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Transportation and Telecommunications Committee
February 12, 2018

[LB1011 LB1049 LB1080 LB1092 LB1136 CONFIRMATION]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Monday, February 12, 2018, in Room 1113 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on a gubernatorial appointment, LB1092, LB1011, LB1049, LB1080, and LB1136. Senators present: Curt Friesen, Chairperson; Jim Smith, Vice Chairperson; Bruce Bostelman; Tom Briese; Suzanne Geist; Mike Hilgers; Dan Hughes; and John Murante. Senators absent: None.

SENATOR SMITH: We're going to begin our hearings for the day. Welcome to the Transportation and Telecommunications public hearing. My name is Jim Smith. I represent the 14th Legislative District in Sarpy County, and I am vice chair of the committee. Our chairman today, Senator Friesen, is tied up in another committee, and he'll be joining us a little bit later during the hearing. Let me go over a few of the housekeeping items, if you would. Let's start with just silencing any of your electronic devices, if you put those on vibrate or silence them so as not to interfere or interrupt the person that's testifying with us today. We will be hearing the bills in the order listed on the agenda that's posted on the outside of the room. Those wishing to testify on a bill, please begin to move forward to the front of the room once someone else takes the seat to testify. If you will be testifying, we ask that you legibly complete one of the green testifier sheets located on the table that's just inside the room. And when you do come up to speak, if you would both state and spell your name for the record so we can get it into the record correctly. If you have any handouts for the committee, we will need ten copies. If you need assistance making those copies, please let our page or our clerk know, and we will get those copies made for you so, when you come up to testify, we will have those available to distribute to the committee. We will use the light system today. We're going to use...we're going to keep the time limit at five minutes. And so what that means is the green light will be on for four minutes, and then it will turn to the amber-colored light for one minute, to complete the five minutes. When the red light comes on, if you have not completed your testimony, we would ask that you go ahead and wrap that up so we can move on to the next testifier. But do be prepared to answer any questions from the committee, and we will be able to have that exchange with you. That's not on your time; that's on our time. If you are...do not wish to testify, but you want your support or opposition on the record, you can sign the pink sheet that's on the back table just inside the door, as well. Let me introduce the staff that will be assisting us this afternoon. We have committee legal counsel Tip O'Neill just to my left here and then, further to my left, is committee clerk Elice Hubbert. Let's see. I'm not sure where our pages are, but we will be joined by pages a little bit later. I'm not certain which ones they are, but we do appreciate our pages being here to assist us and to assist you. And with that, we are holding...we have...the first course of business today is a confirmation of Barbara Keegan to the Board of Public Roads Classifications and Standards, and Ms. Keegan is joining us by speaker phone, and I think she's

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been hanging on to talk to us, but we're going to invite Ms. Keegan to tell us a little bit about herself. Are you still there, Ms. Keegan? [CONFIRMATION]

BARBARA KEEGAN: Yes, Sir. [CONFIRMATION]

SENATOR SMITH: Welcome. [CONFIRMATION]

BARBARA KEEGAN: Welcome. Is this...may I proceed? [CONFIRMATION]

SENATOR SMITH: Yes, please. [CONFIRMATION]

BARBARA KEEGAN: (Exhibit 1) I am Barbara Keegan, B-a-r-b-a-r-a Keegan, K-e-e-g-a-n. First of all, I'd like to thank the Transportation and Telecommunications Committee for allowing me to do this confirmation hearing via a telephone call. I will be looking to try for the regular Board of Public Roads Classifications and Standards meeting, so it saves me a trip to Lincoln. A little bit about my career: I've been...became Alliance's highway superintendent in 1991. In 1994 I started working for Box Butte County as a highway superintendent. In November 2005, I was appointed to the Board of Public Roads Classifications and Standards to replace Allen Doll. I represent Classes 3 and 4, for counties of population 9,000-19,999. I don't know that I have any more to say at this time. [CONFIRMATION]

SENATOR SMITH: All right. Well, thank you, Ms. Keegan. Let me see if anyone on the committee has questions for you. I see no one around the table prepared to ask any questions. So this is your first appointment, is that correct? [CONFIRMATION]

BARBARA KEEGAN: No, no. I was appointed in 2005. [CONFIRMATION]

SENATOR SMITH: Oh, okay. So this is a reappointment. [CONFIRMATION]

BARBARA KEEGAN: This is a reappointment; yes, Sir. [CONFIRMATION]

SENATOR SMITH: Can you tell us a little bit about your experiences on the committee and how...you know, any particular things that you've learned there that you would like to share with others that would be joining in the future? [CONFIRMATION]

BARBARA KEEGAN: Well, I would say that every meeting is a learning experience. It has helped me grow in my career with Box Butte County, as the highway superintendent. One of the

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things that has most recently...you know, been coming forward was the revision in the standards--the 3R standards--kind of making them more user friendly, if you will. There were other things that it seemed like the Nebraska Department of Roads at that time could do the, you know, without a relaxation order, and things along those lines, but some of the counties and the municipalities couldn't, so things were more aligned, and I think that's most appreciated by those of us in the field not having to go...to looking for a relaxation request if, you know, if we don't have to. By all means, if we...if it is required, you know, everybody makes the trip, but it is...it is a lot more, again, user friendly for the counties and municipalities, and if they can get things lined up well; if they are trying to change some of the...or not necessarily change, they're kind of updating...keep our manuals current with what is going on today, you know, bringing them into the computer age. Some of our forms, you know, hadn't been revised for 20-plus years, so that's kind of the internal side of it, you know, as far as what, you know, what that has done for me at the county; you know, you see different things that other counties are able to do. Director Schneweis has been able to kind of bring his knowledge to the table, and you see some of that coming in and being able to help everybody. [CONFIRMATION]

SENATOR SMITH: Very good. Well, Ms. Keegan, thank you so much for your willingness to serve on the Board of Public Roads Classifications and Standards. We certainly appreciate your willingness to step up and...in that role. So we're going to... [CONFIRMATION]

BARBARA KEEGAN: Thank you, Sir, and everyone there on staff. We appreciate what you do, too. [CONFIRMATION]

SENATOR SMITH: Okay, we're going to hold off for just a moment and see if there's any... [CONFIRMATION]

BARBARA KEEGAN: Okay. [CONFIRMATION]

SENATOR SMITH: (Exhibit 2)...anyone wishing to testify in support or opposition or in neutral, so we'll begin with anyone wishing to testify in support of this confirmation. We see no one coming up to the table here, Ms. Keegan, but we do have a letter of support that was submitted, for the record, from Larry Dix, representing the Nebraska Association of County Officials. [CONFIRMATION]

BARBARA KEEGAN: Okay. [CONFIRMATION]

SENATOR SMITH: We now ask if there's anyone in opposition to this confirmation. Good news is we see none. And anyone wishing to testify in a neutral capacity. Seeing none, again, Ms.

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Keegan, we appreciate your willingness to serve, and that would conclude the confirmation hearing for Barbara Keegan to the Board of Public Roads Classifications and Standards.
[CONFIRMATION]

BARBARA KEEGAN: Thank you. [CONFIRMATION]

SENATOR SMITH: Thank you for joining us; bye-bye. Okay, we now move to our first bill, and that's to be introduced by myself, and I'm going to turn it over to Senator Dan Hughes, to run the committee from this point. [CONFIRMATION]

SENATOR HUGHES: Thank you, Mr. Vice Chairman. We'll open the hearing on LB1082 (sic-- LB1092). Senator Smith, welcome. [LB1092]

SENATOR SMITH: (Exhibit 1) Good afternoon, Senator Hughes and members of the Transportation and Telecommunications Committee. For the record, my name is Jim Smith, J-i-m S-m-i-t-h, and I represent the 14th Legislative District in Sarpy County. I am here today to introduce LB1092. I am introducing the bill, this bill, on behalf of Polaris, which is an American company specializing in on- and off-road vehicles, and employing many Nebraskans...and employing many Nebraskans and dealerships across our state. If you have...you may remember a bill that I brought to this committee in 2015, and that...and that the Legislature did pass in that year, and that particular legislation created the definition of autocycle in our statutes. As I said then, the modes of transportation are rapidly moving beyond traditional means, and it is imperative that we keep up with innovation. Today there is a need for the definition of autocycle to be amended in order to ensure that products can be sold to consumers here in Nebraska and to bring our language into line with other states. Presently vehicles like the Polaris Slingshot, because of its open roof and other characteristics, are not qualified as autocycles. Instead they are considered a motorcycle, and an individual is required to have a Class M endorsement to even test drive one of these models. Yet they are quite different from a motorcycle. They have three wheels, ride close to the ground, contain pedals and a steering wheel, and are equipped with a safety belt system and a roll-over protection system. LB1092 would amend the definition of autocycle to essentially create two different categories: those which are wholly enclosed and do not require a helmet to operate; and those which have an open roof and, therefore, require a helmet. Autocycles would be classified as motorcycles for registration purposes, but a motorcycle endorsement or a Class M license would not be needed to drive one. If you recall, in 2015, we were talking about a production model called Elio, part of Elio Motors. That would be an example of the type of autocycle that would be enclosed, not requiring a helmet. And then the Slingshot would be that other type that is open-air and would be considered yet a different type of an autocycle. I believe one of the testifiers following me will have a handout for you that will help clarify exactly what this product is and why it should fall into the autocycle category.

