess our program effectiveness so that we can become more cost-effective and our programs can provide better services. Mari Jackson is going to provide some of the results of our measurement of judges' perceptions of CASA, which is a recently published study in the Child and Adolescent Social Work Journal. Finally, I would like to address the cost benefits to our state as a result of CASA programs. National studies and one conducted by Creighton University on Douglas County CASA have extrapolated the cost analysis to the Department of Health and Human Services based upon children who are assigned a CASA volunteer. A child served by a CASA volunteer spends, on average, four to five months fewer in care than a foster child without a CASA volunteer. If every child had a CASA volunteer, that reduced time in care is estimated at \$12.5 million per month, which is \$50 (million) to \$62.4 million annual savings to the state of Nebraska. This is based on 2009 costs, and the 2009 costs of just simply housing foster care children, and I also didn't include the costs to the state for services to the child, to the family, or the amount that foster care payments have gone up since 2009. Children in care with CASA volunteers also have fewer placement changes. These children reenter the system at a lower rate of 1.9 to 9 percent. Children without a CASA volunteer have an average of 16 percent reentry rate into the system. CASA is an incredibly cost-effective program. In fiscal year 2013-14, the average cost to serve a child in Nebraska was \$1,013. In fiscal year 2010-11, the cost was \$1,295. So we have reduced those costs by \$282 per child in the last three years--a very prudent investment on your part, I must say. The funding in LB229 provides Nebraska CASA programs with the opportunity to continue these needed, cost-effective services for abused and neglected children and also to grow our services. Thank you. [LB229]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

SENATOR MELLO: Thank you for your testimony, Ms. Kielty. Are there any questions from the committee? Senator Hilkemann. [LB229]

SENATOR HILKEMANN: What's your annual budget? [LB229]

CORRIE KIELTY: Our annual budget? [LB229]

SENATOR HILKEMANN: Yeah. [LB229]

CORRIE KIELTY: This year is approximately \$400,000. [LB229]

SENATOR HILKEMANN: And so this appropriation basically covers your... [LB229]

CORRIE KIELTY: No, we pass through 80 percent of these funds to local programs. The majority of our budget in Nebraska CASA Association is pass-through of grants to local programs and then we do things like coordination of outcome services, assessing our effectiveness, gathering data. We pay for things like the software that they input the number of kids that we serve and the outcomes that those children have, a statewide conference, other training services that we provide. [LB229]

SENATOR HILKEMANN: Where do you get your other support from? [LB229]

CORRIE KIELTY: We have had two large one-time donations that we are utilizing currently. We write grants, like all other nonprofits, to every possible funding source. And then we have one large fund-raiser per year, a gala, March 28. You're invited. And we do other fund-raising as well. [LB229]

SENATOR HILKEMANN: Thank you. [LB229]

SENATOR MELLO: Thank you, Senator Hilkemann. Are there any other questions from the committee? Seeing none, thank you, Corrie. [LB229]

CORRIE KIELTY: Thank you. [LB229]

SENATOR MELLO: Next proponent for LB229. [LB229]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

CHRISTINA McINTIRE: You ready for me? Can I say good evening? [LB229]

SENATOR MELLO: It's good afternoon still. We have...we still have half an hour. [LB229]

CHRISTINA McINTIRE: (Exhibit 2) No. (Laugh) Okay. Okay. Well, thank you. Thank you, Senators, for your time. I appreciate your time. My name is Christina McIntire, M-c-I-n-t-i-r-e. I am the CASA executive director of the Kearney/Buffalo and Phelps/Harlan County CASA. I've been in this position for 15 years. I'm here to ask you for your support of the CASA Fund which funds our local programs' recruiting, screening, training, and supporting of our volunteers who are appointed by court judges to represent the best interests of abused and neglected children in our court system. I want to share with you the growth of several programs in central Nebraska that I have personally been involved in and I've been part of to illustrate our capacity to expand into unserved counties. The county judge in Phelps County, which is in Holdrege, appointed the first volunteer advocate in 1997. The program then added Harlan County in 2010. The Dawson and Gosper County Courts have been serving children since 2001; Kearney County, 2000; and Buffalo County, 2012. Children and families in these counties have all benefited greatly from the CASA Fund. The Dawson/Gosper County CASA program now serves every child that enters the court system because of abuse/neglect. The Phelps, the Harlan, the Kearney Counties, all these counties, they serve 100 percent of the abused/neglected children in those court systems as well. The most significant impact is in Buffalo County where we only began serving children in 2012. Last year our program had 60 volunteers, 60 volunteers, and we served 165 children. That is 165 abused/neglected children who had a CASA volunteer to investigate the circumstances of their life in order to ensure that everyone involved was focused on their best interest. Our volunteers complete screening by our staff, who gives them 30 hours of training, and then they keep their continuing education. They're required to have 12 hours of continuing education hours every year to help keep the case moving forward. CASA volunteers also receive a lot of CASA support from the staff. Currently, Kearney/Buffalo County CASA has three staff. We are here today to share with you all the great work that has been done in the past four years with these funds provided by the Legislature. Unfortunately, much work needs to be done. It is a constant challenge for us to have enough volunteers to serve children. While I'm glad that we're serving 165 kids, for example, in Kearney and Buffalo County CASA, we still have 65 children on the wait list. Those are the kids that we want to get to, as an example. As we grow the number of volunteers and, in turn, the number of children that we serve, are stretched by these funds. The more volunteers and children served, the more we spread the funds thinner each year. With additional funding, we will continue to grow and approve our programming. How much time do I have, Senator Mello? [LB229]

SENATOR MELLO: Continue. Two minutes. [LB229]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

CHRISTINA McINTIRE: Two minutes. Okay. I won't say the closing, but in closing I did put a CASA success story that I'll let you read on your own. It's just a volunteer, one of our counties that made a significant difference in a child's life. I will be glad to answer any questions.  
[LB229]

SENATOR MELLO: Thank you for your testimony, Ms. McIntire. Are there any questions from the committee? Seeing none, thank you. [LB229]

CHRISTINA McINTIRE: Thank you. [LB229]

SENATOR MELLO: Next proponent for LB229. [LB229]

MARI JACKSON: (Exhibit 3) All right. Thank you for your time. I appreciate this. Good afternoon. My name is Mari Jackson, M-a-r-i J-a-c-k-s-o-n, and I am the coordinator for the Otoe County CASA program. Our local program is 1 of 22, which you've already heard, in the state where we recruit, screen, train, and support our volunteers who are appointed by our judges to advocate for our abused/neglected children in our courts. The CASA Fund has been key to the growth of the CASA programs in Nebraska. Our program in Otoe County began serving children in 2009 and was started at the request of John Steinheider. These state funds are essential to continue the growth and the sustenance of our program. In Otoe County, in 2014, there were 15 volunteers who served 33 children. A dream for many years, Otoe County CASA has become a full-fledged reality in the last five years. Once approved by our local county judge in 2009, our local community members worked tirelessly to see this vision take shape. In February of 2010, the board hired me as the Otoe County coordinator for that program. In September of 2009, our first six volunteers completed their 30 hours of National CASA training, were sworn in by Judge Robert O'Neal, and they started advocating immediately for our children. Our volunteer advocates' dedication and commitment to the children they serve is obvious. They recommend testing for developmental delays, connect children to available community services, ensure that case plans are followed, inform the court of the teenagers' wishes, and track down important medical records that previously get ignored by other parties, and we report our findings, independent findings, to Judge Robert O'Neal. In spite of our very limited history, the difference our advocates are making in the lives of abused and neglected children is clear. Since Otoe County children continue to be removed from their homes due to abuse and neglect, we need more advocates. At this time, we're serving 24 children in care. Thanks in part to funding from the Nebraska CASA Fund, we have 16 volunteers and a new class starting this spring. We have also been working toward the creation of a new CASA program to serve Richardson, Nemaha, Pawnee, and Johnson Counties. These counties have children in care and they indicate a great need to have volunteers serve them. However, it takes work to get the program in place, ensuring safe, competent, and well-trained volunteers to be in place and to be supported. Without



