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Rough Draft

Legislature Committee  
July 14, 2017

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The Legislature's Planning Committee met at 11:00 a.m. on Friday, July 14, 2017, in Room 1003 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing. Senators present: Paul Schumacher, Chairperson; Tony Vargas, Vice Chairperson; Joni Craighead; Merv Riepe; Jim Scheer; Dan Watermeier; and Matt Williams. Senators absent: Matt Hansen, and John Stinner.

SENATOR SCHUMACHER: (Recorder malfunction)...in making law in planning for the future of the state. Let's look at trends. Let's try to figure out where we're going, if there's anything we can do to change where we're going in case we don't like where we're going, what are the consequences of these trends. And try to put them in context. And in the first eight years of the Planning Committee the effort was a whole lot of research, research into those trends, and the first two meetings of this year's Planning Committee, one we had a month ago and this one, is kind of a review of some of the major trends, some of the major statistics that were uncovered in those first eight years of study with an effort to asking the question: Should we do another statutory task that we've been assigned and that is propose legislation trying to get ahead of some of the trends or trying to adopt to the trends? And so that is the second part, or today's meeting is the second of those two meetings of review that we're doing for the benefit of the new people on the committee, and everybody is new on the committee with the exception of Senator Riepe and myself. So that we're going to do today. And then later on in the year and into next year we'll hopefully begin to try to discuss a lot of the issues that are before us with a view not to try to settle anything in an immediate future but what courses we're going to have to take down the road in order to be able to deal with the future. And to that end, one of the things that is a bit prized is that members of the committee are encouraged to argue against things that they are for; argue for things they are against; question things, even sacred cows, question them. Try to figure out how we can get past the noise of the present, the echos of the past, and try to hear the beckoning of the future. So the idea of the academic freedom is important so that we can escape the, oh well, if I take this position or explore this idea will I be crucified in the press or something? We are invoking that privilege of academic freedom. So we've provided a...let's take a roll, if we just go around the table, so it appears in the record. Senator Scheer.

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SENATOR SCHEER: Jim Scheer, District 19.

SENATOR WATERMEIER: Dan Watermeier, District 1.

SENATOR WILLIAMS: Matt Williams, District 36.

SENATOR RIEPE: Merv Riepe, District 12.

SENATOR CRAIGHEAD: Joni Craighead, District 6.

SENATOR VARGAS: Tony Vargas, District 7.

SENATOR SCHUMACHER: Paul Schumacher, District 22. We try to be a little bit informal here because there needs to be interaction between our presenters and our committee men and committee women. And so I'm not going to require that you be recognized but if they ask a question or interrupt a presenter, I would ask the senator to state their name so the transcribers don't have a fit trying to figure out who's talking at any particular given time. We have minutes and a transcript. The transcript, which is 50 pages long, I did not have that printed out. You have it in electronic form to read--and anyone who cares to get it, it's available--of the last meeting. And you have a short copy of minutes and agenda. I will ask for a motion to approve the minutes and the agenda.

SENATOR \_\_\_\_\_: So moved.

SENATOR WILLIAMS: Second.

SENATOR SCHUMACHER: All in favor? Okay. We've done that.

SENATOR SCHEER: Now they just broke your rules.

SENATOR SCHUMACHER: I know.

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SENATOR WATERMEIER: Didn't question what we had presented?

SENATOR SCHEER: No, you didn't put your name out there. They're not going to know who that was.

SENATOR SCHUMACHER: (Laugh) That's right, see? What the heck.

SENATOR SCHEER: See, there you go. Take control!

SENATOR SCHUMACHER: Bunch of anarchists in here. Senator.

SENATOR WATERMEIER: Going to be problems.

SENATOR SCHUMACHER: Jerry Deichert with the University of Nebraska at Omaha has been helpful over the years and will continue to be helpful today as he educates us on population trends and how they may affect our future. Jerry.

JERRY DEICHERT: (Exhibit 1) I guess for the record, my name is Jerry Deichert and I'm with the Center for Public Affairs Research at UNO. What I'm talking about today is just look at some of the big-picture trends in the state's population. There are three major trends that are...we've seen going on for the last few decades. Nebraska's population is becoming more and more concentrated in its most populous counties. The state's population is getting older and will continue to age. And the state's population is becoming more racially and ethnically diverse. Looking at starting off with the big picture in 2015--the 2016 numbers are out but I left 2015. That way we can just double the percentages to see how they would compare with the decade. But population was just under 1.9 million people and that was a 3.8 percent growth since 2010 and ranks about 26th nationally. And it compares to 4.1 percent for the nation. And why is that of interest? It is because, you know, there are 435 Congressional seats and even if Nebraska's population grows, if it doesn't grow as fast as some of the other states we could still lose a seat. Iowa lost a seat last year. I've got a map here showing what might happen based on these trends after the 2020 census. As I said, in 2010, Nebraska had a count of a little over 1.8 million and it was a 6.7 percent increase, and Nebraska ranked 30th and ranked 37th in the '90s. So you can see

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even though the growth rate might be pretty comparable, we're, in relation to the nation, it's improving. The other point is that, as I said, Congressional districts are going to be redrawn or redrawn by the Unicameral Legislature and will be redrawn again. And the growth rate in the 2000s has exceeded most of the decades since 1950; 1990s were a little bit higher. This map shows where there is expected loss of Congressional seats and gain of Congressional seats. The blue are loss. And so you can see that Minnesota is projected to...expected to lose based on population trends. And so, you know, you can see it's concentrated in the Upper Midwest and Northeast with the exception of Alabama. And the pink will gain one seat. Florida will gain two, and Texas is expected to gain three seats based on the population change between 2010 and 2015. But none of our neighbors are expected to do anything other than Colorado was expected to gain a seat and Nebraska is expected to keep its three seats after the 2020 census. This chart looks at population change and I put this, the 2010 to 2015, on a ten-year rate so you can see we're about where we were the previous decade, a little bit less than the '90s, and you can see higher than in the '50s, '60s, and '70s. And then if you recall, 1980s was a tough decade for Nebraska, particularly for rural Nebraska where there was a lot of loss of population. And you can see what happened, you know, in the '30s and '40s. If we look at it on an annual rate, and these blue bars are right over here and it's just numbers of people change per year, and you can see right now we're running at about an increase of around 10,000 to 12,000 people a year population increase. And that increase is mostly from births exceeding deaths, but we are also in the last few years have been attracting folks to moving into Nebraska, but it's international. We're still losing folks to other states. So Nebraska has a net loss of population to other states and a net gain from internationally, and as a result we have a net in-migration of population, but it's because of international migration, not because of people coming in from other states. And you can see that during the '80s we actually lost population during several of the years. At the county level, there were 31 counties that added population and 62 lost population between 2010 and 2015, and that compares to 24 growing counties in the 2000s, 40 in the 1990s, and only 10 in the 1980s. So right now about a third of the counties are growing while two-thirds have lost population. This is one of the indicators of how it's becoming concentrated. Nebraska's three most-populous counties--Douglas, Lancaster, and Sarpy--are among the fastest growing. In 2015 these three counties had over a million residents and accounted for 54.4 percent of the population, and that was an increase from 52.6 percent and less than 50 percent in 2000. Also, those three counties grew 7.4 percent while the remaining 90 counties collectively lost .1 of a

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percent. Now we'll see some counties are growing within there, but as a whole the three largest counties added 7.5 percent and the remaining 90 lost or pretty much unchanged. And between 2000 and 2010, they grew 14.9 percent and the remaining counties lost 1.1 percent. Another indication of the concentration of the state's population is if we look at it by different definitions, and metropolitan counties are those counties where the central city has a town of a population of at least 50,000 people and then it's those counties that commute into it. So there's Grand Island, Lincoln, Omaha, and then Sioux City comes and picks up people in northeast Nebraska. Micropolitan, which is outside of those metropolitan areas, they have a city of at least 10,000 and includes those commuting counties. And on the last page of the handouts, I have a map that shows where those are. And then we also looked at the largest town between 2,500 and 10,000, and then no city above 2,500. And if we're talking about numbers of counties, there are 13 metropolitan counties and so there are 80 nonmetropolitan. There are 17 of the micropolitan county. There are 19 in this group and there are 44 where the largest city is less than 2,500 people. And if you look at the population change, metropolitan grew 6.5 percent and you can see that's just half of what it was in the 2000s. So we're probably right on the same rate. The nonmetropolitan has improved somewhat, lost .7 of a percent. Those micropolitan counties grew at .4 percent. These counties with 2,500 to 10,000 as the largest city lost .7 and those counties where there was no city above 2,500 lost 3 percent in the most recent years. So when we look at it on a county-by-county basis and those...we look at counties that grew in the...or between 2000-2010 and since 2010 to 2015, counties that grew in both of those time periods are in red. Counties that lost in both time periods are this kind of sand color. The purple grew in the early 2000s and have lost recently, and the gold lost in the early 2000s and have grown recently. And this pattern here I've called and it's been called many years, as a fish hook, so you can see kind of the fish hook pattern. But you can see Buffalo, Hall, Adams Counties. We don't know what's going to happen to Cheyenne County now with Cabela's, but Banner County grew primarily because I was talking to some of the county officials there and said because a lot of people couldn't find housing in Sidney, were buying acreages in Banner County. And it has fewer than 1,000 people so it doesn't take much. Johnson County grew in the 2000s because of the opening of the prison and prisoners are countered where the prison is. And so then it's, you know, gone back to its loss. So you can see the trend. Again, the most populous counties are where the growth is. If we look at the year of the highest census, the green, the highest census was in 2010. These two counties, Dawson and Madison, the highest census was in 2000 and that was partially

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because of the big build-up of meat packing in the '90s and that leveled off and you had a population loss. These counties in western and southwestern Nebraska had their highest population in either 1960 or 1980 and those were all related to energy. In the '80s it was double tracking to move coal and building of the power plants, and in the '60s it was oil exploration and, to some extent, construction related to building of the Minuteman missiles in Kimball County. And then the goldenrod, they had their highest population in, what is that, 1920...1930, 1940, and then these were 1910 to 1920. And a lot of the counties in southern Nebraska had their peak population in 1890 or 1900 and you can see there were 21 counties. But again, you can see that pattern. It's the most populous counties are the counties that are adding population and had their highest population in 2010. If we look at those counties by metropolitan and nonmetropolitan status, so if we look at those 80 nonmetropolitan counties and keep them, that number, constant, all the way back to 1890, you can see that those 80 counties collectively had more population in 1890 than they did in 2010. And you can see what happened to the metropolitan counties. They went from 377,000 to almost 1.2 million.

