

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**FRIESEN:** OK. Welcome, everyone, this afternoon to the T&T, Transportation Telecommunications Committee. I'm Curt Friesen from Henderson, Chairperson of the committee. I represent District 34. I'll begin with a few procedural items. Please ask you to silence all cell phones or other electronic devices. We'll be hearing the bills in the order listed on the agenda. Those wishing to testify on a bill should move to the front of the room and be ready to testify. We have chairs set aside up front and when your turn comes, you will be ready to go. If you will be testifying, legibly complete one of the green testifier sheets located on the table just inside the entrance. Give the completed testifier sheet to the page when you sit down to testify. Handouts are not required, but if you do have a handout, we need 10 copies and one of the pages could assist you with that if you need help. When you begin your testimony, it's very important you clearly state and spell your first and last name slowly for the record. If you forget to do this, I will stop your testimony and ask you to do so. Please keep your testimony concise. Try not to repeat what has already been covered. The acoustics in this room are challenging, and everyone must speak directly and clearly into the microphone. We use the light system in this committee. Beginning with the green light, you will have five minutes for your testimony. Yellow light indicates there's one minute left; and when the red light comes on, time is up, you need to finish your testimony. And with that, I have committee counsel, Mike Hybl, on my right; committee clerk, Sally Schultz, on my left. The pages are Sophia and Joseph. Thank you very much for being with us, and with that we'll start introductions to my right.

**BOSTELMAN:** Bruce Bostelman, District 23, representing Saunders, Butler and Colfax Counties.

**ALBRECHT:** Senator Joni Albrecht, District 17: Wayne, Thurston and Dakota Counties and a portion of Dixon.

**GEIST:** Sorry, Suzanne Geist, District 25, the southeast corner of Lincoln and Lancaster County.

**DeBOER:** Good afternoon, everyone. My name is Wendy DeBoer. I represent District 10 in northwest Omaha.

**MOSER:** Mike Moser. I represent District 22. It's Platte County and part of Stanton County.

**M. CAVANAUGH:** Machaela Cavanaugh, District 6, west central Omaha, Douglas County.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**FRIESEN:** And Senator Hughes might join us at some point in time. He may be some other committee putting in a bill. So with that, we'll open the hearing on LB1105 and welcome, Senator Day.

**DAY:** Thank you. Good afternoon, Chairman Friesen and members of the Transportation and Telecommunications Committee. My name is Jen Day. That's J-e-n D-a-y, and I proudly represent Legislative District 49 in Sarpy County. I'm here today to introduce LB1105, which would add the option of an Autism Acceptance License Plate. When the idea of an autism specialty license plate was first brought to me, I was slightly surprised that our state did not already have one. We have a number of specialty plates, which has been a fantastic way for important causes and organizations to be highlighted. Additionally, these plates have helped give people a way to voluntarily donate to organizations they are proud of. Currently, Nebraska offers 37 options for specialty license plates, most recent of which was Senator Geist's bill last year to create the Josh the Otter-Be Safe Around Water Plates, which was passed unanimously. This idea has been so popular that the nine specialty license plates created since 2010 have all advanced from this committee 8 to 0, with the exception of the Mountain Lion Conservation License Plate, which passed 7 to 1. License plates that highlight autism are an option that many states have, but Nebraska does not currently offer. Currently, 29 states have some form of autism special-- of a autism specialty license plate, excuse me. Adding Nebraska to this list would give families across the state a chance to highlight something that is so central to someone they love. Additionally, autism license plates would serve a secondary purpose to signal to officers that a family may have a driver or passenger who may have challenges when pulled over. Since autism is a spectrum of different symptoms and levels of severity, there is no single set of behavior-- behaviors that an officer knows to identify with. However, an officer beginning an interaction with a car with an autism specialty license plate would be more prepared for a circumstance where someone in the vehicle may have sound or light sensitivity or respond poorly to the unstructured nature of an unexpected interaction. As many of you know, the number of families who are touched by autism has been steadily increasing. Currently, the CDC projects that about 1 in 44 children have been diagnosed with autism spectrum disorder. In Nebraska specifically, the Department of Education reported that in 2017, 4,739 students had an IEP related to autism. This number only includes public school kids and has likely risen since then. Autism is not a mental illness and is not always associated with mental impairment or behavioral changes. It is, however, as the Nebraska State ASD network writes, a spectrum disorder

