

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee February 10, 2022

WISHART: Welcome everybody to the Appropriations Committee. My name is Anna Wishart. I am from Lincoln and represent the 27th District and I am the Vice Chair of the Appropriations Committee. I would like to start off with having our members do self-introductions starting with Senator Erdman.

ERDMAN: Thank you, Senator Wishart. Steve Erdman. I represent nine counties in the Panhandle.

CLEMENTS: Rob Clements, District 2, Cass County and eastern Lancaster.

McDONNELL: Mike McDonnell, LD 5, south Omaha.

HILKEMANN: Robert Hilkemann, District 4, west Omaha.

WISHART: Anna Wishart, District 27.

DORN: I'm Myron Dorn, District 30, Gage County and part of Lancaster.

WISHART: Assisting the committee today, we have Tamara Hunt and we also have our fiscal analyst, Clint, and our page today is Jason.

STINNER: Thank you, Senator Wishart.

WISHART: You're welcome.

STINNER: See what happens when you're late? They start without you. On the cabinet to your right, you will find green testifier sheets. If you are planning to testify today, please fill out and sign in-- the sign-in sheet and hand to the page when you come up to testify. If you will not be testifying at the microphone, but want to go onto the record as having a position on a bill being heard today, there are white sign-in sheets on the cabinet where, where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record at the end of today's hearing. To better facilitate today's proceedings, I ask that you abide by the following procedures. Please silence or turn off cell phones. Order of testimony will be introducer, proponent, opponent, neutral, closing. We ask that when you come up to testify, you should spell your first and last name for the record before you testify. We ask that you be concise. It is my request that you limit your testimony to five minutes. Written materials may be distributed to the committee members as exhibits only while testimony is being offered. Hand them to the page for distribution to the committee and staff when you come up to testify. We need 12 copies. If you have written testimony but do not

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have 12 copies, please raise your hand so the page can make copies for you. With that, we will begin today's hearing with LB1232.

McDONNELL: Good afternoon. Senator Stinner, members of the Appropriations Committee, my name is Mike McDonnell, M-c-D-o-n-n-e-l-l. I represent Legislative District 5, south Omaha. LB1232, a proposal to help establish a public-private partnership facility to support the work of the United States Strategic Command's Nuclear Command, Control, and Communications, or NC3. For background purposes, as a global war fighting combatant command, USSTRATCOM delivers a dominant strategic force and innovative team to maintain our nation's enduring strength, prevent and prevail in great power conflict, and grow intellectual capital to forge 21st century strategic deterrence. The U.S.-- the current USSTRATCOM command-- commander, Admiral Charles Richard, noted that the USSTRATCOM must continue to drive rapid acquisition process and require-- requirements for capabilities pursuant to their mission, roles and responsibilities. So back in 2018, the U.S. Se-- the Secretary of Defense appointed the USSTRATCOM commander to be the single operational commander for the nation's nuclear command, control and communications operation, where USSTRATCOM established the NC3 Enterprise Center. Simply put, the mission of the NC3 Enterprise Center is a better plan for future satellites, radios, aircraft, and other systems that connect nuclear platform and weapons to military and national leaders. Additionally, the military is exploring how to keep its connections to nuclear forces intact under threat and how to keep hijacker, hackers and jammers out as the nuclear enterprise connects to the Internet for the first time. To assist USSTRATCOM with rapid acquisition and prototyping model to protect against cyberattacks, USSTRATCOM leadership enlisted the University of Nebraska system and private sector stakeholders and partners to help develop a private off-base facility to foster collaboration between start-ups, commercial, defense industry, and academia, Federal-funded research and developments [SIC] companies, or FFRDCs, and government agencies to develop the future NC3 Enterprise. The opportunity to establish a public-private partnership facility to not only assist USSTRATCOM retain and defend their core mission of NC3, but to also help recruit new employers and high-wage, high-skill jobs to Nebraska is something I felt compelled to bring forward to this committee after our support of the state's effort to recruit USSPACECOM last year. As you will hear from Admiral Carter, the state's business community, and city of Bellevue leadership after me, the NC3 mission work is a public-private partnership model that we have seen success with before leveraging one-time state funds with private philanthropic funding to

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establish economic development initiatives that pay dividends for decades. This opportunity is unique because it's [SIC] not only provides tremendous economic development potential for both entrepreneurs and workers, but for our entire state in expressing our commitment to USSTRATCOM and retaining the NC3 mission. Lastly, please find a white-copy amendment, AM1845, that would replace the green-copy version of the bill. In conversations with various stakeholders, the administration-- and their appropriation would best be administered through the Site and Building Development Fund in the develop-- in the Department of Economic Development, since the act allows the capital construction grants to assist military installations like USSTRATCOM and Offutt Air Force Base. The language in front of you is more cleanup in nature and does not change the intent of the \$20 million transfer from Cash Reserve Fund to the department. In closing, I would, I would remind the committee of our previous action last year to appropriate \$50 million to support Nebraska's effort to recruit USSPACECOM to Offutt Air Force Base, where this appropriation remains unused. Repurposing \$20 million of the initial appropriation is a responsible use of previous appropriations that we, as a committee, committed towards assisting our major military installations. Testifying after me, will the people-- testifiers after me will speak to-- in much greater detail about the work that has led to LB1232 and the opportunity to reinforce our commitment to USSTRATCOM and Offutt Air Force Base while growing our innovation and cybersecurity economy. While it was disappointing we were not initially selected as the new home for USSPACECOM, the opportunity that lies with LB1232 and the new NC3 public-private partnership facility can have more long-term impact if we seize it now. This is really an interesting opportunity and, and in so many different ways. But if we think about the future and the defense of our country, and, and where we're going with technology, but then to have the idea of the academic community come together, the private sector, the, of course, the military and then, potentially us as state partners, we have an opportunity to really grow our state here and also, at the same time, protect, protect our country. The people behind me, when they testify, and some of the opportunities they're going to talk about with jobs and technology and, and what's going to happen here, it's really impressive what, what these people are doing to protect our country.

STINNER: Very good. Questions? Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Thank you, Senator McDonnell, for coming. So I read the green copy earlier. That was a \$1 million federal fund transfer, right?

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McDONNELL: No. So the green copy has been replaced with the amendment, but it was always \$20 million for the fiscal note. It's a, it's an \$80 million total project, but our-- the fiscal note is \$20 million.

ERDMAN: I've never seen it. Is this the fiscal note?

McDONNELL: I know.

ERDMAN: I've never seen it.

McDONNELL: I'll get you a copy of the fiscal note.

ERDMAN: Maybe this is it.

McDONNELL: Yeah, the fiscal note-- it's LB1232-- appropriates \$20 million from the Cash Reserve Fund to the Economic Department-- Department of Economic Development.

ERDMAN: [INAUDIBLE].

McDONNELL: You got a copy?

ERDMAN: Yeah.

McDONNELL: Great. All right.

STINNER: Additional questions? Senator Dorn.

DORN: Yeah [INAUDIBLE]. We appropriated the \$50 million last year or we, we set it aside. We never-- did we allow appropriation or not, I guess, last year?

McDONNELL: No.

STINNER: No, not for this project.

McDONNELL: No.

DORN: Not for, not for this project. We allowed the appropriation if that other project would have went.

McDONNELL: With SPACECOM.

DORN: So we have to basically repurpose this or we have to--

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McDONNELL: I would like to repurpose it, based on the idea of its-- again, would-- we competed and we, we lost on SPACECOM, but the opportunity here for the future could even be greater than SPACECOM.

DORN: And you or some other people later on, you just mentioned \$80 million.

McDONNELL: Yes, sir.

DORN: So we'll talk about that so I will probably ask questions then.

STINNER: Just for a clarification purpose, what we'll do is to-- the provisions, the statutory provisions that we passed that sequestered or put brackets around that project have to be removed, which then releases the funds to be for other projects or just stay in the rainy day fund. Then we'll come back and use that--

McDONNELL: Also, this is--

STINNER: --specifically for this.

DORN: And so the, the \$30 million we can-- I, I-- we have leeway with that yet.

STINNER: We hope so.

DORN: We hope so, OK.

McDONNELL: We also-- this is a, this is a last-in type situation--

DORN: Yeah.

McDONNELL: --because the private sector and others are going to have to step up prior to the \$20 million from the state.

DORN: OK, thank you.

STINNER: Senator Erdman.

ERDMAN: So it brings up a question. So in the green copy, it says \$100 million from the federal funds and so--

McDONNELL: Are you reading new language or old language, Senator?

ERDMAN: Well, I'm reading it.

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McDONNELL: So if it's underlined, take a look at the, the new language that's underlined in the amendment. And the amendment is the white one, and it's--

ERDMAN: Yeah, I'm trying to get a handle on why it changed from the green copy to the amendment.

McDONNELL: All right. No, the green copy is being replaced with, with the, the amendment, so I'll make sure you get a copy of the amendment.

ERDMAN: I have it.

McDONNELL: OK.

ERDMAN: What I'm asking is why did it change?

McDONNELL: No, the idea of the \$20 million has never changed. The idea of going through the Department of Economic Development never changed. It's more of a cleanup with how the money would be transferred to the Department of Economic Development and where it would stop in between because of the military. And there's language that's already been placed in there in the past. I'm just, I'm just looking at trying to look over your shoulder, but it's the underlined language.

ERDMAN: Yeah, I understand the underlined language.

McDONNELL: All right.

STINNER: Any additional questions? Seeing none, thank you. Afternoon.