SENATOR SCHUMACHER: And what...Senator Schumacher here. What's the break between metropolitan? What does it take to be a metropolitan county?

JERRY DEICHERT: Like I said, I've got a map I'll show you again, but it's those counties with a city of above 50,000 and the ones, counties, that commute into it. So it's Omaha and then you have Douglas, Sarpy, Washington, Cass, Saunders County, and then Lancaster County for with Lincoln and Seward. And then Grand Island hit 50,000 and so you include Hamilton, Hall, Howard, and Merrick. And then Sioux City picks up Dakota and Dixon. And then...so those are the metropolitan. And again, within those metropolitan counties, we know the strength is in the three largest, most populous counties. But anyway, the point is it's...it was pretty interesting to see how, up until 1930, there was a fairly comparable growth pattern between the nonmetropolitan and metropolitan, and since 1930 there's been a fairly steady decline with the exception of a little bit of an increase between '70 and '80, and then a continuous decline with the exception of, again, 1990 to 2000.

SENATOR CRAIGHEAD: Jerry, you mentioned earlier that the counties that are increasing in population, it's mainly immigrants. From what country do those people come?

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JERRY DEICHERT: It's, I think, if I remember correctly, I think it's about 60 percent are Latino, maybe a little bit higher than. It depends upon the year, so. But it's...we can...well, I'll show you recently the most...the fastest growing group is now Asian and so...on a percentage basis, and that's because it was a smaller base and so, you know, so. But, yeah, it's been...it has been Central America and Mexico has been the fastest growing, but there are increases from Africa, Asia. And so it pretty much is all over the world now.

SENATOR CRAIGHEAD: Okay.

JERRY DEICHERT: Then looking at the impact of the 2010 on redistricting, prior to redistricting we see that in Douglas County there were 11 districts that were fully within the boundaries and 4 that were partially in. Lancaster was six fully in and two partially. And Sarpy was three in and four partially in. After the redistricting Douglas has 14, Lancaster has 7, and Sarpy has 4. So if we add those up, that's 25 districts out of 49 that are completely contained within those three counties and there are three that are partially in those counties, although the senators do not...who represent those do not live in either Lancaster or Sarpy County. They live outside the area. But we know that after redistricting in 2020, the way it appears to be going is that is that there are probably another legislative district from someplace in Nebraska which will be moved into one of these three counties if not more than one. And you can see that if you look at the number of legislative districts that are west of Kearney, you can see there's really only one, two, three, four, five, six, maybe seven districts that are west of Kearney. Then if we look at how the population has been changing by district, we can see District 39 is the fastest growing. If we look at the fastest growing districts, they are in those, Douglas, Lancaster, and Sarpy. And also some of the most population loss is in those counties, District 8 and District 13. So even though a legislative district might be growing, it still might lose geographic area, again, because of the one person, one vote rule. When we look at cities and towns, we can see that 143 county towns out of about 530 added population in the 2000s, compared to 289 in the 1990s. More than 200 communities lost 10 percent or more of their population in the 2000s. Now this is the most...this is one of the more interesting things. I think earlier Senator Schumacher alluded to this in the previous meeting is that the median-size town in Nebraska--that means half the towns are smaller, that size or smaller--is 318 residents. And those are...that's Lodgepole and Scotia. So Lodgepole is in Cheyenne County and Scotia is in Greeley County. And the median size was 341

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in 2000. Monowi has one person and is still incorporated, and Gross has had two in 2010 but I was presented this and somebody from that area said, no, they've got four people now so it's growing. (Laughter) It's doubled in size over the last six years. The fastest growing was Gretna, growing at 89 percent, and Terrytown, which was the second fastest just because of annexation, of 85 percent. So a lot of the growth in Nebraska communities is because of annexation.

SENATOR WATERMEIER: Jerry, I had a question. Senator Watermeier. Can you back up to the previous slide? We were talking about the redistricting. Am my looking at this wrong? And maybe you explained it. We had 30 legislative districts prior to redistricting and 28 after according to the way you have it broken out.

JERRY DEICHERT: Right.

SENATOR WATERMEIER: What's the...

JERRY DEICHERT: But a lot of those were only partially in.

SENATOR WATERMEIER: So you would have expected...I would have expected the opposite where you would have gained legislative districts.

JERRY DEICHERT: Well, one of the things that happened was if you look at Douglas County, has 11 in...

SENATOR WATERMEIER: Yes.

JERRY DEICHERT: ...and 4 partially in, and now they have 14 that are fully within the borders. And so I think, I don't recall, but I think one of the...I don't want to say something that I'm not sure of. But there was an effort to not cross county boundaries with the legislative districts...

SENATOR WATERMEIER: Okay.

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JERRY DEICHERT: ...as much as possible. I don't know if somebody else was around and remembers that. And so...and I think one of the things that happened with the previous is that in moving in rural areas is that a lot of those senators were outside of Douglas County, even though part of the district was in Douglas County. So it was kind of a way of...

SENATOR WATERMEIER: Okay.

JERRY DEICHERT: ...moderating the impact of the larger counties.

SENATOR WATERMEIER: Okay. I guess I just envisioned that with the Gretna...addition of the Gretna district in 2010 and losing it out in western Nebraska, that it would have gained instead of just lost districts. Or am I thinking of it opposite?

JERRY DEICHERT: Well, if you think about, okay, there were 11, 6, and 3, so there were 20 districts that were fully contained within those districts.

SENATOR WATERMEIER: Yeah, okay.

JERRY DEICHERT: And now there are 25.

SENATOR WATERMEIER: Oh, I see. It's the way you look at it.

JERRY DEICHERT: So rather than including some of the areas outside the counties in the districts, including in Douglas and Lancaster and Sarpy, now they've moved them all...

SENATOR WATERMEIER: I got it.

JERRY DEICHERT: ...so that they were wholly contained within those counties, if possible.

SENATOR WATERMEIER: Right. Got it. Okay. Thank you.

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JERRY DEICHERT: And if you look at population change based on the size of the city in those...and group them together, we can see that after 5,000 residents the...56 percent of those communities grew. So that's kind of the cut-off point: 5,000 and above are more likely to grow than decline; below 5,000 they're more likely to decline in population or were between 2000 and 2010. And with 10,000 or more, almost all of them added population between 2000 and 2010. Okay, so I think that kind of summarizes the point I was trying to make is that concentration in the state's largest counties and in the state's largest communities. The next is looking at what's happening to the age structure. And if we look at...we used to call this an age, sex pyramid, because we had children and then born, and then, because of mortality, we had fewer and fewer people as we went up. But because of the baby boom and everything else, we don't look like that anymore. But this takes the state's population in five-year age groups for males and females and divides it by the total. So about 3.5 percent of the state's population in 2000 were girls under the age of five, and 3.5 percent were boys under the age of five. And so what's the pattern that we see here? We see the baby boom as still being the largest age group in the state. We also see that this is the group that was born during the Depression and we'll see that that was rather small. Then these are what are often referred to as the Millennials. These are the children of the baby boomers, and then now we've got whenever this...or these Generation Z and whatever, X. So we've got baby boomers, their kids, and their grandkids essentially. And you can see that that kind of moves its way through, kind of a ripple effect. And then you have Generation X, which is this smaller group sitting in here and so, you know, you think demographically as a state, as these folks move out, we need to have some kind of succession planning. And then they're not going to be replaced by a much larger group. They'll be replaced by a smaller group. In 2015 when we look at that, we can see that as that group moves in we can see that the baby boomers are starting to hit the area ages where you have higher mortality rates and they're not as large. And the largest group then is 20- to 24-year-olds. But you can see that the number of children are not much different than any of the other age groups. The next slide looks at the percentage change in population between 2000 and 2010. And two or three things to point out is, one, you notice there's a decline in population in the people in their 70s, and that's because that was the Depression group that birthrates were down and people moved out of the state. And you can see there were fewer people between 35 and 44, and there were fewer 10- to 19-year-olds. And the biggest growth is in 55 to 64, grew...each one of those grew by 50 percent. And if you think about the next ten years, it's pretty easy to kind of shift that up and we can see what we project

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for 2020 is the growth is going to be in people 65 to 74. There's not going to be much growth in people in their 80s and...early 80s and 85 and older compared to what it had been in the past, a decline in 45- to 54-year-olds. And then after that a little bit of an increase in 30-year-olds, and then you can see as that moves down. The point is I think is that, you know, we...I think, I'm speculating on this, but I think we've noticed that...my thought is one of the reasons why sales tax collections are down is that we don't have as many people moving into their household formation and buying stoves, refrigerators, everything else. And we've got people like me who don't buy anything that we pay sales tax on anymore. You know, I might eat out but otherwise I'm not buying anything that I pay sales tax on. What I buy are services. And so you can see how, as this group moves out and then who are the biggest income tax paying groups right now, you know, it's going to be people in their 50s, and that's going to be a declining population. And then, you know, again, people on fixed incomes are going to be much more concerned about their property tax and that's going to be one of the fastest growing groups. So we also looked at just in simple numbers. So here we have the population under 18 from 1950 to 2050, and you can see in the baby boom we had 507,000 and we'll get to that number again in 2050, but it's a fairly slow and steady increase in the number of people under 18. And if we look at it between 2010 and 2050, it's about a 12...a little over 12 percent growth between this 459,000 and 515,000. If we look at the 18- to 64-year-old population, we can see when the baby boom started to age into that. We can see we had large growth rates. But between 2010 and 2050 we expect about another 12 percent growth rate. Where the biggest growth is going to happen is when we look at 65-year-olds, 65 and older. Between 2010 and 2050 we're going to add, almost double the population. It will be a 90 percent increase. So it will go from 247,000 to 471,000, and you can see the biggest growth is between 2010 and '20, and '20 and '30. And as a result, if we look at the percentage of population of each age group, we can see that in the '70s almost...over a third of the population were children under 18. And 65 and older was 12 percent. By 2050 we expect the population 65 and older to be 21 percent of the population, and under 18 to be 23 percent, so just about as many 65 and older as under...or 18...as under 18. And you can see what's happened to 18 to 44, will drop a little bit in the next few years, and 45 to 64 will increase a little bit. But we'll have about 44 percent the population under 18 or 65 and older compared to what we were in 2010 where we had under 40 percent. So there's going to be a much higher percentage in those age groups that typically we think of as requiring more services. I also looked at this looking at that 65 or older population group by ten-year groups within that. So you can see during the '90, 2000,