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

that is generally recognized by difficulties in communication, social interaction and perceptual organizations or patterns of behavior. These symptoms can create a number of challenges for children and families, but treatment and a commitment to helping those with autism is key. By helping those with autism receive services they need, the quality of life for those with autism can be dramatically improved. However, these services are lifelong and can sometimes involve a near daily commitment, which can be challenging and frustrating for families. This is where LB1105 comes in. Nebraska has a number of supportive agencies and nonprofits that can assist families that face challenges associated with autism. From education for parents to providing training and technical assistance, creating social opportunities, recreational experiences and community inclusion for those experiencing-- experiencing autism, Nebraska is fortunate to have a network of organizations committed to helping those with autism. LB1105 would help this by taking excess revenue created with the Autism Acceptance License Plate and create a grant program that all volunteer direct service autism organizations would be eligible to apply for. Looking at the revenue created from Nebraska's Native American License Plates, which has a similar fee, the revenue would likely be less than \$80,000. However, this amount would still be a game changer for grants to those-- to these direct service, all volunteer organizations that, for the most part, are the parents, grandparents, friends and relatives of those with autism. Today, you'll be hearing from testifiers from two different all volunteer autism organizations who can highlight some of what they do to help those with autism. One note before I conclude, as originally drafted, LB1105 would have been an Autism Awareness License Plate. After talking with many in the autism community, I decided to adopt language which is generally preferred, Autism Acceptance. You should have this amendment attached to your fact sheet, which is AM1851. As someone who is relatively new to this change, before I started meeting with people about this bill, I thought Christopher Banks, who's president of the Autism Society of America, summed the reason for the change-up well when he wrote, "While we will always work to spread awareness, words matter as we strive for autistic individuals to live fully in all areas of life. As many individuals and families affected by autism know, acceptance is often one of the biggest barriers to finding and developing a strong support system." One of our duties as legislators is to listen to what people most affected by the issues we work with are telling us. So I hope that if you decide to advance LB1105, this change could be included as a committee amendment. I do have another hearing to get-- to get to, so I will respectfully waive my close, but I am happy to answer any questions you may have.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**FRIESEN:** Thank you, Senator Day. Any questions from the committee? Seeing none, thank you.

**DAY:** Thank you.

**FRIESEN:** And, Senator Day will waive closing. Proponents to LB1105. Welcome.

**CATHY MARTINEZ:** Good afternoon. My name is Cathy Martinez, C-a-t-h-y M-a-r-t-i-n-e-z. My husband Cesar and I have raised eight children in Lincoln. Our youngest son, Jake, has Level 3 or severe autism. He is 18 years old and a senior at Lincoln East. He was diagnosed at his 24-month checkup in 2005. Jake can't speak. He's an elopement risk, and he wears a Project Lifesaver bracelet. Jake's not the person with autism you see featured in movies or TV. He's not a prodigy or a doctor. Jake needs assistance with meal prep, toileting, bathing. Jake exhibits aggressive behaviors and needs 24-7 supervision. He has the difficult kind of autism filled with challenges. Regardless of all the negative characteristics of autism that come with my son's diagnosis, we love him unconditionally and we would do anything to keep him safe. According to the CDC, autism now affects one in 44 children in the United States. It is the fastest growing disorder and most prevalent disorder in the world. If we had an autism awareness plate, it would let law enforcement officials and other motorists know that a person with a developmental disability is most likely on board. It would let law enforcement be prepared to potentially have a passenger with behavioral issues and communication deficits. When we realized we couldn't do anything to cure him of his challenges and the challenging parts of autism, we became heavily involved with the local autism community. We helped form a support group in 2006 in Lincoln called the Autism Family Network. The Autism Family Network helps families connect and helps diminish the feelings of isolation that most families affected by autism feel. The Autism Family Network is a 501(c)(3) that is run by volunteers, primarily parents of children on the spectrum or self-advocates. We focus on four main target areas: community inclusive activities for people on the spectrum, children, families and adults, all free to families so everyone can participate regardless of ability to pay; legislative advocacy trying to improve the lives of people with disabilities; educational advocacy, helping families with their IEPs and transition plans; resource and information materials. We host monthly educational meetings for families to gain the tools that they need to navigate the disability world. We partner with Lincoln Police Department to bring Project Lifesaver to the Lancaster County area. We do educational trainings for first responders and local law enforcement regarding disabilities.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