TED CARTER: Good afternoon, everyone. It's great to be with you. Chairman Stinner, Vice Chairman Wishart, and members of the Appropriations Committee, my name is Ted Carter, T-e-d C-a-r-t-e-r, and I serve as the president of the University of Nebraska System and chair of the Nebraska Defense Research Corporation board of directors. And I want to say thank you right up front for the opportunity to be with all of you today. First, I want to thank Senators McDonnell for introducing this proposed bill and Senator Sanders for cosponsoring LB1232, which represents a critical investment, one of U.S. Strategic Command's most important mission sets: nuclear command, control, and communication, commonly referred to, as you've already heard, NC3. Their leadership and vision for seeing why Nebraska needs to invest in the future of U.S. Strategic Command and Offutt Air Force Base is to be commended. Now for the layperson, fulfilling the NC3 mission involves planning for future satellites, radios, aircraft, and other systems that connect nuclear platforms of weapons to military and

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national leaders. Technology is advancing at too rapid a pace, and these NC3 systems are too important to our national security to follow what the military has done traditionally in doing ten-year program development pass. Think development time for which you've recently heard of the Navy's newest nuclear-powered ballistic missile submarine, the Columbia-class submarine. We don't have the same timeline that the Navy is doing to develop that weapons platform. The new model is more of a piecemeal approach to improve capability sooner. Instead of waiting years for a full system to be ready, a new six-month demonstration can actually leave behind a new operational capability immediately. Now, in 2019, U.S. Strategic Command declared initial operating, operating capacity of the NC3 Enterprise Center. This is a unit designed to make entrepreneurial advancements in this space. So the obvious question that some of you may ask-- since I'm sitting in the chair-- besides being a retired three-star admiral out of the Navy, is why is the University of Nebraska involved? The task ahead of us is too great for any one entity to tackle. Modernizing our NC3 systems will take the best minds from major defense contractors, small and emerging businesses, university researchers, and end users. As such, in 2020, Admiral Chas Richard, commander of U.S. Strategic Command, requested the University form a nonprofit sub, subsidiary, and enter into a partnership inter, intermediate agreement-- part, partnership intermediary agreement-- that's a PIA-- with the federal government. The PIA is a contract mechanism that permits the rapid acquisition and prototyping model I previously described. The University, subsequently to this request from U.S. Strategic Command, formed the Nebraska Defense Research Corporation to fulfill this call and foster collaboration between the best minds in the space. To prove up or to get this model going, \$19.12 million in federal contracts have been awarded for fiscal year 2021, and 14 mission partners are currently engaged. And I will tell you there are 7 more on the doorstep, waiting, ready to sign, including Oracle, General Dynamics, Lockheed Martin, Northrop Grumman, and Dell, just to name a few entities. A number of our mission partners have submitted letters in support, which I've attached to my submitted testimony today. And those letters, I will tell you, are quite powerful in stating their support of this. To scale this model, a community coalition on behalf of the U.S. Strategic Command seeks your investment in a permanent facility. This facility would include space for each mission partner, government partners, and shared experimental and prototyping space. In short, this is our opportunity to create an innovation hub that will attract major defense contractors and small and emerging businesses in the NC3 mission space to Nebraska. So an economic impact study has been commissioned regarding this specific project, and although I

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don't have the details of that, I know we will have those results ready for you very soon, later this month. That said, we all understand the immense economic benefits and implications defense spending has for the state and local economies. The Nebraska Commission on Military and Veteran Affairs recently released their 2020 report on the economic impact at Offutt Air Force Base-- over \$2 billion annually. So by making this investment, Nebraska will reinforce its commitment to U.S. Strategic Command and the importance of retaining the NC3 mission. It will also accelerate the development of NC3 solutions to improve national defense. As I close, I'd like to thank our partners, Mayor Rusty Hike and the city of Bellevue, the Greater Omaha Chamber, the Nebraska Chamber, and the Aksarben Foundation for their steadfast support and leadership in helping make this unique public-private partnership a reality. The opportunity for our students and faculty to engage in national defense-related research, training, and development will pay dividends to our state and economy for years to come. Thank you again for allowing me to speak with you. I'd be very happy to answer any questions you might have.

STINNER: Any questions? Seeing none, thank you very much.

TED CARTER: Thank you.

STINNER: Afternoon.

RUSTY HIKE: Good evening. Good afternoon, not sure where we're at, but Chairman and senators of the committee, I'm Rusty Hike, R-u-s-t-y H-i-k-e, mayor of Bellevue, Nebraska, and I think most of you know, it's the third-largest city in the state, new population of a little over 64,000. So Bellevue is home to Offutt Air Force Base and STRATCOM, the United States' Strategic Command. STRATCOM is the acronym for it. But STRATCOM is responsible for strategic deterrence, global strike, and operating the Defense Department's Global Information Grid. It also provides a host of capabilities and support of other combatant commands, including integrated missile defense and global command control, communications, computers, intelligence, surveillance, and reconnaissance. The acronym for that is C4ISR. A lot of acronyms when you're dealing with the military. This command exists to give national leadership a unified resource, a greater understanding of specific threats around the world, and the means to respond to those threats rapidly. Military installations are critical to local economies, generating thousands of jobs and millions of dollars in economic activity and tax revenue annually. According to fiscal year 2018 Offutt Air Force Base Economic Impact Report [SIC],

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prepared by UNL, the data indicates between-- the data indicates between-- Offutt and STRATCOM combined to employ 9,204 individuals, with a total payoff of nearing \$1 billion in-- per year. Our military partners are a major part of the growth and stability of the Douglas County and Sarpy County region of our state. It is for the reason, I believe, that LB1232 is a necessary investment in the strength of our military and also our community. I'm here to let you know that the city is not here looking just to the state for leadership and support of Offutt and STRATCOM. We are willing to take a leadership role ourselves and risk, and the risk in supporting the project that is environed by LB1232. We are prepared, in the process of working with STRATCOM and other partners, to ensure the success of the project. The city is prepared to invest in land where the project identified can be built, that invest-- where the investment can be built and made, in excess of \$4 million, to bring infrastructure and purchase the ground, To protect the missions of military installations and the health of the economies and industries that rely on them requires collaboration and joint planning between installations, federal, state, and local communities. Passage of LB1232 will strengthen coordination between the local communities and an important partner in our community, the United States military. The city of Bellevue is prepared to do its part and asks that the Legislature acknowledge the critical importance to invest in STRATCOM as a major part of the engine that drives the economy of this state's most populous region. This is just another great example. I was able to work with the U.S.-- for the U.S. Space Command project, and the partners behind me-- the University, the state, everybody just joined in and was really able to leverage some money to, to put forth a great project. This, I think, is probably scalable to every bit of that, and I think it's a, it's a great engine for, for Nebraska to invest in with a lot of return. So with that, I'll just answer any questions that I can.

STINNER: Senator Dorn.

DORN: Thank you, Chairman Stinner. Thank you for being here. I guess I-- and maybe I'll ask Senator McDonnell later. Is there any idea? I mean, this generally is going to bring in new people into the state? Or is this a-- existing people? Or talk a little bit about that.

RUSTY HIKE: Freight could be better spoken to, but I can address what I've heard. So anywhere from 300 to 500 is what-- from the onset, is the beginning of employ-- new employees, average salary somewhere in the \$175,000-plus range. And it, it will attract, not only from here, but I assume the University is going to be working on projects to

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bring people up to speed as well, but-- and then bring other people into the area.

DORN: Thank you. And maybe others will--

RUSTY HIKE: So--

DORN: --do something about it, too.

RUSTY HIKE: So very nice comp-- very nice plan, complex plan.

STINNER: Additional questions? Seeing none, thank you.

RUSTY HIKE: OK. Thank you.

JENNIFER CREAGER: Chairman Stinner, members of the committee, I'm Jennifer Creager, J-e-n-n-i-f-e-r C-r-e-a-g-e-r, vice president of public policy at the Greater Omaha Chamber. It is my pleasure to testify in support of LB1232. I also appear today on behalf of the Nebraska Chamber of Commerce and Industry. We extend our sincere thanks to Senator McDonnell for introducing this important legislation. As you may remember, last year we were the conveners of an extraordinary coalition assembled to land the headquarters of the U.S. Space Command in our great state. This coalition included our elected leadership at the state and federal levels, the Department of Economic Development, the Commission on Military and Veterans Affairs, the chambers, the University of Nebraska, the city of Bellevue, the combatant commander at Offutt Air Force Base, private sector and philanthropic leadership, and widespread public and charitable sector support. It was a true exercise in coordinated collaboration and execution at the highest levels. Trust me when I tell you that you all would have been very proud of every Nebraskan who was involved in that effort. Although we were ultimately not awarded the Space Command headquarters, the process provided a great opportunity for Nebraska and the Bellevue-Omaha area to assess additional ways we can be supportive of the Offutt community and USSTRATCOM. The project before you is one such opportunity. Fortuitously, the Legislature's preservation of \$50 million dedicated to the Space Command process now, now offers a unique chance to fund projects that will strengthen the mission and the base we are so lucky to have in our state. It will also further solidify the crucial role that Offutt plays in our national defense. Besides being a military-friendly project, this bill is also an important component of economic development. Development of an NC3 mission has the potential to further accelerate the development of NC3 solutions to improve national defense. This project will spur

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greater investment in our state and engage the private defense industry in a more significant way. Although we do have some defense contractors with operations in place in Nebraska, there is enormous untapped potential to attract and grow these opportunities. Think of the potential companies-- and I think President Carter passed out letters from several of them-- and the associated, associated, highly educated workforce we have the opportunity to bring to Nebraska due to the opportunity before you today. We have a long and successful history of public-private partnerships, particularly in the Omaha area, in community and economic development projects. We have demonstrated that these efforts can be well managed and done in a fiscally prudent way, and it offers a significant return on investment well into the future. The Legislature has recognized this track record of P3 successes in the past, and we encourage you to embrace the newest project in front of us. I'd be happy to answer any questions you have.

STINNER: Any questions? Seeing none, thank you. Any additional proponents? Seeing none, any opponents? Seeing none, anyone in the neutral capacity? Senator, would you like to close?