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Additionally we'll hear from Nebraska dealers who have the vehicles ready to sell, but our current laws create barriers for consumers to purchase those products. It is my understanding the Nebraska Department of Motor Vehicles has some concern with the green copy, and I have an amendment drafted that has been distributed, to hopefully alleviate some of those concerns. Ultimately, it is my intention, with this legislation, to redefine autocycle to be more consistent with the definitions with other states and to ensure, as these vehicles become more prominent on our roads, that they are properly registered and essential safety requirements are in place with these vehicles. Thank you for your time today and your consideration of LB1092. I will try to answer any questions you may have but, as I mentioned, there will be individuals following me who may be more knowledgeable of this type of vehicle. I'll continue to work on amendments, as needed, and ask that you give favorable consideration to LB1092. Thank you, senators.
[LB1092]

SENATOR HUGHES: Thank you, Senator Smith. Are there any questions? Seeing none, you'll stay for closing? [LB1092]

SENATOR SMITH: I will. [LB1092]

SENATOR HUGHES: Okay. So we will open it up to those proponents of LB1092. Welcome.
[LB1092]

MIKE GENTINE: (Exhibit 2) Thank you. Good afternoon, Senator Hughes, Vice Chair Smith, and committee members. Thank you for taking up this bill and for giving me the opportunity to share Polaris' views on why this minor revision to Nebraska's Motor Vehicle Code would be a win-win for consumers and job creators in the state. My name is Mike Gentine, M-i-k-e G-e-n-t-i-n-e, and I serve as Polaris Industries' regulatory affairs attorney. I would particularly like to thank Vice Chair Smith for his assistance and leadership in bringing this bill to the Legislature. Polaris' 60-year history is built upon innovation: in the snow, on the trail, and on the road. One of the latest chapters in that innovation began in 2014, when Polaris introduced the Slingshot to the U.S. market. The Slingshot offers riders the open-road excitement of a motorcycle with familiar automotive-style controls and seating, seat belts and, thanks to a three-wheel footprint, the ability to ride the vehicle without any of the specialized skills that are so essential to motorcycling. Since its launch, our independent dealers have sold more than 22,000 Slingshots in the United States. Polaris has partnered with lawmakers across the country to create a regulatory landscape that gives consumers the greatest opportunity to experience this exciting vehicle, defining it as a motorcycle subtype, but not requiring a motorcycle endorsement. Polaris advocates for the legislative and regulatory scheme proposed by the American Association of Motor Vehicle Administrators in its "Best Practices for the Regulation of Three-Wheeled Vehicles." These best practices would: define an autocycle as "a three-wheel motorcycle that has a steering wheel and

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seating that does not require the operator to straddle or sit" upon it; allow the operation of autocycles with a standard automobile license; and prohibit motorcycle skills testing using autocycles. 32 states have adopted this model, and several others are reviewing legislation on this...on these lines this session. This harmony among the states lessens any perceived need for Congress or NHTSA to regulate at the federal level in a way that could disrupt state laws. LB1092 would add Nebraska to this national consensus. Under current state law, an autocycle must be completely enclosed, and it must have features like airbags and a roll cage. In short, it must be a three-wheel car, not a three-wheel motorcycle. This bill would expand this definition to include vehicles like Polaris' Slingshot, that are not completely enclosed but do include a manufacturer-installed rollover protection system, and the vehicles would still be required to include three-point seat belts. Additionally, riders of an autocycle that is not fully enclosed would be required to wear helmets. An amendment like this was made to North Carolina's autocycle law, which was very similar to the current Nebraska law. Under current law, in order to ride a Slingshot, Nebraskans need a motorcycle endorsement and skills that the vehicle simply does not require, like counter-steering and leaning to turn. Not only does this restrict consumer choice, but it also limits the ability of Polaris' five Slingshot dealers in Nebraska--locally-owned small businesses--to create jobs. These dealers already employ 88 Nebraskans, and making these innovative vehicles more available will grow that number. It's important to reiterate that LB1092 would not alter how vehicles that meet the current autocycle definition are treated. This bill is not about restricting Nebraska's market in any way. It's about expanding that market to create greater consumer choice, greater economic opportunity, and greater consistency with other states. Polaris appreciates Vice Chair Smith's efforts to bring the benefits of this bill to Nebraska's highways and job markets, and respectfully requests that this committee report LB1092 favorably. I thank you again for the opportunity to testify today and for your thoughtful consideration of this bill, and I look forward to answering any questions you may have. Thank you. [LB1092]

SENATOR HUGHES: Thank you, Mr. Gentine. [LB1092]

MIKE GENTINE: Gentine, yes, Sir. [LB1092]

SENATOR HUGHES: Gentine, okay. Are there questions from the committee? Senator Geist. [LB1092]

SENATOR GEIST: Yes, thank you for your testimony. [LB1092]

MIKE GENTINE: Sure. [LB1092]

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SENATOR GEIST: I've had to look up the...what it looks like, so that's why...anyway, it's an interesting, cool little vehicle. I do have a question, though, according to...is there an age requirement to be on the road with this vehicle? [LB1092]

MIKE GENTINE: There is not a separate age requirement called out in the bill. It would be under your standard automobile licensing. [LB1092]

SENATOR GEIST: Okay. So the same as an automobile, okay. [LB1092]

MIKE GENTINE: Correct. Yes, ma'am. [LB1092]

SENATOR GEIST: Thank you. [LB1092]

SENATOR HUGHES: Any additional questions? I do have one, and this is a yes or no, because I don't want to give the competition any air time for you, but are there other manufacturers that make something similar to a Slingshot that your company is making? [LB1092]

MIKE GENTINE: There are a variety of manufacturers that make a variety of vehicles similar in one of a number of ways, but yes, there are certainly other vehicles on the road. [LB1092]

SENATOR HUGHES: Okay, thank you. Any additional...Senator Bostelman. [LB1092]

SENATOR BOSTELMAN: Thank you, Senator Hughes. Mr. Gentine, could you tell me a little bit more about the engine, how it functions, steering? [LB1092]

MIKE GENTINE: It operates...the engine operates as a standard motorcycle engine, including a drive belt. The steering controls are a steering wheel. The seating is automotive-style bucket seating, and the controls are pedals, as a car's would be, Sir. [LB1092]

SENATOR BOSTELMAN: Okay. And lighting is the same, similar? [LB1092]

MIKE GENTINE: Similar. It's not subject to the same requirements that NHTSA sets forth for cars and, for example, we only have room for a certain amount of taillights on the back of a three-wheel vehicle. But it is subject to NHTSA's motorcycle requirements, so...and obviously we, you know, go beyond that on the front, since we have two lights. But other than that, it...as in terms of lighting, it's regulated as a motorcycle at the federal level. [LB1092]

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SENATOR BOSTELMAN: And then looking at it...I did as Senator Geist did. I Googled--searched--to see what the vehicle looked like. I noticed some have windshields, and some don't. [LB1092]

MIKE GENTINE: Yes, Sir. [LB1092]

SENATOR BOSTELMAN: Some have high-back seats; some don't. [LB1092]

MIKE GENTINE: Yes, Sir. [LB1092]

SENATOR BOSTELMAN: So I think you talked about that just a little bit. It just depends upon which style of autocycle it is, whether it's fully enclosed or not, and then... [LB1092]

MIKE GENTINE: Yes, Sir. [LB1092]

SENATOR BOSTELMAN: ...whether it has the wind screen on it, the front windshield on it or not. [LB1092]

MIKE GENTINE: And no version of Slingshot would meet the definition of completely enclosed. That's considered to be sort of a fixed, rigid structure, as a car would have. We do offer models with canopies. Those are considered to be convenience and comfort features. They're not safety features; they don't add rollover protection. But of course, as Senator Smith mentioned, the bill, or the legislation, would require a rollover protection system, which Slingshot does have. [LB1092]

SENATOR BOSTELMAN: What are the speeds that this vehicle could reach? [LB1092]

MIKE GENTINE: Hearty. It's a motorcycle, a three-wheel motorcycle, so it can certainly reach highway speeds...and then some, if operated improperly. [LB1092]

SENATOR BOSTELMAN: Okay, thank you. [LB1092]

SENATOR HUGHES: Any additional questions? Seeing none, thank you for your testimony. [LB1092]

MIKE GENTINE: Thank you. [LB1092]

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SENATOR HUGHES: Additional proponents. Welcome. [LB1092]

MIKE BISCHOF: Hello, senators. My name is Mike Bischof, M-i-k-e B-i-s-c-h-o-f, and I am here representing the five Nebraska Polaris Slingshot dealers. We are in Omaha, Nebraska, and I believe there's four other dealers. It looks like North Platte, Norfolk, Kearney, and Lincoln also have dealerships that sell Slingshot. Mike mentioned the creation of jobs, and I'm here to speak about the saving of jobs. The motorcycle industry, as you may be well aware of...we also sell Harley Davidsons, and their plant in Kansas City recently closed. So even in this booming economy, motorcycle, as an industry, is not killing it like other industries are. Changing this law may seem like a small thing but, when you sell 20-25 Slingshots a year at \$20,000-\$30,000 a pop, those sales can have a big impact on our businesses and our ability to hire good, quality people. So there is also some Nebraska tax revenue in it for you guys. So that's my main gist. To give you an idea, we, as a dealer, sold 19 Slingshots in 2015, we sold 13 new and 3 used in 2016, and this last year we sold 9 new and 1 used. And a big reason that these numbers are shrinking is our buying pool is pretty limited. The people that wanted them have bought them. The people that don't have an endorsement are hesitant to buy because they don't want to ride something illegally. And there's no easy way for a Slingshot owner to get endorsed, because it's a completely different set of, as Mike mentioned, the driving skills needed for a Slingshot are identical to more of a sports car and nothing like a motorcycle. That's about all I have, if unless you have questions. [LB1092]

SENATOR HUGHES: Okay. Thank you, Mr. Bischof. Are there questions? Senator Bostelman. [LB1092]

SENATOR BOSTELMAN: Thank you, Senator Hughes. Is the...well, what we're talking about is the motorcycle licensing. Is that the hurdle that most people face... [LB1092]

MIKE BISCHOF: Yes. [LB1092]

SENATOR BOSTELMAN: ...is you have to get a motorcycle? And then, the followup to that would be, is then, are the licensing agencies...the instructions...are they not geared towards this type of a vehicle? So you have to have a two-wheeled...you'd have to be on a motorcycle, and then you'd have to ride that motorcycle to get your motorcycle license, and it's not directed towards a vehicle such as a Slingshot. Is that what...is that... [LB1092]

MIKE BISCHOF: Correct. Even to legally take a test ride, a person would have to go through all the steps of taking the motorcycle test, having a motorcycle available to take that test, and then be able to come out. So we've had to allow a licensed rider to drive the vehicle, and we try and

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sell the vehicle by sitting in the passenger seat. And it's...as you guys know, that's not the same deal. [LB1092]

SENATOR BOSTELMAN: Thank you very much. [LB1092]

MIKE BISCHOF: You bet. [LB1092]

SENATOR HUGHES: Additional questions? Seeing none, thank you for your testimony. Additional proponents? Seeing none, are there opponents to LB1092? Seeing none, anyone wishing to testify in the neutral position? Seeing none, Senator Smith, you're welcome to close. [LB1092]

SENATOR SMITH: Jumped the gun there. So again, senators, thank you very much. If it were warmer outside, I'm certain we would have a model or two outside to take a look at. But it is open-air, so. As we discussed, this moves the definition of autocycle under the classification of motorcycle and distinguishes the two types of autocycles. This would make Nebraska law similar to laws adopted in other states and would make the purchase process of this equipment easier for the consumer, while providing for the safety of its drivers. I thank you, senators, for your time, and would appreciate favorable consideration of the bill. [LB1092]

SENATOR HUGHES: Any questions for Senator Smith? Seeing none, that will close our hearing on LB1092, and I'll turn the committee back over to Vice Chairman Smith. [LB1092]