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2010, the 65 to 74 population hasn't changed much. It's going to increase between 2010 and '20, and '20 and '30. But those folks are not the ones that require more services but we might. That's the most mobile population, too, and Nebraska has had a lot of these people...not a lot of people but on a net basis has more people leave the state than move into the state in this age group. So we do have some outmigration of these folks, snowbirds, etcetera. If we look at 75 to 84, you can see that is projected to increase between 2020 and '30, and '30 and '40, but the age group over 65 that requires...that typically requires the most services are 85-plus. We're going to see a slow and steady growth in that age group until 2030 and then that's when that age group is going to be increasing, between 2030-40, and '40 and '50. Then looking at those county groupings that I had before, just to show you how different Nebraska looks, overall, and this is in 2010, the state was...13.5 percent had 65 and older, in those metropolitan counties it was 11 percent, in nonmetropolitan it was 17.8 percent. But when you look by type of county, in Douglas, Lancaster, and Sarpy, 10 percent were 65 and older, but in those counties where the largest town was less than 2,500, more than twice as many, it's 21.8 percent, were at 65 and older. So if you're thinking about a business or whatever, looking at your employees or looking at the population that you're going to be serving, those two parts of the state look much different.

SENATOR RIEPE: Riepe here. Jerry, before you go forward, would you go back to that last slide, please? Can you do that?

JERRY DEICHERT: Sure.

SENATOR RIEPE: I wanted to look at that. Trying to read it here, I feel like I'm at my ophthalmologist's office. But along the bottom line here it looks like that's different than what is on our printout here. Is that...it looks like the one on...it's my far right says to 74 years and mine...

JERRY DEICHERT: It's 65 to 74, 75 to 84, and 85 or older.

SENATOR RIEPE: But my...alone the bottom of mine is...the far right one says 85 years or older. Is that...am I reading that wrong? It looks like it's different than on what's printed out and what's up there. Do you see where I'm at?

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JERRY DEICHERT: Yeah, I see what you're saying.

SENATOR RIEPE: Do you have that hard copy or do you want to see mine? I'm not trying to point it out. I'm just trying to make sure if we go back and reference it.

SENATOR SCHEER: Things are in a different order up there.

SENATOR WATERMEIER: The green one up on your screen is to the left. It says 85 years or older.

JERRY DEICHERT: Right.

SENATOR WATERMEIER: The green one on the page is on the right side.

SENATOR WILLIAMS: Yeah, that's right. I see mine is reversed too.

SENATOR WATERMEIER: Yeah.

SENATOR RIEPE: Yeah. Huh. I was just saying (inaudible).

JERRY DEICHERT: That's interesting because this is the same thing that I sent to Peg, so I don't know how it printed off differently.

SENATOR SCHUMACHER: What did you do, Peg? (Laughter)

SENATOR RIEPE: Bad printer.

PEG JONES: I might have (inaudible).

JERRY DEICHERT: I don't know. I guess...

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SENATOR RIEPE: I just...you know, my answer, just to point it out, my answer is just to make sure.

JERRY DEICHERT: Well, let's just clarify this. On this one, the blue, the blue are 65 to 74. The blue are 65 to 74. The red are 75 to 84. And the green are 85 and older.

SENATOR RIEPE: Yeah, and that's stuff on ours too...

JERRY DEICHERT: Okay. []

SENATOR RIEPE: ...given the budget and the no colors thing. Okay.

JERRY DEICHERT: Okay. So, well, the other way to look at it is the largest group are 65 to 74. The middle group is 75 to 84, and the smallest is 85 and older.

SENATOR RIEPE: Okay. Thank you.

JERRY DEICHERT: Okay. So on the age we can see that the biggest impact of the aging population probably, as far as potential services, is going to happen not in the next 10 or 20 years but after 2030 is when the 85 and older population really starts to boom. But we can see that the 65 and older population is going to be increasing much more rapidly than the rest of the population. If we look at the population by race and Hispanic or Latino origin, the growth in the state is predominantly in the minority racial and ethnic groups. The Hispanic or Latino population grew 77 percent between 2000 and 2010 and accounted for nearly two-thirds of the state's overall growth. The white non-Hispanic or Latino population barely increased at .4 percent. In 2015, the state's minority population was 20 percent of the state's total population and you can see that's been increasing every decade since 1990 when it was 7.4 percent. And this population group is much younger than the other...the request of the population and it's relatively more under age 45 and fewer 80...45, excuse me, 45, and fewer 45 and older. And we look at the numbers and percentages, you can see that the white non-Hispanic population is about 80 percent, African American is 4.7 percent, Native American is less than 1 percent, Asian is 2.3 percent, and Native Hawaiian and Pacific Islander is pretty negligible in the state, about 1.7

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percent was of two or more races, and the Hispanic or Latino population in the state was 10.4 percent. If we look at growth rates and, again, I left this to 2010 to '15, so you can double those rates to get an idea to compare it to 2000 to 2010, the state grew at 3.8 percent. The fastest growing racial or ethnic group in the state was Asian, which grew at 33.6 percent, and you can see that's growing at a faster rate than it had in the 2000 to 2010. The...if we look at the white, non-Hispanic population which grew at .4 of a percent is now growing at 1 percent, and the state's minority population which grew at 50.7 percent in 2000 to 2010 is now growing at 16.8 percent. So double that, it's going to be slightly less growth than it was in the previous decade. But again, it's going to be much faster than the white, non-Hispanic or Latino population of the state. So again, if you look at those numbers, you can see the growth is going to be in the...either the...all of the nonwhite or in the Hispanic categories. That's where the growth in the state is going to be in the next, you know, near future. And as I said, that population group is much younger than the state as a whole. So do you remember those population pyramids that we looked at before. Well, this look a population pyramid. You can see you have more children and you can see that we have fewer and fewer as the population ages. And if you compare this distribution to...this is the non-white or the Hispanic population. If we compare that to the white, non-Hispanic population, you can see a much different pattern and particularly in those younger age groups. And in fact, for the white population you can see that there are about as many kids under 5, or I should say there are fewer kids under 5 than any other five-year age group until you get to 65- to 69-year-olds. And if we look at this by percentage of age group, we can see that overall the minority population in the state was 20 percent but it's 31.6 percent of our children under 5 and only 4.1 percent of the people 85 and older. So you can see our schools and preschools look much different than our assisted living and nursing home. And again, you can see 45 is kind of the cut-off point as far as where we have relatively more or relatively fewer. We also made projections by race and ethnic group, and you can see that the...I guess you can't see my mouse up there, but the white non-Hispanic population will drop from about 82.1 percent in 2010 to 62 percent in 2050. The Hispanic or Latino population will increase from 9.2 percent to almost...to over 24 percent. And the other racial or ethnic groups will increase steadily but not nearly to the extent that the Hispanic or Latino population does. This chart just looks at it by age group. I think you could look at that on your own. But the one thing I wanted to point out was if we look at projected births and deaths for the white non-Hispanic population in the state that in 2034 we will become a state that has more deaths of that group than births, so we'll be losing

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population, not because of people moving out but because we have more deaths than births in the white non-Hispanic population. And the last chart shows the county map that shows which are the metropolitan, micropolitan, etcetera. And then for some reason or other I've got some categories in there that I meant to move around. Anyway, so I guess that gives you the picture of those three trends: concentration of population, aging of population, and more racially and ethnically diverse.

SENATOR SCHUMACHER: Senator Schumacher here. Now the tricky part with all this is how do we take this data that we've gotten kind of an overview now and integrate it in shaping policy in the immediate future but, more importantly, long term? For...and you touched on it before, maybe we can kind of just speculate and talk about it some, that this huge chunk of baby boomers that we're going to process through the system over the next 30 years, they probably will pay less in taxes, unknown exactly how much less, but they're coming off the payrolls and so they're not going to be spending as much in income taxes. They probably will be requiring services. They probably have very little saved, not sure how much but if it's a national amount it's not a whole lot of money that people over 65 have saved. Whether Nebraska is much differently, I'm not sure. And how can we expect that to affect our, say, state finances and state revenues, and our traditional thought that we're going to grow state revenues like 5 percent a year just because? How does this interact with our expectations in something very real, not for me because I won't get to plan another budget year but some of these folks get to plan another budget year, and budget years down the road that Tony is going to have to wrestle with? How do we put that together and get some reasonable projections as to what we're going to need for money and where we're going to get it from, given this huge amount of baby boomers that we're going to have to process and also the nonwhite kids that are coming into the system that need to be educated?

SENATOR SCHEER: Scheer here. But based on your idea of the baby boomers going across, one of the big things that I see you saying is "assuming they don't have much in retirement wealth." I think, to me, we have to have a better idea of what that...those dollars in those areas are, because to assume that they don't or to assume that they do I think throws off a lot of that planning remarkably quickly. So to me, if there's a way to find that information, I think that helps

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a lot in the next 10 to 15 years because you really do need to know if they're going to be able to pay for their services or if we're going to be paying for services.