McDONNELL: I'm thinking about the kids throughout the state if, if we're successful moving this forward, based on the idea of wanting to be part of something, the, the technology, but also something that's going to protect our country and that kind of opportunity. When the question was asked about what kind of jobs, of course, there's going to be people. You're talking about the salary of over \$175,000, but for-- looking at more for the, the future of our state, to start developing these kind of jobs and making sure that these kids have an opportunity to fill those jobs would be part of the University's goal also, as, as partners of this project. I think this is our, our next step forward. Again, it was disappointing that we did not get the SPACECOM, but here's another. One door closes, another one opens. And this could actually be greater for our state long-term. And with the private-public partnership, with the University involved, this really could help our state and, again, defend our country.

STINNER: Thank you. Any questions?

DORN: Yeah.

STINNER: Senator Dorn.

DORN: Thank you again. I hate to keep asking the question, but President Carter mentioned that, I think, there were so many contracts

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or somebody mentioned there are so many of them out there already. So has the decision been made to go ahead and do this already?

McDONNELL: The interest. And when you look through those letters, the interest that this has actually just-- through that community, based on what we're trying to work on here and the people that are excited about it, that, that's what he's referring to. And in those, those letters, I think, when you take a look at those, you're going to see the excitement.

DORN: When will a decision be known, I guess? Or when will that decision to go do this?

McDONNELL: When are you going to vote for this? We--

DORN: We, we tried this, we tried this noon, but--

McDONNELL: Well--

DORN: --you held us up.

McDONNELL: No, I think-- you're right, I did hold us up.

DORN: Yeah.

McDONNELL: But I think the opportunity is here, but also, just so we know, we're, we're last dollar in. So all of this work behind us is going to have to be done based on the idea of raising the money, securing that money, showing us that this is, this is going to be viable. And I think it is, I think the, the interest, but I think the sincerity is there, and, and it's going to go forward, and it's going to be successful.

STINNER: Any additional questions? Seeing none, there are two proponents of LB1232 and that concludes our hearing on LB1232. I will tell you, Senator Dorn, I misspoke because I had to look at this. This is a recasting of the, of STRATCOM money that was set aside. So when I said it was, you know, you have to eliminate the statute for STRATCOM, we don't now. We just repurpose those funds.

DORN: It's--

STINNER: So I, I misspoke. I should have looked at the--

DORN: It, it--

STINNER: --language in the bill.

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DORN: [INAUDIBLE] Understand, I understand what you meant. Yeah, thank you.

STINNER: Yeah.

DORN: No, I just-- just for clarification so that we--

STINNER: We'll let things settle down so they can pick you up on the mike.

SANDERS: This is my first time here in this cozy room.

STINNER: Well, welcome, first time.

SANDERS: Cozy room.

STINNER: Maiden voyage.

SANDERS: Good afternoon, Chairman Stinner and committee members. For the record, my name is Rita Sanders, R-i-t-a S-a-n-d-e-r-s, and I represent District 45, which includes much of the Bellevue-Offutt community in eastern Sarpy County. The committee likely remembers setting \$50 million aside last year to support Offutt Air Force base's proposal to acquire Space Command. While we have been missed-- while we have-- may have missed on the chance, we still have a window to grow Offutt into Nebraska's largest economic impact. Today, I am introducing LB1233 to take advantage of that chance by making a one-time investment in the appeal of Offutt Air Force Base. First, I will explain the technical part of the bill, then I will explain why we should not delay on making this investment. Finally, I'll show you what Offutt Air Force Base could be when its potential is fully realized. Please note that for my comments, I will be referring to AM1852, a white-copy amendment that replaces the bill. To summarize, the bill takes \$30 million from the \$50 million previously set aside. That money would be transferred into a repurposed military base development fund. The fund would be administered by the Commission on Military and Veterans Affairs. That money would then be matched by the private sector 100 percent or more. Then that money would be used for nonmission critical infrastructure and amenities-- amenity projects at Offutt Air Force Base. That list of projects can be found on page 3 in the amendment and in the packet in front of you. I welcome the committee's expertise on specific language in this amendment. We use intent language to clarify the use of the funds and we repurpose the Space Command Headquarters Assistance Fund. Naturally, we remove the Space Command trigger to move the money to the fund. Because of the source of funding, this bill requires new spending. Again, this money

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has already been set aside. This allows the Legislature to keep its commitment to Offutt Air Force to grow, even if it's not the way we hoped: Space Command. Let me tell you why this is so important. We all know that Offutt Air Force base is valuable, but when it comes to economic impact, Offutt hasn't even come close to its potential. With the impact of LB1232, LB1232 could add and combined with this bill, Offutt will rival UNMC in economic impact. Some senators had the chance to look at the base firsthand last summer, and we are hoping to arrange another tour before the end of this session. How will these amenities contribute to the economic impact? The fact is Offutt's infrastructure and amenities are holding it back. Missions are the lifeblood of military base. Older missions expire, and they must be replaced or the future of the base is at risk. Senator Stinner, this is similar to how Bob Devaney had to recruit amazing linebackers to replace Senator Stinner when he graduated [LAUGHTER]. When missions identify and eliminate candidates to host new missions, they consider a variety of factors: the community, the schools, the ability for spouses to find work, and the amenities on the base. Currently, we fall behind in the latter, and that's before we consider flood damage. The parade grounds are crumbling, families have limited space to enjoy the outdoors, and there are few opportunities for family activities near the base. They don't have a substantial restaurant for hosting meals and discussing nearby. There are not-- these are not little things. These make a difference to our service members' physical and mental well-being and to recruiting new missions. I'll also add that the base can make these amenities open to retired veterans that help us keep them in the state of Nebraska. When we consider the benefits that Offutt Air Force could bring, let's look at the map-- the numbers. Currently, Offutt Air Force Base has an impact of \$2.9 billion annually for 2020. The pandemic did not slow down its growth. With LB1232 and the Nuclear Command and Control Project, we could add approximately \$2 billion to that immediately. The concept of LB1233 will only add to that number, not to mention the impact of service members, families who come and help, and those that can become teachers, helping our teacher shortage with our recently improved reciprocity loss, and help fill other labor shortage. That's a tremendous return on our investment. Following me, I am honored to have some great testifiers to explain the projects and the need in more detail, including a former Assistant Secretary to the U.S. Air Force, a former deputy commander of STRATCOM, a member of the Omaha Chamber of Commerce, and the mayor for the city of Bellevue. I will add that we will be flexible with the details if needed, but \$25-30 million, combined with the private sector's contribution, would address the needs that the base has identified. I'll close with this.

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When I first came to Nebraska in the '80s, I saw lots of for-sale signs that surrounded Offutt Air Force Base in the housing areas. That was because Offutt missed out on a chance and a mission. What, what I picture this bill is the site of equipment, trucks, and cranes building these improvements, then more housing, and all leading to a stronger economy. It has been an honor of a lifetime to watch Offutt Air Force Base grow during my time as mayor of Bellevue and as a state senator. And a new missions [SIC] are looking our way, and I don't think we should pass on a chance to attract them just because it's different from what we imagined with Space Command. LB1232 [SIC--LB1233] shows that missions are still interested in Nebraska. Let's, let's invest to make Offutt the economic resource in Nebraska, knowing what it has been and what it can be. I humbly ask the committee to include AM1852 in their 2022 budget. Thank you for your time, and I'll be happy to answer any questions.

STINNER: Thank you. Questions? Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Thank you, Senator Sanders, for coming. I was reading through your amendment and the things you would use the money for. One thing that caught my attention is improvements at the Willow Lakes Golf Course. Is that a privately owned course?

SANDERS: It's federally owned and-- but it's used by retired members as well as active duties. It gives them a place to have meetings. But it is also open to the public when it allows and has that in their schedule.

ERDMAN: Is it open to the public?

SANDERS: Yes, but there's a-- what I call pecking order, right? Is first for our military-- first and foremost, that is their mission-- and then retired, and then those in the private sector are also able to use it now. But most importantly, it's for our military members.

ERDMAN: Thank you.

STINNER: Additional questions? Seeing none, thank you. Afternoon.

JEFF MIKESELL: Good afternoon, Chairman, senators, and committee. My name is Jeff Mikesell, J-e-f-f M-i-k-e-s-e-l-l. I'm the director of military affairs at the Greater Omaha Chamber, here to express strong support for LB1233 and I'd like to thank Senator Sanders for bringing this to the committee. In addition to their roles in national defense, Offutt Air Force Base and Nebraska's National Guard units provide a stabilizing labor and economic presence in the state. Offutt in

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particular currently provides \$2.3-\$2.9 billion annual economic impact. It's construction-related at the moment. As a runway replacement project nears completion and the flood rebuild begins, we have an opportunity to provide an incentive to the Pentagon and legislative decision makers to invest additional funding and secure additional missions at Offutt and the Guard. This makes LB1233 and the commitment we have at Offutt even more timely and important. Recently, we competed for and finished strong-- second-- in a nationwide competition to host the U.S. Space Command headquarters. Previous to that, we competed for and finished second in an unmanned aerial vehicle mission competition. And while not yet imminent, the specter of a BRAC, base realignment and closure, always looms. Why would D.C.-based decision makers choose to invest in Nebraska when we locals could choose not to? LB1233 represents an investment in our workforce attraction and retention efforts, labor attraction and retention efforts. This is, this goes right to that. Investing in our service members by providing an outdoor pavilion, a fitness track, historic recognition of the role Offutt played in the Cold War with a deterrence-remembrance park, and overall improvements to the base lake will make a lasting impact on our Offutt and Nebraska-based military members, and also in the minds of our nation's top civilian and military decision makers. Competition for rebasing existing missions and placing new missions is fierce, and projects such as this, which LB1233 specifically supports, are crucial for a long-term military presence in Nebraska. If we show our Soldiers, Sailors, Airmen, and Marines that we value them by improving the quality of life-- and that's key, improving the quality of life, specifically on Offutt-- if we can improve the tax environment, if we can make employment easier for spouses of the troops assigned to post in Nebraska, then we can certainly influence the decision for them to remain in Nebraska after their service is complete. We can then grow the veteran population, which in turn would grow the veteran-centric family population, thus increasing the workforce population and subsequent broader tax base. If we can make Nebraska the most military-friendly state in the nation, then we can easily expect the Pentagon to invest more in our state-based military units and missions. Quick example, if we were able to retain just 50 percent of the Airmen who separate from Offutt every year, that would equate roughly to a \$75 million annual economic impact to the area. And that's just if we can capture half of them. We're fortunate to have with us today, Mr. John Henderson. He was formerly Assistant Secretary of the Air Force for Installations, Environment, and Energy, and is now engaged in civil engineering in the state of Nebraska. His background will allow him to comment specifically on further reasons why this is the right choice and the

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right time for Nebraska to make these investments. Questions from the committee?