SENATOR SMITH: Thank you, Senator Hughes. And we continue with our hearings. We now invite Senator Burke Harr to introduce LB1011. Welcome, Senator Harr, to the Transportation and Telecommunications Committee. [LB1011]

SENATOR HARR: Thank you, Vice Chair Smith. Members of the Transportation Committee, I do not make it in here a lot so...but as you all know, my name is Burke Harr, H-a-r-r, and I represent Legislative District 8, which is the true, central Omaha. I'm here on LB1011, which provides a duty for drivers approaching certain stopped vehicles on a roadway. In the United States, "move over" laws are laws that require drivers to give one lane buffer to stopped emergency vehicles. For example, while driving in the right lane, if the driver sees a stopped police car, the driver is required, if there is space, to move one lane over to the left to give enough buffer space to avoid any potential accidents. "Move over" laws originated in the United States after a South Carolina paramedic, James E. Garcia, G-a-r-c-i-a, was struck and injured at an accident scene on January 28, 1994, in Lexington, South Carolina. Mr. Garcia was listed at fault, leading to his work to create a law to help emergency responders. South Carolina's law was

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passed in 1996, and today all 50 states have passed emergency worker laws, which were promoted in response to increasing roadside fatalities in the line of duty. The law required drivers, upon noticing either an emergency vehicle with sirens and/or flashing lights, to move away from the vehicle by one lane or, if that is not possible, slow down to either a reasonable speed or a fixed speed below the limit, as defined by local law. The laws included law enforcement vehicles, firetrucks, and ambulances. Yet it is alarming that motorists, who are cautious to stopping for school buses and pulling over to the side of the road when emergency vehicles approach, often do not exercise the same caution as when they are approaching utility vehicles with flashing lights, that make frequent stops and that are performing important public service for our communities. No meeting, appointment, errand, sporting or social activity is that important that a worker's life should be put in danger because slowing down is inconvenient. Because of this, in recent years these "move over" laws are being broadened to address other roadside workers. LB1011 proposes to do this and requires motorists to slow down, safely change lanes if possible, and operate with due caution around any vehicle operating by a towing or vehicle recovery service, a publicly- or privately-owned utility maintenance vehicle, a highway maintenance vehicle, or a vehicle operated by a solid waste or recycling collection service, which is stopped and displaying flashing red, yellow, or amber lights. This is similar to cautions motorists must now exercise when traveling through a construction work zone or when passing a stopped public safety vehicle. The intent of this bill is to make it a rule of the road that all motorists are to exercise caution and must slow down to get around, which will save lives and prevent unnecessary accidents, injuries, and work comp claims. A total of 17 states around the country have broadened "move over" or "slow down to get around" laws to require drivers to slow down and yield to city and private utility vehicles, similar to what we have in this legislation. The states are: Alabama, Florida, Georgia, Indiana, Illinois, Iowa, Kentucky, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Virginia, Wisconsin, and West Virginia. So as you can see, this applies across the political spectrum and across the United States. With that, I would ask for your support on LB1011 and would entertain any questions you may have. [LB1011]

SENATOR SMITH: Thank you, Senator Harr, for your opening on LB1011. Questions for Senator Harr? Senator Briese. [LB1011]

SENATOR BRIESE: Thank you, Vice Chairman Smith. Thanks for being here, Senator. The provisions of your bill...they're not directed towards emergency vehicles such as firetrucks or ambulances, are they? [LB1011]

SENATOR HARR: So we already have that for those vehicles. [LB1011]

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SENATOR BRIESE: Do you...okay. Do you have those in noncontrolled-access highways?
[LB1011]

SENATOR HARR: In what? [LB1011]

SENATOR BRIESE: Noncontrolled-access highways. [LB1011]

SENATOR HARR: It is my understanding that that already exists on our roads and highways, that if you come across an emergency vehicle, first responder, that you have to pull over, if possible. [LB1011]

SENATOR BRIESE: Okay. The statute you cite here, 60-6,378, refers to controlled-access highways. And so I was...so was there another statute that talks about uncontrolled-access highways? [LB1011]

SENATOR HARR: That is my understanding and, if I'm incorrect, I'm sure legal counsel will...can correct me on that. [LB1011]

SENATOR BRIESE: Okay, very good. Thanks. [LB1011]

SENATOR SMITH: So Senator Harr, if that's not included, you would include that in there as an amendment if, for any reason, we're missing something else, first responder? But I think, like you said, it's already in there. [LB1011]

SENATOR HARR: I believe so, yes. [LB1011]

SENATOR SMITH: Would direct...would driver-assistance vehicles be captured anywhere, you know, that the folks that stop along the Interstate to assist drivers that are broken down, or a flat tire? Is that captured here? [LB1011]

SENATOR HARR: That is not captured in this bill. I'd be more than willing to accept an amendment to that degree, because having once been up in North Dakota, where the speed limit is much higher, and changed a tire, it was a little scary. Fortunately I was wearing an orange shirt that day...and ironically. [LB1011]

SENATOR SMITH: All right, very good. Thank you, Senator Harr. I see no further questions.
[LB1011]

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SENATOR HARR: Thank you. [LB1011]

SENATOR SMITH: We now take proponents of LB1011, those wishing to testify in support of LB1011. We do have a number of, you know...please. Welcome. [LB1011]

ELAINE MENZEL: Thank you. Vice Chairman Smith and members of the Transportation and Telecommunications Committee, for the record, my name is Elaine Menzel; that's E-l-a-i-n-e M-e-n-z-e-l, and I'm here, appearing on behalf of the Nebraska Association of County Officials, in support of this legislation. We appreciate Senator Harr introducing this legislation to include the highway maintenance vehicles, and hopefully that would ensure greater safety for those individuals. At this time, I would be glad to take any questions, and hopefully I can respond to them if you have any. [LB1011]

SENATOR SMITH: Thank you, Ms. Menzel, for your testimony. Questions from the committee? I see none. Thank you. [LB1011]

ELAINE MENZEL: Thank you. [LB1011]

SENATOR SMITH: Welcome. [LB1011]

RON SEDLACEK: Good afternoon, members of the Transportation and Telecommunications Committee. For the record, my name is Ron Sedlacek, R-o-n S-e-d-l-a-c-e-k. I'm here on behalf of the Nebraska Chamber of Commerce and Industry, in support of the legislation. Among our membership we have many utilities and those involved in a number of facets of work on our city streets and our rural roads, such as: public power, cable, telephone, natural gas, solid waste, towing, recycling, contractors who provide maintenance. And our board of directors was alerted to the legislation before us today, and all of them are concerned about the safety of their workers in the various industries and felt that, knowing that this legislation is patterned very similar to what is now law in Iowa--very similar, almost word for word in...as well as other states, as Senator Harr mentioned that Nebraska should also protect our members' workers when they do their jobs day to day. The question regarding the applicability of the legislation...we do have a statute on the books that we...in regard to controlled-access highways, to protect the workers on those roads. On noncontrolled-access highways, as well as controlled-access highways, the "move over" or "stop" provisions for emergency vehicles is applicable, and that's to meet federal standards. However, there is really nothing in the rules of the road that address noncontrolled-access highways. So that would be your county roads, your towns, cities, communities in which you have workers that are exposed to dangerous occupations, particularly in an age when people are distracted sometimes in driving, for other reasons or just downright impatient. It's really a commonsense piece of legislation. But to have that as part of the rules of the road, part of the

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safety programs for new drivers, as well as those that need to have a session of re-education for one reason or another, this is a good topic to cover. And for that reason, we would support, for the safety of the workers of those industries and for our communities, this legislation. I'd be happy to answer any questions for you. [LB1011]

SENATOR SMITH: Thank you, Mr. Sedlacek. Questions from the committee? I see none; thank you. [LB1011]

RON SEDLACEK: Thank you. [LB1011]

SENATOR SMITH: Next proponent of LB1011. Welcome. [LB1011]

RICK KUBAT: Senator Smith and members of the Transportation and Telecommunications Committee, my name is Rick Kubat, R-i-c-k K-u-b-a-t, here on behalf of the Metropolitan Utilities District. We're here just to get on the record in support of this bill in its...we appreciate its simple nature in enhancing the safety of our workers. We often have mains or service lines in, or near, the right-of-way, and we appreciate Senator Harr bringing this, and your committee considering it. That's all I have. [LB1011]

SENATOR SMITH: All right; very good. Thank you, Mr. Kubat. Questions from the committee? [LB1011]

RICK KUBAT: Thank you. [LB1011]

SENATOR SMITH: I see none. Welcome, Mr. Pollock. [LB1011]

ANDY POLLOCK: Thank you, Vice Chairman Smith. Members of the Transportation and Telecommunications Committee, my name is Andy Pollock, A-n-d-y P-o-l-l-o-c-k. I'm appearing here on behalf of Waste Connections, as their registered lobbyist, as well as the Rural Telecom Coalition of Nebraska, and I'm also here to support Senator Harr's bill on behalf of the Nebraska Telecommunications Association. All of those groups support LB1011 for the reasons that you've heard. It's an important worker safety, worker protection bill, and we thank Senator Harr for introducing it. I would point out that Waste Connections had an employee that was hit by a motorist last fall in October. He was working for a subsidiary of Waste Connections called Papillion Sanitation...might have been a different set of circumstances than envisioned specifically by this bill, but it certainly highlighted to the company--my client--the importance of making sure that their workers are safe when they're out there on the roads. So with that, I conclude and entertain any questions you might have. [LB1011]

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SENATOR SMITH: Thank you, Mr. Pollock. Questions from the committee? I see none.
[LB1011]

ANDY POLLOCK: Thank you. [LB1011]

SENATOR SMITH: Thanks. Welcome. [LB1011]

LAURIE KLOSTERBOER: (Exhibit 1) Good afternoon. Thank you, members of Transportation and Telecommunications Committee. My name is Laurie Klosterboer. Laurie is L-a-u-r-i-e; Klosterboer is K-l-o-s-t-e-r-b-o-e-r. I am with the Nebraska Safety Council, and I was late getting my letter of support to the committee and found out that I needed to come down to testify, in order to get that entered into the record. I have done so, and certainly we are in support of this law because of safety of the workers, and wholeheartedly support this bill. I would answer any questions you might have. [LB1011]

SENATOR SMITH: Thank you, Ms. Klosterboer. Questions from the committee? I see none; thank you. [LB1011]

LAURIE KLOSTERBOER: Thank you. [LB1011]

SENATOR SMITH: Welcome. [LB1011]

LISA DISBROW: (Exhibit 2) Good afternoon. My name is Lisa, L-i-s-a Disbrow, D-i-s-b-r-o-w, and I'm here this afternoon on behalf of Waste Management of Nebraska. We currently provide solid waste and recycling services, mainly in Douglas and Sarpy County. We have 250 drivers and helpers that are on the roadway every day, and we'd like to thank Senator Harr for introducing this important legislation. We believe it's...safety is a very big issue for us, something we talk about every day with our drivers and helpers, and we rise in support of the legislation. [LB1011]