We have also developed a water safety program partnership with Josh The Otter Foundation to teach people on the spectrum lifesaving techniques in the water. National statistics indicate that accidental drownings account for 91 percent of all death of children on the autism spectrum. We also have a hardship scholarship fund to assist families affected by autism with their basic needs. We have taken the lead in the planning, building and fundraising for Lincoln's first park for people with disabilities. We have a young adult social group to provide in conjunction with the Lincoln Arts Council for people on the spectrum. We are a grassroots organization who are on the front lines in the autism community, helping families. Because we are a volunteer-based organization, 100 percent of the money we raise goes directly back to families through the number of programs we provide for the community. No administrative fees, no salaries to pay. Just good-hearted people trying to help other people on the same journey. The proceeds generated from the sale of the Autism Awareness Plate will go directly back to help these individuals on the autism spectrum in our state. We can do so many good things for people and provide even more services than we currently are with the additional funding generated by this endeavor. I appreciate your time and attention on this vital piece of legislation for the autism community. Thank you.

**FRIESEN:** Thank you, Ms. Martinez. Any questions? Senator Geist.

**GEIST:** Thank you for your testimony and I have a question. I understand that the plates could alert law enforcement that there could be someone in the vehicle that has a disability. I know there's a broad spectrum of people who experience autism. Is the driver ever that individual?

**CATHY MARTINEZ:** Yes, the driver could have autism as well.

**GEIST:** OK.

**CATHY MARTINEZ:** Depending upon where they lie on the spectrum.

**GEIST:** OK. I didn't know if-- if that would be included, so.

**CATHY MARTINEZ:** Yes.

**GEIST:** Thank you.

**FRIESEN:** Thank you, Senator Geist. Senator Bostelman.

**BOSTELMAN:** Thank you, Chairman Friesen, and thank you, Ms. Martinez, for being here. I take that the intent would be anyone could purchase

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

a plate if they wanted to-- or would you think or is this to just have a family that has a family member with autism have that plate so that-- and-- and what we're saying if law enforcement comes to that, stops that vehicle or approaches that vehicle, they would have awareness.

**CATHY MARTINEZ:** I would assume anyone could purchase the plate, but I would think that the only people that would want to purchase the plate would be somebody directly affected by autism.

**BOSTELMAN:** Do you have other-- through the things you are doing, have you developed other type of decals, stickers or something that when a person is in the vehicle, that law enforcement would know that-- could be put on the window on the side or something so they know. I'm just curious.

**CATHY MARTINEZ:** From a variety of different organizations, you could purchase a magnet for the back of your car.

**BOSTELMAN:** OK, thank you.

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

**CATHY MARTINEZ:** Thank you.

**FRIESEN:** Other proponents for LB1105. Welcome.

**MEGAN MISEGADIS:** Hi. My name is Megan Misegadis. It's M-e-g-a-n M-i-s-e-g-a-d-i-s, and I'm the parent of a 23-year-old on the spectrum who is also a twin. My son was diagnosed with autism at 18 months of age. We were embraced by the autism community when he was in elementary school, and we found a lot of support and comfort from other parents and individ-- individuals just like us. It became-- I became active in the Autism Society of Nebraska about 15 years ago, and I've served in various capacities and now serve as the president. The Autism Society of Nebraska, ASN, is the oldest and largest statewide grassroots autism group in Nebraska, a nonprofit started by parents in 1975. While we're an affiliate of the Autism Society of America, we hold our own 501(c)(3) and are completely financially independent. One hundred percent of the money we raise and spend stays completely in Nebraska to better the lives of Nebraskans living on the autism spectrum, their caregivers and their families. The Autism Society of Nebraska currently has six support groups across the state, Omaha, Lincoln, Norfolk, Grand Island, North Platte and Scottsbluff. And we're always seeking to add new support groups in more Nebraska