SENATOR SCHUMACHER: Senator Schumacher here. That's right, Senator Scheer, and that's where I was hoping we would start to begin to think, because those are very fair questions. There's assumptions. The assumption I was making there was based upon national figures. People over 65 nationally have very little saved. I've seen different numbers but it's not above \$25,000 and I'm not sure if that includes their house or not. But at any rate, it's not very much saved. Now we don't know if that's the case here. Those are numbers that we probably need to get, definitely need to get if we're going to make any policy decisions on, and how much we can expect to have to pay for the people who don't have anything saved and nothing to draw down. That's where, you know, that's the place of the tricky part. How do we put it all together?

SENATOR SCHEER: We also have--and again, my assumption but talking to people--we have some bleed of population at 60 to 65 and older. Some of those are your...probably those that have done better and are moving to states that don't have special ed, for example, and income tax for later years to protect or longer use of their revenues. Is there...and do we have any way to determine how much of that bleed happens as people go from...they're 60 or 65 and they're making a couple hundred grand a year and they retire and, okay, I don't want to...I don't plan to stay in Nebraska at 6.5 or 7 percent income tax; I'll move to Texas or Florida or one of those that, you know, don't have that base. Is there any way to track that bleed at all?

JERRY DEICHERT: There is information that you could look at that from...the census collects some information, but we've not looked at that part of it. What we do know is that what typically happens is that Nebraskans between, say, 60 and 70, we have a net loss of population. But between 70 and 80, we have a gain; that some folks leave and then come back for whatever reason. You know, maybe you're going to leave when you're, you know, healthier and young, you know, the "young" old, relatively healthy, and mobile and can do things. And then when you get older and you're not as mobile, come back where your family or where you're comfortable. So we do know that happens. Now as far as on the income side of it, I don't...we've not looked at that but it's possible to look at some of that information if that was of interest to the committee.

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SENATOR SCHUMACHER: Senator Riepe.

SENATOR RIEPE: Thank you, Senator. My question would be beyond retirement. It's almost going to net worth in some way and I don't think it's a number that we can identify, would be anticipated inheritance that the baby boomer group might get so that they might be \$25,000 savings now but they might inherit a million bucks. So they aren't quite as, quote unquote, desperate as we think. I don't know how we could possibly identify that but I do think it plays into it.

SENATOR SCHUMACHER: Schumacher here. The...that question if there is inheritance, how equitably...I shouldn't say equitably because that applies to judgment, but how equally is it going to be distributed? There may be a lot of wealth transferring between generations but it may be to a very narrow band of population. And so these are the kind of interesting numbers that I think we need to get in order to shape policy. Senator Scheer mentioned \$200,000...somebody with a \$200,000 income and are 65-70 years old. They might be inclined to move to a no-tax state. How many of those people are there making retirement incomes of \$200,000? Are we talking a consequential number of people or is that an atypical amount? And people who went to another state, we probably never will know how many are in that age category or moving there because they don't want to fall and slip on the ice. So these are the...this is why I've often said this is a fun committee because we need to get to this next level of how do we tie some of this data, and there's a whole lot more besides what we've been shown yet, but how do we tie it to make the reasonable step between it? And what do we do when the question comes, should we raise or lower income tax? Should we build a cash reserve or not build a cash reserve. You know, this is where I think we can have value if we're smart enough to put it all together and ask the right questions and find a resource for the right answers. Merv.

SENATOR RIEPE: And thank you, Senator. I think what we need to do is focus our marketing on the young grandchildren and that can be our retainer factor to keep the seniors around. As long as the grandkids are young, the grandparents will stay around.

SENATOR VARGAS: It's what's keeping you around. []

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SENATOR RIEPE: Yeah. Well, actually, mine are in Arizona, but that's a whole nother story.

SENATOR SCHUMACHER: Matt.

SENATOR WILLIAMS: Thank you, Senator Schumacher. Switching gears just a little bit, one of the other things that I would like to throw into this mix that we continue to consider is work force development and the lack of work force in particular in the more rural areas that we have. And now that we've had this discussion on this aging population, I had a chance this week to meet with the Nebraska Health Care Association and that's primarily the nursing homes and that group. And they are screaming for employees, and it doesn't matter whether you're in Gothenburg, Lexington, Broken Bow, Alliance, you know, they just have this huge shortage. And yet we have more people going to use those services and what do we do from a policy standpoint to help with that? What do our community colleges, private universities, University of Nebraska System, State College System do to meet those needs going forward too? Because if we don't meet those needs, we just continue to create an environment where we're asking people to move out of those areas because they can't get those services that they have to have in those areas. It also affects what we do policywise with things like provider rates, because that will undoubtedly cause some of the smaller nursing homes in some of those areas to have to close and then we're, again, asking that population. We just create an environment that accelerates this move, which I don't think is healthy. I would like to confirm these numbers but in the past couple of weeks at a presentation that Chancellor Gold from UNMC was making, I believe he said one of the strengths of UNMC in feeding the medical needs in our state, be it nurses, dentists, physical therapists, doctors, all of the disciplines that they have, is that I believe the number was 86 percent of the students come from Nebraska. Now that I would like to confirm (laugh) if Dr. Gold could do that, but...and he was...then has a statistic that shows that there's a significant relationship between young people that are from our state that if they're educated here in those professions, they stay in the state and they end up generally, his statistic had, end up staying within 50 miles of where they do their last in-service kind of thing. So if that family practice doctor does their last stint in Gothenburg, Nebraska, chances are they're going to land in a permanent job within 50 miles of that. I think about that medical profession but then I also think about that--and I don't know that times have changed--but, for instance, University of Nebraska-Lincoln used to work extremely hard in their law school to recruit what they called a diverse

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student group, which not only was diversity of race but was diversity of geography. And they wanted to have approximately half of the students in a freshman law school class come from outside the state of Nebraska, which made great sense if you were one of those students of getting this broad range of education. But I wonder if that meets the long-term needs of our state by feeding the lawyers that we need in our state, as an example. If you go back to what Dr. Gold is saying at UNMC, that that 50 percent of the kids that are freshman in law school that didn't come from Nebraska, do they end up in this state when they finally receive that Juris Doctorate degree? I'd kind of like to look at that just to see policywise where that takes us, and I think it's a legitimate question for this group to ask, especially of those that are receiving state tax dollars to support them because it's part of the policy that we should be looking at. So I think again, I think that work force development, it is clear that when we look at these statistics over this period of time, the young person that is going to move their family from wherever to wherever is going to have the expectation that their medical needs are going to be met, where they're going to live, and that their educational needs are going to be met. And that becomes a significant challenge in the more rural areas of our state. It just flat is. There's got to be a job but there's an expectation beyond the job with both medical and educational facilities.

SENATOR SCHUMACHER: Senator Scheer.

SENATOR SCHEER: Well, in looking at one of the previous population ones, I think it was maybe the first one that you put up and it showed the peak populations of different counties, it seems to me that a lot of those areas are all very, very heavily ag-influenced areas. And if we are going to be honest, agriculture by volume is what's reducing the population in most of the rural areas because a farmer doesn't farm a quarter anymore. He farms, you know, thousands of acres essentially. And so if you go back to 1900 and you had a farm family on every quarter, we'll say, and now you have farmers farming we'll say 3,000, then that one farmer has displaced five other farm families. There's no other jobs in those rural areas so obviously the population has shifted. And that's continuing. I mean the equipment, the technology is less farms, farmers, and if that's the case we may, you know, we have facilities that will train people but we don't have bodies and we're not producing bodies in those rural areas, and those that we are, aren't staying in the rural areas because, as farmers retire, those grounds are taken over and there's no additional population base. And so to me how do we continue to provide services in those very rural areas

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because we don't have the people to provide the services? And if you don't have some type of critical mass to provide the services with, we've got a problem. You know, there we may have an aging population in one of the more rural counties. And so you have older people that want to be in a nursing home in Newman Grove. I'll use my district. But if there's no population base, there's no people to provide those services anymore, you still have a group that wants services but we have no way to provide them. How are we going to change how we deliver services and be able to shift population? I mean ultimately it will become a much larger shift of population to more populated areas. I know I'm at a loss of how you develop interstate traffic in those small...and not "interstate" by road but just how do we provide any type of meaningful growth in rural areas? Yeah, you can say, well, we don't have housing, but in a lot of those areas we don't have anything to stimulate housing. We have a lack of economic activity because, you know, look around. All your co-ops have merged and gotten larger and larger and less people involved. You know, the things that feed agriculture have become less populated as well and that's the dependence of a lot of that area, a lot of the state of Nebraska. So if we don't have...we're having less and less people and if the shift is going older and older, how are we going to continue to provide services throughout the state, because we won't have the people to meet them even if we had the facilities to provide that.

SENATOR SCHUMACHER: Schumacher here. A quick comment, and I think Senator Riepe is next. But your comment is an interesting overlay on Senator Williams' comments because one thing Senator Williams said is, well, people are going to expect to have educational and medical services in the communities that they live in. And that gives rise to the issue you raised: Well, what if there isn't...the economics just aren't there to do it for whatever reason? Which reflects back on something I think we discussed in the Planning Committee over the years and that is at what point does viability attach to a community? At what point is there enough concentration to do what Senator Williams alluded to needs to be done, and how do we handle that problem? Senator Riepe, you're next.

SENATOR RIEPE: Thank you. I just wanted to follow up a little bit because I know, in talking with Dr. Gold, I don't necessarily agree with him. My question would be in a rural communities, is it a need for physicians as much as it may be a need for nurse assistants?

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SENATOR WILLIAMS: Uh-huh.

SENATOR RIEPE: And you know that that not the university level trained but just good caregivers at the, you know, community college level, if you will. And so...

SENATOR WILLIAMS: I think it's all of the above is what, you know, we'll say,...