STINNER: Questions? Seeing none, thank you.

JEFF MIKESELL: Thank you for the opportunity.

STINNER: Afternoon.

JOHN HENDERSON: Good afternoon, Mr. Chairman. Thank you for the honor of being here today. I thank Senator Sanders for her support for the base and for our service members and families. My name is John Henderson, J-o-h-n H-e-n-d-e-r-s-o-n. I am one of 11,000 employee-owners at HDR, Inc. Our global headquarters has been in Omaha for nearly 105 years, and we are one of the firms that's supporting the STRATCOM Consultation Committee and the Offutt Advisory Committee [SIC] on the development conceptual designs of the list of projects that's listed in LB1233. And thank you for the opportunity to testify today. Prior to joining HDR, I served as Assistant Secretary of the Air Force for Installations, Environment, and Energy, overseeing 180 Air Force installations worldwide, and also supervised a number of key programs, including, relevant to this discussion today: military construction, privatized housing, community partnerships, strategic basing, and BRAC. Of note, our team worked with the Nebraska congressional delegation to secure the necessary funding, necessary funding for the new runway, to rebuild after the flood, and to restructure the privatized housing framework at Offutt Air Force Base. I'm also a retired U.S. Army colonel and former commander of the Corps of Engineers district in Omaha, which supported the completion of the USSTRATCOM Command and Control Facility there, in conjunction with Mr. Callicut [PHONETIC] who's sitting right here behind me. It's always good to see him. This is a big proposal, but it's important. Today, I'll discuss why these types of projects are important for our military readiness and for the state of Nebraska, and provide some additional information on the projects that are listed in the bill. The proposed projects in this bill are focused on enhancing existing facilities at Offutt Air Force Base that directly support the quality of life for our service members and their families who live and work at the base. This enhances mission readiness through improved recruiting and retention, reduced training and turnover costs, and enhanced mental health and wellness by providing a sense of community and a sense of home in our great state. The support for our military installations from our communities is foundational to the strategic success of our all-volunteer military force. Communities can add significant value, as Senator Sanders mentioned, to our installations

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by providing affordable housing, high-quality schools, opportunities for spouse employment, a sense of community, and a better day-to-day quality of life, which creates a gravitational pull for our service members and families to be stationed here and eventually to stay here. In my experience, very few communities do this as well as Bellevue, Omaha, and the state of Nebraska. The types of projects listed in LB1233 serve as a force multiplier for our military. While they are aligned with the wing commander's priorities to improve quality of life and wellness for the members stationed at Offutt Air Force Base, they don't typically compete well for limited funding inside of the Air Force budgets. These projects include: an outdoor amenity pavilion for families and children to gather, picnic, and recreate. With open-air seating, multi-purpose game courts, and an outdoor amphitheater, this will provide an ideal space for units to gather for social events and unit cultural events; a 400-meter track with stadium seating for 1,000; synthetic-turf soccer field and stadium lighting to be used for physical fitness training, unit sports, and youth recreational activities; upgrades to the parade grounds to preserve the historic character and significance of the site while widening the walking path to provide a vital green space for families who live nearby; enhancements to the Willow Lake Golf Course facilities to include clubhouse parking and course improvements, providing an off-base venue for families, unit functions, and community engagements; improvements to the base lake to restore habitat and improve camping and recreational amenities for service members, retirees, families, and the general public; improvements to base landscaping features to increase sustainability, improve visual appeal, and enhance visitor experiences; repair in Quarters 13 to modernize buildings for distinguished visitors and to provide space for commanders to host events with stakeholders in the community; and installations of parks and gardens to provide service members of the USSTRATCOM headquarters spaces to recreate and decompress during the day, while also connecting them with the heritage of our strategic deterrence mission. Thank you again for your consideration. This bill is an investment into the quality life of our service members and their families, and to the readiness for our most strategically significant mission in our Armed Forces and into the military value of Offutt Air Force Base, posturing it well to attract service members and their families, future missions, and additional infrastructure. I'll look forward to your questions.

STINNER: Questions? I have one. Is it ordinary and customary for communities, along with state, to make improvements on a military base?

JOHN HENDERSON: That's a great question, Mr. Chairman. So I would say a minority of the communities-- from my experience of those 180 bases, there's a minority of communities that are really strong supporters of their military bases and that adds value, as I mentioned in here. There's a middle, probably two-thirds of the communities around bases that support the base vocally. They really appreciate the economic impact, but there's not a lot of substance behind that other than the talk. And then I would-- and I won't go into names, but there's also another portion at the other end of the scale that have an adversarial relationship with those bases. And actually, that becomes a mission detractor when you go all the way to that end. They're constantly calling the wing commander about noise, there's constantly environmental fights, there's lawsuits. There's all kinds of issues going on and that becomes a distraction to the mission. So all the way from being able to enhance the mission, to toleration, to being a distraction from the mission, the ones that we continue to see postured well for future missions is those communities that serve as true partners because our Airmen and families want to go there, there's-- they help with some of these areas that the Air Force will never be able to afford, especially with regard to nonmission-critical facilities, right? Everything I listed there-- you know, someone saying, is the golf course important? Well, it is if you live there. Is it important for getting a mission done? Yeah, it is important to getting the mission done if you want soldiers and families or Airmen and families to want to come there. Otherwise, otherwise, what we see in some of our bases in some of our very remote areas in the United States is, is Airmen make a choice, a tough choice to go there unaccompanied. They leave their family back where the good schools are, where the affordable housing is, and they essentially go on a deployment inside the United States for two or three years. And what that leads to is attrition. And so we see that in those bases that have, I wouldn't say a hostile environment, but an environment that's not conducive for families, is the high attrition rates. And when we-- when the Air Force or any service is trying to consider where to put future missions, they want to put them in areas where the communities welcome, that their Airman and families want to go, and it's not going to create a strategic problem of retention and recruitment. So for what it's worth, I would say there's probably about a third of the Air Force bases has these super-supportive communities and they, they fall into association in defense communities; and Omaha has always been one of those, Omaha and Bellevue.

STINNER: Sorry about the construction. Any additional questions? Seeing none, thank you.

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JOHN HENDERSON: Thank you.

RICHARD EVANS: Good afternoon, Chairman Stinner, members of the committee, Senator Sanders. My name is Richard Evans, R-i-c-h-a-r-d E-v-a-n-s. I served in the Nebraska Air National Guard and the United States Air Force for over 35 years, retiring in 2019 as a major general. I currently serve as the executive director of the National Strategic Research Institute at the University of Nebraska, although today I'm appearing on my own behalf as a military veteran and civilian citizen of the state of Nebraska for my entire life. I certainly support LB1233, and I'm going to give you a few reasons why that's true. I serve as the state chair for the Nebraska Committee on the Employer Support of the Guard and Reserve. ESGR is an official Department of Defense activity, and we have 50 volunteers across the state supporting the organization. ESGR works with unit commanders, members of the National Guard and Reserve, and their employers to ensure those service members can complete the required training and, when necessary, answer the call of their state or nation to serve on active duty. We have around 6,500 National Guard and Reserve members serving here in Nebraska, which is often not known by everybody. Most all of those are serving on what could be officially considered a DOD-designated military installation that could be eligible for financial support under LB1233. I would note for the record that in my ESGR role, I also serve as an ex-officio, non-voting member of the Nebraska Commission on Military and Veterans Affairs, which I'll mention again here in a few minutes. During my military career, I served more than 20 years-- or excuse me-- more than 12 years on active duty at Offutt Air Force Base in both the 55th Wing and the United States Strategic Command. And as Senator Sanders mentioned, I did serve as the acting deputy commander at USSTRATCOM in 2016 for a period of time. I was also part of the team that's been mentioned here several times today that pursued the U.S. Space Command mission for Offutt Air Force Base. In short, I'm very familiar with Offutt Air Force Base and the military and civilian personnel who live on, work on, and use the facilities and amenities of Offutt Air Force Base. I also served, for over 20 years of my military career, at the Lincoln Air National Guard Base, the state's second-largest military installation in terms of personnel assigned. This includes serving as the installation commander and commander of the Air Guard's 155th Air Refueling Wing from 2007 to 2012. With that context, let me talk a little bit about the legislation you're considering here today. I believe LB1233 focuses on two things. First, it's about ensuring our service members and their families enjoy the first-class military facilities and amenities while they serve here in Nebraska. Many of