SENATOR SMITH: Very good. Questions from the committee? I see none; thank you for your testimony. [LB1011]

JO HITZ: Good afternoon. [LB1011]

SENATOR SMITH: Welcome. [LB1011]

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JO HITZ: I am Jo Hitz with the Professional Towing Association of Nebraska. My name is spelled J-o H-i-t-z. Our member base are people who provide towing services across the state of Nebraska. We are the number 1 industry that has the highest death rate due to roadside incidences. We definitely support this. A couple of points: I was curious if, on page 2, line 15, instead of "or," it could be "and." It appears as though, when there is a roadside incidence, law enforcement tells our companies that they have difficulty proving whether a motorist changed a lane or attempted to slow down by having the "or" in there...seems to be a...be an issue for enforcement. And also I am...after talking to the senator's office, I am curious why there's no penalty attached to this. [LB1011]

SENATOR SMITH: We'll see if Senator Harr would like to address that in his closing. [LB1011]

JO HITZ: Okay. Other than that, that's all I have. Thank you. [LB1011]

SENATOR SMITH: All right; very good. Thank you for your testimony. Do we have questions from the committee? I see none. [LB1011]

JO HITZ: Thank you. [LB1011]

SENATOR SMITH: (Exhibits 3, 4, 5, and 6) Thank you. Continued proponents of LB1011. We do have letters for the record that were sent in, in support of LB1011: from Robert Stubbe, representing the city of Omaha Public Works Department; from Ann Prockish, representing CenturyLink; from Tom Richards, representing the Omaha Public Power District; and from Peggy Macenas, representing the National Waste and Recycling. We now move to opponents, those wishing to testify in opposition to LB1011. Seeing none, those wishing to testify in a neutral capacity to LB1011. Seeing none, we invite Senator Harr to close. Senator Harr waives closing, and perhaps we can address those questions from the testifiers separate from the hearing. And we now open on LB1049...again, Senator Harr. [LB1011 LB1049]

SENATOR HARR: Thank you, Mr. Vice Chair. Members of the Transportation Committee, my name is Burke Harr, H-a-r-r. I am here on LB1049, which redefines the low-speed vehicle. And I believe you should have a copy at your desk of the eTuk "Come to Nebraska." If not, I can get one for you. LB1049 is very similar, in a lot of respects, to Senator...Vice Chair Smith's bill earlier today. What LB1049 does is it creates a second definition of a low-speed vehicle in the motor vehicle chapter of the revised statutes of Nebraska. The new definition allows for three-wheel vehicles with a maximum speed of 25 miles per hour, a windshield, and seat belts. The legislation seeks to find this type of vehicle often referred to as a Tuk-Tuk. The Tuk-Tuk have been around, in one form or another, for 80 years and are essentially a motorized rickshaw. As motorized rickshaws, Tuk-Tuks are often used for ride-for-hire transportation. If you can

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imagine these vehicles being used to shuttle people around Lincoln on football game days or around Omaha during the College World Series. These vehicles are made here in America. They're not imported...made in our neighboring state Colorado, that has a different income rate than ours. But they are very versatile and they're used for a number of purposes. You can use them for signage, you can use them to drive around passengers. But they create jobs right here in America. We contacted the Public Service Commission, and the commission sees no obstacles in the regulation of these vehicles, which is good because, as a result, no fiscal impact, which is always important. With that, I would entertain any questions you may have. [LB1049]

SENATOR SMITH: Questions from the committee. Senator Harr, I want to put to rest again those rumors that are out there that you and I are actually going to buy a bunch of these eTuks and we're going to drive them around on game days (laughter). We'll have a little time on our hands next year, right? [LB1049]

SENATOR HARR: Yes, maybe we can, yeah, start this. [LB1049]

SENATOR SMITH: All right. I see no questions for Senator Harr. All right. Thank you, Senator Harr,... [LB1049]

SENATOR HARR: Thank you. [LB1049]

SENATOR SMITH: ...for your opening on LB1049. We now go to proponents of LB1049. Welcome. [LB1049]

DAN MORRISSEY: (Exhibit 1) Thank you very much, and good afternoon, committee members. My name is Dan Morrissey, D-a-n M-o-r-r-i-s-s-e-y. I'm here representing Tuk-Tuk Omaha, a brand new venture that hopefully will spring into shape, based upon how we...how the support of LB1049 comes in to be. To save you some trouble on your data plan, this is the...this shows all the vehicles that are what we're talking about here, in terms of the Tuk-Tuk. I should explain that they're called either eTuks or Tuk-Tuks. They were called Tuk-Tuks originally because they are in southeast Asia, where they started, they have a one-cylinder engine and make a "tuk-tuk-tuk-tuk-tuk" kind of noise. But here in America, a company in Denver called eTuk has taken these vehicles to the electric side. As you'll see on page 2, this is what these vehicles do look like, and there's a great description of what they are and their capabilities. And towards the end of the booklet, you can see the various models that are important. These vehicles, as I said, are all very safe. They weigh 2,500 pounds, mostly because of the batteries that are located in the floor. They're very stable. Both the drivers, the operators, as well as the passengers, all have seat belts. It is a very safe vehicle that travels a maximum speed of 25 miles an hour. Our goal here is to introduce this vehicle to Nebraska and making sure that we bring in a vehicle that is clean, it's

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efficient. It's 100 percent electric, as I said before. It has a range of about 75-80 miles. It's got the highest quality design. As Senator Harr said, it's made here in America. We stress safety first. It's DOT compliant and street legal. And most of all we're looking for a fun and unique experience for passengers. We really want to be the pioneers here in Nebraska with a concept of providing eco-friendly, micro transportation, sort of the last-mile concept that actually folks around the country are developing. As you can see by the map that we've included in the booklet, there are 27 different states that have these vehicles operating in them, and they are a lot of fun. They're not a taxi; they're not an Uber; they're more of a...they have much more short range operation. We don't envision any airport pickups, we don't want to compete with the taxis or Ubers or anything like that. We provide more of a shuttle service and, as Senator Harr said, around College World Series time, when there are events happening at the CenturyLink Center or TD Ameritrade Park, or even down here in Lincoln at Pinnacle Bank Arena or at the stadium, these provide a...an alternative shuttle service for guests and fans of these various sporting events. I will defer any questions about the technical aspects of the...of these Tuk-Tuks to my partner, who is also here and will also testify. He's been running this, an operation similar to this in Naperville, Illinois, for a number of months, and is much better versed on the intricacies of running this as a business, so. But I will entertain any other questions, any immediate questions, that you might have. Yes, Sir. [LB1049]

SENATOR SMITH: Thank you, Mr. Morrissey. Senator Bostelman. [LB1049]

SENATOR BOSTELMAN: Thank you, Senator Smith. Thank you, Sir, for being here and testifying today. Mr. Morrissey, how are they licensed? [LB1049]

DAN MORRISSEY: They're licensed as regular cars, correct? [LB1049]

BILL HAMIK: Yes...motorcycles. [LB1049]

DAN MORRISSEY: Motorcycles. [LB1049]

SENATOR BOSTELMAN: As a motorcycle? And what type of...I see in some of these pictures it looks like there may be seat belts or restraining devices. What type of restraining devices, seat belt... [LB1049]

DAN MORRISSEY: They are three-point for the driver and three-point for the back passengers. Yes, and then two-point for the front passenger, or the rear-facing passengers. [LB1049]

SENATOR BOSTELMAN: Okay, thank you. [LB1049]

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DAN MORRISSEY: Sure. [LB1049]

SENATOR SMITH: Other questions for Mr. Morrissey? I see none. Thank you for your testimony. [LB1049]

DAN MORRISSEY: Thank you. [LB1049]

SENATOR SMITH: Next proponent of LB1049. Welcome. [LB1049]

BILL HAMIK: Thank you. Good afternoon. Bill Hamik. Bill, B-i-l-l H-a-m-i-k. I have ran Tuk-Tuks in Naperville, Illinois, since October of 2016. We've learned the business...we've learned what they've done for our community. And I'll just make a couple of quick points on that. Naperville would be similar to the downtown area of Omaha, the Old Market and Blackstone, where there's limited parking, very challenging environments to park cars. We encourage people to go to parking lots and we pick them up there to take them to various places. So that's one thing we've helped in the traffic flow in our community. Secondly, we have a lot of people that live in homes and condos around downtown Naperville that use that transportation versus getting in their car and maybe going to a bar and driving afterwards. So we've been acknowledged as being a very good partner in the city for that. I operate four of those right now, in Naperville. And we basically travel in and around downtown Naperville about two miles. And that's what Dan and I have talked about here in Omaha, probably, to start with. So I think that's really it. Any questions you may have on my experience of running the Tuk-Tuks in Naperville? [LB1049]

SENATOR SMITH: Thank you for your testimony. Questions from the committee? Senator Briese. [LB1049]

SENATOR BRIESE: Thank you, Vice Chairman. And thanks for your testimony. How do you rate their stability, or how do you consider their stability relative to golf carts or a slow-moving (inaudible)? [LB1049]

BILL HAMIK: Yeah, the...yeah, that's a good question. So a typical golf cart will weigh 500-600 pounds. These weigh 2,500-2,600 pounds. They have the 12 batteries, that all weigh about 80 pounds, in the belly of them--very stable. We ran them last week in the snow. They're...they just don't...they will not tip. They've...we've (inaudible). I think of a golf cart, you know, on the side of a hill on a golf course and, of course, these just run on the streets on flat areas, so... [LB1049]

SENATOR BRIESE: Okay, thank you. [LB1049]

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BILL HAMIK: Yeah. [LB1049]

SENATOR SMITH: Other questions from the committee? I see none. Thanks for your testimony. [LB1049]

BILL HAMIK: Thank you. [LB1049]

SENATOR SMITH: Next proponent of LB1049. Seeing none, we move to opponents, those wishing to testify in opposition to LB1049. Seeing none, those wishing to testify in a neutral capacity on LB1049. Seeing none, we invite Senator Harr to close on LB1049. [LB1049]

SENATOR HARR: Thank you. Thank you, Mr. Vice Chair. I want to thank the committee for listening to this. First of all, thank you, Senator Bostelman, for asking the technical questions to somebody besides myself, because I did not know the answers. Senator Briese, I was thinking about a town in your district really. I know a lot of the old ladies--not so old anymore--but a lot of the women there like to ride around in golf carts. And this is probably a safer alternative, and they have seat belts in them. So I think it's a nice little alternative. Maybe they can even do a ride for hire during Greeley Days there. And I'd also like to say thank you to this committee. This is my last time, first and last time appearing in front of your...this committee this year, and so thank you very much. And with that, I'd entertain any questions you may have. [LB1049]

SENATOR SMITH: Questions for Senator Harr. Please don't let him get away without asking him one more question (laughter). I see none. Thank you, Senator Harr. [LB1049]

SENATOR HARR: Thank you. [LB1049]

SENATOR SMITH: We close on LB1049. We now invite Senator Hughes to open on LB1080. [LB1049 LB1080]

SENATOR HUGHES: Good day, everyone. [LB1080]

SENATOR SMITH: Welcome, Senator Hughes. [LB1080]

SENATOR HUGHES: Good afternoon, Vice Chairman Smith. Members of the Transportation Committee, for the record, my name is Dan Hughes, D-a-n H-u-g-h-e-s, and I represent the 44th Legislative District. LB1080 will allow the Department of...Nebraska Department of Motor Vehicles to design three additional license plates to be know as the wildlife conservation plates.