SENATOR RIEPE: I think that as well...

SENATOR WILLIAMS: ...but I...

SENATOR RIEPE: And we're having an experience too where the Medicaid rate, as you pointed out, and the Medicare...or Medicaid, I'm sorry, percentage of their occupancy is now creeping upwards to...in some of these homes, 60 percent. Well, there's no margin there when you're above a certain percentage of Medicaid reimbursement. And the other thing that I've been a big fan of all along is the dating services of [farmersonly.com](http://farmersonly.com). (Laughter) You need to hook them...get farm kids marrying farm kids so they keep there and re-create. So we might play that.

SENATOR SCHUMACHER: (Laugh) Senator Vargas.

SENATOR WATERMEIER: Jerry is wondering how he's going to pull that off.

SENATOR RIEPE: Yeah, that's Jerry's job to start a dating service (inaudible).

SENATOR VARGAS: (Inaudible) follow that (inaudible).

SENATOR CRAIGHEAD: There is one. []

SENATOR RIEPE: There is one?

SENATOR CRAIGHEAD: There is one.

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SENATOR RIEPE: There is a [farmersonly.com](http://farmersonly.com).

SENATOR CRAIGHEAD: (Inaudible).

SENATOR VARGAS: (Inaudible) we'll make that policy. One of the first things that came to my mind is if we're growing...if our aging population is becoming less diverse and our growing population is more of a minority population or individuals of color or different backgrounds, I wouldn't be surprised, I'd be interested if we look at that aging population how much of that population...what's their income levels. Household income levels I think we can probably see. I would imagine that our growing population, specifically our Latino population and the other populations, are more in poverty. So if our 2050 numbers are telling us that we're going to have a decrease in our white Caucasian population in the state, we're going to have an increase in diversity and that population is more in poverty, what do we have to do from a policy standpoint to double down on the education pathways to ensure that places in rural Nebraska and in urban Nebraska where we are seeing pockets of poverty have the individuals that are ready to enter career work force? And what does it mean to be more equitable in policy to ensure that we are doubling down on things like early childhood, like we have; we're doubling down on pathways to make college more affordable; we're doubling down on...to address what we're seeing as the effects of poverty on (inaudible) population? I would be interested in also looking at generational wealth. Our baby boomers have more generational wealth to pass on. I'd venture to say that this growing group of individuals in our state might not have as much generational wealth to pass on, which means it's more incumbent upon us and to look into policy decisions that are going to make sure that our students are graduating career ready and are staying. And I don't know the best pathway to have more of that to sustain work force in rural Nebraska. I know it's on...it's a topic of conversation. I remember it was a few months ago I sat down with UNMC and a couple of professors and we were brainstorming: How do we have...how do we ensure that there are young Latino youth that are getting to mental health and public health and getting certification education and then we're sending them to the areas where then we can invest them to see a future to stay there. The first thing we need to do is make it affordable (laugh), and the second thing we need to do is entice them to invest in these areas. But they want to stay here. But there are these additional barriers of poverty and that's a real thing that we're going to need to address. We're seeing a 76 percent increase over the last ten years of one of our highest growing populations. It

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would be very interesting for us to, if we're really thinking about a, you know, over 20-year plan and this is long-term planning, where do we have to double down if that's our largest increasing population and how is the demographic in terms of family income different from what we are seeing from our population that we're losing in terms of mortality rates? Because if we're not planning for that, I think we're going to be in trouble.

SENATOR WILLIAMS: I also...this is Senator Williams. I...and this is the part that gets difficult. When we look at the fact that I think, Jerry, your number was half of the communities in Nebraska have a population under 318.

JERRY DEICHERT: Eighteen, yes.

SENATOR WILLIAMS: Okay. And you think about the importance of educational services and medical services. It is very difficult to provide those in communities that are that small. It just flat is. I think many of us have been involved with chambers of commerce over a lengthy period of time when you used to see a vibrant retail business in downtown Gothenburg, for instance, and that retail business in downtown Gothenburg has changed. All the storefronts are still full but they are full of financial services, professional kind of things. It's not where you go buy your clothes, your shoes, those kind of things. And for many years the chamber of commerce would try to figure out how do we keep retail in our downtown? At some point in time you've got to realize that not every patient that the doctor sees survives. Some patients die. And as hard as that is to say, from a state policy position, we can't take on financially or philosophically every problem for every community. Communities have to make those decisions themselves. School districts have to make those decisions: Can we survive or do we need to go ten miles down the road and partner with somebody else, these kind things. So I think we have to be careful when we march down this path as to where is the state's obligation to solve these issues and where is it the individual community's or the individual school district or the individual nursing home or whatever.

SENATOR SCHUMACHER: Senator Scheer.

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SENATOR SCHEER: Well, I'm wondering, listening to Matt. Years ago, and I'm not sure if it's still in existence, this, especially in the health arena, they had certificate of needs. So if you wanted to put in a new MRI or you wanted to build an additional 15- or 20-bed (inaudible) facility, you had to get a certificate of need approved by whatever the committee was. And if you didn't get it, then you couldn't do it. And I'm wondering if, both from an educational standpoint and healthcare, if one of the things that we ought to look at is developing some type of need-based approval. Because I think what's happening right now in education--I have no facts but if you look it sort of looks that way--in more rural areas is you have a mad rush by a lot of the very small schools in rural Nebraska trying to build or upgrade their facilities to be the last man standing, so that when it finally comes time that their numbers become low enough that we have four districts within 15 or 20 miles and so we need to consolidate, we want to be well. We've got the artificial turf and we've got the new gymnasium and we added the new science lab so you all come here because we want to be the survivor. And I think at some point in time we have to be cognizant of that and maybe help those areas preplan how this is all going to take place rather than just having enormous amounts of dollars thrown at and competing. Because, you know, Tony's school district puts artificial turf in because mine did, but we both have less than 300 kids in school and the enrollment has been dropping steadily for the last decade, you aren't going to need two football fields with artificial turf within, you know, 12 miles of each other. So, you know, how do we help them help themselves, because it just seems like it's a spiral? And I don't blame them. Everybody wants to survive. But there, you know, if we look back from an educational standpoint, in 1990 we had over 1,000 school districts. Now granted we had K-6, K-8, K-12, and 9-12 school districts, and we're down to 245. So a huge change has already taken place educationally. But in the rural areas, some areas, it doesn't matter. You don't have a school within 50 or 60 miles. And I'm not trying to imply that you want to throw a kindergartner or a 1st grader on a bus for an hour and a half each way to go to school, but there are still a lot of areas in the state that school districts are within 15-20 miles of each other and, you know, there are efficiencies. But then is it the state that's picking the winners and losers or how do we help them move to a more regional concept rather than an individual community concept? Because even with healthcare, we have to do the same thing. You know, you can't have a hospital in a town of 300 or 400. It just is not going to be feasible. So how do we help make sure that you have more of the regional healthcare or education or commerce than trying to make sure that necessarily every community of one person or a thousand has survival? I don't want a bunch of ghost towns

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but when we...you know, most of the dollars the state spends are on those type of services. And I don't...how do we get the best bang for our buck and I don't know that it's...disbursing it so thinly over such a broad area is the best use of the funds.

SENATOR SCHUMACHER: And along those lines what we--this is Senator Schumacher again--there are some things that may be, whether it's a community or as a state, it just lessened power in the economy. Nobody told, for example, the farmer of 40 years ago he had to sell his cows and his pigs and take out the shelter belt. He'd have stoned you if you tried to do that from a state or governmental level because that wasn't the way it is. But yet, that's what happened. Nobody told these towns they had to give up their grocery store or give up their retail, but that's what happened. And it's trying to figure out where this wave is. Can you fight the wave or should you ride the wave. I think...who was next? I think you were, Tony, and then Senator Watermeier.

SENATOR VARGAS: It's really interesting to hear you talk about it because it's like urban planning, right, except you do it for the entire state. And I don't know what the right answer is for that. Usually it seems like a very, very difficult thing because it's how much do you leave up to a local county, a town to make decisions and ends meet on how they're growing and meeting needs. And also, it's a great analogy, they're competing against each other for, well, who's going to be the best prepared to have a new school for when or if we consolidate? I mean I've never thought of it that way, that that's what's happening when we have scarce resources in different parts. And I don't know how much...I don't know if there's an apparatus that plays a large role, outside of us, in helping to do some sort of strategic planning in where are we consolidating or prioritizing more of our resources to aid in that, maybe not to tell individuals what to do but to aid in making those strategic decisions. I don't know. It's just a good question to put out there. The other thing that just came to my head again is...and I remember our last meeting we were looking at the statistics for...by district. And I remember looking in some of the other parts of Omaha and thinking, okay, if one of our concerns is the baby boom population is potentially moving away...well, 65 and older is moving away, maybe they're coming back. We're losing a potential part of our tax base. That's not good for our services. And then we need to think where are we going to get more of our state income to continue to keep services moving. We do need to look at where our growing population, and I basically saw the trend that by 2050 about 30 percent of our population is going to be individuals that are nonwhite, more Latino. And then I

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started thinking again about some of the statistics that are coming out in terms of the achievement gap for those that are of color or on free and reduced lunch program. In my district, even though we had 85 percent of our students are graduating and a lot of them are Latino or people of color coming from poverty, their competency when in terms of their state exam scores relative to a high school right down the road in western Omaha pales in comparison. We have only about, let's say, 18 percent of students in my area that are proficient in reading when they're graduating. That's the population and that is the demographic that is growing very much. And I put it out there because I don't get...and if that demographic isn't just confined to urban Nebraska, I know--and we've had this conversation--this is growing in Crete, this is growing in Schuyler, this is growing across our state, it's growing in Gothenburg. How do we prepare policywise to address that? Just because they graduate doesn't mean that they're then ready to then be...enter the work force and be prepared to do the jobs that we're losing a large population of individuals. What do we do? And what do we need to do to our resources? I think about it in Appropriations. We were, you were, one of the things we talked about was technology, information technology, right? That was one of the conversations. We also talked about a couple other different initiatives in education. That wasn't something that we moved this year but I remember I was excited about it because it didn't necessarily require a four-year...beyond a four-year education. It was two-year education. It was investing really, you know, within the K through 12 system. But what do we need to do? We can't...I don't think we can just think about each biennium. I would be really interested in looking towards policy decisions out of this committee that double down on career pathways and, you know, education initiatives that are targeting this population. Because if they're not career ready, they're not going to enter the work force, they're not going to contribute to our tax base. And that's...I was shocked, again, seeing that it's going to be 30 percent by 2050. That (inaudible) tax base.

