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Appropriations Committee March 1, 2022
Rough Draft

STINNER: Now if you could take your seat, please. Please take your seat. Let's get started. Let's close that door. Take your seat, please. Please be mindful. Welcome to the Appropriations Committee hearing. My name is John Stinner. I'm from Gering. I represent the 48th District. I serve as Chair of this committee. I'd like to start off by having members do self-introductions, starting with Senator McDonnell.

McDONNELL: Mike McDonnell, Legislative District 6, south Omaha.

STINNER: John Stinner, District 48, all of Scotts Bluff, Banner, and Kimball Counties.

WISHART: Anna Wishart, District 27.

KOLTERMAN: I'm Mark Kolterman, District 24.

HILKEMANN: Robert Hilkemann, District 4, west Omaha.

VARGAS: Tony Vargas, District 7, downtown and south Omaha.

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

STINNER: Senator Erdman.

ERDMAN: Steve Erdman, I'm District 47, ten--nine counties in the Panhandle.

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

STINNER: Assisting the committee today is Tamara Hunt, and to my left is our fiscal analyst, Liz Hruska. Our page today is Jason Wendling. At each entrance you will find green testifier sheets. If you are planning to testify today, please fill out and sign the sign in sheet and hand it to the committee clerk when you come up to testify. If you will not be testifying at the microphone but will want to go on record as having a position on a bill being heard today, there are white sign-in sheets at each entrance 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 your cell phone. Order of testimony will be introducer, proponents, opponents, neutral, closing. We ask, when you first come up to testify, that you spell your first

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and last name for the record before-- before testifying. 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 a written testimony but do not have 12 copies, please raise your hand at this time so the page can make copies for you. With that, we'll begin today's hearings with LB1131, Senator Morfeld.

MORFELD: Chairman Stinner, members of the Appropriation Committee, for the record, my name is Adam Morfeld; that's A-d-a-m M-o-r-f, as in "frank," -e-l-d, representing the "Fighting" 46th Legislative District, here today to introduce LB1131, my last bill ever to introduce before I'm term-limited. LB1131 would appropriate federal funds for bonus payments of \$1,000 each for every teacher, childcare worker, and healthcare worker. LB1131 would use the funds allocated to Nebraska using federal funds from the Coronavirus State Fiscal Recovery Fund under the American Rescue Plan Amendment. There are restrictions on how these funds may be used. One of the criteria is to provide premium pay for essential workers, offering diff-- additional support for those who bear the greatest health risks because of their service. Teachers, childcare workers, healthcare workers clearly fit this definition. According to the Legislative Fiscal Office, this bill would include 120,000 healthcare workers, 24,000 childcare workers, and 42,000 teachers. We estimate a total cost of \$186 million, but I just was looking at the fiscal note-- sorry-- one and-- I think I said \$186 million. I think the fiscal note says it's a lot less than that, so that's a good surprise, about \$144 million, including, I think, some overhead to actually administer the bonuses as well. A higher purpose for these funds do not exist, in my opinion, without our essential workers, who put their lives at risk so that we can continue to live ours the best that we could during this pandemic. There are some that say this wouldn't go far enough, and I don't disagree. Grocery store workers, farmers, first responders, food service workers, the list goes on. This is the least that we can do to thank these people who have showed us-- showed us and guided us through this pandemic. I would be happy to work with the committee on the details as to which agencies or agencies will administer this program, in addition to further refinement of who's available. I think it's really important that we provide this types of resources and funding to people who quite frankly worked long, long hours and put themselves and their families at risk for ours. I heard you favorable

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consideration of this measure and I'd be happy to answer any questions that you may have.

STINNER: Any questions?

MORFELD: And I also have the sheet for the page.

STINNER: Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Thank you, Senator Morfeld. I think you were correct. I think it is \$186 (million). The--

MORFELD: Oh, is it?

ERDMAN: The education has \$42 million and that Health and Human Services has 1.4 (million).

MORFELD: Oh, gotcha. OK.

ERDMAN: So I think it's-- I think [INAUDIBLE]

MORFELD: Yeah, thanks, Senator Erdman. I thought I was trying to help you guys out here.

ERDMAN: And so is there-- is there a provision that they have to work a period of time to get this or you're just going to give it to them, so be it, or what?

MORFELD: Well, so, I-- you know, that's-- that's actually a good point. I think that we could amend the legislation to make it so that they had to have worked during the-- the time of the pandemic. So what would that be? Two years ago this month, I think, is when it really started, so March of 2020, until, you know, now, I guess.

ERDMAN: OK, so when the-- when the teachers, they're-- they're under contract, so they're-- if you give them a thousand dollars, they're probably under a contract, so they're going to continue. But the other workers are at-will workers and they could take the thousand and quit. Correct?

MORFELD: They could, but it'd be for their service that they've-- they've demonstrated over the last two years, so I don't think them quitting in this instance would be harmful to the intent of the legislation. It's for their service over the last two years during the pandemic.

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ERDMAN: How's this different from the bill you brought yesterday, I think it was?

MORFELD: Well, the bill that I brought yesterday was trying to attract teachers to high-need areas using a \$10,000, you know, essentially kind of like one-time bonus payment. And that, I think it's a little bit different because we're trying to attract them and keep them there, so I think an amendment to that legislation, as we discussed in last committee hearing, would be appropriate to make sure that it's actually achieving its purpose, which is to attract and hopefully keep them there for somewhat period of time.

STINNER: Additional questions? Seeing none, thank you.

MORFELD: Thank you.

STINNER: Additional proponents? Afternoon.

JACQUELLE LANE: Hello, good afternoon. My name is Jacqelle Lane, and that is J-a-c-q-e-l-l-e L-a-n-e. A very special thank-you to Senator Adam Morfeld and the committee for allowing me to speak today on behalf of the Nebraska State Education Association in support of LB1131. I have been a teacher since 2009. When I started teaching, I was 21 years old. Looking back, I was not ready for the-- for my student struggles or the obstacles that my colleagues and I would face. I remember clearly the very first time that a student of mine told me, right before I was about to administer a standardized test to the class, that she and her mother were homeless and hadn't slept the night before. What importance did the exam hold at the time in terms of that young woman's needs? None. I also remember going home that night and asking my family to assist me in purchasing necessary items for my classroom that would provide dignity to my students in need, most of whom were too proud or too embarrassed to ask for help. I reached out to my family for help because I was unable to provide these necessary items to my students on my teaching salary. After that incident, I created a closet in my classroom that had everything from clothing essentials to snacks and other necessary sanitary items that children might need. If you are a teacher and see a child struggling with poverty and, sometimes, sadly, neglect, it is important to-- it is impossible to look away. I'd like to tell you that my story is out of the ordinary and that I am an exception to the rule, but I cannot do that because that is just simply not the case. Most of the teachers that I know and work with use their own money from their own pockets to pay for necessary classroom materials for students and sometimes,

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sadly, even essential personal items for their students. Because of the increased need, this practice intensified during the pandemic. During the 2020-2021 school year, teachers spent an average of \$750 on personal funds to buy school supplies. That is the highest amount ever, according to an est-- assessment of teachers' psychological and financial well-being during the COVID 19 pandemic. With the fear of COVID 19 spreading throughout the nation's classroom, there was understandably a push to maintain cleanliness in all of our schools. Even the Centers for Disease Control weighed in with recommendations for schools and teachers. In particular, the CDC recommended that we clean and disinfect frequently touched surfaces and objects in our classrooms. The question is, who would pay for these products-- these products needed to protect students and teachers? As it turned out, most teachers used their own money to cover the cost of things such as hand sanitizers and wipes, according to a survey-- a survey by the Economic Policy Institute. That expense is in addition to the out-of-pocket money teachers spent on school supplies for which they were not reimbursed. I urge the committee to vote in support of LB1131 to reimburse hardworking teachers and staff who sacrificed financially during the pandemic and placed their students first every single day, even without the promise of reimbursement. And I thank the committee for your time.

STINNER: Thank you. Questions? Seeing none, thank you.

JACQUELLE LANE: Thank you.

STINNER: Afternoon.

ELIZABETH EVERETT: Good afternoon. Chairman Stinner and members of the Appropriations Committee, my name is Elizabeth Everett, spelled E-l-i-z-a-b-e-t-h E-v-e-r-e-t-t, and I'm the deputy director of First Five Nebraska. First Five Nebraska is a statewide public policy organization that supports policies that promote quality early learning environments for all children in Nebraska. I'm here today to testify in support of the childcare components of LB1131. I would like to thank Senator Morfeld for his leadership on this issue. Instead of reading through the testimony, I'm going to go ahead and keep it brief. One of the things I just want to mention is that right now we are in a childcare crisis. Prior to the pandemic, Nebraska was losing around \$745 million annually because of lack of access to quality childcare. When you look at the mean average wage right now for childcare workers, which is around \$12, a \$1,000 bonus would go a long way to either support or recruit the current early childhood

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workforce. Especially when we see a reduction of about 7 percent across the state, we do need those childcare workers to stay in their industry to help support our current working parents. Thank you. I'd be happy to answer any questions now.

STINNER: Thank you. Any additional questions? Do you have a figure on how many childcare people went out of business during the COVID crisis?

ELIZABETH EVERETT: I do. So right now, we saw about a 7.4 percent decrease in programs. So we dropped, I believe it was, around 200 or so programs. We went from around 2,860-ish-so programs down to 2,600-or-so programs. For employees, we've lost about a thousand or so employees just in the first quarter alone from the first quarter of 2020 to the first quarter of 2021. So we've seen a decrease from around 11,000 or so employees, down to 10,000 employees. When I testify on LB1203, I have those specific numbers in my testimony that I can provide you.

STINNER: Have you surveyed parents that are still staying at home or out of the workforce because they can't find adequate childcare?

ELIZABETH EVERETT: Yes, we have. For the most part, we have seen large childcare gaps. Again, when I testified for LB1203, I actually have an analysis that shows the childcare gaps by legislative district so you can understand how many childcare in your district-- how many children in your district don't have care right now. I'm actually a parent that have been on a waiting-- that has been on a waiting list since May of last year, and I have a four-month-old right now and I don't have childcare. The next available slot for me will be in April. And the only reason why I've been able to make it work is because I am fortunate enough to be able to fly both my mother and mother-in-law out here and pay for them to stay here and have my husband take time off work-- he's a law enforcement officer-- and have him care for my child so that I can actually come and testify today.

STINNER: You don't get much sleep, do you?

ELIZABETH EVERETT: I don't. I think she's taking every brain cell I have right now, but-- [LAUGHTER]

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

ELIZABETH EVERETT: Thank you.

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STINNER: Additional proponents?

TIM HRUZA: Good afternoon, Chairman Stinner.

STINNER: Good afternoon.

TIM HRUZA: Members of the Appropriations Committee, my name is Tim Hruza, last name spelled H-r-u-z-a, appearing today on behalf of the Children and Families Coalition of Nebraska in support of this legislation. You typically hear from CAFCON with respect to child welfare provider rates, right? So we've spoken to you and appeared before you earlier this year. We do have a number of members who provide childcare services and have seen firsthand the impact that COVID has had on their staffing ability and the strain that it has put on their employees. We represent 10 agencies, mostly in the Omaha and Lincoln areas, but that provide services statewide and the child welfare arena. Several of them also have childcare providing-- provide childcare services for members of the community. I don't have anything additional to add from-- with respect to what the-- the first testifier had, but we do appreciate Senator Morfeld bringing this legislation and appreciate the-- the committee's attention to this issue, so.

STINNER: Very good. Questions? Senator Wishart.

WISHART: I was just going to say, Tim, for a second, I thought you were appearing on your own behalf because you have a little one as well.

TIM HRUZA: I do. I've got two right now and one stole a few hours from us last night, so [LAUGH] the one-year-old is not enjoying sleeping, so.

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

TIM HRUZA: Thank you.

STINNER: Any additional proponents? Any opponents? Anyone in the neutral capacity? Seeing none, Senator, would you like to close?

MORFELD: This isn't the end. Obviously, we have like 27 or 26 days together, but I just want to close on my last bill and say it's been great serving with all of you guys in committee and appearing before you. So unless there's any other questions, that's all I have.

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STINNER: Questions? Seeing none--

MORFELD: OK, thank you.

STINNER: --thank you. We have 23 letters of support for LB1131 and that concludes our hearing on LB1131. We will now open on LB1161, Senator Wishart.

WISHART: I'm assuming we're starting on LB1161?

STINNER: Looks that way. Is that OK with you?

WISHART: Yep. Well, good afternoon, Chairman Stinner and members of the Appropriations Committee. My name is Anna Wishart, A-n-n-a W-i-s-h-a-r-t, and I represent the 27th Legislative District in west Lincoln and portions of southwestern Lancaster County. I'm here today to introduce LB1161, a bill that seeks to allocate \$1 million in American Rescue-- excuse me, American Recovery Plan Act dollars to the Department of Education to support students who are deaf and hard of hearing. For the last two years, it has been especially hard for deaf students that rely on ASL interpreters for communication assistance. These challenges include having to learn remote or with virtual settings, in masked environments, and often with interpreters who don't meet the minimum required 4.0 scores on the educational interpreter performance assessments. Despite the best intentions of NDE, local school districts, teachers and interpreters, many deaf students have struggled to have the same access to education as their peers, and ultimately college or future employment is at stake. Nebraska Special Education Rule 51 requires educational interpreters working in Nebraska schools to have an EIPA score of 4.0 or higher. For the 2020 and 2021 school years, 60 out of 99 educational interpreters in Nebraska schools hold that score. Providing funding and support for training and mentoring opportunities will further encourage interpreters to enhance their skill set of interpreting within the classroom. The director for the Commission for the Deaf and Hard of Hearing is here, and he will be testifying about how COVID-19, this pandemic, has especially impacted students who are deaf and hard of hearing in Nebraska. Thank you, and I'd be happy to answer any questions.

STINNER: Any questions? Senator Erdman.

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ERDMAN: Thank you, Senator Stinner. Thank you, Senator Wishart. So tell me, at the end of the \$1 million, when that's used up, then what do we do?

WISHART: Well, this is one-time funding, and so the Appropriations Committee would have to decide. And I don't believe I'll be there at that time, but the next Appropriations Committee will have to decide whether this is worthy of additional funding.

ERDMAN: OK.