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

assistance of funding from the CASA Fund, it would not be possible to continue moving forward with our expansion into these counties and serving these children. I've personally have been working with Judge Curtis Mauchman, as he wants CASA programs in the county courts that he serves that are outside of Otoe County. CASA works closely with all judges. We sign memorandums of understanding, which we call MOUs, so that we are partners helping the judge make these lifesaving, life-changing decisions for these children. Judges have indicated many helpful roles of CASA volunteers, including the relationships that we have with our children, providing children with that voice in the courtroom, providing the court with details in a child's life that would otherwise be left unknown. They tell us that the volunteer reports are on time. Our reports are professional and helpful in making decisions about services and placements of children and moving their cases to conclusion more quickly. Finally, judges, as others, agree about the cost-effectiveness of our CASA program. The generosity of our volunteers providing their time to help our kids makes us an incredible beneficial investment in the system of care for children and the outcomes of these vulnerable children's lives. In summary, we're asking for your continued funding to keep our effective, cost-saving volunteers in place in the system. We are also asking for additional funding so that we can continue to grow in Nebraska and serve more children and more counties in need. The children of abuse and neglect deserve this from us while they are going through this quite difficult time in their lives. So thank you for your consideration and your time, and I urge you, the committee, to please advance our LB229. Thank you. [LB229]

SENATOR MELLO: Thank you for your testimony, Ms. Jackson. Are there any questions from the committee? Senator Hilkemann. [LB229]

SENATOR HILKEMANN: Do you have difficulty finding volunteers? [LB229]

MARI JACKSON: At times I do because it has to be a time that is convenient for the volunteer because you're asking them to give up the 30 hours of training and, basically, 10 to 12 hours a month once they are placed with a child. But I've been fortunate that I have--jeez, can I say this?--I have several groups that I really appreciate in my county and it's the Ministerial Association and our retired teachers. And they have a pulse on families and children already and I've found them more than willing to step up to the plate when I give them, you know, what's at stake for our children. So, yes, yes and no. [LB229]

SENATOR HILKEMANN: Okay. I'm familiar with the program. My sister-in-law has been a CASA volunteer for years in her community and it's a wonderful program. Thank you. [LB229]

MARI JACKSON: Okay. Well, we appreciate her dedication and her volunteering as well. Thank you. [LB229]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

SENATOR MELLO: Senator Stinner. [LB229]

SENATOR STINNER: I just want to say thank you for all that you guys do. I've been involved with...in Scottsbluff-Gering with the...as a contributor to the CASA program. [LB229]

MARI JACKSON: Uh-huh. [LB229]

SENATOR STINNER: And I will tell you that CASA and CAPstone go together in a fund-raising breakfast and they do a pretty good job, but it's the most riveting one hour, one and a half hours that you'll ever spend. And I would highly encourage you to go to the fund-raiser, support the CASA program. It's well worth the effort. And thank you all. [LB229]

MARI JACKSON: Uh-huh. Well, thank you. We appreciate your support as well. Any other questions? [LB229]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Ms. Jackson. [LB229]

MARI JACKSON: Okay. Thank you. [LB229]

SENATOR MELLO: Next proponent. [LB229]

KATIE ZULKOSKI: Good afternoon, Chairman Mello, members of the Appropriations Committee. Katie Zulkoski, Z-u-l-k-o-s-k-i, testifying on behalf of the Nebraska State Bar Association in support of LB229. The judges and lawyers on our legislation committee--we have attorneys that work in the juvenile courts and juvenile court judges on our legislation committee--and they felt strongly that this was an important bill that the bar support. And so we're happy to be here today in support of this legislation. [LB229]

SENATOR MELLO: Thank you for your testimony, Ms. Zulkowski. Are there any questions from the committee? Seeing none, thank you. Are there any other proponents for LB229? Seeing none, is there any opponents for LB229? Seeing none, is there anyone here in the neutral capacity for LB229? Seeing none, Senator Watermeier, would you like to close? [LB229]

SENATOR WATERMEIER: Yeah, I think I will. I wasn't going to close--I was listening to the debate here and the conversation--but I feel compelled to because Appropriations, we need to be thinking bean counters and we have the bean counters left in the room with Senator Kintner and

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

Senator Stinner. We don't need to hear...Bolz doesn't need to hear this. Two points: You know, you think about what we just heard in the testimony before and on the agency reports from the Corrections. The new director couldn't get a handle around some of the mental case issues, mental health issues. He has a \$200 million infusion of General Funds to that program and it's around 5,500 inmates; \$200 million, over 5,500 inmates. Keep that number in mind, Senator Stinner. Second one is when I got involved in this discussion a year ago with the CASA program, I started asking questions about what they're doing, what they're not doing, what other states are doing. And so I requested some money, some funds, just some history about other states. I'll give you one number. Iowa spends \$2.9 million a CASA program, and it scared the bejesus out of me when I heard that number because it's fully funded. It's state employees. It's got a state director. Fifteen hundred people they're serving. Nebraska is serving 1,500 people and we think we can reach even more. So just keep that number in mind. That was one of the reasons I became so compassionate about this, was I don't want to start another state agency. We can do this with volunteers. We need to make darn good and sure we can, you know, enthusiastically support that idea. So that's why I'm here today and I appreciate your consideration. I got to...and answer any other questions. If so, I can do that. [LB229]

SENATOR MELLO: Thank you, Senator Watermeier. Any other questions from the committee? Seeing none, thank you, Dan. [LB229]

SENATOR WATERMEIER: All right. Thank you. [LB229]

SENATOR MELLO: That will end today's public hearing on LB229. Before we get going to our next two hearings, can I see a show of hands of anyone who is going to be testifying on LB237? Anyone who's going to be testifying on LB654? We will start then with LB237 still. [LB229]

SENATOR COASH: (Exhibit 1) All right. Well, thank you, Chairman Mello. Good afternoon, members of the Appropriations Committee. Colby Coash, C-o-a-s-h, of Lincoln, representing the 27th District. This is LB237. LB237 is Plan B. It's how I'm framing this, okay? This is a bill that appropriates \$261 million for correctional facilities. I didn't pull that number out of a hat. That number came from the recommendation of Phase 1 of the 2014 Nebraska Department of Correctional Services' master plan report, which you are getting a handout of. This bill addresses the problem of prison overcrowding by adding new beds to house prison inmates. The Legislature over the past couple of years took kind of a beating for not bringing this forward, so here it is. As I have stated to my colleagues, I introduce this legislation not because I want to spend \$261 million but because I do not want to spend \$261 million. We have a lot to do to reform corrections this session, and this bill, in my estimation, represents the cost of inaction. Should the problems in corrections continue to be ignored, then LB237 is the only option. I have four state and two county correctional institutions in my district, and prison overcrowding is one