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these service members will eventually make a decision to leave the military, and we want them to stay right here with us in Nebraska. Ensuring they understand our state and local communities are committed to supporting them and their families sends a very important message. Secondly, we always want-- we always need to ensure that our military installations are first class from both mission- and personnel-support perspectives. Proactively working to elevate and maintain the quality and capabilities of our military installations pays dividends daily. It also becomes hugely important when we are competing for a new mission or being looked at during a base realignment and closure process. We saw this play out during the U.S. Space Command selection process. While we didn't win, Secretary Henderson has already told you about how competitive Offutt was in that process and that community support for the installation was a major factor in that competition. We need to be ready all the time for these new mission opportunities to pop up. LB1233 helps us do that by proactively investing in our military bases and installations across the state. Looking at the list of projects at Offutt Air Force Base potentially being considered for immediate funding through LB1233, I can assure you that all of these are important for the reasons noted earlier. I'm particularly familiar with the deterrence park and building 1,000 rooftop garden projects and would be happy to answer any questions the committee has on them since I had a role in the Command and Control Facility also. I'd like to close out with a few general comments on LB1233 in terms of the administration of it. In my opinion, it's exactly the type of legislation that we recommended back in 2008, when I served in the Legislature's BRAC Task Force. The task force envisioned and I quote, a permanent statewide commissioner office to address long-term issues of military installations and missions, unquote. We even included a recommendation for funding of such investments through private sources. We've had the Nebraska Commission on Military and Veterans Affairs operating for several years now. Under LB1233, we take the next step towards achieving the vision, the vision that the BRAC Task Force had back in 2008. It's also noteworthy that LB1233 is right in line with the language that's already contained in Nebraska Revised Statute 55-602, which discusses the commission. I don't need to go into great detail there. You can see it in my notes, but the bottom line is, this puts power and funding behind the commission for really the first time. In my opinion, LB1233 fully empowers the Commission on Military and Veterans Affairs to do exactly what they were chartered to do. The makeup of the commission assures the entire state is represented in the decision process and allocation of funds because it's chaired by the Department of Veterans Affairs director, has the adjutant general on board as a member, and also has members from the

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Strategic Command, the 55th Wing, the 557th Weather Wing, and Offutt Air Force Base on the commission. If it becomes law, projects envisioned now and in the future will increase the value of our military bases, and that will certainly be very important for all the reasons mentioned earlier. So in short, LB1233 continues the work needed to make Nebraska the most military- and veteran-friendly state in the nation. It has my full support and I'm happy to answer any questions you may have.

STINNER: Any questions? Senator Dorn.

DORN: Thank you, Chairman Stinner. Thank you for being here and, I guess, bringing the bill and stuff too, the one, one thing-- and you mentioned a little bit-- it, it-- does this specifically allocate this \$30 million to Offutt or will it also be-- I call it eligible elsewhere? And how will that funding be determined then?

RICHARD EVANS: I'm not going to tell you that. I'm the technical expert, so I'll let Sanders-- Senator Sanders perhaps answer that. But the way I read the bill, the example projects that you see in there are all related to Offutt Air Force Base. However, it does say that it's not limited to those projects. And so, therefore, this legislation appears to me to be, as I mentioned in my testimony, available for all designated military installations and bases across the, the state of Nebraska.

DORN: According to your testimony then, I-- the way I kind of interpreted it, your commission then will oversee that? Or is-- am I reading too much into it?

RICHARD EVANS: I'm, I'm an ex-officio, so a nonvoting member, although I represent that group of National Guard and Reserve members on the commission. But the commission itself would be responsible for the administration of the funds. They would have to come through the Department of Veterans Affairs since that's the agency that receives the appropriation.

DORN: OK, thank you.

RICHARD EVANS: Yes, sir.

STINNER: Additional questions? Seeing none, thank you very much.

RICHARD EVANS: Thank you.

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ALFRED BUCKLES: Mr. Chairman, committee, thank you very much for the opportunity to be a part of this effort. And thank you, Senator Sanders, for pushing this.

DORN: Would you spell your name, your name, and spell it?

ALFRED BUCKLES: Alfred Buckles, A-l-f-r-e-d B-u-c-k-l-e-s. I have spent-- I am one of those people who lived on Offutt Air Force Base, who worked on Offutt Air Force base for, for approximately 48 years. I am one of those crewmembers that were deployed outside of the world, and I left my family here, knowing that they were at a place that would be taken care of. My tenure through this has been in the Command and Control area, the Nuclear Command and Control area where I have, in, in uniform and out of uniform, worked from the presidential level down into the commander of U.S. Strategic Command. I worked for seven four-star commanders of SAC and the Strategic Air Command in that transition, and I was part of their transition from SAC to Strategic Air Command. If those seven commanders were sitting here today, they would tell you that, through their career, their tenure as a commander at Offutt Air Force Base was probably the highlight of their life. Sure, it's the mission-- sure, it's the mission that I have to ensure that the President of the United States can always react to his-- have his forces react to his-- grant-- because he's the only guy that can authorize use of those forces. But the highlight of my career was, was that, but being a part of the Nebraska community and the support and the relationship we had with the Nebraska community, I never experienced anywhere else in my career. So the relationship between LB1232 and LB1233 here is very, very critical to this nation. What-- the crews at Offutt Air Force Base today deploy all over the world. They leave their family here. You really got to have a feeling when you go get on that airplane and make your deployment that my family is going to be taken care of. And you always had that because you knew the relationship between the base and the community was solid. You knew if your wife needed help somewhere, she would get it, either through the base or through the community. So the base is going to be a big magnet to those people who are going to come here to work on LB1232. You look at a base and if you see the amenities there that you're looking for. When you come back off of these deployments, you want a little downtime with your family, you want to go to the base lake and, and fish with your kids. You want to go to the golf course and do that. If you want to entertain your friends from downtown, you will go to that golf course clubhouse or that place where you can, can meet. So I appreciate the opportunity to spend this time with you, and I'm a strong proponent of both of these bills.

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STINNER: Very good. Any questions?

ALFRED BUCKLES: I'd be glad to answer any questions.

STINNER: Questions? Seeing none, thank you very much.

RUSTY HIKE: Hello again. Rusty Hike, R-u-s-t-y H-i-k-e. I'll do something a little bit different here. You've heard all the technical stuff on it. I, I've been mayor three years. I'm a fourth-generation resident of Bellevue. My grandma actually washed clothes for the soldiers at Fort Crook. So my three-- my dad and his two brothers served in World War II. One of my uncles worked out at the base, at the Willow Lakes, as a civilian for 20 years and retired from there. My dad and his two war buddies golfed at Willow Lakes for the last 30 years of their life. So it was very-- you know, the base was very important to my entire family. Were we military? Well, they, they served in World War II, but we're not retired military. My kids go to school with the military families' kids. My wife teaches a lot of military family kids. My daughter married to a Marine. She's stationed at the naval station in Pensacola now. I, I just want you to know that these people are a fabric of our community, our city, our state, throughout the whole region of-- it's hard-- it's easy to say, OK, it's on federal property, you know, we don't get property tax on, you know, on this piece, we can't do anything with that. That's too bad because they are, they are people. They're part of us, they're part of our community. Our community raises tens of thousands of dollars to help our military families, whether it goes to the enlisted wives or disabled or people struggling-- somebody lost one-- or, or while a spouse is away and we're trying to do something to take care of, you know, their spouse that's here with the children. But our community is great. We raise a lot of money for these projects. This is something that would really go a long way in supporting our military families and letting them know, like the people who talked before me, that we want them here. We want them to know that they're welcome here and, and we want them here. They, they are who makes us. The federal government can't take care. They-- I mean, they would if they could. But there are so many organizations out there that help the military, the veterans, the Wounded Warriors. There's a lot of extra help out there. And I guess that's what we're just asking is that, you know, we make the commitment that you can, here in the Appropriations. So whatever, whatever you can do that makes feasible sense, we, we sure would like your commitment to our community and Offutt Air Force Base. Thank you.

STINNER: Any questions? Seeing none, thank you.

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VARGAS: There's someone there.

STINNER: Any additional proponents? Any opponents? Seeing none--

VARGAS: Somebody is right there.

STINNER: Is that a proponent or a, an opponent?

REUBEN OKARI NYAKUNDI: I suppose it's a pretty challenging [INAUDIBLE]. An issue which was that, that I know that the U.S. Supreme Court, which [INAUDIBLE]. So I have that report and some other business, so in this meeting, so this one is in relation to what is on today's news. This letter, if that's OK. And I'll have to introduce myself. My name is, my name is Mr. Reuben Okari Nyakundi. I'm a citizen in this land. I participated in election. I participated also in 2020 election, general election. As Mr. Reuben Okari Nyakundi, I voted and I'm among the team leader-- I'm among the Team Trump team leader in the Republican National Committee. Also, I'm in the, in the what-- in the-- I'm among the team leader in the 1st Congressional District of the entire Republic, in the entire district of the what-- of the Republic [INAUDIBLE].

STINNER: If you could spell your name, and--

REUBEN OKARI NYAKUNDI: R-e-- yeah, my, my name is Reuben, R-e--

STINNER: You need to spell it.

REUBEN OKARI NYAKUNDI: Yes, I'm spelling. R as in red, e as in elephant, u as in Utah, b as in Ben, e as in election, n as in nation-- Reuben. The middle one is O as in orange, k as in Kansas, a as in apple, r as in republic, and I as in Indian.

STINNER: I'm going to interrupt you.

REUBEN OKARI NYAKUNDI: Yeah, [INAUDIBLE].

STINNER: You're here to-- for LB882, LB882?

REUBEN OKARI NYAKUNDI: Um-hum.

STINNER: That's what it says. That is in Judiciary.

REUBEN OKARI NYAKUNDI: Yeah, it's in the Judiciary. Is it wrong to-- because it's a, it's a-- what? It's a, it's a--

STINNER: All right.

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REUBEN OKARI NYAKUNDI: OK. It's, it's there but, of course, I'll have to give up a bit of the what-- I was not prepared. Actually, I got this newspaper today. I left-- I slept at a shelter. I just came from a shelter of--

STINNER: OK.