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

SHARON SINKLER: Hi, good afternoon. We'd like to thank Senator Anna-- Anna-- Anna Wishart for her sponsorship and support of LB1161. My name is Sharon Sinkler; that's spelled S-h-a-r-o-n S-i-n-k-l-e-r. I'm the Interpreter Program Coordinator for the Nebraska Commission for the Deaf and Hard of Hearing. I am also a Nebraska licensed, national and state, certified sign-language interpreter, and I hold an educational interpreter certification. LB1161 would provide important funding dollars to the State Department of Education to be used exclusively for programs and support for those educational interpreters that Senator Wishart mentioned to provide services to students who are deaf and hard of hearing. For many of our deaf and hard-of-hearing students, access to a free and appropriate public education in mainstream schools is provided by educational interpreters. There are excellent interpreters working in K through 12 settings, and there is evidence that students can learn through an interpreter. However, even with a highly qualified educational interpreter, a deaf or hard-of-hearing student's full access to the content and social life in a classroom can be challenging. The certification level, skill level, and knowledge of the ed-- educational interpreter are critical and can affect the student's educational outcomes and successes. In the state of Nebraska, there are approximately 300 deaf and hard-of-hearing students who use interpreters, and there are approximately 100 interpreters. The funding would go directly to the Department of Education to support these interpreters in meeting the EIPA Level 4.0. Even though many of these interpreters who work with our deaf and hard-of-hearing children do not have performance skills, as Senator Wishart pointed out, that are necessary to provide students access to their education, they may not be receiving adequate training that significantly improves their skills. Those educational interpreters with inadequate skills can and do render the classroom content incoherent. Interpreters with weak performance skills do not

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simply just modify the teacher's message so that it's simpler. There are many omissions of key concepts and concepts that are-- aren't understandable in the interpreted message. These errors, the distortions and deletions, have a large detrimental effect on a young learner, especially one who is maybe already behind his or her hearing peers. The classroom content as it is delivered to the student, is unlikely to be the same as what hearing students are hearing. The fact that our children are-- and our youth who are receiving these inaccurate interpretations is also troubling. Hearing, deaf, and hard-of-hearing children are still learning how to use language in their elementary years, and schools provide an essential form of linguistic input for all children. So let us continue to foster and support positive educational outcomes for Nebraska's deaf and hard-of-hearing children by providing quality training to improve educational interpreters' certification levels, thereby providing improved opportunities for educational equities, not inequities. Thank you.

STINNER: Thank you. Questions? Seeing none, thank you. Additional proponents?

DANIELLE CONRAD: Hello, good afternoon. My name is Danielle Conrad. It's D-a-n-i-e-l-l-e, Conrad, C-o-n-r-a-d. I'm here today on behalf of the ACLU of Nebraska. Just wanted to provide our support in person to Senator Wishart and thank her for her leadership on this critical issue. I can tell you that over the course of the pandemic, and actually preceding and-- and still today, the ACLU frequently receives requests through our legal intake line from students and families that are struggling with issues to facilitate their-- their educational rights and their educational access, so we see this as a key investment in advancing key civil rights issues related to disability rights and we think that this would be a smart and wise and needed investment to ensure that we can really afford a quality education to every single student in Nebraska to provide more resources, particularly for those schools that-- that don't have as many resources. We've litigated issues related to ensuring language access in a host of contexts, in an incarcerated-- an incarceration kind of setting in a school, in a school activities setting, which we're working on right now in a-- a high-profile case. And-- and we definitely think that, you know, this is part and parcel with that, that body of work, so, happy to answer any questions.

STINNER: Any questions? Seeing none, thank you.

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DANIELLE CONRAD: OK, thanks.

STINNER: Additional proponents? Seeing none, do you have any more proponents? OK, any opponents? Anyone in the neutral capacity? Seeing none, Senator, would you like to close?

WISHART: Yes, I would like to close. First of all, Senator Erdman, I was thinking a little bit more about your question. And in terms of this specific funding, this is an example actually of something that does work a little bit better as one-time because if we invest a million in the current interpreters that exist in the state to upskill them in terms of their level of quality of interpre-- interpretation, that will exist for the length of the time that they're working in that field. So it will have a lasting impact with a one-time fund. Colleagues, you know, I-- in first grade, one of my best friends was deaf and I remember witnessing how challenging it was for her to learn. And-- and all of us have struggled, if we just think about recently, being in a room down the hallway in which we could not hear each other and how much that impacted our ability to communicate and make important decisions. And then you think about what that's like every day of your life as an elementary school. So I do think that when we're thinking about ARPA and how we invest these dollars in people who could really benefit the most, we need to make sure that we're investing in our deaf and hard-of-hearing community members. Thank you.

STINNER: Thank you. Questions? Seeing none, that-- there are six letters of support, none in opposition, and none in neutral, so that concludes our hearing on LB1161. We'll now open on LB1162. Senator Wishart.

WISHART: Well, good afternoon again, Chairman Stinner and members of the Appropriations Committee. My name is Anna Wishart, A-n-n-a W-i-s-h-a-r-t, and I represent the 27th Legislative District in west Lincoln and portions of southwestern Lancaster County. I'm here today to introduce LB1162, a bill that seeks to allocate \$500,000 in American Rescue-- excuse me, American Recovery Plan Act dollars-- there's been a lot of these funds coming through here-- to the Commission for the Deaf and Hard of Hearing. These dollars would go to support in-person interpreting in rural Nebraska and legal communication access. Nebraskans in rural areas who are deaf or hard of hearing struggle to receive quality and effective communication access through in-person interpreting, and the COVID-19 pandemic and the corresponding workforce shortages have only exacerbated these

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challenges. With additional funding, qualified and licensed interpreters will be more accessible to interpret in rural areas. In addition, interpreters will also be provided for people who are deaf and hard of hearing outside of the courtroom. In many cases, while an interpreter is provided outside the courtroom, there are instances where an interpreter is needed for meetings with lawyers outside of court. Again, I want to thank director Wyvill for being here today, and his team of supporters, to discuss the needs of the deaf and hard-of-hearing community following the COVID-19 pandemic. Thank you, and I'd be happy to answer any questions you may have.

STINNER: Any questions? Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Thank you, Senator Wishart. So define "rural."

WISHART: I would say rural would be, you know, anything super west of the state. I'm trying not to fall into your trap, Senator. [LAUGH]

ERDMAN: No [INAUDIBLE]

WISHART: No, I would say-- I would say the further west you go in Nebraska, the harder it is for people who live in that portion of the state to have access to qualified interpreters for their day-to-day life.

ERDMAN: So if one is making an application for those funds, who will be determining whether that's rural, the department?

WISHART: Oh, I'm happy to-- to-- to work with Director Wyvill and you on-- on further narrowing that down to ensure that it's where the need is. My goal is that it helps for people who exist in an area where there are very few interpreters to-- to be able to increase the amount of access they have.

ERDMAN: And you don't have to go west. It could be north or south.

WISHART: Could be north, it could be south, yeah.

ERDMAN: Right, but I just-- it just seem to me that we should define what, you know, what's--

WISHART: Yeah.

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ERDMAN: [INAUDIBLE] school less than 300 people or, you know, some-- achieving some differentiation or--

WISHART: Yeah, and the director will be able to talk specifically to the areas that are struggling the most.

ERDMAN: OK.

STINNER: Additional questions? There is one definition of "rural," being outside the SM-- SMA districts, which is statistical metropolitan areas. We have three of them, which is Omaha, Lincoln and Grand Island. But I think what you would like to see, or just to add, is take a look at the counties and the population of different counties, and maybe that's a good, good way of distributing these types of money. That's-- that's my input anyhow.

WISHART: Yeah. I just want this-- these dollars to go where the need is.

STINNER: All right. Any additional questions? Thank you. Good afternoon.

JOHN WYVILL: Good afternoon, Chairman Stinner, members of the Appropriations Committee. My name is John Wyvill, J-o-h-n W-y-v, as in "victor, -i-l-l. I am the executive director for the Nebraska Commission for the Deaf and Hard of Hearing. I am here in very strong support, on behalf of my full board and team, in support of Senator Wishart's legislation to provide relief and support for-- and live interpreters for rural areas. And to answer your question, Senator, being from Lincoln, my definition of "outside rural" is outside of Lincoln and Omaha, and we have seen across the-- across the board. Whether it be Broken Bow, Red Cloud, into Valley and Scottsbluff or up in Valentine, the need for interpreters, live interpreters for medical settings, bank settings, legal settings, and a number of different settings, you know, we cannot meet the demand. Under this proposed bill, if it is funded, would allow interpreters to be able to travel to those important things without imposing burdens on small businesses, on hospitals, on doctors' offices, clinics, and school in a need-- where they need community licensed interpreters. We have seen the access, the communication access, very clearly under Senator Vargas's bill for the health inequities that we are seeing across the state. We are also seeing it in the legal setting, and it all has been exacerbated by the COVID pandemic. And you see people, as they emerge from the pandemic, needing services, so this is a bill for one-time

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funding that would definitely help a broad gamut of individuals ranging from small businesses, universities, schools, a number of different forums, as well as the deaf community. And in this, in describing being deaf by Helen Keller, one of the most famous deaf-blind advocates, says being blind cuts you off from things, being deaf cut you off from people. Under this bill, we provide access to the critical things that many of us take for granted. In closing, for my comments, members of the committee, want to thank you for your dedication and devotion for your job because it's not easy, because I am sure, with the Rescue funds, you never realized how many friends that you had out there in Nebraska [LAUGHTER] and understand that there was a lot of different pressing need and that you have the unenviable task of de-- debating the many balancing and competing needs that need to be addressed out there. And all that we're asking for is a few dollars to be allocated for the deaf and hard-of-hearing community, which represents 20 percent of our population; and for deaf, 1. And I close for any questions that you may have. Any questions?

DORN: Yeah.

STINNER: Senator Dorn.

DORN: Thank you, Chairman Stinner. Thank you for being here. I was going to ask Senator Wishart, but the need out in the rural part of Nebraska, it's not being met today or because of lack of funding or because of lack of interpreters or why-- why come for that part versus the Lincoln part included in it?

JOHN WYVILL: Well, there's a greater concentration of interpreters in the Lincoln and Omaha area that are able to travel. But, for example, to use Senator Stinner's district in the valley out in Scottsbluff, there's only one or two interpreters that perhaps may be licensed, so you have a shortage and then you have the ability of getting a live interpreter there. And so why does a live interpreter matter? Because in some particular instances an in-person interpreter in a medical setting or a school setting might get the whole context, as opposed to being on a tablet and you're getting one-dimensional, so under the bill and funding, would enable the interpreter to come from Omaha. So somebody in the district say, I can't afford an interpreter coming from Lincoln to do this because I have to pay for travel, I have to pay for the hotel, I have to pay for meals, and that's what that bill provides for. It's a commonsense solution to say, hey, we have a large

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influx of people that need services in a short time. And this is what we think would help, so hopefully that answers your question.

DORN: Well, back to my-- I mean, my next question then, who is picking up all that now, the people themselves or-- or is there grants or-- or aren't there anything or what?

JOHN WYVILL: They're not.

DORN: They're not.

JOHN WYVILL: Not. So, for example, in your district, for example, down in-- in Hickman Haven Manor, for example, assisted living, if they need a live interpreter-- I don't know if they do, but I'm just using that as an example-- then they'll have to say, well, we can't get a live interpreter, maybe we're going to go by notepad and write on a whiteboard back and forth. And then I think the best analogy, Senator, is imagine being in a foreign country, not speaking the language, and there's nobody there that you can communicate with. What is the communication strategy? You can try to-- the-- by virtual, you can try communicating back and forth, and it's just not effective in the best circumstance, and we've seen that across the board.

DORN: Thank you.

STINNER: Senator Kolterman.

KOLTERMAN: Thanks for coming today. Can you tell me who-- who trains interpreters in the state of Nebraska and how many are in training at the present time?

JOHN WYVILL: There are two groups of interpreters that get training. For the educational interpreters, the Department of Education and the educational service units are responsible for the training. For community interpreters, the responsibility for the training is on each individual licensed interpreter, very similar to lawyers and accountants and doctors, that they have continuing training education. However, our agency, with Sharon Sinkler here, does provide training through the cash fund that we receive from licensure fees and provides training for either in-person or Zoom training.

KOLTERMAN: You know approximately how many are in training right now?

JOHN WYVILL: The training is ongoing, if I understand your question. There's about approximately 100 licensed community interpreters that

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are required to have continuing education and then have to train. In the schools, for example, there are schools, like, for example, University of Nebraska at-- in Omaha that has a training program, and they may have a handful of interpreters, but because of the shortage, you're having the school system and the private sector fighting for that, so we have one interpreter that works for us, Abby [PHONETIC], that's in the audience today, who's an apprentice licensed through the graduate of an interpreter program, so the numbers are small, and then the fighting between private sector, government sector, and the schools then.

KOLTERMAN: Thank you, John.

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

JOHN WYVILL: Thank you, sir.

STINNER: Appreciate it.

DANIELLE CONRAD: Hello again. My name is Danielle Conrad. It's D-a-n-i-e-l-l-e, Conrad, C-o-n-r-a-d. I'm here today on behalf of the ACLU of Nebraska. We want to thank Senator Wishart for her leadership in bringing forward this important measure. And I just wanted to, in addition to the support we provided and a little bit of background in the previous bill in regards to disability rights that are really at the root of both of these pieces of legislation, I just also wanted to bring the committee's attention to the fact that ensuring language access is part of our long-standing and proud civil rights laws on the federal, state and local level. And actually, just last year, the ACLU of Nebraska did a survey of law enforcement agencies across Nebraska to see whether or not we were in compliance with ensuring language access for non-English speakers and for deaf and hard-- hard-of-hearing Nebraskans that are coming into contact with law enforcement and our legal system. And what we found, as you might imagine, is a great deal of divergent approaches when it comes to meeting best practices, having policies in place, being able to identify who's in need of services, and then having trained interpreters available, because basically what the law requires, and I'm boiling it down here, but is that everybody needs to be on equal footing when they're interacting with the legal system, whether that's the law enforcement, whether that's the courts, and so that we need-- we have an obligation to ensure that we have trained interpreters there to protect people's rights and-- and to facilitate communication, which ultimately helps to build trust within the

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community and advance our shared public safety goals while upholding and respecting the human rights and dignity and civil rights of all Nebraskans, and particularly the-- the deaf and hard-of-hearing who would benefit from this investment. So I'm happy to answer any questions.

STINNER: Any questions? Seeing none, thank you.

DANIELLE CONRAD: Thanks very much.

STINNER: Any additional proponents? Any opponents? Anyone in the neutral capacity? Seeing none, Senator waives her closing. We have four letters of support, none in opposition, and zero neutral, and that concludes our hearing on LB1162. We'll now open with LB1138, Senator Vargas. Go ahead, Senator.