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

cities. Besides the local community supports in our current six support groups across the state, the state board works to provide statewide initiatives. We do this through fundraising and applying for grants when available. Two large, recent initiatives were Stay Safe & Self Advocate website, a website that we developed with professionals in healthcare and education during the pandemic to help individuals on the spectrum, their caregivers and educators with both written and video lessons to help them through the pandemic on the spectrum. We collaborated with other agencies to bring UCLA PEERS social skills curriculum trainers to the state, and we're very happy to say that the curriculum is now being used in many schools and private providers across the state. Some upcoming initiatives that we have, we're looking forward to co-hosting an autism spectrum disorders law enforcement and public safety training in Kearney in April, along with a Train the Trainer session. We're hoping to follow with additional law enforcement public safety training in several other areas of the state this fall. We provide information and referral supports through our email, phone, Facebook pages, as well as in-person and community gatherings. We provide grant funds for emergency enrichment and autism conference attendance, serving families and individuals on the spectrum. And as a statewide grassroots organization, we share legislative information to our autism communities, both state and federal agendas and bills. The current CDC autism prevalence numbers are one in 44. There are a lot of Nebraskans who need our support. This license plate bill and the proceeds could have a meaningful impact to those living on the spectrum, their families in Nebraska. Thank you.

**FRIESEN:** Thank you, Ms. Misegadis. Any questions from the committee? Seeing none, thank you for your testimony.

**MEGAN MISEGADIS:** Thank you.

**EDISON McDONALD:** Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm the executive director of the Arc of Nebraska. We advocate for people with intellectual and developmental disabilities. My intent today is to be brief and just indicate our strong support, helping to make sure that other disability organizations have access to funding and that we expand autism awareness is important. And then just briefly, I wanted to address the questions regarding, does this help police officers to-- to understand if an individual with autism may be in a vehicle? This is something that we've been looking into and talking with several senators about. I know Senator Geist has a bill that's kind of in that same vein that we're very interested in. I think that this would help to go and indicate at least kind of-- you

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

would have a lot of other folks, parents, family members, friends who would get these license plates. But I think, you know, that might be, you know, kind of a minimal step. A better step would be to look at things like making sure that it's inserted into the digital record that when a police officer pulls up, they're able to go and pull up the digital record based upon the license plate, which is what we've discussed with the DMV and then making sure to look at-- we've talked about looking at adding a little logo like some states have done to go and make sure that we're able to-- to better understand and make sure that we show who the people with disabilities are to law enforcement or first responders. That's kind of difficult, apparently due to the nature of the driver's license card, although they've done it in other states. And the other piece that we're looking at is, is looking at going and helping to get a program set up to go and distribute cards that would just go and indicate, you know, a little bit about who this person is, that they have a disability, and that they need some extra accommodations for things like sensory issues. So those are some of the things that we've been discussing and would be interested in, in further pursuing. That's all.

**FRIESEN:** Thank you, Mr. McDonald. Any questions from the committee? Senator Geist.

**GEIST:** Just one. I appreciate your addressing my bill that's sitting out there. I'll tell you the biggest opposition that we ran into was one of the right to privacy. And so I don't know if there's some kind of link we could make that-- that the individual and whoever puts that-- I believe it's actually the Crime Commission--

**EDISON McDONALD:** Yeah.

**GEIST:** --puts those indications-- could make that connection so that the individual gives the approval for that indicator to be digitally on the record.

**EDISON McDONALD:** Yeah.

**GEIST:** Maybe that's a link we could make at some point.

**EDISON McDONALD:** Yeah, that's-- that's something we've looked at, and I think we'd definitely be concerned if it was mandated. However, if you do have an option to enroll within a program or an option to have a card or in this case, you know, to-- to have a license plate, I think it's that choice that--

**GEIST:** Yeah.

**EDISON McDONALD:** --really is the important factor there.

**GEIST:** Most likely. Thank you.

**FRIESEN:** Thanks, Senator Geist. Thank you, Senator Hughes, for joining us. Any other questions from the committee? Seeing none, thank you for your testimony. Any other proponents for LB1105? Seeing none, anyone wish to testify in opposition to LB1105? Seeing none, anyone wish to testify in a neutral capacity? Seeing none, we did have 10 online comments in support. With that, Senator Day waives closing and we'll close the hearing on LB1105.