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The plates will reflect support for the conservation of Nebraska wildlife, including: Sandhill cranes, bighorn sheep, and rainbow trout. In 2016, the Legislature passed LB474. It allowed for mountain lion plates. The Game and Parks receives \$30 for every mountain lion message plate, and \$5 for every alphanumeric plate. The money collected goes into the Game and Parks Commission Education Fund. The commission uses the fund to provide youth education programs relating to wildlife conservation practices. LB1080 would follow that same guideline. Since its inception, the mountain lion plates...the Game and Parks has generated over \$225,000. The money goes towards Wildlife Education Fund. The commission uses the fund to provide youth education programs relating to wildlife conservation practices. In bringing this bill, the commission has shared with me that they will continue to see the need...needs and requests for more educational activities about wildlife and nature for them in school, from school teachers, park visitors, and the public at large. This bill will provide another way for the public, through voluntary choice in selecting a license plate for their vehicle, to help provide and expand those educational efforts. And I may be wanting to expand this to include a prairie dog plate at some point (laughter). I'd be happy to try and answer any of your questions. [LB1080]

SENATOR SMITH: Thank you, Senator Hughes, for your opening on LB1080. Do we have questions for Senator Hughes? I see no questions. We now accept proponents of LB1080. Welcome. [LB1080]

TIMOTHY McCOY: Good afternoon, Senator Smith and members of the committee. For the record, my name is Timothy McCoy, T-i-m-o-t-h-y M-c-C-o-y, and I'm the deputy director of the Nebraska Game and Parks Commission, located at 2200 North 33rd Street in Lincoln, Nebraska. We appreciate Senator Hughes bringing LB1080, which would, through this voluntary method, provide some other opportunities for the public to choose wildlife conservation plates that they desire, and also provide additional funding for wildlife and conservation education activities of the commission. One of the other points that I want to make with these funds is we also have some ability and strive to leverage those funds in...that come in to the Education Fund, to expand those educational opportunities we provide and work with our conservation partners through the state. We strive to use these sorts of grants and partnerships to leverage, typically you know, \$3-\$4 of additional education work for every dollar that we would utilize in the fund. And we do support and deliver wildlife education in a multitude of ways. And I thought I'd share some of those for you, just to give you an example of the different types of education our agency is involved in. We've had a long and proud tradition of supporting Project WILD. Project WILD is a set of training and lesson plans and activities that are provided, tailored to the state standards, to schoolteachers. And through Project WILD training, we provide that training to teachers: a lot of science teachers, a lot of middle school teachers. And in doing that we provide them all the materials--the written materials--that they can utilize to use those programs in their classrooms to help with learning in the classroom. And with the efforts that are happening nationally with science and technology and math in education, this has been very popular and continues to be

popular and is something that we readily support. We also have a new--relatively new--Trout in the Classroom program where we're providing aquariums and trout eggs to classrooms, typically for teachers that are engaged in using those in their lesson plans. And it may be from a science standpoint, also includes math, it can also include English, as a way to engage students in meeting those standards but into really active learning, active discovery, and learning how to look at situations and analyze and think about them. We also have outdoor educators that work to, through ESUs, educational service units, and other avenues, especially we have one that works out of the Wildcat Hills area, in partnership with the Rocky Mountain Bird Observatory, both going out to classrooms and schools and encouraging those schools to come out to the Wildcat Hills Nature Center to get more in-depth education. But really a lot of our focus is to make sure that the education process about wildlife and conservation includes wildlife and conservation in Nebraska. It's very tempting and very easy to hear about wildlife issues and really neat wildlife that's, you know, half a world away. We think it's really important to provide that so it's relevant to where our students are and where our families are. We have similar demands, in terms of our park system, in terms of naturalist activities that we do outside of nature centers that we manage also just that we've expanded that through all of our parks system, and we see those naturalist programs targeted at people of all ages, whether it's birdwatching, pollinators, unique species. We do some really neat night activities that might involve bats, but just an amazing amount of interest from the public of learning about the wildlife that is around them in Nebraska or in some of our park locations, of the wildlife they can find there. We also try to strive to provide special education events, in conjunction with our outdoor expositions we do, that invite families to come out and learn about everything, from wildlife conservation to different types of outdoor recreation, that they can take advantage of. So we believe this is very important. It is something that's emphasized in our new strategic plan that will guide us for the next five years of continuing to expand the education and naturalist opportunities. We believe it's really important for the future of our state. We think it's important for the future of wildlife and conservation. I have been asked a few questions about why these plates, and so I'll give you the...sort of the rundown of our justification when we looked at the three species that are out there. One of those, the Sandhill crane...very iconic bird from the standpoint of Nebraska. We host the world's largest concentration of cranes every year in the Central Platte Valley in Nebraska, which is really an international and national phenomenon in terms of the attractions that it brings and tourism it brings. We think having a plate that references that will be of interest to birdwatchers but also help tourists passing through our state. You know, if they're buzzing through I-80, they see some of those plates, maybe make them ask a question about why's that, what...why's that on a plate in Nebraska? Why should it matter to me? We also believe in the education and outreach activities for cranes and other wildlife. Bighorn sheep is a species that we've reintroduced back into the state. We did historically have Audubon Bighorn sheep in Nebraska. Those were extinct in the early 1900s. We've reintroduced the Rocky Mountain Bighorn sheep to the Pine Ridge of Nebraska and also in the Wildcat Hills. We think that's appropriate. It's a very charismatic species. It's one of great interest. It also highlights a unique

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type of habitat in Nebraska that, in many cases, people fail to recognize, that we have the type of topography out in western Nebraska and in the Pine Ridge that supports species that live in really rough terrain like the mountains. Lastly, rainbow trout...we were looking for a fish species that would help identify with people. Rainbow trout are very popular with our sportsmen. They are a cool-water fish and our...we are expanding our attention to cold- and cool-water streams in the state. It's...they provide very...those streams provide very unique habitats for a variety of stream fishes and a really valuable...another valuable part of our state. And they're also tied a little bit to our Trout in the Classroom program, in terms of those are the same species that we're utilizing in that program with those students. With that, I thank you for the opportunity to testify on this bill. I thank Senator Hughes for bringing it and hope you will consider moving this forward.
[LB1080]

SENATOR SMITH: Thank you, Mr. McCoy, for your testimony in support of LB1080. Questions from the committee? Seeing none, thank you. Next proponent of LB1080. Welcome.
[LB1080]

JERRY McDONALD: Thank you, Senator Smith. Committee members, my name is Jerry McDonald, J-e-r-r-y M-c-D-o-n-a-l-d. I represent Pheasants Forever and Quail Forever. I am their eastern Nebraska representative. Pheasants Forever and Quail Forever has over 10,000 members in Nebraska. We have 64 Pheasant Forever and Quail Forever chapters that spread all throughout Nebraska. We hold an annual fund raiser at each one of these chapters, chapter banquets, and over 20,000 people in Nebraska attend a chapter fundraiser or banquet. Half of those attendees are spouses and children of our members. Pheasants Forever and Quail Forever, overall, has 150,000 members in the United States and over 750 chapters. Pheasants Forever and Quail Forever is dedicated to the conservation of pheasants, quail, and other wildlife through habitat improvement, public awareness, education, and land management policies and programs. At Pheasants Forever, Quail Forever, we know the future of our wildlife conservation depends on an informed and an engaged public, in conservation issues. That is why that...that is why it's a core part of our mission. It's important that our youth and the public understand the important linkage between wildlife habitat and wildlife populations, as well as the broad benefits of wildlife habitat: from pheasants, grassland birds, pollinators, monarch butterflies. Each and every year, our 64 chapters partner with the Nebraska Game and Parks Commission to hold a youth mentored hunt, and I encourage anyone of you to attend one of the events; it's truly amazing. Nebraska youth between the ages of 12 and 15, who recently passed and hold a hunter education certificate, issued through the Nebraska Game and Parks Commission, they are invited to attend one of our youth mentored hunts. We work hard to recruit youth who may not have grown up in a hunting heritage household or youth that has never had an opportunity to experience the great outdoors. At our youth mentored hunts, we teach the love of the great outdoors, as well as safe gun handling. We also teach the respect of the outdoors and respect of firearm safety. Since the inception of Nebraska Pheasants Forever, Quail Forever, our chapters have held 949 youth

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mentored hunt events and 14,253 youth have attended those events. Without the support of the Nebraska Game and Parks Commission, we would not be able to reach this many youth. We support LB1080 as a way to expand wildlife conservation educational activities in Nebraska by providing the public a way to voluntarily provide support for education when they choose a license plate for their vehicles. We partner with the Nebraska Game and Commission (sic--Parks Commission) on other...and other organizations to continue to expand our efforts to provide important educational activities for youth, for landowners, and for the public about wildlife and wildlife habitat. With this bill, we see additional opportunities to partner so that we, as a conservation community in Nebraska, can provide more educational outreach to ensure a bright future for Nebraska's wildlife. And with that, I'll entertain any questions, and thank you for your time. [LB1080]

SENATOR SMITH: Thank you, Mr. McDonald, for your testimony. Questions from the committee? I see none. [LB1080]

JERRY McDONALD: Thank you. [LB1080]

SENATOR SMITH: Thank you. Next proponent of LB1080. Welcome. [LB1080]

BRUCE KENNEDY: (Exhibit 1) Mr. Chairman, members of the committee, my name is Bruce Kennedy, B-r-u-c-e K-e-n-n-e-d-y. I'm here this afternoon representing Nebraska Wildlife Federation. If you look in your packet today, we have sent a letter to the committee, dated February the 9th, and this details our support for LB1080. I think this is a very, very good measure. We appear before you this afternoon to, not just send you a letter but, to have physical presence here--excuse me--to underscore how important this particular measure is to the federation. Our Nebraska Game and Parks Commission has a lot of responsibilities with the conservation of our native species. If you look at our Natural Legacy Program (sic--Project), which is a blueprint for wildlife conservation in the state, we have no less than 80 different species that are at some category of "at risk." And basically, Game and Parks...it needs all of the help that they can get in the conservation of our native species. We had a couple of...if you look at the letter, a couple of comments to the committee. We would suggest that maybe some of the money that would come from these plates would be directed at the stabilization of wildlife habitat. We're losing some of our unique habitats at an alarming rate. This is something that, once these areas are gone, they can't be replaced, so we would hope that maybe some of that money might be directed at these "at risk" habitat types. The...some suggestions in the conservation community about the native species: The rainbow trout is not a native species; the bighorn sheep is also--the one that they are using--is also not a native species, so we might...we want...we might want to change that to a native species. But basically we can support the bill just as it is written, and we thank Senator Hughes very much for bringing this before the Legislature.