VARGAS: Good afternoon, Chairman Stinner, members of the Appropriations Committee. My name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I'm here to introduce LB1138. LB1138 appropriates \$16 million of federal ARPA dollars to local public health departments. As you will all remember, in the spring of 2020, right when we were debating and working through the legislative process to pass the budget, COVID hit and just drastically changed the needs of our health departments. We, as legislators with the constitutional power of the purse, appropriated additional federal emergency funds to help them deal with the health crisis that all of our communities were facing. But it wasn't enough, and that's why it's so important that we continue to prioritize public health funding as we appropriate ARPA dollars. Now this is not the first action I've taken on this issue or that we have taken. In 2020, I introduced LB1018, which asks for \$6.5 million appropriation for our public health departments. This committee decided to include an additional \$1.5 (million) in our budget last session, which at that time was a good start in meeting the needs of our 18 public health departments across the entire state. Now in 2021, I introduced LB585, which appropriated an additional \$5 million to our public health departments as they continue to respond to the COVID-19 pandemic, and I think what you saw is that people were responding and it's because of our investments. When we value and support our public health departments, we are investing in the health and future of our state. Aside from what will hopefully be a once-in-a-lifetime global pandemic, our public health departments deal with many other things on a regular basis, like the consequences that happen when communities don't have access to medical care, including the lifelong consequences of childhood lead poisoning, opioid abuse and addiction, communicable

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and infectious diseases like measles and whooping cough, and high cancer rates. Investing funds in these public health departments helps prevent chronic diseases, which keeps kids in school and keeps our workforce healthy. It is preventative. The demand for services, growing challenges, and an increase in inflation since public health districts and departments were created 20 years ago, have skyrocketed, and I can't think of a more appropriate time to fully invest in our public health infrastructure than right now. There will be additional testimony behind me that will speak further on the work they do. They'll be the best ones equipped to answer the specific questions of this. The only thing I'll add is I want to thank the committee for the work we've done. I think it was both reactive and necessary, and I think what we're doing here is trying to be more proactive in a stage where we have a pandemic, we're still within it, and there's more that needs and can be done. So with that, I'll close. Thank you very much.

STINNER: Thank you. Questions? Senator Dorn.

DORN: Thank-- thank you, Chairman Stinner. Part of this is going to be distributed per the-- I call it the workforce. Any idea how many of those or what-- what's the level it's going to be distributed to them?

VARGAS: So the-- the way that this is separated out is this will be \$10 million to be distributed evenly across the local public health departments for one-time infrastructure needs, \$6 million to be provided for premium paid for public health employees to be distributed across all the local public health departments based on their number of employees. So they will-- you'll have some of those individuals speaking to the number of employees they have.

DORN: They'll answer it? OK.

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

VARGAS: Thank you.

STINNER: Proponents? Good to see you.

KIM ENGEL: Thank you. Dear Senator Stinner and members of the committee, my name is Kim Engel, K-i-m E-n-g-e-l, director for Panhandle Public Health District, and I'm here on behalf of Friends of Public Health to ask your support of LB1138. Local health departments are on the front lines of ensuring the health of our communities. We have led the COVID-19 response for the past two years, while also continuing other important public health work to address challenges

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like maternal and child health, child abuse prevention, chronic disease prevention, opioid use disorders, and environmental health. When the American Rescue Plan was signed into law, the number-one intent was to combat COVID-19 pandemic, including the public health and economic impacts. I am pleased to see unprecedented funds flowing to our schools, towns, cities, counties and the state. However, no ARPA funds have flowed to local public health directly. LB1138 represents a small ask to address the critical need. Local public health is the hub for coordination, technical assistance and communication. We recently received high scores on our COVID-19 response survey from community partners. Here are just a few comments, the first: PPHD was proactive with establishing unified command, was ahead on getting good information to first responders, very helpful with PPE. The second: Coronavirus information from PPHD was pivotal. We used their information to keep students safe. Their notification of positive and quarantined students was wonderful and kept schools open. And lastly, I worked with PPHD on the media side. They maintained regular briefings and they are the primary source of information. Without the local health department, we would not have been able to cover COVID-19 as well. The COVID 19 pandemic has reinforced the need for investment in local public health departments to address existing public health challenges and be prepared to respond to future emergencies. Public health funding has often followed a boom-and-bust cycle, with large investments being made in a time of crisis but waning as the emergency abates. This creates a situation where needed infrastructure building is rarely possible. These one-time ARPA funds could be used to strengthen local health departments and ensure more efficient use of resources. Examples of one-time needs are things like facility upgrades, technology upgrades; and for us personally, several new vans to replace those that traveled hundreds of thousands of miles delivering PPE, vaccine, and test kits. COVID-19 has demonstrated the importance of having experienced people in place to prepare for-- for and respond to an emergency. The public health system needs to retain staff long term and help ensure that their experience is harnessed and available to address current and future public health challenges. Staff are burnt out after serving on the front lines of the pandemic response for two years. The politicizing of the COVID-19 response and the huge amount of disinformation has also taken a toll on the public health workforce. I thank you for considering LB1138.

STINNER: Very good. Senator Erdman.

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ERDMAN: Thank you, Senator Stinner. Thank you for coming, Ms. Engel. How many public health-- local-- local public health departments is there, six--

KIM ENGEL: Throughout the state?

ERDMAN: --16? How many is there?

KIM ENGEL: Eighteen districts.

ERDMAN: Eighteen. So have you figured out what your part of the \$10 million would be?

KIM ENGEL: It's about \$550,000.

ERDMAN: OK. Do you know how many public health workers there is that this 6,000 would be divided amongst?

KIM ENGEL: I believe it's between 650 and 700.

ERDMAN: OK. Thank you.

STINNER: Additional questions? How-- did you experience quite a bit of turnover during the COVID?

KIM ENGEL: We did lose some staff, some because they'd just gotten beat up by, you know, people that they were calling, people that they were working with, and some because it really-- because of the disinformation, I believe, it went against what they believed. We hired many part-time temporary staff during that time. We had about-- our-- our normal before the pandemic was 21 staff and at the peak we were at 31 staff, but we also contract with Scotts Bluff County Health Department and several others to do contact tracing, so the workforce during that peak before vaccines came was-- really took a peak. You know, I suppose we had 40 or more people working day in, day out.

STINNER: What's your observation about the state of behavioral and mental health in the Panhandle?

KIM ENGEL: It's-- I think we're-- it's dire, honestly. I know, for our own staff, we started having our EAP provider do group sessions. It-- the emotional toll just got to be so much. And what we found is actually that was quite successful and it took the stigma away from them then individually reaching out. We started it just with the contact tracers, but we saw that it was bringing so much relief that

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we just opened it up to all of our staff. And we do-- we continue to do that every month, and our EAP usage has gone up, too, but that's just our staff.

STINNER: Right.

KIM ENGEL: In the community as a whole, I'm very concerned. We've had at least four first responders take their lives in the last year or year and a half. I know that it's been hard on students and teachers and just everybody. I think people's anxiety level is high. You-- you all have experienced it too. It's impossible to plan. It's impossible to try to get your lives back to normal. I myself am breathing a sigh of relief that we're not having masks on today and that, you know, things seem to be getting better. I hope that it is. I hope we don't have another variant facing us next week, next month.

STINNER: How would you classify-- during the COVID situation, you had to communicate across the state. How would you classify the state's response to COVID and the information that you were receiving? Was-- was it on time? Was it helpful and--

KIM ENGEL: You know, I think that we all came together in a really powerful way. The university, we have top-notch scientists that this is their specialty, and we continue to meet with them every week. We were meeting several times a week and then it reduced to two and now it's at one, and that has been very, very helpful. And I know the state employees have worked just as hard as we have in trying to get systems in place. And Angie Ling, the incident commander, has been incredible. I have all of their phone numbers in my cell phone and I could call them right now and they would answer. You know, sometimes we're just impossible. I know we've heard complaints about the quality of the PPE or the delay in PPEs, but when the whole world wants the same thing, it's pretty hard to get exactly what you need.

STINNER: Very good. Additional questions? Seeing none, thank you for driving in and drive safely, please.

KIM ENGEL: Thank you.

STINNER: OK. Additional proponents?

KIRK VAN PELT: Good afternoon, Senator Stinner and the rest of Appropriations Committee. I'm Kirk Van Pelt, K-i-r-k V-a-n P-e-l-t. I'm here to testify today for LB1138 in a personal capacity to share what the local health departments have been experiencing in carrying

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out their responsibilities. I am a retired law enforcement officer and have been serving as contractual security for the Elkhorn Logan Valley Public Health Department in western Nebraska. Unfortunately, the situations I will be sharing with you today are not unique to each department's experiences, and these are not the exception to what the public health has experienced. In my involvement with the situations of harassment in Wisner, started back in October of 2020, when the first of several threats was received by Elkhorn Logan Valley Public Health Department. The anonymous caller implied a phrase with the intending of "slap the staff around." The staff didn't know the caller, nor did they know the caller had sincere intentions to follow through. If the caller were to appear in front of a staff member while they're at work or in the community, the staff wouldn't know who the caller was from anyone else, but there was a good chance that the caller, with some little research, could have potentially known our staff because at the time our staff members had email, local contact information, and photographs of them on our department's website, and that is no longer the case. The uncertainty of the situation resulted in the Board of Health contract-- contracting me to provide general security for an unspe-- unspecific period of time to provide security for the office building and for the staff while the law enforcement conducted their investigation. It didn't take long for the public health colleagues across the state of-- of Nebraska to hear what had happened, and this only elevated the fears for the public health workers statewide, knowing that Douglas County Health Department also had recent threats and it was no longer an isolated scare. The Governor's chief of staff heard about what happened and contacted our public health director later that evening and expressed concern and offered additional resources for security. In response, Governor Ricketts reminded the public during his scheduled press briefing that such threats would not be tolerated and would be reported to law enforcement. Over the next several weeks, the staff of the department, out of an abundance of caution, when arriving at work, they were parking their vehicles in the nearby parking lot of the neighboring school to give inference that the em-- that the office was empty and no one was there. The offender would hopefully drive by and see that no vehicles were in the premises because the employees were inside working with the lights off, the blinds closed and the doors locked. The only vehicle in sight was mine. It was a marked emergency unit with a light bar on top. The staff remain committed to their work, but it didn't take long before I started to wonder how long they could go under these conditions while trying to juggle the apparent-- appeared to be unrealistic work-- workload in the event of the COVID pandemic

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unfolded, work that was in addition to the unu-- usual services, programs and activities that the department had to continue providing. That was when I decided on my own accord that I would be on site to provide security and I would help step up with any help that was needed. I helped with the switchboard and I then realized that irr-- irritated callers were not going to stop at that point and they would continue. In many occasions since that, I have been glad that I was there to intervene with my office, and I expanded my duties to helping the vaccine clinics carry-- carry out deliveries and request exceeding capacity of the staff and on several occasions intercepting PPE that was delivered to our front lawn in the middle of a rainstorm. I awful-- I obviously did not have any expectation or experience in health, but I've been an involved third-party witness to these people deal with day-by-day compelled me to step in and help wherever I could. Their work is not for the faint of heart and a thankless job for the physically, mentally and emotionally demanding. Since then, I have contacted law enforcement on two additional occasions, and even weeks later there were threats received that-- implied by social media, where there was graphic pictures of handguns, skeleton fingers, and a statement that--

STINNER: Mr. Van Pelt, the--

KIRK VAN PELT: --I'm stuck forever in serenity.

STINNER: --the red light's been on for a little bit, so if you could--

KIRK VAN PELT: I'm sorry.

STINNER: --conclude, I'd appreciate it. Any questions? Seeing none, thank you.

KIRK VAN PELT: Thank you.

STINNER: And thank you for the written testimony. We'll take a look.

KIRK VAN PELT: Thank you.

ROGER REAMER: Good afternoon, I'm Roger Reamer, R-e-a-m-e-r, and I am the chief executive officer for Memorial Health Care Systems in Seward. Chairman Stinner and members of the Appropriations Committee, including Senator Kolter-- Kolterman, representing my district-- I didn't have to drive as far as Kim, Dr.-- Senator Stinner. I thank you for your service and the opportunity to testify today. I'm testifying today in support of LB1138. It has been my pleasure to be on the Four

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Corners Board of Directors for the Four Corners Health Department for the last 19 years. In this time, I have personally witnessed the growth in many efforts that line up well with our mission statement, which states: Promote health, prevent disease, protect the environment, and improving the health of our communities. Our local health department has grown to where now it includes efforts with health surveillance, public health, nursing services, behavioral health initiatives, chronic disease programs, emergency preparedness-- preparedness, just to name a few. Local public health has been there to serve our communities in the past two years of the COVID pandemic, managing multiple areas of response. When the COVID pandemic hit our state, the local health department's strong community partnerships have been the game changer that has-- that was needed. My healthcare system and other healthcare providers have partnered with the local health department throughout this entire effort. The health department started with educating our communities and businesses on non-pharmaceutical interventions. Then, with COVID testing, the health departments have been key in assuring that people can access a COVID test. In our district, the health department coordinated with the National Guard to hold testing events and help coordinate local hospitals, including my hospital, to offer testing through TestNebraska. Turning the page to current day, we are still aligning our efforts to distribute free at-home COVID test kits to individuals in our communities. The local health department have brought-- the local health departments have brought together their partners to plan and deliver the free COVID vaccines to everyone in the community. In our case, the health department directed our district response so that our local healthcare and vaccine providers could synchronize their work. By synchronizing, I mean sharing vaccines, sharing staff resources and best practices in a coordinated vaccination response. Through this experience, we see the important role of the local health departments and the resources needed to create a robust vaccine plan moving forward. These partnerships didn't just start with this pandemic. They have been in place for many years, which has allowed our communities to deal with a variety of public health issues through various programs, such as cancer coalitions, newborn education, diabetes education programs, just to name a few. Because of these longstanding relationships, the local public health department can be and a strong-- and is a strong responder to the many preventative efforts required of them. Over my years on the board ever witnessed the staff's compassionate work on preventative-- preventative and emergent situations. I'll also add, as the previous presenter, I've witnessed their work through this COVID-19 and the strain has been put

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on them by our communities throughout the last two years, the grind that they've been through. Through it all, they have found ways to get their work done with limited resources. Well before the pandemic year, the local health departments managed their budgets in a responsible manner and attempted to get as many critical health services covered as they could with the limited budgets they had to work with. The health departments greatly appreciate the monies they have been appropriated and work hard to find appropriate grants to help meet specific needs throughout the communities that they serve. Because of the solid work that has been done by our local health departments with these disasters, more demands are put on them as communities continue to learn of their value, especially through this pandemic. These demands are welcomed because that is what we are here for, but we need to provide the necessary resources for these departments to meet those demands now and going forward. As a private healthcare CEO, I've seen what a district health department can bring to the table in helping with the health of our communities. I've learned a great deal over my time on the board about how valuable a public health district can be in helping with prevention, disasters, coordination of care across all health sectors, etcetera. We have much to work-- much work to do still in managing and learning from the pandemic, for example, creating more robust vaccine networks, improving our data-sharing capabilities, and in supporting the behavioral health needs of our communities, which we just-- some discussed earlier today. I was-- I was very glad to see Senator Vargas introduce LB1138 and this community take it up for consideration. I know firsthand the value our local health department brings to our communities and also understand just how hard their work is without the proper funding and budget to get the work done that needs to get done. I respectfully-- I respectfully ask that you support LB1138 and thank you for your opportunity-- for my opportunity to testify here today. So I'll answer any questions. Surprisingly, Senator Kolterman.

STINNER: Senator Kolterman.

KOLTERMAN: Roger, thanks for coming.