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

of the most important issues facing our state and it is time to take action. I represent hundreds of correctional workers and their safety is a top priority for me. Recent numbers from the Department of Corrections indicate that our state institutions grew by 19 inmates per month. That's the trajectory we're on, 19 inmates per month. When I started looking at this last year, it was about 12. So doing nothing, we are adding 19 inmates net per month. That's 228 new inmates a year, and this growth, unaddressed, cannot satisfy the necessary safety concerns for those who work in the prisons. So I want you to see through this bill the gravity and cost of any inaction, and I have every confidence that members of the committee and the Legislature can implement reforms necessary to avoid these costs. I call this Plan B for this reason. The reform that's currently working through the committee where I sit may not be palatable to this Legislature. And I can tell you that I am talking to people who are saying this option is the way we should be going; that reform is not where we should go. We should just build more beds. That is for us to decide. And should we decide that, this is the vehicle to do that. Lastly, I would ask the committee to consider that LB237 may be a vehicle to renovate Lincoln's Air Park facility into a community-based corrections center or work release center as a more reasonable version as part of the report that was submitted to the committee the end of last year. So I would ask you to consider that in your deliberations and would be happy to answer any questions.  
[LB237]

SENATOR MELLO: Thank you, Senator Coash. Are there any questions of committee? Senator Kintner. [LB237]

SENATOR KINTNER: Senator Coash, thanks for coming. You do know we have a dress code here. Not having a tie I think is going to cost you \$60 million right off the top probably. (Laughter) No. Actually, so you just want us to hold this bill, just sit on it over the session or what do you... [LB237]

SENATOR COASH: I'm...this Legislature, when we...when Corrections started to fall apart last year and I was not on it but some of the members of this committee was on the LR424 Committee that looked at this issue for hours. Senator Seiler didn't even get to go fly fishing because he was so busy with this. And it was said during those hearings that not one member of the Legislature proposed adding new beds, and that's why new beds were not added and that's why we had sentence miscalculations and early release and created programs that got inmates out early. And that offended me, as a senator, saying that we as a Legislature did not propose that. And so at that point I decided I was going to make sure that this was an option. If we don't do anything, there's just no way that 228 new inmates a month can fit in the square footage that we have. We just can't do it. The other thing that I would ask you to consider, I know you heard from the Department of Corrections and this is something that's not really out there. We certainly can use more beds, but I want you to consider this. You may have a wing of an institution that's got a kitchen facility that is designed to feed three meals a day to 100, let's just say 150 inmates

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

per day, three meals a day. Well, that same facility is now feeding 400 inmates a day. And if I asked you in your own homes, you know how you're used to cooking to four and I said you now need to cook for 24 people out of that same kitchen, you'd say, well, I need a bigger oven, I need more refrigerator space. So that's part of this as well. We can't...the current capacity means that we need to take a look at what the infrastructure is. To answer your question, do I want you to sit on it? Yeah. I want you, I want this Legislature to put the reforms in place that makes this unnecessary, okay? But I also believe that we may need to build some more beds, depending. We don't know. We could do everything that CSG has asked, we could do everything that every senator has brought the Judiciary Committee, we could pass it, the Governor could sign it, and we may still need more beds. It's possible. And I want to...this is about safety of corrections officers. You go out there and you watch how these inmates are jammed shoulder to shoulder, you understand how much of a powder keg it is. And they earned their way in there, okay, so I'm not feeling bad for them. But it is a danger to the people who work there and that's part of my concern, the reason I brought the bill. [LB237]

SENATOR KINTNER: Thank you. [LB237]

SENATOR MELLO: Senator Stinner. [LB237]

SENATOR STINNER: For \$264 million, \$261 million, how many beds do we get? I don't want to dig through the master plan. [LB237]

SENATOR COASH: Sure. [LB237]

SENATOR STINNER: It's after 4:30 or whatever. [LB237]

SENATOR COASH: Fair enough. You get...well, it's on page 2. You'd have to do some quick math. But about 5,600. [LB237]

SENATOR STINNER: Fifty-six hundred beds. [LB237]

SENATOR COASH: Yep. [LB237]

SENATOR STINNER: And you were indicating that at one time we were at 12 per month, now we're at 19 a month. When did that trend start and how long has that been in place? [LB237]

SENATOR COASH: We've been on this upward trend for a decade or more. Okay? [LB237]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

SENATOR STINNER: Okay. So if I took this times ten years, I halfway fill this new prison,... [LB237]

SENATOR COASH: Yeah. [LB237]

SENATOR STINNER: ...because it's 228 times 10. [LB237]

SENATOR COASH: Yeah. [LB237]

SENATOR STINNER: You're in trouble again. [LB237]

SENATOR COASH: Well, and Corrections, you know, I sat in this Legislature for six years and poked on Corrections and asked them, are you safe, do we need...do you need money, do you need something to make sure that bad things don't happen? If you talk to corrections officers, they'll tell you their number one job is to make sure nobody jumps over the wall, right? And that's a big deal to me because I got a lot of corrections facilities in my district. They jump over the wall, they're in my backyard, right? So they've been doing that. Nobody has escaped, okay? But beyond that, they're running out of...they're, frankly, running out of square footage. And with 228 inmates a year, it's just unsustainable. [LB237]

SENATOR STINNER: But if we don't reverse the trend or at least cap it at zero, we're really looking at a major... [LB237]

SENATOR COASH: This number grows. [LB237]

SENATOR STINNER: ...capital expenditure. [LB237]

SENATOR COASH: I would tell you that this is Phase 1. There's a Phase 2 and a Phase 3, which have similar costs to them, but I only gave you copies of Phase 1. [LB237]

SENATOR MELLO: Any other questions from the committee? Think just more of a point of clarification for the public record. I believe on page 2 of the handout, Phase 1 is 1,108 design beds, I believe, for the \$261 million appropriation. I believe the number Senator Coash mentioned was the projected number of inmates currently that would be in Corrections. So I think it goes to, I think, Senator Stinner's question and point to Senator Coash that even if we did appropriate \$261 million, the prison would essentially be immediately full and we would still be dealing with an overcrowded prison crisis... [LB237]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

SENATOR COASH: Yes. [LB237]

SENATOR MELLO: ...after the prison would be built. So it's not really a long-term solution, quote unquote, but... [LB237]

SENATOR COASH: Thank you for the clarification. [LB237]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Senator Coash. We will first take proponents of LB237. Seeing none, we'll take opponents for LB237. [LB237]

RICHARD HALVORSEN: It's back there. Will you need it now? [LB237]

SENATOR MELLO: If you could just give it to us when you're done, that's fine too. [LB237]

RICHARD HALVORSEN: Okay, yeah. [LB237]