**GEIST:** And next, we will proceed with LB1149 and, Senator Friesen, you may open on your bill.

**FRIESEN:** Thank you, Senator Geist and members of Transportation and Telecommunications Committee. For the record, my name is Curt Friesen, C-u-r-t F-r-i-e-s-e-n, represent District 34, and introducing LB1149. I would like to open my comments with a reminder of a few things that we do know. The President has set a goal of 50 percent of all new vehicles produced in 2030 will be all electric. Surveys of auto industry executives expect 52 percent of all new vehicle sales will be all electric by 2030. General Motors has publicly committed to eliminate gasoline and diesel light-duty vehicles and SUVs by 2035. In 2020-- in 2021, 52 percent of all Nebraska Highway Trust Fund revenues were motor fuel taxes. We know that the needs of the state highway system are many. We need to finish the expressway system designated in 1988, plus make additions to the system; six-lane Interstate 80 west of Lincoln to Grand Island; add capacity to the Omaha and Lincoln metro areas; and of course, maintain all of this investment. And remember that 46 and two-thirds of the Highway Trust Fund revenues are distributed to counties and municipalities for local roads. Lots of needs and a likelihood that in the near future we will see a significant erosion of the primary base of our dedicated highway funding mechanism. It is way too early to panic, but the next few years will require this Legislature to address how we will fund highway infrastructure in a stable, predictable way, in a way that does not place pressure on other funding sources and priorities. LB1149, along with AM1903, offer two ways to begin the discussion of this issue. LB1149 as introduced would maintain and increase over time the alternative fuel motor vehicle registration fee. This is one solution. However, it does not place a requirement on those using our highways from out of state to help pay for the privilege of using our highways. So another option to consider is AM1903. Now that is the start to a process of developing a methodology for placing a gas tax

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

equivalent on electric energy that is used to operate electric motor vehicles. Both are concepts that need additional discussion and thought. But I believe that just as broadband was the primary focus of this committee the past five years, this issue, the funding of our highway infrastructure, will rise to the top of the agenda for this committee in the next three years. I would be glad to happy-- and happy to answer any questions you may have.

**GEIST:** Oh, I am the Chair. (LAUGHTER) Had a moment. Are there any questions from the committee other than mine? Senator Hughes.

**HUGHES:** Thank you, Vice Chair. So, Senator Friesen, do you have any idea what the average gas tax that's paid today by vehicles in Nebraska?

**FRIESEN:** No, I don't.

**HUGHES:** So the numbers. I mean, the numbers you gave are--

**FRIESEN:** We can come up with the numbers and so the equivalent, if you take a kilowatt, you can convert it into BTUs, which convert it into equivalent gas tax. And so the numbers here now, a majority of that by far all comes from gasoline. The registration numbers of cars registered, there's not very many electric vehicles registered currently.

**HUGHES:** I was just curious if your numbers kind of correlated to anything as the average miles traveled and average miles per gallon obtained.

**FRIESEN:** We-- we haven't looked into that at all because it varies so much. You've got the hybrid vehicles today who are really not paying their fair share because they could be a plug-in hybrid. And so they don't pay any extra on their registration fees, but they might be getting 50-60 miles to the gallon. And then you have gasoline vehicles making still probably down in that 15 to 20 range. So it's-- it's a pretty wide range.

**HUGHES:** OK, thank you.

**GEIST:** Yes, Senator Bostelman.

**BOSTELMAN:** Thank you, Vice Chair. On AM1149 (SIC LB1149), how do you see that working with the retail, or is that like, we have a gas station, so now they've got a charging station there, so then they can

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

go and charge for that. Can you explain that to me a little bit, your thoughts?

**FRIESEN:** This is going to be the challenge because as the federal government and we've created a lot, there's a lot of dollars in transportation infrastructure bill to put out fueling stations. And so the fueling stations, I've looked at and looked-- you know, any time you get into the faster charging, it requires either 240 volts or clear up to 480 and different things. And so they're usually metered separately. And so, but we're going to find these charging stations everywhere. We're finding them now at libraries and public spaces, grocery stores. They're starting to pop up everywhere. And what I foresee, I guess, is if they're metered separately because they require a different voltage, there would be an opportunity there to measure those kilowatts that are used to charge those vehicles and we would treat that electricity as a motor fuel.