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We urge you to advance this measure so that the general Legislature might take some action on it. Be glad to answer any questions. [LB1080]

SENATOR SMITH: Thank you, Mr. Kennedy. I see no questions from the committee. Thank you for your testimony. Next proponent of LB1080. Welcome. [LB1080]

SCOTT SMATHERS: Chairman, members of the committee, my name is Scott Smathers, S-c-o-t-t S-m-a-t-h-e-r-s. I'm the executive director of the Nebraska Sportsmen's Foundation. We are a 501(c)(3) nonprofit organization involved heavily with some of the folks that already spoke here and other partners within the state. As you can tell, most of us are of a senior in age, and growing closer to that age. The education, the recruitment, and the retention of the younger generation starts in the school level. We are very grateful to Senator Hughes and to Game and Parks for putting this plan together, to put another funding stream towards youth education regarding our natural resources, wildlife species, and our habitat issues within the state. We spend a tremendous amount of time, and I personally sit on five boards. I know the gentlemen behind me are all involved heavily with five or six different organizations, all at the same time, also, doing education. We are volunteers. We can only bring so much to the table. If we can institute a funding stream and increase that funding stream to add to the ability to educate our youth, we are in a win-win situation of better understanding of our natural resources. We urge the committee to forward the bill on to the floor for fair debate, and you can count on the fact that our 13,000 members support this bill fully. If you told me four years ago that a vanity plate representing a mountain lion would generate the sheer numbers in dollars that it has, I probably would've taken that bet against you. However, seeing that enthusiasm for that bill, whether that's because of a lackluster appeal of the current license plate in the state or others, I'll leave that to the experts to decide, but to see that number is encouraging. And in regards to the Game and Parks and the three species, we don't have a preference as long as it brings people's attention, provides an income stream, and can advance our goal of educating the youth. I would be surprised...nothing would surprise me more with the plate that we don't match those numbers of the mountain lion plate. With that, I have concluded my testimony. I'd take any questions. [LB1080]

SENATOR SMITH: Thank you, Mr. Smathers. Questions for Mr. Smathers? I see none. [LB1080]

SCOTT SMATHERS: Thank you. [LB1080]

SENATOR SMITH: Thank you. Next proponent of LB1080. Welcome. [LB1080]

TIM KNOTT: My name is Tim Knott. I live here in Lincoln, and I'm representing myself today. I want to thank the... [LB1080]

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SENATOR SMITH: I'm going to ask you to spell your name for us. [LB1080]

TIM KNOTT: Okay, yeah. My name starts T-i-m; second name is K-n-o-t-t. [LB1080]

SENATOR SMITH: Thank you. [LB1080]

TIM KNOTT: (Exhibit 2) And we appreciate getting the opportunity to talk about this bill to the committee; thank you. I'm definitely in support of LB1080; I think it's a great bill. I've been an active member of the Wachiska Audubon Society in Lincoln, in southeast Nebraska, for about 40 years or so. So I know something about our concerns of the chapter, although I'm not representing them. Wachiska Audubon was organized in 1973 and has about 1,000 members throughout southeastern Nebraska. Preserving our native habitat is our greatest priority, but education of young people is perhaps our second priority. Every year we have events, at some of our native prairies that we've protected in eastern Nebraska, for at least four schools, where we bring kids out to a native prairie and give them a half-day experience on the prairie, teach them about the species that are found there and so forth. So we do like to do that kind of thing. I'd like to say that I support LB1080; I think it's a great bill. The bill can accomplish at least two useful things: It can serve as a reminder to everyone who sees the license plates, including the political leaders, that the natural world is important to a lot of people. As mentioned before, I understand this mountain lion plate has generated something like \$225,000 so far. That shows a lot of support. These plates also remind everyone that the natural world needs our help. The bill also provides funds for education about the natural world. That's important, but I think the funds generated by LB1080 should be going more to the protection of the native prairies, woodlands, and wetlands that really need protection in Nebraska. Wachiska Audubon has been involved in native tallgrass prairie protection in eastern Nebraska for many years, and we've been successful in preserving 33 small- and medium-sized prairies. But they're just a drop in the bucket because we lack the funds to do more. There seems like there's very little money spent on prairie preservation, perhaps the number one natural habitat in eastern Nebraska, in spite of the fact that native prairie is perhaps the most rare of all habitat types. I think most people know that only about 2 percent of the original tallgrass prairie is left. Because of these various...because of various kinds of development, even that small amount is continuing to disappear every year. What little is preserved is preserved by groups like ours, at our own expense, through the...and also through the help of Nebraska Environmental Trust and a few foundations. Nebraska spends perhaps tens of millions of dollars on education every year, on the local, county, and state level. Some of that education about the natural inheritance we've received from our grandparents and great grandparents and Native Americans is a good thing but, if we do not start to do more to preserve what little habitat is left, especially native prairie, there will be no legacy left to educate the future students about. The tallgrass prairie may become only a memory that's studied in textbooks. So I strongly support LB1080, but I would prefer that more of the funding would be spent where it's really--excuse me--where it's really needed. Thank you. [LB1080]

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SENATOR SMITH: Thank you, Mr. Knott, for your testimony. Questions from the committee? I see none. Thank you. Next proponent of LB1080. Welcome. [LB1080]

GLYNNIS COLLINS: Thank you. Good afternoon, committee members. My name is Glynnis Collins; that's G-l-y-n-n-i-s C-o-l-l-i-n-s. I'm the director at Spring Creek Prairie Audubon Center, located just about 20 minutes southwest of Lincoln. I'm speaking today on behalf of Audubon Nebraska, which includes Spring Creek Prairie and Audubon's Rowe Sanctuary along the Platte River near Kearney. Audubon Nebraska enthusiastically supports LB1080, which will teach more young people about wildlife conservation through the sale of additional wildlife conservation license plates. The future of our world will soon be in the hands of today's children and young people. With more and more kids living in urban areas, and a huge decline in the amount of time that all kids are spending just playing outdoors in nature, Audubon believes that education programs like these are vital to our state's future. We must provide young people with experiences in nature, allowing them to develop a personal connection to our natural world. Our state school curriculum is also moving more and more towards inquiry-based education, active education--things like getting to work hands-on with the rainbow trout and their eggs. Funds from these plates will assist the Game and Parks Commission in providing the kind of hands-on education experiences that are going to support our state curriculum standards. I was very fortunate to be here in the Capitol building last week when Governor Ricketts proclaimed 2018 to be the "Year of the Bird" in Nebraska, which is building on a partnership with National Audubon Society and National Geographic Society to build awareness about birds over the course of the year. So of course we're really pleased that one of the plates will feature Sandhill cranes. These iconic birds bring over \$15 million into Nebraska each spring through ecotourism and education spending. So we support LB1080. We urge you to advance LB1080, and I thank you very much for your consideration. [LB1080]

SENATOR SMITH: Thank you, Ms. Collins, for your testimony. Questions from the committee? I see none; thank you. Next proponent of LB1080. Welcome. [LB1080]

GEORGE CUNNINGHAM: Thank you. Good afternoon. My name is George Cunningham, G-e-o-r-g-e C-u-n-n-i-n-g-h-a-m. I'm here today representing 3,000 members of the Nebraska Sierra Club, in support of LB1080. Well, we do have suggested changes to the bill. I sent a copy of our suggested changes to the chairman last Friday, on the 9th and, hopefully, they're included the materials that you have here. The Sierra Club believes the intent of the bill is noble; however, we have two changes that we would like you to consider, as well as Senator Hughes. Chief among our concerns is the operating fund, in which would receive these dollars. As written, the Game and Parks Commission Educational Fund would receive the dollars from these conservation plates. Currently the proceeds from the mountain lion license plates go to this Education Fund, and those dollars have far exceeded expectations to go into that fund. And so at this point, we believe that additional funding is not necessary to that fund at this time. However,

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what is in desperate need of funding within the Game and Parks Commission is the Wildlife Conservation Fund, and you can find an example of the needed language for that in the Game and Parks Commission's budget of the 2017-2019 biennial budget, in the materials I sent to you. There's extracted in there two paragraphs from that bill. As expressed by them, the need for operating funds for the Conservation Fund is of great need. We believe that LB1080 offers a chance for the state to dedicate funding to this program, this program that is most responsible for understanding and conserving Nebraska's biological diversity, the vast majority of which are nongame species. Our second concern with LB1080 is the choice of the images here. The Sierra Club must point out that the rainbow trout is a non-native species; in fact, there are no native trout species to the state of Nebraska. Moreover, the trout that are stocked in the state actually have deleterious effects on our native cool- and cold-water native species in the stream systems--excuse me, particularly the native minnow species. Several other options exist. I provided those to the chairman. There are a number of native fish, that are actually far more colorful than the rainbow trout, that would work great on a license plate. Also, the image of the bighorn sheep, as was mentioned by several folks before me...the bighorn sheep, that now roams the western part of Nebraska, is not native. We think a more appropriate animal would be the American pronghorn. We propose the American pronghorn because this species was first observed, by the Lewis and Clark expedition, near the confluence of the Niobrara and Missouri Rivers in what is now Knox County, Nebraska. From a scientific standpoint, this represents the type locality of the species, so this is a...we think this would be an appropriate opportunity to recognize the American pronghorn. In closing, the Sierra Club believes that LB1080 is an excellent option for infusing critical financial resources into the Wildlife Conservation Fund within the Game and Parks. We believe the thoughtful choice of native species logo designs will generate great interest by the public, which in turn will translate into additional resources for the Wildlife Conservation Fund, allowing the public to gain a greater understanding of what the nongame program of the Game and Parks Commission is, and its importance to the state. I'll take... [LB1080]