SENATOR SCHUMACHER: I think Senator Watermeier was next.

SENATOR WATERMEIER: Thank you, Chairman. I have comments or thoughts and it's going to be difficult to put into words. Speaker Scheer's comments about CONs, certificates of need, is something I've thought about in the past too. But if you think about how CONs worked, they were restricting, confining private...well, unless you think of a nonprofit as a hospital as a private, where they were restricting the number of beds that could be built and where they could

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be at and you could move around internally in your organization. And that's a complicated deal. Doing it inside the public sector at a school will be much more difficult to manage but I'd like to get to that point. I don't know how to do it. I really don't know how to do that. But I've thought about that very same thing too. But where I would like to head in the big picture policy decisions is a lot of what I heard from yesterday's comments on economic development. I don't know if you were there. Senator Williams was. And I've been headed this way a long time, is when economic development has always come from the government internally and we need to reach out more to the private sector and bring them in as the drivers, because they are the ones that have the vested interest anyway. So I don't know how we get to that point but it's kind of a comment I'm making in general, is the CON argument and discussion would be great for the schools but it would have to be a different metric because you'd be trying to control, regulate a public institution already, where CONs work good for private industries because we're restricting them. We are only going to allow you so many beds, so many buildings. And so it's...I'd love to get there, but I think what we're missing here, the piece, is the private sector and how it affects them, because they're still going to be the ones paying the bills. We're just out here trying to lay out policy where the private sector, meaning the private sector meaning nursing homes, hospitals, and somehow the schools need to be more invested like the private sector if we're going to consolidate them.

SENATOR SCHUMACHER: Senator Craighead.

SENATOR CRAIGHEAD: This is going back to Senator Vargas' comment that 18 percent of students are able to read by the time they graduate, they're competent in reading. We did have a bill that was introduced to hold students back at the 3rd grade level if they could not read, and that did not go over very well this year. So I think we do have options but I think we've got some very hard decisions that we need to make.

SENATOR SCHUMACHER: Senator Scheer.

SENATOR SCHEER: Well, in regards to the same comment that you made to the extent that...and it goes even to community college and four-year colleges as well, if you look at a number of their offerings, they're remediation. And I think at some point in time we have to do a

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better job of holding our K-12 school systems more accountable to make sure that students are truly career ready, not partially ready. And when I hear you talk about a high school that has only 20 percent or less of its students that are proficient in reading, that then it becomes very clear why we have a problem in work force development. And that may or may not be isolated in your area. I'm sure there are other, you know, in other areas and there are some that are not proficient in any school that's graduating. But I've always thought it was such a waste of dollars, more from a higher education standpoint, where they're taking the student and say, I don't care if it's math or English or foreign language, whatever it is, you know, you're just not good enough. You know, you don't have the skills that you need to even start in the 100 level at a college, so you've got to take this course. No credits. We're going to charge you for it and it's going to take your time, either you or your parents' money to get to that level, and then you get to start. And, you know, if school, if K-12 is supposed to be bringing students to that level then we need to make sure that they're aware of that because it's still tax dollars. The university we're still funding to a large part. So I think there has to be better coordination from a K-16 purpose rather than just K-12. Because if the university system, either state college or university or even the community colleges, say in order to be...give credit you have to be at whatever level this is, then schools at K-12 level need to be aware of that and make sure that their students are at that level and we shouldn't be having children and young adults leaving an educational system without those skills.

SENATOR SCHUMACHER: Vargas, do you have something?

SENATOR VARGAS: You have to make it birth, B, birth through 16 (laugh) and I'll even...

SENATOR SCHEER: Well, yeah.

SENATOR VARGAS: Because it...I agree with you that there needs to be an emphasis on the entire continuum. I also think that there's...and I appreciated when you talked about the 3rd grade proficiency. There are pivotal points, entry for succession into the next grade levels, and reading is one of them. Early childhood education, and whether or not that gap starts even at 1st grade is really pivotal as well. It might be more of a comprehensive look at how we're investing and prioritizing in different pivotal moments across the education sphere. And I agree with you. I've had conversations. I'm not the only one I know that's had conversations with higher education.

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And when they talk to me about their number of individuals that are in remedial courses, it's astonishing. It's a lack...it's not a good investment, that time. They're doing it because it's the best thing that they have to do and those students are trying to get entry as best as they can into a career field. But it also means that at some point we maybe haven't prioritized funding as best as we could. Maybe we haven't been more, you know, good about prioritizing supportive mechanisms for training, for teacher development. Maybe we haven't really looked at what are alternative methods for supporting other individuals in the classroom or looking at the way...I actually don't know this. I don't know how other local school boards, with their larger per capita per student funds, how they forecast and use their funds given that it's different in rural Nebraska than it is for an urban city center in terms of spending. But there's got to be some other mechanism that we can look at. It's just an area of interest of mine as well. But the birth through five, be really interested in adding that stuff.

SENATOR SCHUMACHER: What information would we like to see if Jerry can find or, if he doesn't think he's got access to it, may exist out there that we need in order to start looking deeper into how we translate these kind of demographic and trends into future policy? What would we like to be looked at in the next couple meetings as far as data that we might think we need?

SENATOR SCHEER: Well, I--Scheer here again--but going back to it, I think we have to know the dollars available on the aging groups to know what type of potential exposure the state has on those folks. And I think Merv is probably correct too. We maybe have to have, I don't know if it's dual or singular, as far as income-producing or wealth either, you know, from a standpoint of, you know, guy may have a million dollars but he's, you know, he's done earning so he's just living off of Social Security and maybe nontaxable bonds or whatever. I mean there's always, you know, those exceptions to the rules. But one of your bills last year made an impact on how folks would be able to use the Medicaid system in retirement in relationship to their wealth, not income. So I think we have to know that wealth and income bracket, as well as I'd be interested to see where that bleed ends up, if it's more determined by the economic status that if people were above a \$50,000 income they're much more likely to leave the state. And are those the same ones that are coming back? Or if people that are 50 or 100 thousand more are leaving the state, are the ones that are coming back are the ones that are 50s? The 100s are still staying out there

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and we're losing the income from their expenditures. You know, that's gone and so we're getting those back more of an adverse selection type deal where we're getting all the expense coming back without having the cash flow over that time period to help offset those expenditures.

SENATOR SCHUMACHER: So fundamentally, if we can put this into a question, (inaudible) what you're asking for is as to the baby boomer group,...

SENATOR SCHEER: Uh-huh.

SENATOR SCHUMACHER: ...because that's where a lot of our expenses would be, what's the distribution of net worth and income,...

SENATOR SCHEER: Right.

SENATOR SCHUMACHER: ...the median? As kind of an assignment, do you think there's a place that you can find that? Do you think we could access the Department of Revenue books as far as income? Is that an answerable question?

JERRY DEICHERT: It's...I don't know but I would...a couple of things that I think we can do is we can look at, by age group, source of income, whether it comes from retirement, Social Security, interest, and those kinds of things. So you can...so we can't get a direct measure of wealth, but we can see if there's income coming from wealth and from current earnings. And we can see...look for people who have left the state and see if that's different of that age group than the people who are in the state. That would be one thing we could do. Would that be kind of a useful start?

SENATOR WILLIAMS: Uh-huh.

JERRY DEICHERT: The other thing is I think, Senator Schumacher, last year we...finding wealth is a very difficult thing to do and I believe it was last year or the year before we put something together that looked at the various ways in which we might get at wealth, looking at what...how much interest income is claimed on Nebraska tax form by county and maybe some

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dividends, you know, some of those looking at income, taxable income by source of income. And you can't well look at it by individuals because that information is all very confidential. But if that's of interest, I don't know if Department of Revenue does have access to the raw data files where they could do some type of an analysis. I just don't know.

SENATOR SCHEER: So like looking at incomes that how much is taxable from long-term capital gains and so forth that would be more attributed to a wealth type than...

JERRY DEICHERT: Right.

SENATOR SCHEER: ...general income.

JERRY DEICHERT: Yes, we could do that, but that would be on an aggregate basis.

SENATOR SCHEER: Right. Right.

JERRY DEICHERT: So it wouldn't be on...but you could see if there were counties where you had high percentages, you know, you can do some arm waving and things like that. So I could update that and bring that in, too, next time, if that would be of interest.

SENATOR SCHUMACHER: You know, yeah, I think that...we got to start somewhere because those are extremely important questions that Senator Scheer raises in order to get a handle on what's real. But I...if you could, and I'll try to do it, too, talk with Department of Revenue. You know, when people claim the extra deduction on their income taxes, that's a way of telling that they're 65 years old or older probably, and looking at the income of that strata of people. Very difficult to answer the wealth versus income. One of the problems that I think is out there, you may have someone sitting on \$5 million of appreciated farmland and trying to live on a shoestring, is not about to sell that appreciated farmland because they're going to pay a 25 percent capital gains tax and they'll die with it so that their kids can get it state and federal tax free. But, now is that wealth? How does that work? Senator Williams, I think you had a comment.

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SENATOR WILLIAMS: I just had a quick comment. And, Jerry, I think this information is out there but I think it would be helpful if everybody saw it again. It's what I call the wealth shift that is also occurring with this population move. Example: The land in Dawson County is always going to be in Dawson County, but the ownership of that land is not so much in Dawson County today as people have moved. Dad farmer dies, kids inherit the land, kids live in Omaha, Chicago, whatever. That transfer of wealth, both east in our state and out of state, is something that's pretty important too. We see that constantly with lots of our land now is owned by absentee landowners. And our farmers locally are renting it from them, you know, making the income there, but the underlying value, wealth of that, is not in Dawson, Custer County.