ROGER REAMER: You bet.

KOLTERMAN: Can you tell me, and I know that there's five critical access hospitals that are in Four Corners Health--

ROGER REAMER: That's correct.

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KOLTERMAN: --do-- do you interact with the-- with Four Corners as a critical access hospital through Cync or do they have the same capabilities that you have--

ROGER REAMER: You know, our--

KOLTERMAN: --for sharing data?

ROGER REAMER: --our partnerships, I think all the facil-- all the critical-access hospitals in the district coordinate their efforts through Four Corners, probably-- probably as much as any other district in the state. And that's because we've had people sitting on this board for 19 years and--

KOLTERMAN: Yeah.

ROGER REAMER: --and understanding what the health department can bring. Throughout the pandemic, yes, we've had coordinated efforts around PPE, coordinated efforts around vaccines, coordinated efforts around testing, now test kits. We've just worked hand in hand, a lot of it around communication and educating communities.

KOLTERMAN: Do you-- do you share information through-- through the Cync portal, do you know?

ROGER REAMER: I do not know that.

KOLTERMAN: OK, I'll ask Laura something.

ROGER REAMER: Yeah.

KOLTERMAN: Thank you.

ROGER REAMER: Yeah. Other questions?

STINNER: We need to have you spell your name.

ROGER REAMER: OK.

STINNER: Thank you.

ROGER REAMER: It's Roger, R-o-g-e-r, Reamer, R-e-a-m-e-r.

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

ROGER REAMER: Thank you.

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STINNER: Additional proponents? Any opponents? Anyone in the neutral capacity? Seeing none, would you like to close, Senator?

VARGAS: Thank you, Chairman Stinner, members of the Appropriations Committee. The only thing I would like to just point out-- and thank you to those that-- that came here and shared their stories and/or shared their perspective is-- look, I think we hear that from a healthcare perspective, from a CEO that serves on the board, that the preventative side of this work is extremely important. We heard from the director from the Panhandle district that we often react to public health in the most emergency of times and we invest in them reactively. I hope we don't have another variant. But I think it's very fundamentally clear that we need to invest in infrastructure for public health across the state. I'm proud to have brought a bill that is trying to meet the needs of the state of Nebraska and not just one entity or district, because I think-- and I've said this when I first introduced my first public health bill, which is we typically spend about 2 to 3 percent of all healthcare funding goes to preventative healthcare in public health. This request represents 1.25, 1.3 percent of the total amount we currently have, and that's what the request is. I hope you will see that investing in infrastructure and investing in ma-- recognizing the work of our public health workers is what part of the intent of this is, and this is one of the only ways that they will get some resources and funding to all of our districts. Thank you very much. Appreciate your time.

STINNER: Thank you. Questions? Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Senator Vargas, when I asked the question how many healthcare workers there are in public health, it was around 700. That's \$8,500 per worker. Did you realize it was that significant?

VARGAS: I know that this doesn't represent every single worker, but like I said, this is going to be a program that would be allocated out for pay. And if there-- all the funds aren't used, then they won't all be used.

ERDMAN: How would it not all be used?

VARGAS: Well, every single program that's federal and ARPA dollars, they-- if they're not used, they go back to the taxpayers.

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ERDMAN: This is designating \$6 million to the workers for the health departments, right?

VARGAS: Um-hum, yeah.

ERDMAN: If there's 700 of those, it's \$8,500 apiece.

VARGAS: Yes, and the Department of Health and Human Services would work to make sure that these dollars go out to the public health departments.

ERDMAN: The point I was trying to make, did you realize it was \$8,500?

VARGAS: This bill does not designate that it's equally provided to every single worker, unlike some other ones where we put in \$1,000 or \$2,000. This is to make sure that there is the availability of funding for premium pay for public health workers.

ERDMAN: But if you take \$6 million and you divide it by 700, it's \$8,500.

VARGAS: Yes, this bill does not say equally divided among every single worker, and I don't think that actually represents the full number of workers across the state for public health.

STINNER: Additional questions? Seeing none, thank you.

VARGAS: Thank you.

STINNER: And that-- let's see, we have 25 letters of support for LB1138. And that concludes our hearing on LB11-- LB1138. We will now open with LB1087.

WISHART: Good afternoon, Chairman. Is this your last bill?

STINNER: This is it. This is the end--

WISHART: So does it mean, if I--

STINNER: --and everybody is--

WISHART: --don't let us continue, it means you can't leave this Legislature, stay?

STINNER: [LAUGH] Oh, I think they're going to toss me out, so. Oh, good afternoon, members of the Appropriation Committee. For the

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record, my name is John, J-o-h-n, Stinner, S-t-i-n-n-e-r, and I represent the 48th District, which is all of Scotts Bluff, Banner, and Kimball Counties. LB1087 appropriates \$15 million in federal funds from the ARPA Act of 2021 to program number 151, aid to community colleges for dual enrollment. Funds appropriated under LB1087 shall be distributed to community college areas in direct proportion with full-time equivalent enrollment in dual-credit courses delivered by community college areas. Intent language is included in the funds to be expended equally in 2023, '23-24, and fiscal year '24-25. Dual meant-- Dual enrollment is an aid program that assists high school students in receiving both high school and college credits for successful completion of certain courses during their junior and senior years of high school. The aid covers the tuition costs for designated courses. Dual enrollment programs provide an easier transition into college, decreases time spent in college, and helps students discover a major which suits their interests. This equates to a more prepared workforce, which is one of my top priorities as a senator. With the influx of federal funds to the state, we have a unique opportunity to make additional investments in workforce preparedness. Given the effects of COVID-19 pandemic, our workforce and economy, this is a needed boost to the preparedness of our workforce. Enrollment in these programs is not only a significant boon to getting students ready for the workforce, but aid to these programs also helps to provide access to students who may otherwise not have the ability to upgrade their skills and contribute to Nebraska's economy through higher wages. Behind me are some of our community college representatives to testify on the benefits of dual enrollment. I will tell you, just in my area, we increased a bit-- through the increase in dual enrollment, Gering Schools now have 160 kids enrolled in this. This is our workforce. This probably fits that portion that the Governor had in for capital improvements. You can improve the capital, the curriculums, the courses. This actually gets the kids and students into those, so it's kind of a program that fits it just like a glove. And yes, Senator Erdman, this is a one-time increase in funding from this source, which will then disappear at the end of three years and you will probably, maybe, be around. No, you will-- you won't be around when it's over, so it can be included. I think when you heard, oh, testimony the last time we upped this, I think, to \$2-2.5 million, there was a need at that time, an expressed need and actually identified need, of about \$8 million. So this kind of fills that bucket. So with that, I'll ask for questions.

WISHART: Any questions? Senator Erdman.

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ERDMAN: Thank you, Senator Wishart. Senator Stinner, thank you for bringing this. So this won't-- this won't necessarily be distributed equally amongst all the junior colleges, right?

STINNER: It'll-- it'll be on need. If-- if some of the junior colleges have a higher need, a higher enrollment, those numbers are submitted, I think, to the, oh, curriculum folks, and then it's distributed based on the number of students that they have. So the \$5 million will be divided up per student, but then sent to the community college-- I believe this is the way it is-- the community college that has a certain amount of kids in that, if that makes any sense. I'm not making any sense right now. But say NWCC has 500 kids--

ERDMAN: Right.

STINNER: --and Metro has 5,000. That pot then gets divided up amongst the number of students, the \$5 million, divided into those numbers and then distributed accordingly.

ERDMAN: I understand.

STINNER: That's the way I see it though. I think it's how the program works.

ERDMAN: OK.

WISHART: Any additional questions? Seeing none, thank you. First proponent. Good afternoon.

RANDY SCHMAILZL: Good afternoon, Appropriations Committee. Randy Schmailzl, R-a-n-d-y S-c-h-m-a-i-l-z-l. I'm representing the community colleges today, but I'm also the president of Metropolitan Community College. In the past, we've worked with the Appropriations Committee on a little over \$3 million worth of funding for this program over the last five years to pay for some of the tuition, and then the community colleges discounted the tuition and then parents or donors or others had to find money to pay the rest of the tuition. And although community college tuition is not expensive, it still costs money to those that don't have the money to pay for it. So the purpose of looking at the ARPA money to supp-- supplement this for the next three years also lies with the fact that, I'm going to say, perhaps, a group that has suffered the most devastation as a group is K-12 systems and students. There has not been a student not affected by this. All students have been affected. And when you're getting ready to go to college, when you're getting ready to go in the workforce, I know

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daily I receive phone calls from parents about trying to help supplement their son and daughter's education at the high school level with classes at Metro. This opens the door for all high school students because the tuition is not going to be a barrier, so it opens the door for all high school students to attend the local community college either online-- if it's close, you can go on campus. Some-- some is in the high schools, so this-- this education is available to everyone in a lot of different formats, and none of this is due to something not going right in the high school, something not going right in the community college. This has to do with trying to prepare the students under the conditions that they're in now to be ready for the workforce. You know, right now we have 4,100 students enrolled at Metropolitan Community College. We have many of them in career academies, meaning there's about 25 career academies. It's the trades, career academies, so you're taking classes maybe in the afternoon, if you can get to Metro, or at the high school. And today we have students from Blair. We have an employee of Metro. We have a couple presidents and then a community college representative. And this, in my estimation from-- I've been a longtime educator. This is really the opportunity to make a huge difference in the long run. You know, education isn't something that you-- you get today and you're smarter tomorrow. It's an accumulated effect over time and sometimes that time is not until you're 30, 40 years old, but it happens, and we need to expose as many high school students as possible to discovery of college classes. These are the same classes you take at Metro as an adult, nothing different, so no watered-down curriculum. And this summer, when we opened up the doors for students from across the state to take online classes, we had 25 students from Aurora, Nebraska, taking a calculus class online, and it was really pleasing to see that we were able to provide that type of education at the level that it would go on and help them get into medical school and the STEM-related activities. If you were around and heard the testimony for the bill that's going to allow for IT classes, Metro provides hundreds of opportunities locally to IT students in high school to get them ready for the IT industry. And when you say IT, none of us know quite sure what that code word means because it could be software, it could be applications, it could be whatever, and I'm here today to ask for your support to make this a reality for not-- not just one, but everyone, and not often I can come to the Legislature and say we're going to do something that affects everyone, and this will. So with that, I'm going to end before my time.

WISHART: Thank you.

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RANDY SCHMAILZL: Thank you.

WISHART: Any questions?

DORN: Question.

WISHART: Senator Dorn.

DORN: Thank you, Senator Wishart. Thank you for being here. Any idea approximately-- you said you had 4,100 students, or in that neighborhood-- approximately how many of them are dual enrollment, what percent?

RANDY SCHMAILZL: You know, it-- it works-- all of them are getting college credit. So on their transcript, as when if you went to college, you got your college transcripts, all get college credit. It's up to the high school on whether they substitute that college credit to meet one of their classes. So like the students at Aurora that took calculus, undoubtedly, that's going to fill their advanced math one. So just quickly, our top ten subjects are mathematics, English, history, Spanish, biology, finance, speech, health, information technology, and the trades. And I'm going to say easily over half of those credits also get high school credits, and the Blair Superintendent is going to be up behind me here and we'll ask-- we'll ask Randy Gilson to be the answer man on that one. Thank you.

DORN: Thank you.

WISHART: Additional questions? Senator Clements.

CLEMENTS: Thank you. Thank you, Mr. Schmailzl. The-- I think there was a misunderstanding. The 4,100 students are all dual enrollment, right?

RANDY SCHMAILZL: Well, they're dually enrolled. What that means is they're enrolled in high school and they're also enrolled in college. So they're dually enrolled--

CLEMENTS: Yes.

RANDY SCHMAILZL: --at the same time.

CLEMENTS: All right. That's what I thought. Thank you.

RANDY SCHMAILZL: Yeah, um-hum.

WISHART: Additional questions? Senator Hilkeemann.

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HILKEMANN: Not a question, just a comment, because I-- this is a great program. I-- I sing in a choir downtown in Omaha, and there was a nice young man that just started singing there with us. And I visited with him and he's a third-year student at-- at O-- UNO, but he's only been there two years because of all the-- the classes that he took at the Norfolk Community College, so-- or Northeast Community College, so I-- this is-- he just talked about how-- what a jump-start that has been for him in his career.

RANDY SCHMAILZL: Thank you. Great story.

WISHART: Additional questions?

HILKEMANN: Plus, he's a good singer. [LAUGHTER]

WISHART: Seeing none, thank you.

RANDY SCHMAILZL: Thank you.

WISHART: Additional proponents? Welcome.

ZACH PECHACEK: Thank you for having me. So my name is Zach Pechacek, Zach, Z-a-c-h, Pechacek, P-e-c-h-a-c-e-k, and I am a product of this type of education system. So as a senior in high school, I had five guys stand in front of me in white shirts with blue pinstripes, and they talked about how-- how you can go to college as a high school student, what you can do with that, and where you can go from there. And, you know, I'd been looking at the cost of college and things like that and when I found out I could go as a high school student, I was like, I don't care what it costs, I'm going to get there. All right, and so, so kind of my-- my little journey here is-- so I started at Metro Community College as a senior in high school half way-- going to college half day, high school half day, took some night classes, as well, filled up a full schedule. When I graduated high school, I was three quarters of the way through an electrical technology degree, right out of high school, started as an apprentice with almost a complete degree, worked full time, went to school at night, paid for school as I went so I-- by the time I walked out of college, I had no student debt. I was debt free. From there, I went on to my journeyman and my master's in electrical techno-- in-- in elect-- I've become a master electrician and now I come back to teach at Metro Community College, and so-- in the electrical technology field. So seeing this full circle, I can see what it can do for students and what a jump-start it can give you. So for me personally, I kind of knew what

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I wanted to do. I knew I wanted to work in the trades, but I didn't know how I was going to get there. I looked at some opportunities, looked at some schools, and kind of saw what it was going to cost and where things were going to go, but through that career academy and that opportunity to start early, really gave that jump-start. So I didn't realize it, but on the way down with Randy, I found out I was actually one of the first career academy classes at Metro. I had no idea that's when it started, but these funds would get these students that opportunity to get a real jump-start into life. So I have a younger sister. She'll-- she'll be-- she's a senior this year. She's going to college for the first time, taking some night classes through Metro as well, and this has-- it's been a jump-start for her, gave her an open door and a different avenue where typical students get pushed into university and go from there. So this is a great opportunity, and I can't say enough about it. But as these students sit behind me here, these three or four students back here, they're the next generation. This really is to give them that jump-start. Whether it goes through or not, I think the colleges are really going to push for things like this to continue to happen. So been lucky with Metro and it's been a great opportunity and I can't say enough good things about this. But as a product of-- of what this can do, without it, I don't think I'd be nearly as far as I am. I obtained my master electrical license by 26. That almost never happens. And so I think it's because of the opportunities I had with school. So with that, that's my final statement, so.

WISHART: Thank you. Thank you for being here. questions? Seeing none, thank you.