SENATOR SMITH: Thank you, Mr. Cunningham, for your testimony. Questions from the committee? I see none. [LB1080]

GEORGE CUNNINGHAM: Thank you. [LB1080]

SENATOR SMITH: (Exhibit 3) Thank you. Next proponent of LB1080. Seeing none, we do have a record submitted for...letters submitted for the record, in support of LB1080: from Bruce Kennedy, representing the Nebraska Wildlife Federation. Opponents of LB1080, those wishing to testify in opposition to LB1080. Seeing none... [LB1080]

SENATOR BOSTELMAN: I've got a letter (inaudible). [LB1080]

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SENATOR SMITH: I'm sorry. [LB1080]

TIP O'NEILL: It's the technical letter right here. [LB1080]

SENATOR SMITH: (Exhibit 4) Just a moment. Do we have...no opponents. Anyone wishing to testify in a neutral capacity? We do have a technical letter that I'm going to accept, in a neutral capacity, from Rhonda Lahm, director of Nebraska Department of Motor Vehicles. Others in neutral capacity? Seeing none, Senator Hughes, you're invited to close. Senator Hughes waives closing, and that closes our hearing on LB1080. And I turn the hearing back over to Senator Friesen. [LB1080]

SENATOR FRIESEN: Thank you, Chairman--or Vice Chairman Smith. We'll let a few people clear out of the room, and then we'll start. Okay. Now we will open the hearing on LB1136. Senator Clements, welcome to the Transportation and Telecommunications Committee. [LB1136]

SENATOR CLEMENTS: (Exhibit 1) Thank you, Chairman Friesen and members of the Transportation and Telecommunications Committee. I am Senator Rob Clements, R-o-b C-l-e-m-e-n-t-s. I represent Legislative District 2. I'm here to introduce LB1136. LB1136 would seek to provide a mechanism for a licensed auto auction dealer, who sells vehicles on behalf of insurance companies or charities, to obtain a Nebraska vehicle title, when the title has been lost or is missing. I brought this legislation on behalf of an auto auction company, Copart, which operates in a multitude of states. Their Nebraska operations are located in my district, at Exit 420, west of the Interstate 80 and Highway 63 interchange, near Greenwood. Copart handles over 1,000 cars per month at their facility. The cars that are being processed are going to all parts of the United States and globally. There is a market for these vehicles, whether they are obtained by an insurance company through a total loss settlement, or donated to a charity, like Kars4Kids, and sold with the proceeds given to the charity. Richard Miller, general manager of Copart here in Nebraska, and James Hines, director of governmental affairs for Copart, will be following me in testimony today and can offer the committee a perspective of how the Nebraska facility fits into the company's overall operations. I would note that the language in LB1136 is necessary in order to ensure that their operations continue without interruption, by allowing all vehicles they receive to be processed. I'll let Mr. Hines and Mr. Miller discuss those points with you. There are 14 auto auction dealers in Nebraska who may also benefit from this bill. The original bill introduced does need an amendment to meet the Department of Motor Vehicles' requirements. I believe that amendment has been handed out to you. AM1871 replaces the bill as a white copy amendment. I would gladly work with the committee and other stakeholders to make sure the language accomplishes the intent of the bill. With that, Mr. Chairman and members, I'll conclude

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my opening and would be glad to answer any general questions. Or you may want to wait and ask detailed question of Mr. Hines or Mr. Miller. Thank you for considering LB1136. [LB1136]

SENATOR FRIESEN: Thank you, Senator Clements. Are there any questions from the committee? Seeing none, we'll probably ask the questions afterwards. Proponents who wish to testify in favor of LB1136. Welcome. [LB1136]

RICHARD MILLER: Good afternoon, Chairman. My name is Richard Miller, R-i-c-h-a-r-d M-i-l-l-e-r. I am the general manager of the current location here in Nebraska, in Greenwood. I've been with the company since 2015. Currently...Copart purchased this in 2005. It was an existing auction house at the time. They came in and purchased it to expand their footprint throughout the United States. We currently employ 15 employees and are processing, as Mr. Clements stated, over 1,000 units a month. Title processing is one of the most detail-oriented things that we entail throughout our business. With that being said, one mishap--one missed typo or misprint on the title--and it is null and void. We get a lot of donation companies that, you know, they donate to the Kars4Kids, Vehicles for Veterans, all these different avenues. They're not used to filling out titles as we are. They make one error on that title, we need a duplicate title. If we can't get a duplicate title or get a power of attorney signed by them, we have no other means of disposing of this vehicle. And that's where we are sitting at because, currently, we went through an expansion in the end of 2017, added an additional ten acres. And with that being said, I'm currently at 80 percent capacity in my yard. The overwhelming overstock of these vehicles are sitting there with no means for me to be able to dispose of, to be able to obtain title or do anything with. And that's where this language is being changed, and I'll let Mr. Hines explain more of the language piece. But the biggest thing that we are faced with is just that aspect of that simple title being made up in the air and no other recourse of us to be able to transpose it. I'd be happy to take any questions you may have on the current location and what we foresee. [LB1136]

SENATOR FRIESEN: Thank you, Mr. Miller. Are there any questions from the committee? You said your capacity is reaching the maximum that you can hold, so approximately how many vehicles do you have right now that you cannot move or destroy or... [LB1136]

RICHARD MILLER: I'm probably sitting in the proximity of 250 units that we are sitting on. Now we do have other land there available that we can expand on, but obviously that's another added expense and, when I can't reap the sale price of a car, that added expense is just hitting our bottom line. [LB1136]

SENATOR FRIESEN: There is no other alternative for you to take apart that vehicle? [LB1136]

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RICHARD MILLER: No. Copart does not do that. Copart is simply a third party administrator so, when that vehicle comes in as a total loss to us, we use Allstate as an insurance company. You don't wish to retain that vehicle that comes to us as an assignment, we process it through, we take title from your name, put it into their name, and then turn around and sell it. It then goes to LKQ, you pull its rebuilders, private--or public individuals because the state of Nebraska is a public state. They will then fix it, use it for a kid's car, going to college, whatever the case may be. But without legal title, we have no other means. We can't even do a junk title in the state of Nebraska, because we have to submit title. So if that title is considered destroyed, we have no other means of submitting a title. So this way gives us that avenue. [LB1136]

SENATOR FRIESEN: Thank you. Senator Bostelman. [LB1136]

SENATOR BOSTELMAN: Yes, Senator Friesen, thank you very much. Mr. Miller, thank you for coming and testifying today. A couple questions I have... [LB1136]

RICHARD MILLER: Sure. [LB1136]

SENATOR BOSTELMAN: ...along these lines, along as where the vehicles come from. If they come from an natural disaster area: hurricane, flooding,... [LB1136]

RICHARD MILLER: Right. [LB1136]

SENATOR BOSTELMAN: ...tornado, those type of things, a lot of times, especially I'd say in a hurricane or a flooding area, people who live at a certain residence never go back. [LB1136]

RICHARD MILLER: Never what? I'm sorry. [LB1136]

SENATOR BOSTELMAN: They may never go back home. [LB1136]

RICHARD MILLER: Correct. [LB1136]

SENATOR BOSTELMAN: So if you're trying to, and you have the vehicle, and you're trying to contact the owner of that vehicle, how is it...is there a process in place that you're utilizing now that exhausts every means? Can you explain that, I guess (inaudible)? [LB1136]

RICHARD MILLER: Well, currently there is not a process in place because, since 2014, as I came on in 2015, we were sending out two registered letters to the legal owner, and if there was a

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lienholder attached to it, we were also sending a registered letter to them, as well, to let them know that we are processing for an abandonment situation which we would then obtain ownership of. In 2015 Douglas County rejected two of them that we had processed, and they--the owners, buyers--brought them back to us, which we then, in turn, had to buy back. At that time, we were then able to sell them as junk. But now since then, with the laws the way they are, we are not even able to do that. We can't process anything for a junk title without submitting regular title, you know, so if the insurance company says, I want to junk title this, we have to submit your regular title to the state and then turn it into a junk title. [LB1136]

SENATOR BOSTELMAN: And if I understand right, then if you have a vehicle come, and say it's a flood vehicle,... [LB1136]

RICHARD MILLER: Um-hum. [LB1136]

SENATOR BOSTELMAN: ...that's disclosed to the buyer, right? [LB1136]

RICHARD MILLER: We disclose it if it is disclosed to us or, if we run an auto check on that vehicle...so say if some of our dealers, the smaller dealers that don't have major floor plans will flip cars, if that comes through, that is Copart policy that we do run an auto check. If we disclose and we are able to find that this was a flooded vehicle, we are putting expensive attention, or explicit attention, to the vehicles coming from down south--Florida--because we do have a lot of them coming up from there. And so we are monitoring that quite frequently to make sure that we do disclose at all possibilities. [LB1136]

SENATOR BOSTELMAN: One final question for you, and I appreciate you answering the questions and your time. [LB1136]

RICHARD MILLER: Sure. [LB1136]

SENATOR BOSTELMAN: Military deployment. [LB1136]

RICHARD MILLER: Um-hum. [LB1136]

SENATOR BOSTELMAN: How does that work? What if you have someone who's deployed in the military, can't get a hold of them? Is that...how does that work? [LB1136]

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RICHARD MILLER: Well, if that's the case, obviously a spouse or a loved one is available. Most of the ones that we have issues with are the donation side of it, simply because John Doe donates to Wheels for Wishes. We are under contract with Wheels for Wishes; we're not under contract with John Doe. We don't make contact with John Doe except for picking up the vehicle. Wheels for Wishes is supposed to obtain that title and, if that title is not obtained at the time of pickup, which we have been stressing, and we even send copies of the title to have it signed so, when we go to pick up that car, this is please sign it here, to make sure we get it done right. But if that's not there and that's not available, we sit on the vehicle. And the insurance company has the affidavit of affirmation, where they can run the process and legally obtain title in their name. Now they might not wish to do that, they want to just...to run it through an abandonment. So then we follow the process, as well. But as for the deployments, you know, we do every means possible to try to get that aspect and get it done correctly. [LB1136]

SENATOR BOSTELMAN: Thank you, Sir. [LB1136]

RICHARD MILLER: Yes, thank you. [LB1136]

SENATOR FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing none, thank you for your testimony, Mr. Miller. [LB1136]

RICHARD MILLER: Thank you. [LB1136]

SENATOR FRIESEN: Welcome. [LB1136]

JAMES HINES: Hello. Good afternoon, Mr. Chairman and committee members. My name is James Hines, and I'm director of government affairs and regulatory affairs for Copart. [LB1136]

SENATOR FRIESEN: Would you spell your name, please? [LB1136]