REUBEN OKARI NYAKUNDI: I was arrested. If you cannot, my situation is very complicated.

STINNER: OK.

REUBEN OKARI NYAKUNDI: I understand. I, I-- that's why I said-- it's a very tricky and a unique situation. Even my home address right now, note, you see, the address is there, but I'm not living in my address. I've been living at different apartment, apartment 166, as a resident. And I've got children and my father in this land. So even the fact that I've only been sleeping in the home, you take-- actually, I never-- actually I slept-- I woke up, I came from a shelter, a shelter. So this news, this, this news, I, I, I found it this morning when, when I found another-- what-- another African who says that she comes from California, she go to Nebraska from California. Listen very carefully. She came from California--

McDONNELL: Could you not find Judiciary?

REUBEN OKARI NYAKUNDI: What?

McDONNELL: Did you not find the right room?

REUBEN OKARI NYAKUNDI: OK.

McDONNELL: You're in the wrong committee.

REUBEN OKARI NYAKUNDI: OK, this one isn't, sir. I will, I will keep this one. I'll-- OK, for that one, only because this one, this, this is in today's newspaper and I read it actually, and I thought that it would be very nice for me to even do what, to even have a discussion of that. But if it's not OK--

McDONNELL: Do you want me to help you find the right committee?

VARGAS: Yeah.

McDONNELL: I'll walk you over to the right committee.

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VARGAS: Yeah. This is, this is for a specific bill and subject matter. We just want to make sure you can testify on the specific bill.

STINNER: This is Appropriations.

REUBEN OKARI NYAKUNDI: That's why I wrote it the way that-- very fine. That's fine. OK, I will, I will do what-- I'll give a bit of comment because I'm a citizen. I'm actually a citizen and I voted. And you check, even the, the organization that I represent is for the what? For the Republic. So what is wrong for me not to be given time to debate or even to have a discussion? So am I supposed to be, to be a acquitted--

VARGAS: In a different committee.

McDONNELL: The page is going to help you. He's going to walk you over to another room.

VARGAS: Yeah, he's going to take you to Judiciary.

REUBEN OKARI NYAKUNDI: OK. So what do you, what do you mean that it's really--

JASON WENDLING: Sir, this isn't the bill that-- we're not talking on that bill.

REUBEN OKARI NYAKUNDI: OK, I will, I will not talk about that now. Let me speak of what-- that's fine. But now that I've been seeking to have even the Governor's Office-- I've lived in the country. I've been here, even to the Governor's Office with my children, actually. So now let me not speak here of the bill. Now let us speak of leadership and governance. It's OK. It's OK. Before I go, the Legislature-- because we have the executive-- listen very carefully. We are-- now don't say, don't say that this is this Legislature except that-- just a minute, please. If you, if you want to send me out, you-- it means you don't know what leadership is all about. And this is about leadership; these are leaders. We have got senators here. We have got, what? Actually, we have got senators and so forth. So if we have got leaders, yet you want to take me out of the Legislature, what are you trying to say? What, what we are supposed to say is this: In leadership, and according to the Constitution, even citizens have to participate. We have to participate as what? As, as citizens. So what I'm trying to say is this: Let us be very honest and very clear, because leadership is good. We are supposed to speak as leaders, even when leaders-- what, what is the purpose of electing leaders? It's to represent people. It what-- if elected. But when-- that is true in the elections

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because you cannot do this-- that is representing a citizen, because the citizens are not suddenly representing themselves. You see? Even coming up with policies, these policies are legislatures in the what, in the Legislature, the legislative arm of government, meaning the House of Representative or the, the Senate. Are we together? So we have to agree on that; being the Senate and having senators, senators here. And myself, luckily, I haven't been from [INAUDIBLE]. There are certain things that I want to speak, in regards to the senators and so forth, in a good way. And it is good to have all the senators because I believe in trying to meet with the senators and it has been very, very difficult to even meet them. You get-- oh, you're too scared. This is what all I want. This is a great moment for us to speak in a very peaceable way, in a very loving way, in a very kind and, and what, and inspiring way. That way, we can be-- do what? We can enlighten each other and make a bit of the sense that indeed, in this society, it is good for people to even respect. And I'm not-- OK-- this is the other-- this is the point. Actually, I might be the only Black here, but I can tell you, I've dealt with people who are good, especially people with special needs. Actually people--actually elderly people to be very honest, elderly people. And in helping elderly people, you'll find that in some situations, these people, these are actually vulnerable people. Those people who are helping, sometimes, sometimes, yes, white people are helping them and the Black people are helping them. Even when white-- even when Black people are helping these, these white people, you may not be aware of what happens because some are mistreated. Are we together? White people are mistreated. I'm telling you the truth. I'm speaking as Mr. Reuben Okari Nyakundi. So when you try to take me out or you want to suggest-- I have to speak this. So we've been reported several times. Even from what? From [INAUDIBLE]. I've got issues with I have seen very white vulnerable people mistreated, you see? But when you report, you would find actually it is true. I would like-- that's true. So that was not good. And these things should be addressed in a very clear way so that it cannot create a what? A division on matters of when people see others are being mistreated, then they remain silent. Because if I am mistreated by what, by truly speaking, if I-- please.

STINNER: You're out of time. The red light is showing your five minutes are up.

REUBEN OKARI NYAKUNDI: OK, OK. Let me say this. Let me say this.

STINNER: Be very quick.

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REUBEN OKARI NYAKUNDI: But what? What, what I'm trying to say is this. If the Senate can ensure that even if these, these are what, some, some-- I mean, citizens' rights are protected. Like now I was evicted from this, this apartment, 6401 Vine Street, Apartment 169 and so forth. So it-- let the Senate actually take this into consideration. And right now, that apartment should be advised that I should be there with my very dear loving children because of my children were born in that apartment. Then we will be discussing much of other debate in this state of Nebraska. So that's what I would say. I'm a, I'm a what? I'm a citizen. I've been voting in this state. I've been not only voting, but participating in helping elderly people vote, even children because I want children. So I've been helping elderly people and our children. So I have got the much more of the responsibilities, both to the young generation, to the elderly, even to the youth, and that even to the military men and women. If you are a military member, I'm there for you because--

STINNER: Reuben, you're out of time.

REUBEN OKARI NYAKUNDI: OK, I'm out of time, but that's--

STINNER: All right.

REUBEN OKARI NYAKUNDI: --what I'll say. So--

STINNER: Thank you for coming in.

REUBEN OKARI NYAKUNDI: --so I will likely wait here to speak with, with what, other representatives when the meeting is done so that we can do what, we can have it resolved.

STINNER: Reuben, you're out of time.

REUBEN OKARI NYAKUNDI: Yeah. OK, thanks.

STINNER: Thank you.

JASON WENDLING: Reuben, I'm going to bring to the right room. You're just in the wrong room, that's all.

VARGAS: We'll take you down to Judiciary.

STINNER: Any additional proponents? Any opponents? Anyone in the neutral capacity?

ERDMAN: I think he was neutral [LAUGHTER].

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STINNER: Senator Sanders, would you, would you like to come up?

SANDERS: Way to keep it exciting. Senator Stinner, committee members, I want to thank each of you for your time. And I would like to thank each of the testifiers that took time out of their schedule to be here today to testify. This is a big deal, not just for Bellevue or for Sarpy County or Nebraska. This is a big deal for our nation. Thank you. Do you have any questions?

STINNER: Questions? Senator Dorn.

DORN: Thank you for being here, and thank you for coming back again. I'll, I'll kind of ask the same questions that I asked earlier. I agree that a lot of this is for Bellevue and Offutt. Is this bill intended to be just for them? Or the way I read it, it's for any military base. That's--

SANDERS: This is just for Offutt--

DORN: The bill itself?

SANDERS: --Offutt Air Force Base in Nebraska, yes. And we're looking at you, as members, to move that money so we can allocate it for Offutt Air Force Base. Any other questions?

STINNER: Any additional questions? Seeing none, thank you very much. We have three, three letters, proponent letters of support for LB1233, and that concludes our hearing on LB1233. We will now open on LB1088.

KOLTERMAN: You all ready? You're in charge.

WISHART: OK.

STINNER: Good afternoon, members of the Appropriations Committee. For the record, my name is John, J-o-h-n, Stinner, S-t-i-n-n-e-r, and I represent Scotts Bluff, Banner, and Kimball Counties. LB1088 transfers \$300 million from the Cash Fund to the Nebraska Transformational Project Fund on or before June 30, 2023. The bill stipulates that the fund shall not be expended unless the University of Nebraska Med Center is selected as a site by the United States Department of Defense for its National Disaster Medical System. Current statute already includes a requirement of \$1.3 billion in fed and private money to be secured before the state funds are expended. Back in December of 20-- 2019, UNMC announced plans for a public-private partnership to build a new state-of-the-arts facility for clinical research and treatment of infectious disease in nat-- in national

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health emergencies. This would later be termed Project NExT. The announcement followed after the United, the United States Department of Defense began the process of selecting key sites for its pilot project program for the pandemic response under the National Disaster Medical System. LB1088 takes the next step by transferring the state's portion of the investment to ensure that we are prepared to leverage at least \$1.3 billion in fed and private funding. The reason I brought this is more of a reminder and a placeholder. There is nothing in our financial statements or our budgets that indicate that we have a commitment out to the next project. While we still have extra funds like we have, I thought it was an important time to remind everybody that that is a commitment. And we will hear from Dr. Gold later next week or possibly the week after, giving us an update. I think there is private funds that can do what they wanted to do, which is \$300 million, and the project is moving forward. So we'll get an update on that, we'll measure with-- that against, you know, what our commitment is, but don't ever forget-- and this committee cannot forget, you folks that are going to be back, that we have this commitment outstanding. With that, I'll take any questions.