ZACH PECHACEK: Thank you.

WISHART: Additional proponents? Good afternoon.

RANDY GILSON: Good afternoon. Senator Wishart and the Appropriations Committee, my name is Randy Gilson and I'm the proud superintendent of Blair Community Schools, and I want to give special thanks to President Schmailzl, who's given us the incredible opportunity for a partnership.

WISHART: Superintendent, will you spell your name?

RANDY GILSON: Yeah, I'm sorry. My name's Randy Gilson, G-i-l-s-o-n. And again, I just-- I want to give President Schmailzl a grateful thank-you for the wonderful, incredible opportunity that he's provided

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our students at Blair Community Schools. We offer dual credit courses in welding and manufacturing, in nursing, ana-- anatomy, medical terminology, in writing, composition, psychology, computer programming, and a lot of general education courses, the trades and tech-- industrial technology courses as well. We also want to thank Metro Community College for allowing our students to earn college credits, work certificates, participate in paid internships, and even receive an associate's degree while in high school. Our students can take one course in welding or manufacturing and earn 15 credits throughout the year. President Schmailzl has made an enormous investment in our students in Blair, and he has provided college instructors to teach in-person on our campus. On the last page of your handout, you can select the QR code and watch videos to learn more about the courses that we're offering during the day and in the evening. Metro has paid for most of the current equipment and made a huge investment in industry-based tools and machines so that our students can learn highly advanced skills in welding, manufacturing, and computer programming and in nursing, not just to be an employee but to be a highly skilled, sought-after employee. We've developed strong partnerships with Lozier, Sid Dillon, CHI Health Systems, Novozymes and many others, so students can go to work through paid internships while they're still in high school. Our district-- district has invested \$2.1 million in a facility renovation, and Metro, Lozier, Sid Dillon, Novozymes have donated about a million-and-a-half dollars in tools and equipment. I'm going to use some football terminology to make a very important point. We've built strong partnerships between public education, colleges, and industry partners, but that can only take us into the red zone. Our biggest challenge is still yet the one that we face, and it's helping students pay for college tuition, especially if they don't have family backing to support college. We have sought out private donations, industry sponsors and even fundraisers, but it's still not nearly enough and not in time to remove the affordability-- affordability barrier for our students. As an example, we opened our new welding program this year and 182 students registered for classes. We had waiting lists, and so our instructors and Metro instructors teach overload schedules so students are able to take these courses. They all want to take college courses, but the biggest barrier is paying for college. The college going rate in Nebraska is only 67 percent. That means six to eight students right now in every classroom will not go on to any type of college in Nebraska. The ACT reports that 22 percent of Nebraska high school graduate-- graduates are prepared to succeed in college. Once in college, only 41 percent graduate with a two-year degree. We

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need every Nebraska student to succeed. For every 10,000 working-age Nebraskans from ages 22 to 64 with a bachelor's degree or higher, there's an average net outmigration of 61 during the years between 2015 and 2019, meaning that Nebraska continues to lose residents-- more residents than it attracts for-- to other states. Please consider supporting LB1087 to support each Nebraska student by providing them the opportunity of college and earning advanced skills in a trade or even an advanced degree in the future. LB1087 would help us capitalize in the red zone and get every student to cross the line into dual-credit college courses. Getting students into college classes early builds their confidence, it builds prerequisite skills that are necessary for them to be successful in college, and in high school they're supported by counselors, teachers, and with family around them. Prior to Blair, I was a superintendent at South Central Nebraska Unified School District. We partnered with Central Community College and offered over 50 college courses.

WISHART: Superintendent--

RANDY GILSON: Sorry.

WISHART: --I'm-- I'm going to have to ask you to stop.

RANDY GILSON: OK.

WISHART: The red light's on.

RANDY GILSON: OK.

WISHART: But thank you so much.

RANDY GILSON: Yeah, thank you.

WISHART: And we have your testimony.

RANDY GILSON: OK.

WISHART: --and can read it.

RANDY GILSON: Thank you.

WISHART: Thank you. Any questions? Senator Hilkemann and then Senator Vargas.

HILKEMANN: In my years in the classroom, we always had low-motivated-- there's a few low-motivated students. Is this a good-- I mean, I'm

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hearing this. This would seem to me a good program, maybe, to get some of these low-motivated students to finally kind of get-- light the fire in them. Is that true-- is that [INAUDIBLE]

RANDY GILSON: Yeah, it does, because with the whole picture, our students that are taking like nursing classes or computer programming classes, they're able to go out and work with paid internships, as well, so they see that connection to real work. And with the industry-based tools that we've provided, whether it be in manufacturing or welding, they get tremendous opportunities to-- to build high-level skills. And so some of the students that are struggling in some of our academic courses are profiting in these more trade- or technological-based courses.

HILKEMANN: Are the kids being counseled into that?

RANDY GILSON: Yeah, we-- we encourage it.

HILKEMANN: OK. Well--

RANDY GILSON: I didn't get to it, but in my previous district our board took a commitment to pay tuition. And once we did that, we went from having 6 percent of our students enrolled to 87 percent enrolled. And at the time, over 55 percent earned 27 credits or more, almost a full year of college when they graduated. But again, we had the luxury in that district; our board was able to pay their tuition. We were a smaller district and in districts like Blair or larger, it's just-- it-- it isn't within our budget to be able to do that. But this, as-- as President Schmailzl said, this provides a unique opportunity to make a difference for every single student, and if we can remove that barrier of cost, it really makes a world of difference.

WISHART: Senator Vargas.

VARGAS: Thank you very much, Vice Chair Wishart. Thank you for being here. I think your red zone analogy was very well suited to Senator Stinner, so that's good. [LAUGH] And I-- and I do appreciate the statistics and the numbers here. Just a couple questions. One is, so about-- when you're working with these public-private partnerships, which I appreciate because Lozier, and I think people know this, Lozier is one example. They pay very well, not just for their apprenticeships but for the full-time job with healthcare and benefits. They're a great employer. About how many of these do you typically see when you're working with these partnerships, like how

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many of these initial jobs, internships that turn into real jobs, like what numbers do you have?

RANDY GILSON: Well, it's 100 percent placement for any student that wants it. And so it's just we-- I think the stumbling block is the commitment. Students-- we want to expose students to take manufacturing, for curiosity, for growth, for the STEM part of it, but a student's reluctance is to pay the-- the \$2-- and it's only \$200 per course, thanks to Metro's lower cost, but it's still that reluctance to take the course. Now if they're into it and committed, then Lozier or other partners, CHI, will support the student, pay their scholarships. We have another partner, C&W Services, that pays for students to complete a welding degree for two years, and then they offer them a job at the end of it. So 100 percent placement, the challenge is get-- encouraging student-- all students to just-- again, it's that red zone. It's-- it's crossing the line and getting into the college courses. We're finding success and we're finding that graduation rate's increasing when they're taking college courses.

VARGAS: OK, well, thank you. And I hope we can-- I hope people heard that and then the public will hear that because, one, you're going to make more than we make us senators in any of these jobs with a community college degree that quickly, so that is a good-- I'm seeing students laugh, but it's the truth, so it-- I really appreciate this. Thank you.

RANDY GILSON: Thank you.

WISHART: Thank you. Senator Kolterman.

KOLTERMAN: Thank you, Senator Wishart. Thanks for coming today. I have a question about the public-private partnership. So you mentioned, like-- like you said, Lozier, Sid Dillon, Novozymes, and then Metro, and you've got a bunch of others, I-- I suspect. You've raised \$1.5 million. Did they come to you or did they encourage you to do this?, or did you go to them and say--

RANDY GILSON: It's--

KOLTERMAN: --we want a partner?

RANDY GILSON: Well, I think it's-- the workforce shortage is part of the reason, but then we have an int-- I have a passion to engage every student in learning and then prepare them for a career. And so helping students find their passion, it's-- it's a mutual partnership. We've

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reached out to them, to local industry, and then they've also reciprocated, reached out to us. The critical-- and you see a few pictures from the welding lab. But having the-- the industry-based equipment where students are performing real-world-- I can't-- that-- that goes so far and it's-- it inspires them to take these courses.

KOLTERMAN: That's the reason I was asking, I look at those pictures. That's some heavy-duty equipment.

RANDY GILSON: Yeah, it--

KOLTERMAN: And so is that on your facility, in your facility?

RANDY GILSON: It is. It is, and if you click on those QR codes, you can hear the instructor in the course. That's all brand new, so anyone can do it. It could be-- in one year, we went from offering one college course to having what you see. It was a \$2 million investment by our board to renovate 14,000 square feet, but it was the partnership with Metro sending us instructors that really helped us out. But even that, what breaks my heart is, again, we don't have all kids in the program yet. And again, the final barrier is just the cost, really.

KOLTERMAN: Thank you.

WISHART: Senator Erdman.

ERDMAN: Thank you, Senator Wishart. Thank you for coming today. There were a couple of things that you mentioned in your testimony. This is kind of changing gears a little bit. It says that-- you said that six out of eight students in every classroom today never go to college. And then the other comment you made that's very troubling, you said the ACT reports that only 22 percent of Nebraska high school graduates are prepared for college.

RANDY GILSON: Um-hum.

ERDMAN: Why do you think that is?

RANDY GILSON: Well, it's-- they have low skills and math and science and reading comprehension, and that's what the ACT-- well, it mostly predicts their success rate when they get into college. And so some of it's confidence. Some of it is students meet their required courses in math, in-- early, so maybe they stop taking math courses after their sophomore year. What we're finding is that the trades or industrial--

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information technology courses require strong skills in math and science. So students that are taking these courses, they stay in math and science for four years. So part of the-- I think part of it is we also do a-- it's called the Metro Math Program, where students can take college prereq classes so that when they-- and they can do that in high school. And when they complete that and they're-- they're successful at that, then they can take the required college algebra course. But math is the single biggest barrier to a student's success, according to research, a student's success and their continuation. Again, I think connecting with an interest area, whether it be welding, nursing, and then still taking the gen ed courses that we're offering, it's-- and doing it in the luxury of their home high school with their family support, counselors, their math-- high school math teachers, we see our high school math teachers tutoring students that are taking the calculus course or the difficult, you know, college math, so.

ERDMAN: Yeah, I-- I'm not disputing that you're making a big-- making big progress with this dual enrollment. My question is, as an educator, and you know there's a problem with children-- or young people graduating without the skills they need. It's a failure of the education system once you go back and begin to look what you're teaching in grade school and high school to make sure they're qualified. If they get to that point in their career they want to go to college, they have the qualifications. So somebody is dropping the ball somewhere. And if I was an educator and I knew these were the deficits that kids had--

RANDY GILSON: Yeah.

ERDMAN: --when they got to be seniors and took-- or juniors and took the ACT, I'd go back and review what I'm teaching to make sure they have those skills.

RANDY GILSON: Yeah, and-- and I take 100 percent responsibility for the statistics that-- that, you know, we put in front of you, and we're working hard on both ends. We-- we've started early childhood programs. We've also started a multi-tiered system of support so that when students are struggling to learn reading and math, that we give them interventions timely and we do that kindergarten through 12th grade. But at the-- at the back of this, like President Schmailzl said, we've got students that have gone through some challenges throughout their pre-K-12, and then that-- then COVID has been an insurmountable challenge for a lot of kids. And so we're-- I think

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what's important is we're trying to hit both ends. It is our responsibility to-- to bring back those read-- strong reading and math skills K through 12. But also we have kids in high school now that are inadequate with the skills. We need to support them with a career.

ERDMAN: I understand the COVID.

RANDY GILSON: Yeah.

ERDMAN: I understand that it's a problem.

RANDY GILSON: Yeah.

ERDMAN: But these problems existed long before COVID got here.

RANDY GILSON: Yep.

ERDMAN: This didn't just happen because of COVID.

RANDY GILSON: Right, right.

ERDMAN: So our whole education system needs to rethink what they're teaching because we have young people who have completed college and can't pass the test to be a teacher, and we want to numb down the test so they can pass the test. What we need to do is look at our educational system. Why don't they have the skills to pass the test? And so I think-- I think the whole education system needs reviewed to see what are we teaching them of lower grades so that they understand what they need to know when they get there.

RANDY GILSON: Yeah.

ERDMAN: It's a problem. Our education system is failing us.

RANDY GILSON: Yeah, and I-- we're working really hard to double time in ins-- in important reading and math instruction. I know we doubled time in the last couple years at Blair; and, again, using interventions and timely response to students, we're trying really hard to get kids, give them the skills. But I-- I agree with you and I take responsibility for the--

ERDMAN: Thank you.

RANDY GILSON: Yeah.

WISHART: OK. Seeing no additional questions, thank you.

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RANDY GILSON: Thank you.

WISHART: Additional proponents? Welcome.

NICHOLAS ROTH LISBERGER: Good evening, committee. My name is Nicholas Rothlisberger, N-i-c-h-o-l-a-s R-o-t-h-l-i-s-b-e-r-g-e-r. I am a senior who attends Blair High School, and one issue that I've seen with our high school is the lack of diversity in the programs that we offer. And so I believe more funding will allow for more programs in our schools to be offered through the colleges. And that leads into students not knowing what they want after high school. And so me, I personally did not know what I wanted in my junior year of high school, but our school offered programs in the healthcare field. And so these healthcare programs, I was able to obtain my CNA my senior year of high school. And so out of high school, I'm able to work in a healthcare facility at a high-- higher-paying wage than most high school students. And this also opens up a lot of studies for other students because we have programs, but if there's no cost associated or a lower cost, we can have more programs in our high schools. And this allows for students to pursue something and if they enjoy it, they can pursue higher education in college and they'll also obtain high school credit and college credit. Dual enrollment is a big step forward and I personally have benefited, and I would like other students to benefit towards it. The healthcare field, it's a-- it's offered in our school. And there is a big gap in the amount of people that are working in healthcare field, but our high school is offering a lot of programs for students to get introduced in the healthcare field. And so me, I'm-- I'm able to go into college with about a year's worth of credits in a field that I enjoy and I know what I want to do. And a lot of students, they don't know what they want to do, so I think that we need to endorse this bill.

WISHART: Thank you.

NICHOLAS ROTH LISBERGER: Any questions?

WISHART: Additional questions?

KOLTERMAN: Yeah. First of all, thanks for coming. And I know-- I know you're nervous, but don't-- don't let us scare you. We were all in your shoes many years ago. You said you know--

WISHART: Some of us not so long ago.

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KOLTERMAN: Some of us. [LAUGHTER] So you said you know what you want to do?

NICHOLAS ROTH LISBERGER: Yes.

KOLTERMAN: What-- what are you planning to do? And you're-- you're a senior or a junior?

NICHOLAS ROTH LISBERGER: I'm a senior.

KOLTERMAN: You're a senior. So what are you going to do next year?

NICHOLAS ROTH LISBERGER: I'm going to attend Metro Community College to fulfill the rest of my prerequisites and then transfer to UNMC for nursing school.