SENATOR SCHUMACHER: So it's going to make it very hard just to look at the assessor's roll to figure out what the wealth of Dawson County is...

SENATOR WILLIAMS: Yeah. Yeah.

SENATOR SCHUMACHER: ...because it's not there. Senator Craighead, I think.

SENATOR WILLIAMS: It's still there for tax value...

SENATOR WATERMEIER: Right.

SENATOR WILLIAMS: ...so, you know, all those things, but...

SENATOR CRAIGHEAD: Two comments: One, I would like to know, and maybe we have this information, how many healthcare providers, specifically MDs, DOs, PAs, and nurse practitioners, are there in the state and where are they?

SENATOR SCHUMACHER: That should be a licensing question. We should be able...those are all licensed people.

SENATOR CRAIGHEAD: Right.

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SENATOR SCHUMACHER: That should be able to be an answerable question.

JERRY DEICHERT: Yeah. And we could have, if you...if the committee wanted to, I'm sure we could find somebody from the Department of Health and Human Services who would...

SENATOR CRAIGHEAD: Okay.

JERRY DEICHERT: ...have all that information and would come in and talk to you too. I mean we won't have to drag everything out (inaudible). We can, you know, if you'd want we could see if they'd work with Senator Schumacher's office to find somebody to do that.

SENATOR CRAIGHEAD: Okay. What I'm thinking is are they mainly in the eastern part of the state, are they spread throughout? I mean are there caregivers throughout the state of Nebraska and where are they?

JERRY DEICHERT: Senator, I do know that they do have maps and lists of where there are needs...

SENATOR CRAIGHEAD: Uh-huh.

JERRY DEICHERT: And so they do have those indication where...

SENATOR CRAIGHEAD: Okay.

JERRY DEICHERT: ...there are....I don't remember what the technical...what the term is, but they do have...they do look at that. And I can...we can get you that.

SENATOR CRAIGHEAD: And the second one, and we may have this information, is the school districts in the state of Nebraska, where they are and the number of students per district.

SENATOR WATERMEIER: That's on the Web site.

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SENATOR SCHUMACHER: Do you think that's an answerable question?

JERRY DEICHERT: That's in the publication...there's a publication on their Web site called Statistics and Facts of Nebraska Schools, and it has by district and by grade within district and whether they're...they also include both the public and the private schools.

SENATOR CRAIGHEAD: Uh-huh.

SENATOR SCHUMACHER: Senator Vargas.

SENATOR VARGAS: It would be in the same way if we're looking for an extension of income data as much as we can for the aging population, I think it's critical that we also include information for the growing population. If we can get...I'm just really interested in seeing the profile of this growing minority or Latino population. I'm interested in seeing what percentage of these individuals are on assistance, what percentage are eligible for Medicaid, what percentage are...there's these. Because as they grow, the needs for those services grow as well and...or don't if they're not utilizing those services or not eligible. But it's just helpful to forecast and potentially figure out...look at some numbers that would model that. It would, in some ways, help see...help us see what potential, and I'm just going to call it, potential catastrophe we'd have on our hands if we're not preparing for a growing area that we are not meeting the needs of this specific demographic, because it just hasn't been a large enough demographic in the state yet.

SENATOR DEICHERT: Senator Vargas, I'll put in a plug for our data center conference on August 17. That is one of the sessions that we have.

SENATOR VARGAS: Oh. (Inaudible).

JERRY DEICHERT: So we have one of the...a faculty member from sociology is going to be doing that. And so if you would like then we can maybe have her come in and show you that. So we'll be looking at the Sudanese and the Somali and Latino and all, I mean, all the population groups that there are, there is sufficient population where you can do some kinds of analysis.

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SENATOR VARGAS: Yeah, because I'm interested in the revenue implications. That I'm very interested about.

SENATOR SCHUMACHER: And just a thought as to how we can. This is Schumacher again. A lot of the communities trying to address an issue that Senator Williams raised of a shortage of labor, a shortage of help, you know, are thinking of some type of aggressive plans to attract immigrant labor and provide housing for the labor. And if that results in an increase of an immigrant population that has some of the issues that Senator Vargas raised, how effective are those programs going to be? Are they going to be counterproductive? If you...if after digesting some of this and thinking a bit you have specific types of information you would like, contact me. I'll see if I can put something together, work with Jerry to see where we might be able to find answers if you feel that information is needed on a specific question for us to carry on the discussion. We're dealing in some pretty heavy stuff here and I honestly don't know of any other forum in the Legislature where these issues are struggling to be addressed. You might say it's all immediacy and an immediate action we might take may be very counterproductive 15 years from now when some of these other chickens come home to roost. So if you can think of some data that we need or how we might get it, let's make an effort to get that. And one thing I've been toying about and maybe you can think about a little bit, won't ask for it now, but for everyone, in the spirit of academic inquiry and freedom, doing a little thought experiment and putting down on a page or two what you think the state will look like in 30 years, 2050. What would you like to see it look like in 2050? And then what is within our means to do to make it look like what you would like it to look like, something along that line so we can begin to see whether or not there's a common thread among what we think it will look like, how that comports with what the demographics say it's going to look like. What should it look like, because, generally, things end up looking like what forces along the way shape them. And is there anything within our limited economic means right now that we can do in order to shape from what we think it will look like to what we would like it to look like? Comments? Ideas? We have till...we'll go to 11:00 here, which is ten minutes yet. This is certainly a little unconventional, the audience, any comments, ideas? This is a think tank. Jeez. (Laughter) What an exciting group.

SENATOR WILLIAMS: I was just thinking in year 2050, I'll be 101...

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SENATOR SCHEER: I hate to tell you,...

SENATOR WILLIAMS: ...maybe.

SENATOR SCHEER: ...you won't be.

SENATOR WILLIAMS: I won't be. (Inaudible) (Laughter)

JERRY DEICHERT: That is the advantage of doing long-term forecasts. I don't have to be around to see them.

SENATOR WILLIAMS: See if they come true or not.

SENATOR SCHUMACHER: But what's odd about it is we, at least from the data that we've seen in the past and some of it's been presented, we kind of know somewhat of what the state will look like unless there's a disruptive force that happens. I remember last year we looked at Platte County in the year 2050--same population as now. Little, little bit of a rise around 2030, but unless there's some disruptive force, 2050, we'll still have the same population as now. A town like Columbus, I would guess, would be a little bit bigger, but that will be basically from attrition from the areas that are now outside of Columbus, the little towns of the rural areas. And what does that tell us when...about the state? Pretty sure that, you know, the Omaha, Sarpy County, and Lincoln area are going to be a whole lot bigger. What does that tell us about where we should be putting emphasis or what we should be encouraging or discouraging? Some of those things are almost known things already. The fact that we're going to...and it will be interesting when we get, hopefully, some closer guesstimates or answers to Senator Scheer's question as to how much of a burden that huge glob of baby boomers is going to put on the system. Now hopefully they all have \$200,000 in income and we won't have to worry about it. (Laugh) I don't think that's the case. Is there anything, Senator Williams, that you think that, you know, that the Bankers Association or bankers who have looked at any of these issues as far as where wealth is shifting? Do you have a feel, because you deal with people needing money and having money? Any resource there?

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SENATOR WILLIAMS: Well, I think the work force housing issue has been one that was led by the Bankers Association and recruited others and we have done some things now working towards that area. It is certainly a conversation with bankers all the time when you have this consolidation. Again, you have small rural banks in this mix, too, that have legal lending limits that are so big. And you have the farm consolidation and the needs for credit exceed the limits that these smaller institutions can provide. So there's been a lot of talk between banks of how you deal with that. And then this wealth shift because at some point you wake up again, that you've had a great customer that's lived with you, that's had all this, and then they die and the next generation doesn't live with you. And going back to one of the things that has happened to our state, and you certainly see them in those population numbers, Jerry, is that 1980s. We lost a generation of rural population in the 1980s when ag hit the skids, where a generation went off the farm. And you can certainly see how that happened (inaudible).

JERRY DEICHERT: And one of the things that on different presentations that I do, when I look at births, not only did we lose a generation. We lost a bunch of potential kids...

SENATOR WILLIAMS: Yep.

JERRY DEICHERT: ...because we noticed what happened in births. In the '80...late '80s, early '90s, where the rest of the nation picked up, Nebraska dropped. And it was because we...you know, that's who lose, and so when you lose them, you lose their kids too. And that really had a long-reaching impact on Nebraska.

SENATOR SCHUMACHER: Senator Scheer.

SENATOR SCHEER: Well, something that would interest me as we move forward, and I don't know that this pertains to what we've talked about other than, you know, the simplistic answer to a lot of woes Nebraska has is we just have to have more people. And having said that, what are other...you know, trying not to reinvent a wheel type deal, what are other states doing that are growing with the exception of, you know, we aren't going to have average temperature of 78 degrees year-round and we don't have a lot of sand beaches. So some things we don't have that will attract population shift. I get that. But there has to be other areas of the country that have

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continued to grow, and how have they either continued to grow or started growing without either the great location, you know, the mountains in Colorado or the beaches in Miami and California. You know, how are others attracting population and what businesses are they attracting or are they growing that produces some population growth? Because I mean the biggest problem is, you know, we're talking about how we pay for these things. Well, one of the easiest solutions is you got to have more people. And so how do we attract and maintain more people? Some of that is how do we maintain the young kids that are coming out of our own high schools and colleges and keeping them in Nebraska? We aren't...we don't do that very well, some better than others. But even Omaha and Lincoln, we have a huge number of graduates and I would venture to say that if we looked at where those graduates end up, it's not Nebraska. And, you know, you talk about an expense to the taxpayers, the university system we subsidize to the tune of 50-60 percent. And so we have a student that graduates from the university system and we have a lot of dollars invested in that student, and they take a job for whatever reason in Council Bluffs or Kansas City or Denver or Chicago, and we absolutely get no return on that investment. So how do we get a better return on our investments?