JAMES HINES: Yes, H-i-n-e-s; James Hines. The amendment that you have before you for LB1136 is a solution to our problem of inventory buildup here in Nebraska. And what I'd like to do is just kind of quickly take you through the mechanics of how this amendment would work. And let me state that we are continuing to work with stakeholders who are interested in this bill, and we are definitely open to making sure that we have the proper procedure in place to make sure that everyone is satisfied, with regard to an affidavit for lost title and the procedures for extinguishing liens and any security interests in the vehicle. So the amendment to LB1136 would allow us to submit an application for title, basically confirming that the title is lost, or otherwise missing, for certain types of vehicles, those vehicles being the charity vehicles we've been

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talking about. A vehicle that we may purchase...this happens in the instance that an insurance company will relinquish the right to the vehicle, and Copart will purchase the vehicle from the insurance company and for the vehicles that we discussed relating to the total loss settlement. Now prior to submitting that application for lost title, the bill would require us to reach out to the last known owner and make two written attempts to contact the owner. And we will also reach out to the last...to the known lienholders and anyone that has a security interest in the vehicle. And then after the expiration of 30 days of mailing that notice, the property right for that vehicle will vest within Copart. And it is on this procedure aspect that, again, we're continuing to work with the stakeholders. I have seen amendments by another group that we find okay. We will accept that amendment with relation to strengthening the notice to all potential lienholders and to security holders, and I believe you will hear testimony on that. So we'll continue to run...to refine that process to ensure that all the lienholders and holders of a security interest in the vehicle are satisfied that the liens, or any claims, have been properly extinguished. And so that is basically how this will work. We do abandonments in many other states, and it is a normal procedure for us to reach out to the last known owner in writing and to reach out to all the lienholders, and we simply want to have that same process available here in Nebraska. And so at that time, this concludes my testimony, and I will take questions from the committee. [LB1136]

SENATOR FRIESEN: Thank you, Mr. Hines. Any questions from the committee? Senator Bostelman. [LB1136]

SENATOR BOSTELMAN: Thank you, Chairman Friesen. Mr. Hines, thanks for being here today and for your testimony. Just follow up with the same questions; I've talked in the past to Mr. Miller about it. [LB1136]

JAMES HINES: Sure. [LB1136]

SENATOR BOSTELMAN: Really, it probably just kind of comes down to the written notifications in other states that you're dealing with. Is that...especially when you come into like the hurricanes, or it may be there's something that's down where there's been wildfires, people may not be coming back to live in that residence again, there may be no forwarding address. Are there other means that you're using to try to connect with those people, if the vehicle...obviously if there's a lienholder, you would have to have it there to get a hold of them. But are there other avenues that you have put into use in other states? [LB1136]

JAMES HINES: So in other states the process is very similar to what you will hear today, as far as the written notice, return receipt requested, to the last known owner. I agree, that is a special circumstance if someone does not have a home and, therefore, they're not receiving mail. But I'm not aware of any particular mechanisms to address that. There is an expiration period by which

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we have to wait before the title would vest within our company. And so we rely just, you know, on those basic safeguards that are built into the notification process. I can say that we would, you know, be open to, you know, consider a provision, if there is one, to address a unique situation like that. So again, at this time I'm not aware of something to address the, you know, disaster situation. [LB1136]

SENATOR BOSTELMAN: Sure. I was curious. I just didn't know, not being from the areas where there's...not having lived in an area where there's hurricanes, perhaps, or it'd be like an insurance company clearinghouse, where people file the claims for their vehicles and stuff, so they would have a clearinghouse and then that information listed that a person could go to, to basically find out if there's...there's, you know, maybe they paid, the insurance company has already paid, for the vehicle, it's totaled out. So when you go that route, as far as connecting with, to get the insurance company or the people or the owner of the vehicle themselves to get the title. Does...do you know? Is there anything like that that exists? [LB1136]

JAMES HINES: Yes, so we're headquartered in Dallas, Texas. [LB1136]

SENATOR BOSTELMAN: Okay. [LB1136]

JAMES HINES: And so I've had the experience of going through Hurricane Harvey the past few months. And all of the insurance companies put together disaster response teams to handle the volume of flood claims that they were handling. And in each instance, you know, they hit the ground pretty quickly after the event, and to do the assessments of the vehicles and to contact the owners. And so they have various methods to contact their owners regarding the claims, whether it's through just telecommunications or through email, whatever the method may be. And so I can say probably, you know, 90-something percent of the owners, you know, were contacted fairly quickly regarding their claim and, more importantly, the owners themselves will contact the insurance companies because they're eager to get into another vehicle. So that has, in the disaster context, haven't seen that there's a gap, as far as not being able to find a particular individual due to the fact that, you know, maybe they're not receiving their particular mail. So again, they set up very extensive record response operations for Hurricane Harvey, and a majority--a supermajority--of the claims are processed. [LB1136]

SENATOR BOSTELMAN: Thank you, Sir. [LB1136]

JAMES HINES: Okay. [LB1136]

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SENATOR FRIESEN: Thank you, Senator Bostelman. Any other questions from the committee? Seeing none, thank you for your testimony. [LB1136]

JAMES HINES: Thank you. [LB1136]

SENATOR FRIESEN: (Exhibit 2) Any other proponents, LB1136? Seeing none, we do have...I guess it's just a technical letter from the Department of Motor Vehicles, Rhonda Lahm. Anyone wish to testify in opposition? Seeing none, any want to testify in a neutral capacity? [LB1136]

JERRY STILMOCK: Mr. Chair, members of the committee, my name is Jerry Stilmock, J-e-r-r-y S-t-i-l-m-o-c-k, testifying on behalf of my client, the Nebraska Bankers Association, in a neutral capacity on the legislation. We viewed and provided the proposed amendments on the amendment that you have before you, from the Department of Motor Vehicles. And it really only goes to two items to try to clarify what type: so that there's a description of the vehicle, the description of the property, that would be included in the notice that would go to the lienholders, number one. It's kind of obvious but it's missing. And secondly then, there's no language that we find in other portions of the statutes that already are in place, as to the ability, then, of the lienholder to claim that property within the 30 days. So two items. We've given the language to the proponents, the senator, so that they have that to incorporate it into what you have with you this afternoon. So I'm confident, based upon comments, that we'll be able to get that rectified. But those are the two items that we had: describing the property in the notice and, secondly, an opportunity to claim the property within the 30 days once we--the banks, lienholders--receive notice. [LB1136]

SENATOR FRIESEN: Thank you, Mr. Stilmock. [LB1136]

JERRY STILMOCK: Thank you, Senators. Yes, Sir. [LB1136]

SENATOR FRIESEN: Are there any questions from the committee? I was just curious. Do banks receive a charitable contribution when they lose a vehicle that has a lien on it? [LB1136]

JERRY STILMOCK: Probably not (laughter). Probably not. [LB1136]

SENATOR FRIESEN: Thank you, Mr. Stilmock. [LB1136]

JERRY STILMOCK: Yes, Sir. [LB1136]

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SENATOR FRIESEN: Any others who wish to testify in a neutral capacity? Welcome. [LB1136]

JO HITZ: Hi there. My name is Jo Hitz, spelled J-o H-i-t-z. I am the president of the Professional Towing Association for the state of Nebraska. One of the biggest complaints from all of our members, anywhere in the state, is the quantity of abandoned vehicles that they have to process, and are stuck with, and have no means of disposing of. I think this is a...this "expediates" (sic--expedites) the process but perhaps doesn't go far enough to...this is specific to one entity, the proposed legislation, and I think it needs to be expanded to include this group of people, as well, because we aren't given a choice on towing some of the vehicles that we are saddled with. They're generated through law enforcement, they're generated through accidents. And we have followed the process. There is currently a process in place for the state of Nebraska on getting rid of a vehicle that has become abandoned. The problem is, is your county treasurers will not honor that. The paperwork does not get processed, they will not...they won't take that paperwork in lieu of, as the process by what you need to do. So I think this is a great legislative issue, and it looks like it will "expediate" (sic) it. I just wish that it would include our occupation, as well. [LB1136]

SENATOR FRIESEN: Thank you, Ms. Hitz. Any questions from the committee? Senator Geist. [LB1136]

SENATOR GEIST: Yeah, thank you. Would you reiterate to me who you're with? I missed that in your testimony. [LB1136]

JO HITZ: I am with the Professional Towing Association for the state of Nebraska. [LB1136]

SENATOR GEIST: Towing, okay. Thank you. [LB1136]

JO HITZ: Yep. [LB1136]

SENATOR GEIST: I just missed the word "towing." Thank you. [LB1136]

SENATOR FRIESEN: Thank you, Senator Geist. Any other questions from the committee? So when a tow truck operator, when they take a vehicle and no one claims it, do you just have to store it for how long? [LB1136]

JO HITZ: Indefinitely. [LB1136]

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SENATOR FRIESEN: Indefinitely? [LB1136]

JO HITZ: Yes, for no payment. [LB1136]

SENATOR FRIESEN: So can you charge any storage payments? Or... [LB1136]

JO HITZ: No. [LB1136]

SENATOR FRIESEN: Because they abandoned the vehicle, and it's yours. [LB1136]

JO HITZ: Correct. [LB1136]

SENATOR FRIESEN: Okay. Thank you for your testimony. [LB1136]

JO HITZ: Thank you. [LB1136]

SENATOR FRIESEN: Any others who wish to testify in a neutral capacity? Seeing none, Senator Clements, do you wish to close? [LB1136]

SENATOR CLEMENTS: Thank you, Mr. Chairman. Yes, I have been told that law enforcement does have ability, when they impound a vehicle...they have authority to notify the owner, notify the lienholder. But the private companies didn't, as for really what the reason for this is. As a banker, my bank has received notice from law enforcement that a car was illegally parked or abandoned, and that the bank has a lien on the vehicle. And if we want to go get it, we can. We have done that. But I believe there is ability for law enforcement-related items, but this was aimed at more private companies, to help them out. With the...relating to the last person with the Towing Association, we'd be glad to work with them to see if some language could be added for them. The bill has auction--motor vehicle auction--dealers specifically mentioned, and not anyone else. And you know, especially it also...only salvage vehicles, really, are in what we're presenting. Then on...regarding the bankers there, just over the noon hour we've been talking about their concerns, so it's still...I haven't even seen their language, but I do support putting some content in the written certified notice so it describes the vehicle accurately, so a person receiving notice knows which vehicle is being claimed. And we support the redemption procedure that the bankers would like to have, how they are able to redeem a vehicle within 30 days of receiving that notice. And with that, that would be all my comments. [LB1136]

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SENATOR FRIESEN: Okay, thank you, Senator Clements. Any questions from the committee?
Seeing none, thank you, and we will close the hearing on LB1136. [LB1136]