KOLTERMAN: Thank you. Keep up the hard work.

NICHOLAS ROTH LISBERGER: Thank you.

WISHART: Additional questions? Seeing none, thank you for being here, and if you look over in the back, your state senator is here today as well. Next proponent. Welcome.

HAILEY SPARKS: Good afternoon. My name is Hailey Sparks, H-a-i-l-e-y S-p-a-r-k-s. As a junior at Blair High School, I have a vision, a vision to pursue my dream in our economy as a young female welder with the ability to spark my torch under the government while aiding our public schools with the financial responsibility to pay for our college education. Being a 17-year-old student with a unique living situation, I have an understanding that not every child or student has the opportunity to have a second chance like I have. I have a vision for free dual enrollment. With the financial support of the government, we believe, with monetary assistance, that more students would be encouraged to take early college courses that would benefit them academically. Students would have the advantage of saving money and to continue with higher education after high school. While some students have their own career painted on a canvas, not every person has their own canvas to paint on. The possibilities would be unlocked for those who currently don't have access to early college courses. But the state of Nebraska has a fiduciary duty to offer free dual enrollment to every student in school. As a young female welder with the drive and the love to advance in the profession, the assistance from the government would increase the time and money for college to

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be saved for school-- for other school expenses in the future. With that, I have a vision for free dual enrollment. Thank you.

WISHART: Thank you for being here. Any questions? Seeing none, thank you. Additional proponents? Welcome.

RYAN PURDY: Thank you. Good afternoon, Senator Wishart and members of the Appropriations Committee. My name is Ryan Purdy, R-y-a-n P-u-r-d-y. I'm the president of Mid Plains Community College, North Platte, McCook Valentine, Broken Bow, Imperial, Valentine. I'm here today representing Nebraska's community colleges and ask for your support of LB1087, which provides \$15 million for dual credit enrollment. In 2021, the Appropriations Committee graciously appropriated \$1 million to the community colleges for-- from General Funds to support discounting tuition assessed for enrollment in dual credit courses. In 2021, LB380 was passed and included just over \$2 million for '21-22 and just over \$3 million for '22-23 to further discount tuition for these courses. At MPCC, the initial discount for 2021 was \$10 per credit hour; '21-22, we increased that to \$20 per credit hour. In '22-23, we anticipate to increase that to \$30 per credit hour based on the General Fund appropriation. That represents about 30 percent of our \$100-per-credit-hour tuition cost. The addition of nearly \$5 million, as outlined in LB1087 for each of the next three years to these already-appropriated funds would provide nearly a 75 percent statewide reduction in tuition for these courses, which are not eligible for federal student financial aid. Dual credit provides many advantages for high school students. It can provide students with the confidence they need to consider college. These offerings can expose students to new experiences to help them narrow down their choices for careers, as it did for my two oldest children. It can provide students with basic job skills or a foundation pur-- to pursue an industry-recognized credential or an opportunity to get a head start in college to pursue a college degree. It can also save students significant time and money by allowing them to complete a degree and/or credential more quickly and enable these students to enter the workforce earlier. It is also becoming more common for students to complete their high school diploma and an associate's degree at the same time. At MPCC, dual credit funding in some instances also incentivizes teachers to remain in small rural schools in our service area, rather than seek larger districts that sometimes pay more. We have not previously discounted dual credit tuition prior to dual credit funding appropriated because we use the tuition paid to reimburse schools for the use of their facilities and equipment and/or faculty as adjunct instructors. Some schools ask that we pay the

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teachers directly as adjuncts, which helps supplement their pay to keep them in the small school districts; some ask that we split the reimbursement between faculty and the school so they can offset facility, textbook, and technology improvements; and some schools receive the entire reimbursement to use as they need. And nearly all arrangements at Mid Plains schools utilize some of that reimbursement to incentivize students to take advantage of the dual credit opportunities, get good grades, and then they reward them with some type of reimbursement, such as like a \$25 per credit hour to satisfactorily complete the courses. The LB1087 funding would provide a greater opportunity for all high school students, especially those that are generally underserved and/or low income or otherwise could not afford to take advantage of these opportunities without financial assistance. With Mid Plains Community College offerings, we offer between 600 and-- we have between 650 and 700 high school seniors that graduate with some dual credit enrollments, and nearly half of those students have completed at least one semester of college. So thank you for your support of LB1087. I'll enter-- entertain--- I'll entertain any questions, but I wanted to add one more thing. We talked about kind of how Metro is teaching some students in Aurora, which is obviously in Central's area. Western Nebraska Community College doesn't have a building construction program, so we do a building construction crew academy for Gering High School through Mid Plains. At some point, when Western adds building construction back, they will take that back. So we do partner to try to give opportunities across our-- our regions to make sure students have those opportunities. So--

WISHART: Thank you.

RYAN PURDY: --with that, I'll entertain questions.

WISHART: Any questions?

DORN: Yeah.

WISHART: Senator Dorn.

DORN: Thank you, Chairman Wishart. Thank you for being here. Do you-- maybe I misunderstood you. Do you sometimes use some of the high school instructors to supplement your program?

RYAN PURDY: We do, yeah, depending on if--

DORN: OK.

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RYAN PURDY: --if the faculty have the correct credentials. If it's an academic transfer-oriented dual credit class, they have to have a master's with 18 hours in that discipline. If it's a trade that's not necessarily transfer, then they have to have a bachelor's degree.

DORN: OK, thank you.

RYAN PURDY: Yeah.

WISHART: Thank you. Any--

RYAN PURDY: At Mid Plains, we're current-- we're actually pursuing national dual/concurrent enrollment accreditation right now through NASAP.

DORN: Thank you.

WISHART: Any additional questions? Seeing none, thank you.

RYAN PURDY: You're welcome.

WISHART: Additional proponents?

COURTNEY WITTSTRUCK: All right. Good afternoon, Chairman Stinner and the rest of the Appropriations Committee, I have multiple pages of testimony, but to avoid any redundancy, and in the interest of expediency, I crossed out a lot of it. So I'm going to go off script, which is always a little dangerous when you give me a microphone and a captive audience. So my name-- my name is Courtney Wittstruck, C-o-u-r-t-n-e-y W-i-t-t-s-t-r-u-c-k, and I represent the Nebraska Community College Association. And like my preceding colleagues, I am here to testify in favor of LB1087. And a couple things that I'd like to point out that I don't know that were focused on already, I do believe that dual enrollment sets up not only the-- the students for success, but also the employers, because the employers are then getting students that they know have an interest in that field, have already received courses in that field, and are-- have strengths in that field. So they're not just going into something because they think they like it and they're taking courses. They're actually going into something that they've already had some experience in, so I think that leads to more success, not only for the students, like we mentioned, in their transition to higher education, but also for the employees that they will be-- that they will be hired by in the future. I know I'm a proud Nebraska high school graduate. We didn't have this back then. I really wish we would have. It would have been

really great experience for me. I know I've-- I've testified before you all before and I worked in manufacturing for 20-- 20 years before taking this position. Honestly, I should have-- I should have majored in my undergrad in industrial engineering. I-- at that time, I thought engineering were like the guys who wore the hats and drove the trains. So by the time I figured out what industrial engineering was, I was already in industry and I found I had a knack for it. But I could only go so far because I didn't have a degree in it. I think having something like this would have given me more experience in different fields. I went in as a freshman with an undergraduate biology degree and ended up with something way different from that, and several of my friends did the same. They-- they graduated and, whether it was going through a community college program or whether it was going through a four-year program, they didn't have that opportunity to try out the variety of fields that dual-- dual credit offers. Also, one thing, I know it was mentioned a little bit earlier, but dual enrollment really does, and one of the reasons I'm proud of it is it really does provide underserved folks, underserved kids, including low-income, minority, first-time college students with the opportunity to really experience college before they're completely out on their own. So it allows them to get that experience, to gain some accreditation while they're still in high school and have a greater-- greater support system. So then it opens a door for them later in life or after their graduation to be able to continue, whether it's their studies at a four-year institution or a training credential or something else at a community college. And in many cases, these students would not otherwise have been able to pursue higher education without this kind of transition program that dual credit is. And like I said before, I've been in manufacturing for 20-- 20 years before this and every single day of my life in manufacturing, I experience the generational gap in skilled trades both in Nebraska and the United States overall. And this is a gap that has been highlighted and exacerbated by the pandemic. So, yes, it existed before, but it's definitely been highlighted, I think we all can see, and exacerbated by the pandemic. And so exposing more kids to professional vocations, careers and-- and courses of study while they're still in high school, it will help Nebraska begin to fill this gap and more quickly recover from the pandemic. So thank you for your time today, and I hope you don't mind that I cut it short. I'm sure you hate that, but if you have any questions, I'll be happy to take them now.

WISHART: Thank you. Any questions? Seeing none, thank you.

COURTNEY WITTSTRUCK: Thank you.

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WISHART: Additional proponents? Seeing none, opponents? Seeing none, anyone in the neutral? Seeing none, the Chair waives. We have for LB1087 four letters in support, zero in opposition, and one in neutral. That closes the hearing for LB1087 and it opens our hearing for LB1079. Welcome, Senator Hansen.

B. HANSEN: I do gotta give a shout out to Blair.

WISHART: Yeah.

B. HANSEN: The girls basketball team and the boys basketball team both made the state tournament--

WISHART: Air five.

B. HANSEN: --for the first time in their history.

WISHART: Air Five.

B. HANSEN: Yeah, it's good.

STINNER: All 'cause you're here.

B. HANSEN: I think so.

ERDMAN: When do they play?

B. HANSEN: Hmm?

ERDMAN: When do they play?

B. HANSEN: I don't know.

DORN: Ben-- oh, Ben you were a wrestler, though, right? No, I'm joking.

B. HANSEN: Nope, nope.

DORN: None?

B. HANSEN: Football.

DORN: Oh, football.

WISHART: Was that-- is that the only reason you're here today, just to tell us that and [INAUDIBLE]

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B. HANSEN: Yeah, let's talk about-- let's talk about sports.

DORN: Yeah, thanks for coming.

HILKEMANN: Yeah, thank you.

B. HANSEN: I got a bill, too, I have to introduce, too, so, you know--

STINNER: Go ahead.

B. HANSEN: All right. Good afternoon, Chairman Stinner and members of the Appropriate-- Appropriations Committee. My name is Ben Hansen; that's B-e-n H-a-n-s-e-n, and I represent Legislative District 16. Before I begin, Senator Erdman, this is the bill you've been waiting for.

ERDMAN: This is it.

B. HANSEN: This is it, the bill he's been waiting for. LB1079 is an opportunity for this body to provide a real, tangible, and immediate benefit to all Nebraskans. This would be done by allocating 50 percent of the ARPA funds directly to individuals in the form of a prepaid debit card that can only be used at Nebraska businesses. Given a state population of approximately 1.96 million people and available funds of \$1.04 billion, each Nebraskan would receive approximately \$265 to be used for anything they want except gambling, lottery, and cash back. This means that a single mom with two kids living in Seward will get nearly \$800, supplying months of groceries and diapers for her family; or a newlywed couple in Adams that just spent all their savings for a down payment on a house will now have \$530 to buy \$4 gas instead of racking up their credit cards. Or think about the small business in north Omaha or downtown Lincoln that barely survived the last two years by assuming debt and spending assets. This could be life saving for them, and every time they make another sale the business benefits, the cardholder benefits, and the state reaps more tax revenue. Now we can debate how much of a benefit this will be to each individual, but there is no doubt it will be a benefit enjoyed by all. We're not picking winners and losers with this one. I've seen a lot of bills coming from Appropriations that has to do with ARPA funds, and so far I don't think I've seen one quite like this that does not discriminate against who the person is or the business that we're trying to give money to, something that can't be said for the other bills here before this committee, some of which are absolutely necessary and great policy for the use of these funds. But we cannot actively squander

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such an unprecedented amount of printed money or pick winners and losers on a trillion-dollar scale. We have a duty and an obligation to ensure that every Nebraskan is benefited. So with that, I'll answer any questions that you might have, and there will be some testifiers after for me that can give better answers to logistics and to implementation of this bill, and I'm thankful for the opportunity and ask your support for LB1079.

STINNER: Thank you, Senator. Questions? Senator Erdman.

ERDMAN: Thank you, Senator Stinner. Senator--Senator Hansen, this is a good bill. So you said \$265 per person?

B. HANSEN: Approximately, yes.

ERDMAN: Are those-- how are you going to determine who gets the money? Is it legal residents, people who--

B. HANSEN: Yes, the head of the household, I believe that-- so it's-- like it's-- if it's a family of four, the head of the household would get that for the entire family. I think it's very similar to what we have done previously, only has to do with federal funds that have been given to us for-- oh, what do they call that when you have to distribute the federal funds for the. in--

STINNER: Oh, the CARES Act or stimulus package?

B. HANSEN: Yeah, the stimulus, yeah, because I think the state of Nebraska has done something like this before. We did get some information from Hawaii because I-- I couldn't think of any other states that did something similar to this and during the pandemic Hawaii did something like this with federal funds. And it was extraordinarily popular, and they actually saw a lot of benefit from it, and so they actually are increasing this. They just did it just for bars and restaurants, if I remember right, and so they're actually doing-- they actually did it again, or they're planning on doing it again earlier this year in a similar fashion because it was very popular and helped them out quite a bit.

ERDMAN: Have-- have you seen the fiscal note on this?

B. HANSEN: Yes.

ERDMAN: Do you see what the distribution costs are?

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B. HANSEN: Like how do you mean?

ERDMAN: Well, it says to implement this it's going to be \$7,057,000.

B. HANSEN: Um-hum.

ERDMAN: Four million was for prepaid debit card-- prepaid debit card vendor, \$1.9 million for fraud prevention, \$666,000 for web applications, \$329,000 for temporary employees, and another \$138,700 full time-- two FTE for business analysts and coordinators. That's a significant amount of money to do what you're asking to do.

B. HANSEN: Yep. And we would be using the ARPA funds to pay for this as well, so it would not be any General Funds. And I'm hoping that somebody behind me can answer more of the specifics of why that costs so much if they-- if they can.

ERDMAN: Yeah. Then they're intending-- they're anticipating getting \$23 million back in taxes, correct?

B. HANSEN: Um-hum. That would just be state revenue.

ERDMAN: Yeah. Thank you.

B. HANSEN: Now on a local level, it could be exponential.

ERDMAN: I understand.

STINNER: Senator Hilkemann.

HILKEMANN: Would you consider putting any kind of a means test in this?

B. HANSEN: I don't know. Possibly. You do know that we have-- well, again, when the-- that'd mean we're picking winners and losers again, wouldn't it? And I think that kind of goes against the philosophy of the bill.

HILKEMANN: Well, the federal money-- was had a means test in it.

B. HANSEN: Um-hum, yeah, and I want this to go to everybody evenly, no matter what you make.

KOLTERMAN: We get any of that? We didn't get any of that.

_____ : [INAUDIBLE]

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STINNER: Additional questions?