SENATOR MELLO: Go ahead. [LB237]

RICHARD HALVORSEN: Went quicker than I thought, the last couple bills. My name is Richard Halvorsen, H-a-l-v-o-r-s-e-n. I'm representing myself in opposition. All the talk of over capacity, when they say they're 150 percent over capacity, 160 percent over capacity, what they mean is some guy has got to share a cell with somebody else or, in the dorms, some guy has got to sleep on the top bunk. And talk about the people in there, one guy is in there, he made his stepdaughter eat cat feces and kitty litter. Now the guy had a sex slave here in Lincoln, bound her, cut her, beat her, put cigarette burn...put out cigarettes up and down her spine. So I think when you go back to your district, ask your voters, do they care if this guy has to share a cell? I think most will say no. And so I say to talk about this amount of money coming out of the taxpayers' pocket, again, basically to do with overcrowding which they are working...all their bills are working on to boot too, I think it's the wrong time to even discuss any new prison construction. Thank you. [LB237]

SENATOR MELLO: Thank you for your testimony, Mr. Halvorsen. Are there any questions from the committee? Seeing none, thank you. Are there any other opponents to LB237? Seeing none, is there anyone here in the neutral capacity for LB237? [LB237]

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

ALAN PETERSON: (Exhibit 2) Good afternoon, Chairman Mello and members of the committee. I'm Alan Peterson, A-l-a-n P-e-t-e-r-s-o-n. I'm the lobbyist and an attorney for ACLU of Nebraska. I appear neutrally. I understand this bill is, in some way, a stocking horse for thought, but it also can be used, with modification, to perhaps increase some available facilities, even in Lincoln at the Air Park or other places. Understand that. The option A would be to pass the several reform bills, I believe almost all of which if not all of which have been in the Judiciary Committee and a number of them I believe have already been advanced, perhaps some more today. Those bills try to work at the causes of overcrowding rather than slapping up more bricks and mortar for a temporary solution. This bill and the study on which it is based and which is, in fact, attached to the fiscal note, there's a computer link to the study, 280 pages I think, that came from the Department of Correctional Services and its contractor, somebody called Dewberry, which is kind of a nice southern name. But the Dewberry report did all the number crunching and came up with these estimates of what it would help...to what extent it would help to build in the coming five years this \$261 million worth of new buildings. And it's very intelligent and very well-put-together report. I will say that one of the things the Dewberry report does, and it's the reason why I handed out about four or five pages of the report, is it tries to say that the overcrowding is probably being wrongly measured by looking at design capacity, which is what our statutes have done, which is what the courts have relied on in general, design capacity, in order to say to what extent we're overcrowded. The Dewberry report says, well, maybe it's not so bad; let's look at something which they call "operational capacity." And that is defined on page...I believe it's 2-4, the little excerpt of the 280 pages that I handed out to you. It's defined except it's not defined. What it says is that, well, maybe we're not so overcrowded because we could take the various standard practices that have accumulated at our correctional institutions and have become standard and they're still operating and people aren't dying. Therefore, they suggest that an optional way to look at the crowding problem is so-called operational capacity. If they would say what standard practices have now been adopted that are okay with them, it would help. The only one they mention that I could find on page 4, where the term is defined, is that we are now taking cells that were designed for one at all the older institutions, including the pen, not TCI. TCI cells were apparently designed for two. But all the others were designed for one and most of them have been double-inhabited now or triple-inhabited, I suspect, and worse at certain of the institutions. I would ask that you think about that little excerpt because that's a way of--is it a word--under exaggerating the problem. Design capacity is what we got to look at. It's what the courts look at. It's what ACLU looks at. Final comment on that: I've testified a number of times that ACLU is obligated by its oath and mission to support the constitution, Bill of Rights Eighth Amendment, to take action if this Legislature does not. And I'm not talking about LB237. I'm talking about the real reforms that are in LB592, LB598, LB172, LB173, LB605, and LB606. I think that's about a half-dozen bills really aiming to get to the cause. If we don't...if they don't work, if you can pass those, they get implemented, including the CSG recommendations and the other recommendations on front-end sentencing



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

reforms, if that doesn't work, yeah, you can look at building more. My light is on and I want to respect that, sir. [LB237]

SENATOR MELLO: All right. Thank you for your testimony, Mr. Peterson. Are there any questions from the committee? Senator Stinner. [LB237]

SENATOR STINNER: Yeah, I've read some of this, some of the reforms and... [LB237]

ALAN PETERSON: Yes. [LB237]

SENATOR STINNER: ...what we need to implement in sentencing... [LB237]

ALAN PETERSON: Yes. [LB237]

SENATOR STINNER: ...and all the rest of that stuff. [LB237]

ALAN PETERSON: Yes. [LB237]

SENATOR STINNER: And I always try to square it with the folks back home that I've talked to, the sheriffs, the judges, attorneys. And they all say, we've never sent anybody down to the prison that doesn't deserve to be in prison. [LB237]

ALAN PETERSON: Right. [LB237]

SENATOR STINNER: So that's a really tough conversation for me to have to look at... [LB237]

ALAN PETERSON: Yeah. [LB237]

SENATOR STINNER: ...what somebody is saying that needs to be done and squaring it with what I'm hearing locally, so. [LB237]

ALAN PETERSON: Part of the...one thing for those folks to think about is that since about 1990 the sentences have been steadily increasing and a lot of new crimes added on with stiff felony penalties. And it's like accretion, I guess, on a river bank that ends up being much different than it was. The accretion of all the new penalties and the higher penalties for the same crime which has been occurring is one of the main causes of why we're in this mess today of overcrowding.

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

Yeah, they deserve to be there, but do they deserve to be there for 15 years on perhaps some kind of a drug possession? The reforms, a lot of them, including the CSG's, say, look, the violent criminals, absolutely they need to be there. Maybe the penalties need to be at least as high. The nonviolent crimes, a lot of those people can be helped, not just punished but helped, with the programs, the transitional stuff and the things that CSG is recommending. And that's the way we ought to go. I know that a number of the senators even on this committee have been working hard on those kinds of reforms. Thanks for that good question. [LB237]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Alan. [LB237]

ALAN PETERSON: Thank you. [LB237]

SENATOR MELLO: Is there anyone else here in the neutral capacity on LB237? Seeing none, Senator Coash. Senator Coash waives closing. That will end today's public hearing on LB237 and take us to our last public hearing of the day, LB654 from Senator Seiler. [LB237]