WISHART: I do. I have a question.

STINNER: Oh.

WISHART: But first of all, does anybody else have questions from the committee? Senator Clements.

CLEMENTS: Just the change in the language to "on or before June 30, 2023."

STINNER: I wanted to make sure we put brackets on it now, so--

CLEMENTS: OK.

STINNER: --it will be bracketed and then transferred at that date. So yes, we moved it. We actually moved it in, in the stat-- in the, in that bill actually does move the money. We never had any reference to it, so it didn't have to go in as a bracketed amount. When we were short of money, I didn't want it.

CLEMENTS: Yeah. OK, thank you.

DORN: Oh. Well, I-- bring up a question. Maybe when we talk about the bill again, too, but I think you talked something about our commitment isn't due until basically the end of the project?

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STINNER: The-- we're the last dollars to go in. And so the federal government-- and I think what happens with the federal government, they'll do things at-- incrementally. And then of course, with the incremental part of that, they'll get so far to where they feel like this is really going to happen. Then they, they bring in some of the private funds, and then they'll bond, probably, for the rest. So we'll then have to, have to come up with \$300 million. Now there is no structure out there in the next-- there is no-- but there is a commitment for \$300 million. So say that, at the end of that time, we're short of a little bit of money, we make a commitment, we say, OK, we'll give you \$50 million over the next six years, for an example. And that's kind of what we talked about, but I did not want it to be specified because we might have the cash. We may have to structure for ten years. We may have to structure it, you know, for 15 years. I don't know the answer to that-- just depends--

DORN: Thank-- yeah, thank you for that explanation.

STINNER: So I-- we tried to be vague intentionally.

DORN: Yeah.

WISHART: OK, so just to be clear, Chairman, is this money going to sit within the rainy day fund or are we going to move it?

STINNER: This will be-- actually what this thing says is we're going to transfer the money actually out of the rainy day fund into a cash fund for that purpose.

WISHART: OK. And then it has a sunset date and the sunset date could come back into the, into the rainy day fund?

STINNER: There, there is-- it will sit in that fund until we get either a yes, we need to use it--

WISHART: Or a--

STINNER: --or a no, this project is not going forward.

WISHART: OK.

STINNER: Then future Legislatures can bring it back in.

WISHART: Yep, OK. Any other questions? Seeing none, thank you.

STINNER: I don't think there's anybody--

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WISHART: Any proponents--

STINNER: --here for proponents.

WISHART: --for LB1088? Anyone in the opposition?

VARGAS: I testify in opposition [LAUGHTER].

WISHART: Anyone neutral? Chairman, do you want to close?

STINNER: I'll waive.

WISHART: Chairman waives closing. That closes the hearing for LB1088.

HILKEMANN: Good afternoon.

STINNER: Afternoon.

HILKEMANN: Good afternoon. Senator Stinner and members of the Appropriations Committee. I'm Robert Hilke-m-a-n-n, and I represent Legislative District 4. Approximately four-- every four years, the U.S. Department of Housing and Urban Development, or HUD, makes grants available for lead paint abatement to cities across the country. The grants require local and state matching funds. So I've introduced LB722 for the purpose of appropriating \$400,000 from the Affordable Housing Trust Fund to the Lead-Based Paint Hazard Control Cash Fund for the purpose of leveraging this federal grant. The Nebraska statute, it's 81-1211 that describes the Lead-Based Paint Hazard Control Cash Fund, states that "the fund shall receive transfers from the Affordable Housing Trust Fund as authorized by the Legislature. The department shall use the entirety of the fund to award a grant to a city of the metropolitan class to carry out lead-based paint hazard control on all owner-occupied properties." I believe this language makes it clear that utilizing the funds from the Affordable Housing Trust Fund is appropriate for this purpose. Lead-based paint is known to be harmful to children if ingested. Cities with significant numbers of older structures that contain lead-based paint, such as the city of Omaha, continue to work on remediation. This is critically important, colleagues, especially as we consider the shortage of affordable housing. I believe it is logical to say that a family under financial constraints will be more likely to afford an older home than a newer home. This investment will make affordable homes safer for the families who live in them. You will hear several additional testimonies and I guess we won't have the whole busload of kids coming today. [INAUDIBLE] and the need for continued support from the

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Legislature. So I'll keep my opening brief and I'd be happy to answer your questions for you.

STINNER: Any questions? Seeing none, thank you.

HILKEMANN: OK.

STINNER: Good afternoon.

STEVE ZIVNY: Good afternoon, Chairman. Thank you and members of the Appropriations Committee, as you can see, lead can clear a room. But on a serious matter, my name is Steve Zivny, S-t-e-v-e, last name, Zivny, Z-i-v-n-y, and I'm the city planner with the city of Omaha planning department community development division and I have managed our lead programs-- lead grant program since 2012. Specifically, today I'm here to speak to you about our lead hazard control program funded by the United States Department of Housing and Urban Development. The current grant is ending in September 2022 and we are preparing to apply for an FY 2022 lead hazard control grant and anticipate the application process to start in late spring to early summer. The program requires an applicant to lend resources through cost sharing or matching up to 25 percent of the federal requested amount. The state of Nebraska has contributed matching dollars to the city's lead hazard control program since its inception in 2000 and this upcoming application will be for the seventh lead grant. So as you can see, we have a well-entrenched program and very robust. This funding has assisted the program to mitigate lead hazards in over 1,000 housing units. We are seeking \$400,000 in state contributions for this FY 2022 application. The city is anticipating match funding also of \$200,000 from the Sherwood Foundation and at least \$150,000 in contributions from property owners, specifically landowners. This grant, grant program is instrumental in helping to provide lead-safe housing for at-risk children under the age of six in privately owned rental housing. This program will complement the superfund soil remediation program, which is currently managed by the city of Omaha as well. The proposed target area for this grant funding in the eastern portion of Omaha include the zip code areas within the city that consistently have the highest number of children with elevated blood lead levels. The target area includes the areas of highest poverty and [INAUDIBLE] in south Omaha as well as where many immigrant and refugee families find housing, often in poor quality. Along with reducing childhood lead poisoning, this grant also preserves and promotes affordable housing for Nebraskans. This match funding from the Affordable Housing Trust Fund targets owner-occupied housing and will keep families in their homes who otherwise may be displaced due to the deteriorating

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lead conditions in their homes. For example, we may have a low-income family owning their home in eastern Omaha. Their child becomes lead poisoned due to deteriorating conditions in their home. The Douglas County Health Department is engaged due to the ethanol case. During that case management, they push for remedies in the house to reduce the lead exposure, which owners cannot afford. Families must move to a-- in a relatively short time, be forced to buy another home at higher market values, which they may not be able to afford, and now are forced to rent. Most likely, rent payments will be higher than their current mortgage. Also notable on the rental side, I just want to add this because I think it's important, which these funds will be used for, but a landlord doesn't roll a unit in. Rent-- their, their rent rates must meet fair market rents established by HUD and so any agreement that they signed also locks them into a three-year term to hold those fair market rents after the construction is completed. Lastly, I also think it's notable to add that many times, windows are replaced due to the deteriorating substrate of lead paint materials, which-- and these new windows are much more energy efficient, leading to cheaper utility bills, therefore, again, making these homes more affordable. The city of Omaha, along with the Douglas County Health Department, the EPA, and community groups are taking positive steps to prevent childhood lead poisoning in our city. The city of Omaha is equally committed to affordable housing solutions for our lower-income populations. We urge your careful consideration of this funding request so that we continue moving forward with these efforts. Thank you for your time to speak to you today and I'd be happy to answer any questions.

STINNER: Any questions? Seeing none, thank you very much. Any additional proponents? Any opponents?

CAROL BODEEN: Good afternoon, Chairman Stinner and members of the Appropriations Committee. My name is Carol Bodeen, C-a-r-o-l B-o-d-e-e-n. I am the director of policy and outreach for the Nebraska Housing Developers Association. Our offices are located here in Lincoln. The Nebraska Housing Builders Association is a membership organization with over 70 members from across the state and our mission is to champion affordable housing. It's our goal that Nebraskans of every income have the cornerstone foundation of a healthy and affordable home. Our members include nonprofit and for-profit developers, organizations, and government agencies. Our organization opposes LB722 in its current form. We certainly do not oppose any of the purposes of the lead-based paint fund, not with any of that. We-- everything that the previous testifier said, we would be in support of. What-- where we're coming from is that we would

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encourage that a different funding source or vehicle be used for that. In the short term, the transfer for the remediation of lead-based paint hazard is not a bad thing. Our opposition comes from the standpoint of setting precedents for more special needs requests into the future. Our suggestion is that a request such as this to match federal funds be integrated into the eligible uses under the competitive process for the Affordable Housing Trust Fund. This would allow the funds to still be available for this potential use, while at the same time ensuring that future requests from the Affordable Housing Trust Fund be appropriately and consistently allocated, thus protecting the original purpose of the fund. So what we would be looking for is that the city would apply for these funds as a part of the grant process, which is an annual process with the Affordable Housing Trust Fund. Most certainly would, would have an excellent chance of being approved in that process. You know, many, many rehabilitation programs and things like that are funded, you know, every couple of years by communities and, and nonprofit organizations and that type of thing. So if they were to go about it in that way, then we're not setting a precedent that we're going to be coming back in other years and maybe other-- into the future would be asking for these special uses of the Affordable Housing Trust Fund. So we would be happy to help in this process in any way, so. And at that, I'd take any questions.

STINNER: Any questions? Senator Clements.

CLEMENTS: Thank you, Mr. Chairman. Thank you, Ms. Bodeen.

CAROL BODEEN: Yes.

CLEMENTS: So there already is a lead-based hazard control cash fund.