B. HANSEN: I may have to exclude the Legislature from-- from this bill because that might be a conflict of interest.

HILKEMANN: We would all pass means tests. [LAUGHTER]

STINNER: Additional questions? Seeing none, thank you.

B. HANSEN: Thank you.

STINNER: Afternoon.

ANSLEY FELLERS: Good afternoon. Thank you. Chairman Stinner and members of the committee, my name is Ansley Fellers. That's A-n-s-l-e-y F-e-l-l-e-r-s, and I'm here on behalf of the Nebraska Grocery Industry Association, the Nebraska Hospitality Association, the Nebraska Petroleum Marketers and Convenience Store Association, and the Nebraska Retail Federation. We're testifying in support of LB1079. The bill would dedicate half of the federal ARPA state fiscal recovery funds to the Department of Revenue for creation and distribution of prepaid debit cards to Nebraska residents. We'd like to thank Senator Hansen for presenting this as an option. Given many states are still debating how to use much of their federal and state local fiscal recovery funds and all the requests that have come before you this year, we applaud such a straightforward way of giving individuals and families a boost and helping Nebraska businesses. With a General Fund impact of about \$23 million, we roughly estimate the Department of Revenue believes this option will result in at least \$450 million in retail sales, which we assume is the cost proposed less overhead costs. We would suggest that if you looked at the combined administrative costs of other proposals, you'd see a similar percentage but less direct economic stimulus. While we do have questions about fees associated with the use of the cards, we have been instructed that these cards can be programmed to retail-- so retailers will not be tasked with policing the sales. We support the committee considering this option, and I'd be happy to answer any questions.

STINNER: Any questions? Seeing none, thank you.

ANSLEY FELLERS: Thank you.

STINNER: Additional proponents? Proponents? Proponents? No proponents. Any opponents? Anyone in the neutral capacity?

TIM HRUZA: Good afternoon, Chairman Stinner, members of the Appropriations Committee. My name is Tim Hruza, last name spelled H-r-u-z-a, appearing today on behalf of Fiserv. Fiserv is a financial services technology provider that employs nearly 5,000 individuals in the state of Nebraska. I want to thank Senator Hansen for introducing the bill. He did reach out to us early on in his development of this idea to just kind of gather some background, and we were thankful for him to reach out and we're happy to assist in answering some questions. I appear today in the neutral capacity simply to provide some information about what can be done with debit cards, these-- this sort of program, and what has been done in other states. Fiserv has extensive experience in assisting businesses and government agencies disbursing funds through prepaid debit cards, and we wanted to just give you that background information. There are typically three ways that states can make payments to or give money to citizens. The first is through an automated clearinghouse or ACH transfer from the government directly to a person's bank account; the second is through a paper check; and the third, a prepaid debit card. While each of these methods comes with administrative overhead and operational cost that the state must consider, Fiserv believes the benefits of prepaid cards far outweigh those of a paper check. In particular, cards provide the ability for the consumer to make purchases immediately in a physical store or via smartphone or computer at a business's website. For unbanked or underbanked individuals, this is especially important as cards don't require finding a check casher to access funds. These check-cashing fees are not insignificant. One study conducted after the first round of federal stimulus payments from the 2020 CARES Act showed that 3 million Americans cashed checks through check-cashing services, resulting in an estimated \$66 million in fees. Additionally, unlike checks, if a payment card is lost, stolen or damaged, the card can easily be replaced with funds intact. To minimize fraud, additional verification mechanisms can be added to a card-activation process to ensure that only the authorized cardholder is actually activating the card. Finally, the cards can be programmed so that funds are only used at businesses in the state of Nebraska, which would obviously mean that funds would be targeted to provide the greatest benefit to Nebraska residents and Nebraska businesses. As a further safeguard, the cards can be configured to prevent cash being withdrawn from an ATM so that individuals can't use cash-- pull cash off the card across state lines and use it in different places. As you all consider the various ways to place stimulus funds into the hands of Nebraskans, Fiserv believes that prepaid cards provide a cost-effective and safe way to accomplish this, while also ensuring

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that funds benefit Nebraska businesses as well. Senator Hansen mentioned the program in Hawaii. Just as a way of background, that was an interesting program where Hawaii used direct payment prepaid cards that were usable at Hawaii restaurants only. Hawaii is a very tourist-driven economy and suffered greatly through the pandemic. They were able to provide those cards. Other states that have considered these things, I believe New York has done a program. I don't believe Fiserv was involved in actually distributing those cards, but I think New York did a direct payment program and I believe that there's a bill in the state of North Carolina, too, that would consider this. So it would-- it's not unprecedented, and it does show some good-- good feedback and good results. With that, I'm happy to answer any questions that you might have.

STINNER: Senator Wishart.

WISHART: So in a way, it is almost like if you are giving someone a gift certificate, except for in this case, it's a gift certificate via card for the entire state of Nebraska businesses to utilize.

TIM HRUZA: As the bill is drafted and-- and assuming the vendor, I guess, that's chosen following those-- the parameters of the bill, yes, you would narrow it down to, you know, point-of-sale-type swipes that are located in the state of Nebraska, and that can all be done technologically.

WISHART: OK.

STINNER: Senator Hilkemann.

HILKEMANN: Tell me what would prevent-- client A gets the card. What would prevent them from selling that to citizen B for, say, \$50 dollars, for example, so that they can go ahead and buy things that aren't on that?

TIM HRUZA: That's an interesting technical question. I-- I can get you a better answer in terms of kind of how Fiserv has done this or what they've seen in other states. In terms of it being transferable, it would be a debit card, a legal debit card with-- you know, with the-- the name and given to the individual to whom it is mailed, right? So you'll see kind of on the fiscal note it-- it contemplates, but we would also comple-- con-- contemplate those cards, physical cards being printed in the state of Nebraska. They would be mailed directly to, as Senator Hansen explained, maybe the household member. It would

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be handled in their name. So I'm not 100 percent sure of the legal ramifications if that were transferred to another person and then used. There are significant fraud prevention and those sort of things that-- that a company like Fiserv puts in place and that banks use in terms of ensuring that the right person is using it. I don't know for certain what the potential repercussions of transferring that or using a card that's in somebody else's name would mean, right? So each account or card number is assigned to the person to whom it's mailed.

HILKEMANN: Is that-- that really would be a-- I wouldn't think that that would necessarily be fraud if you actually sold it to the other. I mean, I just realized that I-- I would think that that would be an issue because--

TIM HRUZA: I will certainly ask and see if we can't get you an answer to that.

STINNER: Senator Erdman.

ERDMAN: Thank you, Senator, Thank you for coming, I think. I don't normally let people come neutral.

TIM HRUZA: [LAUGH] I wondered-- I wondered if I might catch something for that, so.

ERDMAN: [INAUDIBLE] here-- here's what you're-- here's what you're going to get. You're not neutral, OK? You're in support of the bill because everything you said was explaining the best part of what Senator Hansen is trying to do. And so from where I sit, I'm not going to rag you about being neutral, but I am going to put you in the category of being in support. Thank you for your information.

TIM HRUZA: I appreciate that, Senator.

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

TIM HRUZA: Thank you, Mr. Chairman.

STINNER: Any additional people in the neutral capacity? Seeing none, would you like to close, Senator?

B. HANSEN: I think Senator Erdman is right. I don't think there's anybody that's not supportive of this bill. I don't kind of see how you wouldn't be. This is a great bill, like we still give \$500 million to the-- to our government to spend as we see fit, whether that's the

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governor's proposals, whether that's appropriations and other people who've had something important to them. But the rest of it goes back to the people, like the people are-- like who is going to spend this money more wisely and more specifically for themselves and their family? We're not going to. I can tell you that. Forty-nine people in this Capitol are not going to spend this money more wisely and more efficiently than a family would on what they feel is best for them. So I would hope that you would consider this. We always talk about having big ideas in the state of Nebraska, whether it's building a giant lake or something else. This is a big idea and it's awesome, so I would just supp-- hope that you could support this bill. Think about it. Might as well just kick it out of committee and we'll vote it on the floor. I think that'd be great. So thank you.

STINNER: Senator Vargas.

VARGAS: Thank you for coming, Senator Hansen. I had a technical question, and-- and part of it is coming from the-- the fiscal note that says that Department of Revenue must design the card for use at a Nebraska business location only, and I don't know how that's defined, what a Nebraska business location only-- I imagine there's a lot of e-commerce, Nebraska-owned businesses that don't have a physical storefront or business location, and I don't know if this is just physical storefronts or we're talking about a business that has filed as a business in Nebraska. I just want to-- if this were ever to move forward in this capacity, I want to make sure it technically works. I just don't know what your thoughts are on--

B. HANSEN: I think that has to do with merchant ID numbers.

VARGAS: OK.

B. HANSEN: So each-- everywhere you're going to spend this money, each place has a merchant ID number, which then has a physical location. I think the goal of this was-- and the internet part, I'm sure they might be able to answer a little bit better than I would, I mean, but the whole goal of this was to be able to spend this money in Nebraska and not go on Amazon and buy a TV from China.

VARGAS: Yeah, it was--

B. HANSEN: So I'm sure there's particulars about how they can figure out--

VARGAS: Yeah.

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B. HANSEN: --that location online, but I-- that's the best [INAUDIBLE]

VARGAS: I think about independent contractors. I think about small-- small business or e-commerce people, people who are doing it through Etsy that are in Nebraska.

B. HANSEN: Sure.

VARGAS: Just would want to make sure it works for them, too, so.

B. HANSEN: Yeah, makes sense. Thanks.

STINNER: Additional questions?

ERDMAN: Maybe--

STINNER: Senator Erdman.

ERDMAN: Thank you, Senator, and maybe the last comment. This may be the only bill that really is a one-time ask.

B. HANSEN: Yes.

ERDMAN: Thank you.

B. HANSEN: I was waiting for that.

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

B. HANSEN: Thank you very much. Appreciate it.

STINNER: There is one letter of support for LB1079. That concludes our hearing on LB1079. We will now open on our last bill of the day, LB1203. You don't look like a senator.

EDWARD BOONE: [LAUGH] I am not. Good afternoon, Chairman Stinner and members of the Appropriations Committee. For the record, my name is Edward Boone, E-d-w-a-r-d B-o-o-n-e, and I am Senator Brieese's legislative aide. I'm here to speak with you about LB1203, which appropriates money from the American Rescue Plan Act for childcare purposes. Over the past several years, it has become evident that a stable early childhood system is needed to support working parents and our economy to rebound from the pandemic. Funding from the first two stimulus packages helped alleviate some of the most urgent needs of Nebraska's workers at the height of COVID, including those in the

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early childhood workforce. But the challenges facing our state's early childhood system are deeply rooted and still creating significant turmoil. Providers are struggling to remain open. Early childhood professionals are leaving for financially fruitful and less stressful careers, and working parents still desperately try to find consistent, safe, quality care options for their children. LB1203 offers the Legislature the opportunity to leverage a historic public investment to address some of the most immediate challenges in the short term, so we can build a more robust and stable early childhood system moving forward. As a whole, LB1203 provides \$100.5 million in 16 different initiatives. Those who testify after me will go into detail about the initiatives and funding recommendations. I would like to take this time now to highlight a few main themes addressed by this bill. First, this bill includes initiatives to support, attract and retain a qualified workforce. Since 2020, there have been-- there has been a 7 percent reduction in the early childhood workforce. Fewer early childhood educators are likely to result in a loss of childcare slots or even program closures. LB1203 includes incentive bonuses to recruit and retain individuals, education scholarships, wage supplements, and child care licensing and administrative supports. Secondly, this bill includes initiatives to increase the number of childcare programs in communities. Since 2019, Nebraska's total number of providers exclusively serving children ages zero to five decreased by 7.4 percent. For many communities, the closure of a single program is devastating. LB1203 would fund initiatives that work with communities, both rural and urban, to develop the local childcare infrastructure. And lastly, this bill includes initiatives to support Nebraska families. LB1203 would fund programs to provide academic, health, financial and other support services for young parents and families. Finally, I would mention that we do have an amendment which Senator Briese would like the committee to consider. It clarifies that self-employed family home providers are eligible for the recruitment and retention bonuses. There was concern that the original language might exclude them. With this bill, the goal is simple. Our economy depends on an infrastructure capable of supporting a quality early childhood system. LB1203 provides a much-needed funding boost to help support this goal. The initiatives outlined in this bill will help children, families and communities get the quality care they need and deserve. Thank you.

STINNER: Thank you. Questions? Seeing none, thank you. Afternoon.

ELIZABETH EVERETT: Hi. Good afternoon again. My name is Elizabeth Everett, E-l-i-z-a-b-e-t-h E-v-e-r-e-t-t, and I am the deputy director

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of First Five Nebraska. First Five Nebraska is a statewide public policy organization that promotes quality early learning environments for all children in Nebraska. I am here today to testify in support of LB1203 and would like to thank Senator Briese for his leadership on this issue. So the page is passing out my testimony and the briefs on each component of the bill, so I won't go into detail on that. What I would like to do is provide a brief overview of our current childcare landscape and why, if we don't support the childcare industry, we will not be able to provide for our workforce and help grow our economy. So right now, to put it into context again, prior to the pandemic, Nebraska was losing annually around \$745 million because of a lack of access to quality childcare options. COVID-19 has only made the situation worse. We are still ranked second in the number of children for single mothers in the workforce. We are still ranked sixth in the nation for all-- children with all available parents in the workforce. So we have a very high employment-- you know, a low unemployment rate, a lot of work-- workforce-- and a lot of parents who are working in the workforce. So because of that, look at our childcare infrastructure right now. We have seen a 7.4 percent decrease in programs exclusively serving children zero to five. We went from around 2,826 programs down to 2,618 programs. We have seen a 7 percent reduction statewide in the childcare workforce. We went from 11,135 individuals down to 10,315 individuals. Strikingly, only 560-- 5,667 of the childcare workers in the field in 2021 were new individuals, so that means that we lost around 49 percent of the childcare workforce. We were able to gain that with the new individuals, but we had a turnover of about half-- half of the workforce that we have right now. So a 49 percent turnover is pretty significant for this industry. And look at the childcare gap numbers. So on page 2 of the brief, it actually provides specific detail analysis on the childcare gap-- gap numbers by legislative district. That shows you how many kids in your district do not have access to quality care, compared to those who do. So for each family home provider that we-- that closes, like I mentioned, we lose around 10 to 12 childcare slots. Childcare centers that depend on different guidelines, we can lose anywhere from 4 infant slots up to 12 childcare slots for four- and five-year-olds. So for us, you know, the-- the situation is pretty simple and clear. We are losing an early childhood workforce that is needed for our working parents. So right now, LB1203 does provide around \$100.5-- \$100.5 hundred point five million dollars for childcare purposes. I would like to prioritize the retention and recruitment bonuses, so the \$50 million that we have asked for. This would provide a monthly \$350 for each childcare professional, self-employed and fully employed, and it

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would bump their mean annual income from \$12 an hour to \$14 an hour, meaning that their salary for each year would be around \$25,030 to \$29,200. Although it's only for one year, you know, a national survey did show that a lot of childcare professionals understand that this federal money is only one-time, so they would just appreciate any income alleviation that they could get from these federal dollars. So LB1203, unfortunately, is not a silver bullet. It's not going to solve our entire childhood crisis, but it will help our working parents. It will help parents like myself, for instance. Like I mentioned before, I do not have childcare right now. My husband, who is a police officer, had to take time off again in order for me to come and testify today. It will help working parents all across the state, again, where we rank extremely high for even single mothers and both parents in the workforce, working full-time jobs and having children under the age of six. So for us, LB1203 is a good start, and it's a perfect way for us to help-- help stabilize the industry. And then hopefully we'll be able to introduce legislation in the following years that will help improve our situation. So thank you again. And I also, since this will be my last time testifying in front of this committee for Chairman Stinner, I just want to again thank you for your leadership on early childhood issues as well. So thank you, and I'm happy to answer any questions that you might have.