SENATOR SEILER: (Exhibit 1) Mr. Chairman, Senators, it's my pleasure to appear in front of you. I don't get over here very often. (Laughter) I think you can sit back and relax because I'm not asking for money. How about that, huh? But I'd like to take you...well, I really wanted to pull a chair up when Director Frakes was testifying because I wanted to fill in some of the gaps he left with you. I'm going to try and do that right now. I believe, and I think he mentioned it, that we've got to take a real look. And by the way, I've appointed...the Judiciary is broken up into segments. Coash, who you...Senator Coash, who you just heard, is in charge of institutions. I've got Senator Pansing Brooks and Senator Ebke in charge of mental illness. And when I use that term "mental illness" today, that includes drug abuse and alcohol abuse, but I just call it mental illness as in general. They're in charge of mental illness and programming. We're not doing any career programming out there anymore. That's dried up completely. So what we're getting, I'll tell you how bad it is. More prisoners are electing to jam out, meaning they're serving every day that the judge said they had to, so they don't have to report to anybody. They don't take any programs. They don't take any career programs. They jam out. And so they're free the day they walk out of there to go right back to where they came from and start all over again and no help given to them. I believe that's wrong. Where do we start? We start at D&E. At the Diagnostic Center is where we start and we actually do a real strong look at what mental illness is. And that's where we're going. That's where we're going, with the help of Senator Ebke and Senator Pansing Brooks. From there we move into programming right from the start, get them on the programming. Make them understand that when they take their pills and they feel normal, that if they quit taking those pills they're not going to be normal again. They're going to revert right back to where they were. And we'll have plenty of time to talk to them and give those programs

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

and do it right away and get them on some kind of a program built out to the career paths and the mental illness. Why did I bring the Hastings facility? Well, I kind of got caught. You ever heard of a guy by the name of Brad Ashford? LB999 is his bill. Now just for your information, when we got the report, I sent him...and he got elected, I sent him a request. I said you've got to send money now, since you got it all back there. And you know, he hasn't even sent me a thank you. (Laughter) So I don't think we can plan on any money coming from Washington, especially from Brad. But Hastings utility is some...or, excuse me, Hastings facility is something we need to look at, put it up there as a guidepost, because here we're working with them through these programs. Why not, just before they're released, say six months, four months...I'll let the experts tell us what that needs to be. I'll let the experts tell us what kind of program we need there, but giving them intense program so when they get out into supervised release, they don't go straight back to where they were and cause the same kind of problems. There's one thing you should learn, the new senators as well as the old senators. When you're in charge of, as Vice Chairman, of LR424 and there's a witness out there and you know that person is not quite playing straight with you, just blast away at him and then you get your report on LB4...or LB999 and three of the four are on the committee. And what did we discover? They can't even...they couldn't figure numbers for Corrections, they couldn't figure numbers for psychologists, but they can't figure numbers for costs. Take a look at...out of your report, and you can write these numbers down. For the work force, they said there is no way Hastings, Nebraska, can attract enough work force in this specialty to make it pay. It just won't work. Look at page 177 and 178. They put this in the report. Adams County is where Hastings is at, leads the whole tri-area, 172,000 people with 3.8 prescribers of mental health education, either a psych...and then they break down the psychiatrists, the psychiatric nurse, the psychiatric physician assistant, psychologists, right on across. They can't even keep their numbers straight. They said they couldn't attract the work force, we don't have a topnotch facility out there. We got Mary Lanning, one of the best facilities in the state for mental health, and we attract full staff. Look at the numbers, we attract them now. We've got five full-time psych...or four full-time psychiatrists and one half-time psychiatrist in the city of Hastings. So their deal about, oh, they can't get a work force--not true. Mary Lanning is on board fully with this program. I'm trying to get the Medical Center to come on board. And why? Right now we're training our psychiatrists out of state, as I understand it. When they're gone to finish their residency, do they come back? No, they stay in Tennessee and Kentucky. And by the way, the trout fishing down there is pretty good, so I'd stay there too. But seriously folks, the bogus numbers in here I think I can point directly to when I cross-examined two of those people why they "bogeyed" the numbers up, because there's no other explanation, none. Take a look at page 28. This is the facility; 27 and 28 tells you what the facility looks like. Just to give you a road map, consider the top of the page north. You come down this road from Hastings, which would be Second Street going west out of town. You run right into it. You jump up here, this is where the students are. This is Building 3. That's going to be completely renovated again this summer and they're going to be able to increase the number of high school kids there from 21 to 39. And that money is all appropriated so we don't have to worry about that, as I

Appropriations Committee  
March 10, 2015

---

understand it. Down here is the building, this is the building I started out saying we should renovate. It's a four-story building. Got a problem: You can't have children and adults within earshot or eyesight by regulations, so they moved down to this area, which really is probably better. And to build a new facility down there or renovate, and the bean counters can come in, take a look at that, because the new building, new facility costs \$43.7 million. Remember, I didn't ask for any money, so don't quit breathing on me. To rehab the old building that's there is \$42.6 (million). Now what would you want, an 1880s structure or do you want a new building for a half a million dollars' difference? That's a no-brainer. Staff and work force, we've covered that. If we turn that, for turning 200 patients and where did we get 200 patients? Pulled it out of the air. I just told the committee that was doing this, try 200. Well, they took 200 per year. That's not what I had in mind. We're going to roll 200 three or four times. Then divide that number into the cost and you don't get \$67,000. You get about \$20,000-some. So it's a doable program but it's out here. It's a shining light on the horizon. We've got to build from D&E all the way to that program before we have to talk about money and building. But think about recidivism. If we can cut recidivism 75 percent, 75 percent, a doable number by all the education programs, the career path, the whole nine yards, that's \$39,000 a year that we pay for having somebody come back to spend five years with us and then go out. Each...the mental health problems are 31 percent of that 5,000 population we got out there, have some sort of a mental illness, and we're doing nothing about it. So we got to do something about it and we've got to do it constructive with results. And that's what I'm proposing. The supervised release is already in place. We can get the judges educated on that and that says get them out there on the street, get them working. It may not come from...come before you this time, but soon you're going to see a revamping of the Work Ethic place at McCook. That's nothing but a holding pen right now. They're not doing anything regarding work release or work ethic. We have, and I believe that some of you may...some...no, you senators won't. Some of the committees are going to get the University of Nebraska has a manufacturer that has a critical need for 200 people making \$25 an hour. Now that's not chicken feed. He's willing to bring in his equipment and teach those people how to be mechanics on specialized equipment. He needs those mechanics. Those people need training, career path, but we can't do it with the people out there right now. They are some dangerous people out there. We've got to reinvent that program out there and move some of those people around and get that program in place. That's just one program. There's a number of programs out there working with Curtis ag center that is willing to work with these people and we get them back into the work force. Every place I've been, and I'm sure you have too, the first thing they say is, we need a trained work force. And in the Hastings area, Central Community College is doing a masterful job with working with some of the industries, in welding, in mechanics, working with Titan. And some of the big equipment companies are donating tractors and combines for kids to work on so they get a career path going. And why? Because they could make more money than a teacher. I'll bet they make more money than your professor here. (Laugh) No comment. So those are the kind of things we need to do, right in line with what we've got. I believe I probably wasted enough of your time but I really believe that this is an answer. And it's, like I said, I'm not asking you for

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

any money. The \$13 million to run the place, again, those same three or four people were there that we crucified. If you look at that, we could run probably the whole state prison system with just the personnel they said we had to have, it's not true. At least according to the experts that I had look it over said it's just not true. Thank you very much. [LB654]

SENATOR MELLO: Thank you for your testimony, Senator Seiler. Are there any questions from the committee? Senator Stinner. [LB654]

SENATOR STINNER: You know, I agree with everything you're saying. Who drives all of this change? I mean who do I look to, to say we need all these changes and we need to get... [LB654]