**BOSTELMAN:** Do the same thing at home then, I would think.

**FRIESEN:** The thing at home is going to be a little different. It's going to be a little more challenging. But again, most residential homes don't have what you would call a fast charger capability. And so there again, there would have to be a transformer involved and separate metering. And so those are the toughest ones to address. And I don't have a good answer for that because you could theoretically probably have chargers now that plug in at 110. And, but they're such slow charging I don't know that they're going to be a large impact, I guess, on fuel.

**BOSTELMAN:** OK, thank you.

**GEIST:** Senator DeBoer. I'm-- go ahead.

**DeBOER:** Thank you, Vice Chair Geist. So I received information that the average combustion vehicle pays \$110 in-- in taxes for that. The question I had larger is that the gas tax is essentially kind of a use tax, so to do a one size fits all on-- I mean, it's not a perfect system to have a one size fits all on a-- on an alternative fuel-using vehicle. I'm not saying that I have a better solution, but.

**FRIESEN:** Are you talking about the registration part of the bill?

**DeBOER:** Well, just if we're-- if we're charging them 150 or whatever it is as opposed to-- so if I drive an electric vehicle, but I only take it to church on Sundays and I drive-- you know, isn't that the old lady that only drove it to church on Sundays-- that I'm still

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

paying the same amount as someone who drives-- drives it back and forth across the state?

**FRIESEN:** I agree with you. I mean, and that's the challenge of doing it through a registration process. And that's why I would really like to see it convert to the actual kilowatt charge versus the registration. You would not do both. I think ideally, we would find a way to convert this into a tax on actual electricity used and convert it to a motor fuel and then take the registration the same as every other vehicle. But in the meantime, till we can implement something or until this committee feels comfortable this is the direction we should head, I do feel that with the increased mileage that's available, our only alternative is really to increase registration fees. And yes, it's probably not going to be fair, but it's the best we can do at the time.

**DeBOER:** So the-- the Highway Trust Fund-- this money goes into the Highway Trust Fund, is that right?

**FRIESEN:** [INAUDIBLE]

**DeBOER:** And that's used mainly for building and revamping.

**FRIESEN:** And maintaining our roads.

**DeBOER:** The roads. Well, I suppose even if you only drive on Sundays--

**FRIESEN:** You still need to drive.

**DeBOER:** --you still need to drive there. OK, thank you.

**GEIST:** Thank you, Senator DeBoer.1

**FRIESEN:** Again, this is-- I think this is meant for discussion also. I mean, it's time that we start to focus on it. This is kind of bringing it to the forefront that we're either going to, you know, ideally especially, we're trying to get all the vehicles traveling through the Interstate. Registration fees don't do that. So that's where we'd ideally like to go. But in the meantime, this is a method that we can start to at least increase, I guess, some of the revenue from those electric vehicles because the mileage has increased a lot since we first implemented this.

**GEIST:** OK. I do know that you are Senator DeBoer. I do know that I am the Chair for right now and I do have a question. You referenced an amendment to this.

**FRIESEN:** Yes.

**GEIST:** And that was embodied and that was to the charging stations?

**FRIESEN:** Yes.

**GEIST:** So in your mind, this would bill-- this bill would either be one or the other. Is that correct?

**FRIESEN:** Well.

**GEIST:** But not both?

**FRIESEN:** It is a-- it is an amendment that I think it ties it in that in a few years we would convert over to the other.

**GEIST:** OK.

**FRIESEN:** If the amendment would be adopted in a certain year time frame, we would then convert and switch from the registration fees to a kilowatt charge.

**GEIST:** And the kilowatt charge, in your amendment would be specific to those that are separate from residential or would they embody residential--

**FRIESEN:** We would--

**GEIST:** --as well?

**FRIESEN:** I think the-- my idea is the committee would work on how we would do the residential. If we would-- if we would get to the point of saying many-- anything over 240 volt charger or some definition of charger, then it would have to be metered separately.