CAROL BODEEN: Um-hum.

CLEMENTS: Do you know how money was put in it previously?

CAROL BODEEN: I do not. I do not, but I would certainly be willing to look--

CLEMENTS: Yeah, I don't either.

CAROL BODEEN: --too look that up and provide that information to you. I should know, but I, I do not.

CLEMENTS: All right.

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CAROL BODEEN: So I'll find out and respond to your office.

CLEMENTS: I think Senator Vargas--

CAROL BODEEN: Oh.

VARGAS: I'll, I'll fill you in later.

STINNER: Senator Erdman.

ERDMAN: Thank you, Senator Stinner. So thank you for coming and explaining that. I appreciate the fact you didn't come neutral. So tell me how the money gets into the Affordable Housing Trust Fund. Where does that money comes from?

CAROL BODEEN: That's from the state documents stamp when real estate is, is-- changes hands.

ERDMAN: You don't [INAUDIBLE] right, the doc stamp?

CAROL BODEEN: No, no.

ERDMAN: Do you know how much goes there? Some would stay with the county, correct?

CAROL BODEEN: Probably does. I will-- I do not know the answer to that.

ERDMAN: Thank you.

CAROL BODEEN: Once again, I should know, but I'm new.

ERDMAN: That's all right.

CAROL BODEEN: I have just started in this position so I'm still learning a lot of the details.

STINNER: It's 95 cents.

ERDMAN: Say that again.

STINNER: Ninety-five cents.

CLINT VERNER: There was about \$3 million a year off of 95.

ERDMAN: Ninety-five cents goes to the--

STINNER: From the doc stamps, 95 cents goes to that.

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CAROL BODEEN: Thank you, senators.

STINNER: That's OK. Any additional questions? Seeing none, thank you.

CAROL BODEEN: All right, thank you so much.

STINNER: Any additional opponents? Anyone in the neutral capacity? Oh boy.

DON WESELY: I know. I apologize to begin with to Senator Erdman, but my name is Don Wesely, D-o-n W-e-s-e-l-y. I represent NAHRO, the Nebraska Association of Housing and Resource Officials. We-- we're the housing authorities and actually the Affordable Housing Trust Fund was a bill I passed back in the mid 1990s so I have some familiarity with the issue. It's really been a great success. It's done a lot across the state and I'm proud of what we've been able to do. But just like the last testifier, our, our concern isn't with this project, it's a good project [INAUDIBLE], but it's again, the, the fund. It's intended for affordable housing and we would-- you know, neutral is that if you go forward and you use it this time-- we did it before, \$200,000 back four years ago. It's not the end of the world, but we would really prefer that you leave it alone. What happened was back, oh, about five or six years ago, it was mismanaged by the Department of Economic Development and they did not utilize the fund. The buildup was really bad and it built up to a point where Senator Williams had to build on the workforce housing, which I think you cosponsored, Senator Stinner.

STINNER: Yeah.

DON WESELY: And we agreed to that, that that could be used for that. But we had an agreement with Senator Williams that he would not go back to the Affordable Housing Trust Fund to pay for workforce and he kept his word all this time and we appreciate that. So we understand, you know, if that's the same situation with Senator Hilkemann, but we have such a need for affordable housing and there's a difference. Affordable is really low-income individuals and then workforce is a little higher. They're working. They need a house and they need the-- they don't have the resources maybe, but, but they're in the workforce and they, they need some help. So if we take from the affordable, those are folks that are hurting a little more than, than the workforce. And they really need all the help they can. This is one fund that's there to make that, that happen, so. We're truly neutral on this and that could shape our understanding of why we are.

STINNER: Very good. Any questions? Senator Erdman. Yes, sir.

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ERDMAN: Thank you, Senator Stinner. And Mr. Wesely, thank you for coming, I think. The previous testifier before you had it figured out. So this is a very simple question. This is yes or no. If we pass this bill just like it's presented by Senator Hilkemann, you OK with that?

DON WESELY: I am. It's not the end of the world necessarily.

ERDMAN: OK then what purpose did you come here [INAUDIBLE] take up our time?

DON WESELY: Didn't want to take up your time, just wanted to--

ERDMAN: You did.

DON WESELY: Well, I apologize for that. We're here to say that the Affordable Housing Trust Fund is very important and hopefully it will not be diverted.

ERDMAN: So I conclude from your testimony you'd rather see it used in a different way than the way it's used today?

DON WESELY: Affordable Housing Trust Fund? Different than this bill would use it? Yeah, I'd rather--

ERDMAN: I don't know how long it's going to take before people realize they're not neutral.

DON WESELY: We're accepting of the bill.

STINNER: Senator Clements.

CLEMENTS: Thank you, Mr. Chairman. Thank you, Mr. Wesely. Do you know what the-- what's in the trust fund is and--

DON WESELY: How much is in there now?

CLEMENTS: Yes.

DON WESELY: That is a really good question. I think it's been managed much better and I think it's been utilized, but for a while there, we couldn't answer that question. I don't know if I can answer it now.

CLEMENTS: OK.

DON WESELY: Is, is it in the fiscal note?

KOLTERMAN: Yeah.

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McDONNELL: It's in the fiscal note?

VARGAS: There's a convoluted answer. It's [INAUDIBLE].

STINNER: Go ahead, Senator Vargas.

VARGAS: The note says there is-- I don't know the exact amount. You might be able to tell us.

CLINT VERNER: Let me see. The unobligated balance FY '20 was about \$17 million in the Affordable Housing Trust Fund.

VARGAS: So just, you know, part of the bill and the program itself is DED oversaw-- oversees this and had trouble getting the funds out. There was a performance audit and then they approved getting the funds out and, and some of these things are sort of itemized year to year now and dedicated, earmarked. So if the intent is the A bill [INAUDIBLE] not. So that's probably why that's that number. Performance Audit has a whole report on it.

DON WESELY: There's been problems with the administration of that fund.

VARGAS: Yes.

DON WESELY: And you, you identified those and I'm not, I'm not sure they've been addressed yet. Hopefully they will be. If there's such a need for affordable housing, why we're sitting on that amount of money and not putting it to use--

STINNER: We're sitting on unobligated of \$17 million and they get \$11 million a year annual, so you got more than your annual amount that's distributed to you in that trust fund. So either we don't have demand, it's been mismanaged, or something else, so.

DON WESELY: Chair, Chairman Stinner, I can tell you from the housing authority side, if-- they need the money. There are projects they want to do so I don't understand. This has been an ongoing issue and something is afoot here.

STINNER: I can only report the facts and scratch my head because--

DON WESELY: Me too.

STINNER: --if it's in demand, then it should be, it should be like \$5 million.

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DON WESELY: I agree with you.

STINNER: And this was a problem before and you--

DON WESELY: Yes.

STINNER: --are right. And it was an \$11 million problem and they didn't even know it was there.

DON WESELY: Yeah.

STINNER: So anyhow, that's a different story for a different day.

DON WESELY: Yeah, but thank you.

STINNER: Any additional questions? Thank you very much.

DON WESELY: Thank you.

STINNER: Senator Hilkemann.

HILKEMANN: Two things, we had, as of November 30, 2021, that the cash fund balance was \$27,754,886 and that would be the \$11 million plus the, the-- that's obligated-- the 17 that's unobligated. Part of this whole thing of why this cash fund came into existence in 2015, that's-- the Legislature felt that this was an important enough program that they set-- they established it separate because it-- the-- this fund has to go to the three congressional districts on a--

ERDMAN: Pro-rata basis.

HILKEMANN: --pro-rata basis. And so that's why they established that back in 2015 if that helps out.

STINNER: Senator Clements.

CLEMENTS: One more question. I thought in your testimony, you said that there's a 25 percent match. Is, is that--

HILKEMANN: I don't know what the percentage of the match is. Maybe that was-- I couldn't hear the, the other testifier, but--

CLEMENTS: Mr. Zivny.

HILKEMANN: Yeah.

CLEMENTS: OK.

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HILKEMANN: Right, yeah, because it, it-- there's a federal, state, and a city match for this.

CLEMENTS: Is the federal 75 percent?

STEVE ZIVNY: It can be up-- they can earmark up to a 25 percent match. You can say that it's between 10 and 25. It's just how they structure their, their available funding.

CLEMENTS: All right, thank you.

HILKEMANN: Does that answer your question, Senator?

CLEMENTS: Yes.

HILKEMANN: OK, good.

STINNER: Senator Dorn.

DORN: Thank you, Chairman Stinner. Thank you for coming back and answering questions. Do you-- when this fund was set up then, do you know why it was set up to Department of Health, DHHS, why it didn't go to-- or can we just switch it to some other department?

HILKEMANN: Well, it's a cash, it's a cash fund-- coming out of that, out of that cash fund.

DORN: Not asking that question-- I'm asking it wrong-- why it was set up into that entity, Department Health and Human Services. Can we--

CLEMENTS: No, it's, it's--

DORN: I don't-- what?

CLEMENTS: The bill says DED.

DORN: No, this one here does, but why in 2015, when this fund was set out, why it-- can we switch that to, I don't know, Department of Economic Development? I don't know. I'm just asking that question.

HILKEMANN: That's a--

DORN: No if the funds weren't being appropriated--

HILKEMANN: --question for another day--

DORN: Yeah.

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HILKEMANN: --when I might have an answer because I don't have an answer for you on that.

DORN: OK, thank you.

CLEMENTS: Ask Mike Calvert.

DORN: Yeah.

STINNER: Any, any additional questions? Seeing none, thank you very much.

HILKEMANN: I'll send the bus home.

STINNER: Isn't there a fast rail train between here and--

WISHART: Are we close-- are you closing the hearing?

STINNER: Yes, that, that concludes our hearing on LB722. I do not have any-- proponents or opponents. That closes our hearing for the day.