SENATOR SEILER: I would say look to me, but that's not fair. Look to Senator Ebke and Pansing Brooks and the rest of the committee, because... [LB654]

SENATOR STINNER: Do I look to the Governor? Do I look to the new head? [LB654]

SENATOR SEILER: We're...our committee is sold out to working with Director Frakes and even Ernie is on board with that. He gave a rousing endorsement of the director when he came before us for approval. [LB654]

SENATOR MELLO: Any other questions from the committee? [LB654]

SENATOR HILKEMANN: No questions, just a comment. You're a breath of fresh air here late in the day that there's some hope for some of these things. Thank you. [LB654]

SENATOR SEILER: (Laugh) Thank you. There is. I'm absolutely convinced of it or I wouldn't be here telling you that. [LB654]

SENATOR HILKEMANN: Thank you. [LB654]

SENATOR SEILER: Thank you. [LB654]

SENATOR MELLO: Thank you, Senator Seiler. We'll first take proponents for LB654. [LB654]

VERN POWERS: Thank you, Senator Mello, members of the committee. My name is Vern Powers. I'm the mayor of the city of Hastings, V-e-r-n P-o-w-e-r-s. In the 1880s, middle of 1880s, land was presented to the state of Nebraska for a regional center. At that time, it was a

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

number of residents in the city got together to take care of basically at the time people that nobody wanted. We have a cemetery out there full of people that nobody wanted. Beginning at that time for the next 131 years, we've taken care of people. This is an industry that we understand in Hastings. We've had great luck and it's been a source of pride for our town. When I first got elected in 1991, I'm between stops, I'm on my 18th year of public...elected public service. Throughout my whole political career in the Hastings area I've heard comments about our Hastings Regional Center, what happened to it, what's...we were doing great, things were...all kinds of good things were happening with the care we were giving. In the early 2000s, I was on the council. We decided the community-based services was maybe the way to go. Slowly, our regional center went from, I don't know, we had I think at the very top, back in the early 1900s, we had 1,000 employees maybe, 1,000-some employees. This dwindled down to not very many. And in 2000 we kind of got rid of the rest of them. So I don't want to go too far off base, but there has always been help there, always been able to attract help. When you look at the chart we have right now, I think I counted today I think maybe less than 60 are mental healthcare professionals. The rest are guards and mowers and lawn mower...cooks and guards. So to characterize this as we can't attract people out there is a total fabrication and somebody's agenda somewhere else. This is not a problem that we see we have out there. You own the land, we own that land as a resident of the city of...the state of Nebraska. We already own the land. We have buildings out there. We moved the Bridges Program down about a half mile, put them in an area where they could be safe. Our residents understood it. It's real close to a school. We've lived this for 130-some years and this is, again, you can say this and maybe smirk but it's a cottage industry that our town is proud of. And maybe it's not an industry that other towns want, but we truly believe that we are very good at care. You know, we kind of believe the Ellis Island motto: Give me your tried (sic), your poor, your huddled. And that's kind of what we've always done. We've had very caring individuals. And I don't want to go refute anyone's testimony here, but to say that just because they got thrown in jail is...thrown in prison is a throw them away, we don't care how many people in a jail cell, that's not fair. Human dignity, you know, any of us here for an extra vodka tonic or two extra beers, we could be in prison doing something, you know, something could have happened. It's, you know, there, for the grace of God, could be any of us. And if I was there, I sure would not want to share a cell with four other people or live in a coffin in the middle of a runway out there and have my bed picked up every morning. And Mr. Coash, Senator Coash, I think he's left here, we think, also agree, that there is a...it's a powder keg in there. You know, you get hot, you have mental issues, you're not able to, because of low education, you're not able to process how to handle certain arguments. Things happen. So we believe that this is a very good opportunity for not only the state of Nebraska to minimize some of the people that maybe should not really be in prison. There should be another venue for them. We think that's Hastings. We have the facilities. We have the people there. You have WAPA power. The prison out there can use WAPA power, which is discounted power. It's waterfall power, hydroelectric power. So again, representing a city of 25,000 in a county of 30,000 trade

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

territory, we are for this. It's something we understand and it's something our residents want. So that would be my testimony. If anyone would like questions, I'll sure answer them. [LB654]

SENATOR MELLO: Thank you for coming down today and for your testimony, Mayor Powers. [LB654]

VERN POWERS: Thank you, Senator Mello. [LB654]

SENATOR MELLO: There any questions from the committee? Seeing none, thank you, Mayor. [LB654]

VERN POWERS: Thank you for the opportunity. [LB654]

SENATOR MELLO: Thank you. Other proponents for LB654? [LB654]

MARSHALL LUX: Good afternoon, Senators. My name is Marshall Lux, M-a-r-s-h-a-l-l L-u-x. I'm the Ombudsman for the state of Nebraska and I am here to testify in support of Senator Seiler's LB654, which, as he has explained to you, is really more about an idea than it is about an appropriation, and it's an important idea. Senator Mello, Senator Bolz, Senator Seiler, all of you served on the LR424 Committee. And I would suggest that one of the big lessons that came out of that, out of that process, was that our corrections system as it sits now is badly in need of more resources for behavioral health and that we need to have our system doing a much better job in terms of transitioning inmates out of the system and into the community and doing so in a way in which those people are less likely to reoffend. Senator Seiler's LB654 addresses those issues and is one among many other reforms that will need to be made in the system. In truth, we are only at the very beginning of a long process of examining and reforming our criminal justice system, particularly our corrections system, and we do not yet know where that process is taking us. The best guess, however, is that we are going to be putting a much greater emphasis on rehabilitation, on substance abuse treatment, on addressing offenders' behavioral health issues, on helping to train them in a trade so that they are more employable, on orienting them to hold down a job through work release programs, community custody, and in transitioning them more carefully back into the community so that they are more likely to be productive and law-abiding citizens. Some of this would be addressed by the kind of idea that Senator Seiler has offered to us today in LB654. The process of reform that was spurred by the LR424 process will not be completed in 2015. It will be a continuous effort that will require the cooperation of many participants, including the Department of Corrections, the Board of Parole, the Probation administration, and of course the Legislature is going to have an important role as well. Fortunately, we have a new director of Corrections who gives...who I've met several times now and gives the impression of being a sincere supporter of reform, and that alone is a major step forward. The Nebraska

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

Corrections system is overcrowded today, as we all know, and we are presently looking for solutions to that problem, among the many other problems in the system. At this point, I think that it's unclear whether the state will need to expand the Corrections system by building new beds, but I think it was important that Senator Coash brought you that issue today and raised that issue, because new beds is a question that the body is going to have to consider. If that is needed, I would suggest that it would be best to build certain kinds of beds: one, mental health treatment beds for those with serious mental illnesses; two, community custody beds, work release beds so that we can help to transition people back into society by giving them jobs and work experience; and three, behavioral health and programming beds to better prepare offenders for reintroduction into society, which is just the sort of thing that Senator Seiler's idea is all about. So I would suggest to you that what Senator Seiler has offered to you is an idea that fits comfortably within this last category of better behavioral health treatment, more and better work in terms of transitioning inmates back into the community. I think that it's a proposal or at least an idea that needs to be taken seriously. And I want to thank Senator Seiler for bringing that forward. And I'd be happy to answer any questions. [LB654]