**GEIST:** OK.

**FRIESEN:** I think that's-- again, without some more research on the 110 chargers and what they do, I know they're really slow and they don't-- it takes--

**GEIST:** Um-hum.

**FRIESEN:** --too many hours to charge. I don't think that will be an issue. I think that most people would put in at least a 220 service or something else to charge faster.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**GEIST:** And that's what they do currently. Well, the people that I know--

**FRIESEN:** Yeah.

**GEIST:** --that have electric vehicles have a 220 installed and charge it that way.

**FRIESEN:** The challenge is how to-- who collects the meter reading again, who-- who does-- who takes care of all this? And that's going to be the discussion going forward I think when we hear some testimony as the challenge of who collects this, who remits it to the state.

**GEIST:** And I just have one more follow-up and that is-- and maybe I need to ask this to those coming behind you, but other states around us, have they figured this out?

**FRIESEN:** There have been a lot of variety. There are some states doing kind of a test program on miles driven. You would report your miles, and I think that's an option. People have kind of compared that to, you know, Big Brother there. But really, in the end, you're just reporting miles driven. You don't have to say where you're going, they don't have to track you. I think there is an option for doing that. But again, you can say that miles driven maybe there's the hybrid vehicle that plugs in sometimes is going to be getting a lot better mileage again, not knowing they might be paying some gas tax and some elect plug-in. So it varies.

**GEIST:** Senator Bostelman.

**BOSTELMAN:** So this is how we fix it. So when I go to the gas pump and I put my credit card in, they ask for my zip code, right? So if I'm charging at home, so if I'm charged, in the original bill X amount of dollars for registration, and then I travel across the state and I go to a charging station, I put my credit card in, they ask me for my zip code. Then I don't have-- then I wouldn't have to pay that fee perhaps.

**FRIESEN:** There could be numerous ways of doing this, and my idea was eventually you would transition off of the registration fees completely, go back to charging the registration fee the same as any other vehicle if we can collect from the kilowatts.

**BOSTELMAN:** Yeah, right. I hear what you're saying. I'm just going back to those people transit Iowa. You know, a Georgia person driving through the state charging, how do you identify those or you wouldn't

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

identify someone who was a resident of the state who has already paid a registration fee.

**FRIESEN:** If the feds, I mean, right now, the trucking industry, they do the allocated gas tax, they allocate it for miles driven in the state. If it was-- if we were able to do that, but then you're starting to track where people have been and which state they've been driving in and now you're-- you're starting to a privacy issues. And so as long as-- but if, again, even doing it by miles driven, you are not being able to get those people traveling through the state that don't live here. That's who I really wanted to catch is, who's using our roads? Since we have Interstate 80, seemed real important to try and get those people to pay their share as they travel through.

**GEIST:** Any additional questions? Thank you for your testimony. Any proponents of LB1149? Good afternoon.

**TIM KEIGHER:** Good afternoon, Chair, and Vice Chair Geist. I guess it is the last day of-- this is the last hearing in this committee, correct, for the year?

**FRIESEN:** Yes.

**GEIST:** I will defer to the Chair.

**TIM KEIGHER:** For the record, my name is Tim Keigher. That is T-i-m K-e-i-g-h-e-r, and I appear before you today as the executive director and registered lobbyist for the Nebraska Petroleum Marketers and Convenience Store Association in support of LB1149. I've also been asked to share the support of the Nebraska Grocery Industry as they couldn't be here today. I only have a few points and then I'll try and answer a few of the questions that were asked because I did a little research on a couple of those questions. We need to figure out a way of road funding going forward if we're going to keep reducing the miles per gallon that cars or all vehicles are getting, also with electric vehicles who are not purchasing a motor fuel. Right now we raise about 240-- \$284 million annually in motor fuel dollars to help fund roads. In addition to that, you also have sales tax on motor vehicles and motor vehicle registration fee. As you said, the motor fuel tax is a user fee. So how do we equivocate a user fee to the electric? I like Senator Friesen's idea or the petroleum marketers do, on a per kilowatt hour. If you convert that to the BTU, I think we can come up with something. But as Senator Friesen stated, how do we-- how do we get the people that are traveling from out of state? Yes, in the trucking industry, they have the International Fuel Tax Agreement