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

ELIZABETH EVERETT: Thank you.

ROBERT PATTERSON: Good afternoon.

STINNER: Good afternoon.

ROBERT PATTERSON: My name is Robert Patterson, R-o-b-e-r-t P-a-t-t-e-r-s-o-n. I've been the leader at Kids Can Community Center for the past 23 years. Kids Can is a nonprofit in south Omaha with a mission to educate, engage, and inspire children through early childhood care and out-of-school experiences. Our main center and our after-school sites are all state licensed, and we all accept all families who qualify for subsidies. As a childcare provider and advocate, I support every aspect of this bill. As you know, there's a lot in here, but I was going to touch on two sections today. The first is Section 2, which assists families on waiving co-payments. These co-payments, they're sometimes called family fees, are individually assessed for each household. Historically, some of these fees have been substantial, and I have a couple examples that I have in my

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written testimony. I'm trying to truncate it for you since it's getting later in the day. The one I will talk about right now is the Cortez [PHONETIC] family. It's a multigenerational home that has two children in our early childhood program at Kids Can. Their co-payments are \$469 each month, and that's about \$5,600 per year, or, for their household income, 16 percent of their household income. So for a family already deemed low income and to already have received-- in order to have received subsidies, this high copayment sometimes make it really difficult for them to make ends meet. For these families that are struggling, childcare would be unattainable without subsidies. But when these large co-payments are imposed on them, they're sometimes faced to make impossible decisions. Do they put money to these co-payments or clothes or food or the electric bill? A lot of times, it's the childcare that does not get the co-payments, and then we just have to kind of make up the difference on our-- on our own. By temporarily waiving these co-payments, it would alleviate at least one more obstacle for families trying to move out of the cycle of poverty. The past two years have been tough on everyone, but I can attest for our families it's been twofold. Many of them work in the front-line jobs of food service, healthcare and first response. The second part I want to focus on is Section 17, which is the retention and recruitment allowances for early childhood professionals. Like many front-line staff across all sectors, childcare workers have historically been deemed the most essential but the least paid. Childcare staff are usually more than twice as likely to-- than other occupations to live below the poverty line, meaning they also turn to federal programs to meet their own basic needs. An estimated 43 percent of childcare workforce in the United States receives some sort of government assistance, and that's according to Child Care Aware of America in 2019. The pandemic illustrated the need for secure and steady childcare at all times. Unlike other businesses, we don't have the luxury to work from home or to only be open three days a week or to have a 20:1 child-to-adult staff ratio because we don't have enough staff that day. Children are the most important investment that we can make in our communities. However, the amount of our investment doesn't always reflect that importance, so we need to value our childcare workers by compensating them appropriately. The proposed monthly allowance is an important tool for not only attracting talented and caring individuals, but retaining them as part of a long-term career path. On behalf of providers like Kids Can, who have never stopped providing care in the past two years, I want to thank you for your support of LB1203 and I'm happy to answer any other questions you might have.

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STINNER: Any questions? Seeing none, thank you.

ROBERT PATTERSON: Thank you.

STINNER: Good afternoon.

KRISTEN HASSEBROOK: Good afternoon, Chairman Stinner, members of the Appropriations Committee, my name is Kristin Hassebrook, K-r-i-s-t-e-n H-a-s-s-e-b-r-o-o-k, and I'm here today on behalf of the Nebraska Chamber, the Greater Omaha Chamber, and the Lincoln Chamber of Commerce in support of LB1203. Affordable, available and quality childcare is directly linked to workforce par-- participation. The sheer number of individuals leaving the workforce to care for their children or the COVID 19 pandemic proves it. Childcare is essential for working parents to enter, reenter and stay in the workforce as our economy recovers, and research also shows that the availability of childcare increases workplace productivity and local economic activity. Additionally, childcare options are one of the top considerations for families looking to relocate to Nebraska communities, yet 91 percent of Nebraska communities have insufficient childcare resources to meet the need and lack available talent and av-- and of available childcare workforce continue to dominate the priorities of Nebraska businesses across our state, as evidenced by a survey conducted by the Nebraska Chamber during the summer of 2021. The Nebraska business community supports initiatives that will deliver high-quality early childhood care and education statewide, and so that's why we're proud to support LB1203. Today, we've been asked to specifically highlight the provision in LB1203 that would provide \$19 million to contract with an outside entity to increase childcare capacity in areas of need by increasing local community infrastructure. Childcare services took some of the toughest blows from the pandemic. Many were forced to shut down and suffer operating losses which could have fatal or long term consequences. It is these same businesses that are relied upon to truly keep Nebraska working and growing as they serve both our existing and future workforce. Efforts must be made to increase childcare supply. A concept envisioned for these funds is similar to one previously proposed by the Nebraska Department of Health and Human Services that would have supported grants to encourage business and childcare partnerships for on-site or nearby child care centers that would serve their employees. This \$19 million would also help address another barrier to childcare capacity growth, which is the need for local community infrastructure. Grants could support the planning, development and implementation of building out childcare capacity in areas of the state by supporting

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businesses, schools, communities or even in-home providers. We would encourage the committee to advance LB1203, and I'm happy to answer any questions.

STINNER: Any questions? Has the chamber done any survey work on people who have left the profession, closed a day-care center due to COVID? And do you survey them and ask them, if you have a grant program, would you reopen?

KRISTEN HASSEBROOK: We have not done that exact survey. The survey data we did conduct over the summer indicated number-one priority, general-- you know, top-- number three-- top three, you know, challenges for business: lack of available talent; in second and third, in terms of community challenges, education and childcare was in the top three. And the raw notes from those sessions indicated that when they say education and childcare, they really were focused on sort of that childcare workforce and their-- the access to that for their employees.

STINNER: So if you were going to rank this among all of the requests that the Chamber has relative to workforce, where would this rank?

KRISTEN HASSEBROOK: Oh, that would be a tough one off the top of my-- my head, but certainly it's an important priority for the state.

STINNER: Do you have any statistics on how many people are still out of the workforce because they can't get childcare?

KRISTEN HASSEBROOK: No, but we do know that we're still about 30,000 individuals missing from the workforce in terms of just data tracking from the Department of Labor in terms of folks who still haven't returned, and we're also still down about 30,000 jobs from pre-pandemic level. I can't say that those are dir-- all directly tied, but-- but that's the data I do have.

STINNER: So we're down jobs, but our unemployment is down lower than 1.8, so--

KRISTEN HASSEBROOK: Literally everyone who could possibly working-- I mean, it's-- the-- the unemployment data is, you know, you have to be, you know, ready, available to-- to work. If you're not looking or if you're at home caring for-- for children and you've opted--

STINNER: The-- it-- it just tells you that--

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KRISTEN HASSEBROOK: --out of the-- the workforce, you're not considered--

STINNER: It tells you that the workforce pre-COVID is not the same amount of workforce after COVID.

KRISTEN HASSEBROOK: Yes,

STINNER: So of the active workforce, we're-- we're down 30,000, is what you're saying.

KRISTEN HASSEBROOK: Yes.

STINNER: And you don't-- you believe-- well, some of that's retirement, but you don't have a number relative to--

KRISTEN HASSEBROOK: I can certainly look into finding that data for you.

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

DAN MAUK: Good afternoon. Chairman Stinner. members of the comm-- committee, my name is Dan Mauk; it's spelled D-a-n M-a-u-k. I'm the executive director of the Nebraska City Area Economic Development Corporation, and today also I'm representing the Nebraska Economic Developers Association, testifying in support of LB1203. In my 24-year career in community economic development. I first noticed childcare as an economic development concern a few years ago. Beginning about 2015, I first heard large employers asking for our help to address childcare resources, capacity, primarily. The practice of economic development in rural Nebraska is no longer limited to job creation. New jobs also need an available workforce. Any workforce expansion also requires affordable housing and available childcare. In short, a job needs a worker, who needs an address and needs childcare. Even before the pandemic, the childcare industry was challenged by the friction between affordability of care and the provider's ability to pay a wage that attracts quality caregivers. The global pandemic has markedly exacerbated that friction, increasing the capacity problem. Nebraska has the highest labor participation rate in the nation at 71 percent; of Nebraska families with children, 64 percent have all available parents-- parents in the workforce, which in most cases requires outside care for their children. Nebraska also has the lowest unemployment rate, as you just mentioned, Chairman Stinner. There's a significant number of women that have left the workforce due to a lack

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of affordable, available childcare. LB1203 helps add people to the workforce by expanding childcare resources. The bill helps increase the quality of child-- of childcare operations and improve childcare affordability. For example, the bill would include funding to the Department of Health and Human Services to contract with an outside organization to increase childcare capacity in areas of need, and also add funding for retention and recruitment bonuses for childcare professionals. On behalf of our organization and the Nebraska Economic Development Association, I urge your support for LB1203 and I'm available to answer any questions.

STINNER: Thank you. Questions? Thank you for being so patient.

DAN MAUK: You were-- you're patient as well. Thank you for hearing us.

TROY STICKELS: I might be the last one keeping you from leaving. Thank you for having me. My name is Troy Stickels, T-r-o-y S-t-i-c-k-e-l-s. I'm the CEO of the Hastings Family YMCA, and I'm speaking to you today on behalf of the Nebraska Alliance of YMCAs. They elected me chairman, so I get here today with you. On behalf of the 14 YMCAs across the state, we appreciate the opportunity to express our strong support for Senator Briese's bill, LB1203. As you've already heard, the bill will allocate \$100.5 million of the American Rescue Act Plan to address the critical need for funding of early care, childcare, school-age and summer programs. To give you a little background, the YMCA is the largest provider of childcare in Nebraska and across the nation. Ys provide year-round care for infants, toddlers, preschoolers and school-age youth programs. The YMCA brings decades of experience and our holistic approach in developing social, emotional, academic and physical well-being of children. I'm going to share a few statistics with you that you've already heard today, but the American Rescue Plan characterizes childcare as an essential sector, with the business community walking alongside in agreement. We've heard the U.S. Chamber Foundation study, which holds the position that childcare is a two-generation workforce issue because it is essential to supporting the workforce of today and vital to developing our workforce of tomorrow. We've already heard from First Five Nebraska a study that they had where 704-- our Nebraska economy is directly affected, \$745 million annually in direct losses. Nebraska businesses lost more than \$234 million annually due to reduced productivity and turnover. One of my coworkers, who works in the South City-- South Sioux City, Nebraska, Y, shared something with us the other day. This is just one example of the impact of childcare breakdown in Nebraska, comes from the Tyson Meatpacking plant in Dakota City. The number-one and

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number-two reasons for absenteeism and for workers quitting their jobs were related to childcare issues. In terms of the national impact, a 2021 study conducted by the Council for a Strong America, the study examined the economic impacts of the nation's childcare crisis, and it is a crisis, on working parents, employers, taxpayers and the ongoing consequences. Their verdict: an annual economic cost at \$57 billion in lost earnings, productivity and revenue. So as a vital sector, the pandemic has had a devastating impact on the childcare delivery system, including additional widespread layoffs and closures nationwide, although many YMCAs were able to provide emergency childcare for children of essential workers. Significant declines in enrollment while experiencing dramatic increases in operating expenses have created an unsustainable financial hardship for an already fragile childcare system operating on very thin margins. As a greater number of parents return to work, ongoing staffing shortages remain a huge barrier to our ability to restore prior capacity levels. I can speak from experience. We take care of about 400 kids a day. We could take care of more if we had more staff, so this bill would go a long way in helping us with that. Many of the-- of the core financial problems were endemic to the childcare sector pre-pandemic. I was at a conference in September of 2019 that was put on by the Buffett Institute. Senator Briese was there. The light came on, so I'm going to skip to his quote, but there was 415 people at that conference from 92 cities. That tells you how important it was. And Senator Breeze's quote was: In Lincoln, we talk all the time about growing the state. I want to submit to you that one of the key factors in growing our state is early childhood programs. That's the key to workforce development. It's the key to growing Nebraska. So we would really appreciate your support for all aspects of this bill, and I will answer any questions you have.

STINNER: Any questions? Seeing none, thank you.

TROY STICKELS: All right, thanks.

STINNER: Afternoon.

NICK BROTZEL: Hi, good afternoon. I think maybe I get to round you out, so I'll keep it brief. Chairman Stinner, members of the Appropriations Committee, my name is Nick Brotzel. For the record, that's N-i-c-k B-r-o-t-z-e-l, here to testify in support of LB1203, and I want to thank Senator Briese for his work on this bill. We appreciate that this bill was informed by significant provider feedback and includes targeted investments across the care continuum.

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CRCC is somewhat unique in the industry in that we provide nursing, behavioral health, and therapeutic care for kids and youth zero-- eight-- to 18; in two Omaha-based centers, kids with special needs. Approximately 30 percent of our census has families that benefit from the child subsidy program and an additional 30 percent from Medicaid A&D and DD waivers. During the height of the COVID impact, our daily census was down by as many as 100 children; and at its height, staff turnover on a monthly basis spiked as high as 28 percent. We currently still have 25 open classroom and para educator positions and a waiting list of more than 70 children. So for us, we really appreciate the multimodal and targeted approach of LB1203, especially as it relates to childcare workforce. As many have said, the targeted investments in training and certification are extremely important, and they show providers that there's a viable future in the childcare profession. It gets to career laddering and setting up systems similar to our medical providers, behavioral health providers, social workers, and these sorts of investments will live long beyond the life of the COVID relief-- relief funds, so ask you to please give this strong legislation due consideration, and I'll take any questions that you might have.

STINNER: Thank you. Questions? Seeing none, thank you very much. Any additional proponents? Any opponents? Anyone in the neutral capacity? Seeing none, Senator-- would Senator like to close-- would you like to close? We'll waive the closing. OK, very good. So LB12-- LB1203 has 58 letters of support and 2 neutral letters. So that concludes our hearing on LB1203 and our hearings for today. Thank you, everyone, for being patient and sticking around.