SENATOR MELLO: Thank you for your testimony, Mr. Lux. Are there any questions from the committee? Seeing none, thank you, Marshall. [LB654]

MARSHALL LUX: Thank you. [LB654]

SENATOR MELLO: Other proponents for LB654. [LB654]

ALAN PETERSON: Members of Appropriations Committee and Mr. Chairman, Alan Peterson, ACLU of Nebraska. My name is spelled A-l-a-n P-e-t-e-r-s-o-n. I'll speak only briefly. There are a lot of proposals you've heard about today and I thought Senator Coash used a pretty good common term that we all use once in a while: Plan A and Plan B. Senator Seiler's bill here, LB654, is certainly a part of Plan A. We can do a number of moderate solutions, including the list of bills I tried to spiel off a while ago, most of which are in Judiciary Committee, and including LB654. I don't think we're at the point for the other bill, Plan B, as Senator Coash called it, of spending \$260 million now. I do want to mention that that was for the first five years and didn't include the costs of manning those facilities, only building them. And I don't think the report even tried to guess how much it would cost to man them. There's no solution like that (snap). ACLU understands that. The one thing we do want to get across and the reason I came up here one more time is to say it's not too good. I was a little concerned to hear the new leader of our Corrections Department not really wanting to be pinned down as to when he might even have a view, as he said, get his mind out around the problem of the mentally ill and segregation. I understand he deserves patience. He's got a wonderful record and it looks like it was a great hire. But it's the time for action and it doesn't have to be all the action. And nobody expects one year



Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

to get all this deep hole dug out of, but we've got to start. And I would hate to see Plan B or anything like that be the so-called answer because it's just like Tecumseh, TCI they call it. It was full when they finished it. And Plan B would be full when they finished it too. Let's get to causes. Senator Seiler's ideas, the reference I heard a couple of times to using part of the Air Park facility we already own, makes sense. I have several times suggested to this committee, excuse me, to the other committee, Judiciary, and once to this committee that there's no reason we shouldn't expand the very successful special needs courts, drug courts. We could add mental health courts. Many states have done that. But that's not necessarily it. The whole panoply, the whole double handful of programs that this Legislature has been working on and all of you have been working on, trying to figure out the best answer, they each can play a role, a part of the solution. I don't like to see, I, you know, ACLU is always connected to litigation. Yeah, it's there but not if we get to going. It may be ACLU will have to file some individual cases to highlight some specific terrible conditions that are partly brought about by crowding, but the big case everybody talks about, like California has fought forever, that can be avoided. We can highlight the problems. We can file rifle-shot litigation efforts if we have to, and we would if there's no action. I don't see that. I see this Legislature with some real hope and some effort by a lot of people to solve this problem with Plan A. And so I thank you for your attention and consideration of all these ideas. [LB654]

SENATOR MELLO: Thank you for your testimony, Mr. Peterson. Are there any questions from the committee? Seeing none, thank you, Alan. [LB654]

ALAN PETERSON: Thank you. Yes. [LB654]

SENATOR MELLO: Are there any other proponents for LB654? Seeing none, is there any opponents for LB654? Seeing none, is there anyone here in the neutral capacity for LB654? [LB654]

ANNETTE DUBAS: Good... [LB654]

SENATOR MELLO: Evening. [LB654]

ANNETTE DUBAS: ...evening, Senator Mello and members of the Appropriations Committee. My name is Annette Dubas, A-n-n-e-t-t-e D-u-b-a-s, and I am the executive director for the Nebraska Association of Behavioral Health Organizations, otherwise known as NABHO. We'd like to thank Senator Seiler for his leadership on this issue and appreciate the comments that he made in his introduction, as well as some of the comments that Director Frakes made earlier in the afternoon. Our organization does firmly believe that all people should have access to quality and professional behavioral healthcare. And that includes those who are incarcerated as well. We

Appropriations Committee  
March 10, 2015

---

know that a large percentage of those who are in our corrections facilities are dealing with substance use disorders, mental health issues, or co-occurring substance use disorders. We come to you today in a neutral capacity because we agree with what Senator Seiler said. This is a concept and it's a concept that deserves a very thorough vetting and a lot of very detailed discussion and debate to establish a facility like this. We want to ensure the long-term viability and success of any type of a facility like this. We know that unresolved behavioral health issues will sharply increase the likelihood that a person who is released will reoffend, and we want to minimize that scenario as much as possible. We don't want to see a facility like this revert back to more of a centralized model of providing services and erode what we have been able to put in place through community-based services. We need to know what is the vision for inmates while they're incarcerated and then once that they are released. A community-based model does involve the family to help that person reintegrate back into their home community. We have a Nebraska network of community-based providers with extensive experience in extending accredited mental health services and substance treatment services as well to the high-risk justice clients. We need to assure that this population, in particular, is extended every opportunity to receive treatment services that are focused on recovery with individualized treatment and aftercare plans that fully incorporate and embrace available support services in their home communities. We know that mental illness often accompanies substance-use disorders, that one in four people have a mental illness at any given time. Treatment needs to look at the whole health of the person. Community-based treatment and reintegration allows the individual to be in an environment where they are most likely to have that support system. We also have to determine how to mold a corrections-based philosophy with a behavioral health treatment philosophy, and those don't always track the same direction. And so bringing those two philosophies together will be very important for the success of this program. We believe that about 85 percent of the adult male population will be reintegrating back into the Nebraska communities outside of the proposed location of this facility. We're not saying that that's bad or good; it's just a fact. Omaha and Lincoln comprise almost 60 percent of those commitments right now. Treatment activities that take place within a residential facility are only one component in a continuum of services that help to promote recovery. For this population in particular, aftercare and reintegration services will be most important relative to success measurements. NABHO wants to assure that these investments are made in a manner that best promotes long-term rehabilitative success. And I believe I heard Senator Seiler make a similar comment. Another concern is in the area of financial support--and it always comes back to money--for this facility as well as the aftercare services. Right now we know Program 38 provides a large percentage of funding for behavioral health services. Will this new facility be competing for those dollars? Are there going to be new dollars that come into play? These are just questions that my members have, looking out for their own best interests in their ability to serve their clients as well. And I know Senator Seiler addressed the number about the 200-bed facility, and I appreciated his clarification on that because one of our questions is, is a 200-bed facility too large, is it too big to be effective? So that's a question that we had as well. We understand, again, what Senator Seiler

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

is seeking with the establishment of this rehabilitation facility and, again, want to thank him and want to work with him as well as this committee on any future discussions. We know these supports are sorely needed to address the big picture problems we are facing in our corrections reform efforts. Our members are the experts in this field. They know the realities of work force, family support, aftercare, and ongoing financial resources. We want to offer our expertise and be at the table for any future planning and instituting of these reforms. And we thank you for your time and attention to this and I would be glad to try to answer any questions you may have. [LB654]

SENATOR MELLO: Thank you for your testimony, Ms. Dubas. Are there any questions from the committee? Seeing none, thank you, Annette. Is there anyone else here wishing to testify in a neutral capacity on LB654? [LB654]

SENATOR KUEHN: You're welcome to begin whenever. [LB654]