SENATOR SCHUMACHER: In part along those lines, now there was something the other day that I think from...it might have been the...one of these publications, the Legislative Council or something like that, that sent out and said, how small towns are growing. Ah, well, this should be an interesting thing. And one of their first small towns that they describe was Madison, Wisconsin. And it was like, you know, 50 miles from Milwaukee and 80 miles from Chicago. That small town is now our small town. So even how other states are growing, we can't look. It gets more granular than that. You know, how other metropolitan areas are growing may be a question for Omaha. How other towns the size of Lodgepole are growing may not even happen. Senator Craighead, you deal some with real estate in Omaha. What...and that, you know, that's the flip side of the coin. You know, we're talking about out-state, how we got population decrease. How do you keep the schools open? Should you keep the schools open? How do you keep the hospitals open or are we batting our heads against a wall? What do you see as the flip side of this in the surge of growth in the Lincoln and Omaha area?

SENATOR CRAIGHEAD: Well, right now what we are is we're definitely in a seller's market and there's not enough inventory on the market. We're way down in inventory and it's not quite so

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frenetic now but it was that there were multiple offers and several offers in a day on real estate. Now that's kind of changed a little but definitely in a seller's market, but the need for more housing.

SENATOR SCHUMACHER: What's...I mean we hear from Senator Williams the need for rural housing. You're saying the need for housing. Why? Why? Where is the market malfunctioning that it's not producing the housing for people? We're looking at record interest rate lows.

SENATOR CRAIGHEAD: I think it's affordable in the rural and urban areas, but...affordable housing.

SENATOR SCHUMACHER: But why isn't the market stepping up and building the houses when there's...you can borrow money for...what is a home loan now?

SENATOR WILLIAMS: The market in rural areas is different, Paul, than the market in the urban areas. We don't have in the rural areas the contractors and the economy of scale with the contractors that can build affordable housing. The last number that I saw from NIFA was a house being built, I think they did the comparison from Bayard and Lincoln, that a \$200,000 house in Bayard cost \$150,000 to build in Lincoln. And that's simply the difference in materials, contractors. You know, the contractor in Lincoln is making money on that house and the contractor in Bayard isn't making an extra \$50,000 on that same house. That's just the way it is. That's what LB518 was addressed to try to solve some issues of creating more affordability with that. And then the just plain in my legislative district, and I think other rural areas are the same, the contractors that we do have right now are busy from dawn to dark building custom homes for people, but...and they're not going to shift from that and build affordable housing because they don't have to, I mean, and you wouldn't either.

SENATOR SCHUMACHER: So anywhere in the world or at least in this country our...is it affordable or is it practical for a contractor to want to get into the affordable housing business?

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SENATOR WILLIAMS: I think there are contractors that can make money doing that. But it's not the typical contractor that's sitting in Gothenburg right now or Ainsworth right now, because they're busy doing a different type of contracting.

SENATOR SCHUMACHER: Is there a shortage of contractors in Omaha too?

SENATOR CRAIGHEAD: I think they're so busy that there's...yeah, there would be a shortage because they're so busy.

SENATOR SCHUMACHER: Senator Watermeier I believe is next.

SENATOR WATERMEIER: I always look at the housing issue as mostly to the wave side of it, not being able to afford the house that the contractor can build. You know, it's just as big of a problem as the contractor side of it.

SENATOR WILLIAMS: That's part of it.

SENATOR WATERMEIER: It's the wave side (inaudible).

SENATOR WILLIAMS: From the banking perspective, though,...

SENATOR WATERMEIER: Yeah.

SENATOR WILLIAMS: ...what you have happen when that house costs \$200,000 in Bayard to build and all of a sudden the person wants to finance it and you do the appraisal, and the appraisal is not going to be \$200,000. The appraisal is going to be \$160,000.

SENATOR WATERMEIER: Right.

SENATOR WILLIAMS: And then all of a sudden you've traditional financing for that person that's buying it, they don't have a down payment...

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SENATOR WATERMEIER: Right.

SENATOR WILLIAMS: ...for that kind of a...

SENATOR WATERMEIER: It's a combination of the both, but for example...

SENATOR WILLIAMS: Yeah.

SENATOR WATERMEIER: ...we just had an opening in my district. New company came in, (inaudible) bought a...remodel of existing company building. Had 150 applications for 20 positions, set pay between \$11 an \$15 an hour.

SENATOR WILLIAMS: Yeah.

SENATOR SCHUMACHER: So you're saying you have more employee applications than they have positions.

SENATOR WATERMEIER: Yeah. We had a brand new company move in...

SENATOR SCHUMACHER: See...

SENATOR WATERMEIER: ...and had 150 people apply for 20 positions that are paying between \$11 and \$15.

SENATOR SCHUMACHER: See, in Columbus, I was at a meeting the other day and it was, oh, we have gazillions of jobs and no people. Now some way or another those numbers are...

SENATOR WATERMEIER: State Web site shows 40,000 jobs on there yet. They're not being filled because they're not the right skill set to fill them and they're much better paying than \$15 an hour. But they're not...that's where the education side of the piece is missing.

SENATOR SCHUMACHER: Yeah, Vargas.

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SENATOR VARGAS: Urban...our urban issue is less. Not only do we not have enough houses; it's where the houses are. So we looked at LD39 as the fastest growing legislative district. That's Senator Linehan's. A tremendous amount of growth there. They're building more homes. They can't keep up with it. But there are homes that are vacant. They're just east of 72nd Street in Omaha. And part of the reason people are making these decisions, we are getting...we're seeing an increase in growth. Omaha has been steadily increasing in population size, but it's increasing farther out west and people are making decisions based off of education. People are making decisions on jobs, but most of what I hear from the chamber and why I think they're doubling down on more education issues and work force readiness is because people are making these decisions on where they live and are waiting for homes to be more conveniently placed close to work, so they look at their work place, and they're looking for the right school district. They think of it as a long-term investment, right? It's not surprising, but that's why we're not seeing as much growth, where we're preparing bonds to build a new high school for Omaha Public Schools out at 156th and Ida. And that's going to be built to meet the demand there so that more people will invest and they'll build more homes. But it's, you know, it's like sort of a chicken and egg. People want the really good public school district but they're waiting for the right homes to be built in that area. But we're forgetting, and that's the...do we try to attract new people or do we work with the existing structures and improve them? Can we improve and make homes that are substandard or are not...and make them better so that they're more...they're going to be filled by individuals to come and invest in an area? That's part of the issues around there.

SENATOR SCHUMACHER: All right. Well, we're right at 11:00 now. Anybody else have any last-minute request, anything, topics? Now, Jerry.

JERRY DEICHERT: May I just...just to follow up what I will do is I will send Senator Schumacher some of the requests and which ones that we think we can do for next time, and then ones where we...I know there's already information available and send you the links and those kinds of things. And I want to put another plug in for our conference and I'll send out a notice again to everybody that...how to register for free. But we do have a session on housing and we do have a session on social determinants of health. And so all of those are kind of topics that have been discussed today along with what...the question that Senator Vargas had raised earlier.

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So we'll be addressing some of these issues that were raised so some of your staff may be interested in attending. So I'll be sure to send out the notice again.

SENATOR SCHUMACHER: (Inaudible).

SENATOR WATERMEIER: Can I have a senator and staff attend?

JERRY DEICHERT: Yes, it can be...

SENATOR WATERMEIER: Okay.

JERRY DEICHERT: Yeah.

SENATOR WATERMEIER: Okay.

JERRY DEICHERT: So I know Senator Riepe attends every year.

SENATOR WILLIAMS: When is our next meeting, Paul?

SENATOR SCHUMACHER: Well, generally we've been doing it, what, the second Friday?

PEG JONES: Yeah, you put on the calendar August 11.

SENATOR SCHUMACHER: I'll see if everybody knew that.

PEG JONES: Because I think that's the next economic development...

SENATOR SCHUMACHER: Is that...yeah, we...(inaudible) say I need to coordinate with what you've got going, Dan.

SENATOR WATERMEIER: They'll have that...we won't decide that till this afternoon...

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PEG JONES: Oh.

SENATOR WATERMEIER: ...but I think that we'll work it around this (inaudible).

SENATOR SCHUMACHER: Yeah. I mean that seems to work out...

SENATOR WATERMEIER: Yeah.

SENATOR SCHUMACHER: ...pretty well. So, yes.

SENATOR WATERMEIER: When is the conference? I don't...

JERRY DEICHERT: It's August 17.

SENATOR WATERMEIER: Okay. I don't have it on my calendar yet.

JERRY DEICHERT: You're going to see it. It's...I believe that's the date.

SENATOR WATERMEIER: August 17.

JERRY DEICHERT: Yeah.

SENATOR WATERMEIER: I thought I put it on my calendar.

PEG JONES: 16?

JERRY DEICHERT: Or is it 16? It's the 16. I'm sorry. It's the 16, that's right.

SENATOR WATERMEIER: That I have there. Okay.

JERRY DEICHERT: The 16. Yeah.

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SENATOR WATERMEIER: And you sent us the link already?

JERRY DEICHERT: I will send it again.

SENATOR WATERMEIER: Okay, do that. So I'll have staff go if she wants to go. Thank you.

SENATOR SCHUMACHER: Anything else? For a motion to adjourn?

SENATOR WILLIAMS: So move.

SENATOR WATERMEIER: You can just rap it.

SENATOR VARGAS: Second.

SENATOR CRAIGHEAD: Second.

SENATOR SCHUMACHER: (Knocks on table.)

SENATOR WATERMEIER: Rap it.

SENATOR SCHUMACHER: Wrap up.

PEG JONES: Who did what?

SENATOR SCHUMACHER: We rapped it. (Laugh)