CONNIE BARNES: (Exhibit 2) (Inaudible) do I wait for the return? Hello, my name is Connie Barnes. I am executive director for Behavioral Health Specialists out of Norfolk, Nebraska. And coming around I'll want to have you reference some of the copies that I've provided to you. I wanted to talk about the reality of the behavioral health work force shortage in Nebraska. And included in your handouts is one on health professional shortage areas, so I just want to make that note. Within the agency I lead, with a typical employee count between 95 to 105 employees, we rarely experience being fully staffed due to a significant shortage in the behavioral health work force in Nebraska. Within our agency, it can take one to five years or beyond to recruit psychiatrists, APRNs, psychologists, and LCSWs. Of the licensed disciplines I just noted, be advised that today we only have one psychologist, no psychiatrist, no APRN, no LCSW. We currently have 2 LIMHPs, 6 LMHP, 6 PLMHPs, 4 LADCs, 1 RN, and 52 B.A.-level or equivalent experienced staff who work in our residential programs, foster care, community support, and crisis response services. In recruitment efforts, it can take up to 3 to 12 months to recruit a licensed therapist, 2 to 4 months to recruit a bachelor's level provider. Once hired, it takes up to three to six or more months to get through all the necessary introductory training to obtain licensure in Nebraska, become credentialed with Medicaid, the Medicaid managed care entity, and other insurance payer panels. Clinical staff wage and salaries in community-based programs such as ours exceed the amounts that were detailed within this report. Staff Turnover: There's also a graph in there that shows the turnover experienced within our agency. Nationally, employee turnover rates for behavioral health is set at around 30 percent. Ours is roughly an average of 43 to 45 percent. In correspondence exchange with a behavioral health provider agency in Lincoln that's very similar in its nature and structure to ours, they report similar staff turnover rates, 40 percent, and similar staffing shortages as ours despite their having access to several feeder schools' educational programs in their area, including UNL, UNO, Union College, Wesleyan, Doane, Southeast Community College, Bryan College of Nursing, UNMC, University

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

of Iowa State. In my area, we have Wayne State and Northeast Community College. Summary: I am greatly cautious about the feasibility of the proposed centralized model of the size and scope as has been detailed, as I believe truly that the work force necessary for such currently, and unfortunately, does not exist, such is discussed and mentioned even in page 6 of the executive summary of the proposal for this program. I am a strong advocate for ensuring access to care, treatment, and recovery support for those with substance use and mental health disorders. I believe an attendant and larger issue and hurdle for all of Nebraska is insufficient funding allocation for behavioral healthcare treatment and delivery of services, and this inadequate funding deserves the full attention of Nebraskans and policymakers. I do want to note that I have worked in the behavioral health field in Nebraska for more than 35 years and I certainly want to do everything I can to support access to care. It needs to be the right access to care at the right time, at the right place, with the right people delivering the care. [LB654]

SENATOR MELLO: Thank you for your testimony. Real quick, could you please spell your name for the public record? [LB654]

CONNIE BARNES: Oh, I'm so sorry. [LB654]

SENATOR MELLO: It's all right. First and last name. [LB654]

CONNIE BARNES: C-o-n-n-i-e B-a-r-n-e-s. [LB654]

SENATOR MELLO: Thank you so much, Ms. Barnes. Are there any questions from the committee? Seeing none, thank you. [LB654]

CONNIE BARNES: Thank you. [LB654]

SENATOR MELLO: Are there any other testifiers in the neutral capacity on LB654? Seeing none, Senator Seiler, would you like to close? [LB654]

SENATOR SEILER: It's not 10:30. (Laughter) [LB654]

SENATOR MELLO: This is not the Judiciary Committee. (Laughter) [LB654]

SENATOR SEILER: You mean I'll be talking to empty chairs? I only have one thing. The mayor brought it out. I've been a mental health judge from 1972 to about 1985 in Hastings. Never once have we not had a big handful of psychiatrists and psychologists. I was on the committee with

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

two. If they have trouble in the other parts of the state, it just bears to what the mayor said. We know what we're doing and we know how to attract people to come out and play with us. And if you don't believe that, just look at page 177 and what psychiatrists and psychologists that we have there in Adams County at Mary Lanning and we had them right up until the judge...or the Governor Johanns said, we're closing Hastings. Well, what do you expect? They're going to all take off like a covey of quail. And they said, well, you couldn't...they closed it because they couldn't attract people. Well, we closed it because we couldn't attract people because the Governor said he was closing it. I defy you to be able to hire anybody when you announce you're closing. So I believe we know what we're doing out there. We've done it for a long, long time. The one thing I thought the mayor was going to bring out is when we started this and it became in the press, I can't tell you how many people I had come up to me and say, hey, you know, my aunt and uncle worked out there, my dad and mom worked out there, my grandfather worked out there. It was a great place for employment and they supported their families out there. And I think we can do it again. Thank you very much. [LB654]

SENATOR MELLO: Thank you for your... [LB654]

SENATOR SEILER: No, oh, you got a question? [LB654]

SENATOR MELLO: Thank you for your testimony again, Senator Seiler. Are there any questions from the committee? Senator Kuehn. [LB654]

SENATOR KUEHN: Yes, Senator Seiler. Sorry to wait till your closing. I wanted to make sure I didn't make a presumption when you were up before, but...and I realize I'm putting you on the spot. But there...Director Frakes did indicate that he wouldn't be here for the hearing, nor was anyone else from Department of Corrections here to provide testimony in any capacity on your proposal. And you were here when he had his discussion with us. And I'm just curious as to where you feel this fits into his statement to be patient and slow walk and what you feel in terms of the timing of this proposal with regard to his comments earlier today. [LB654]

SENATOR SEILER: Well, I assigned Senator Pansing Brooks and Laura Ebke to doing the mental health, so I think he's going to start getting phone calls. [LB654]

SENATOR KUEHN: Okay. (Laugh) [LB654]

SENATOR SEILER: You know, in all seriousness, we have held off because there's another element that we need and it's not there yet, doesn't come till April 2, and that's HHS director. We've got to work this on both sides of the ledger and we have kind of held off waiting for that.

Transcript Prepared By the Clerk of the Legislature  
Transcriber's Office

Appropriations Committee  
March 10, 2015

---

And I'm sure that he's also thinking the same thing. I would be if I was him. Hey, wait a minute, we got to take a look at this with HHS, because it's kind of a shared...if you look at the report, it's a shared responsibility in the report. LB999 report is a shared responsibility between prisons and Health and Human Services. So, yeah, we're going to get on it. We're going to be pushing him a little bit more. But I would expect no later than March 20 we'll be pushing hardly...or a lot harder because then we're done with hearings. [LB654]

SENATOR KUEHN: Thank you. That's helpful. [LB654]

SENATOR MELLO: Any other questions from the committee? [LB654]

SENATOR SEILER: Oh, by the way, LR424 has been reconstituted and so it's...that will give us another source, too. They know that it's coming this summer. Thank you very much for your attendance. [LB654]

SENATOR MELLO: Thank you, Senator Seiler. That will end today's public hearing on LB654 and end the Appropriations Committee hearings for the day. Thank you. [LB654]