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

which you pay on the number of miles you drive in the state on a quarterly basis. But if we had everybody in the United States doing that, I think we'd have to add a lot more people on the federal payroll. You know, our industry would also-- some of my members would also like to be able to charge the customer by the kilowatt that they're buying. Currently, we cannot resell electricity in the state of Nebraska, so we are charging on a time basis. At this point, it's probably not that big of a deal as electric vehicles. I mean, I don't know how many there are, maybe 2,500 I heard in the state. But some of them would like to do it on a more like the per gallon basis for rewards and different things like that that they do in their station. So I guess I kind of look at it like ethanol. If ethanol is produced and sold as a alcoholic beverage, it's taxed at the liquor rate. If it is sold as a motor fuel then it is taxed at the motor fuel rate. So to try and answer your question, the research I did, I found that the average Nebraskan travels 14,846 miles and the average miles per gallon is 24.9. So if you did that math, you'd come out to about 600 gallons a year of gasoline. That's \$149 in state motor fuel tax, but you also have to consider the federal motor fuel tax, which is 18.4 cents a gallon on gasoline and 24.4 on diesel that is being sent to the feds and we're fortunate we get back pretty much what we send. So there's another \$110.40. So the total of that is about \$260 a year. You know, what-- what are other states doing? I mean, there's other states that are doing basically the same thing that we are, they're charging a flat fee. I've seen anywhere from our 75 to \$50 to \$250 to \$500. And I don't know how they come up with those numbers. You had asked about other ways to do it on the miles. The state of Oregon did a miles-- they did a beta test on mileage. It didn't work. I don't know why it didn't work. I assume because it was self-reporting that people probably weren't writing down the actual miles they drove. Other than that, I don't think I have a lot to share. You know, just that we're supportive of trying to figure out some way to continue to fund roads as miles per gallon increases. We're trying to reduce our carbon footprint and we are in the energy business, not just the gasoline business. So with that, I'd be happy to try and answer any questions.

**GEIST:** Thank you for your testimony, Mr. Keigher. Any questions from the committee?

**TIM KEIGHER:** I like that, the introducer got all the questions.

**GEIST:** That's right. Seeing none, thank you for your testimony.

**TIM KEIGHER:** Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**GEIST:** Any additional proponents?

**ANDREW DUNKLEY:** Afternoon.

**GEIST:** Afternoon.

**ANDREW DUNKLEY:** Thank you, Vice Chair, Chairwoman Geist. My name is Andrew Dunkley, A-n-d-r-e-w D-u-n-k-l-e-y, and I am the director of state government relations with the Nebraska Farm Bureau, here to testify today in support of LB1149 on behalf of Nebraska Farm Bureau, as well as the Nebraska Corn Growers Association and the Nebraska Soybean Association. We want to thank Senator Friesen for bringing this legislation forward. I'm sure many of you have heard from the Farm Bureau in the past, and very often our members advocate for an equitable tax burden in all areas. Taxes that are collected should have a broad base of distribution that does not benefit or burden one class, area, or industry over another. With that in mind, we support LB1149. According to the Nebraska Department of Transportation annual finance report, over what-- \$418 million was collect-- collected in gas taxes in fiscal year 2021, making up 50 percent of the total Highway Trust Fund. And with over 1,800 electric vehicles on the road, and I know that there are differing numbers on that-- I believe I went off the latest from the Department of Energy, U.S. Department of Energy-- a major portion of revenue for our transportation budget is being avoided by those who own and operate electric vehicles. In the quest of tax fairness, we believe that LB1149 would remove that what equates to a tax break for those who own and operate electric vehicles and who live in an area with the infrastructure to support those vehicles. Everyone who drives on our roads should bear their-- bear their fair share-- poetry wasn't intended-- of the costs of their maintenance and upkeep, regardless of their energy source. Electric vehicles cause wear and tear on our transportation infrastructure as-- as do all vehicles. It is simply a matter of fairness. Thank you for your consideration, and I'm happy to answer any questions.

**GEIST:** Thank you for your testimony. Are there any questions from the committee? Yes, Senator Cavanaugh.

**M. CAVANAUGH:** Thank you. Thank you for your testimony. So I'm just curious because you-- you represent the Farm Bureau and do you testify often about tax policy? I don't sit on committees that that would come in front of normally, so I just was curious about that.

**ANDREW DUNKLEY:** Yes, we do. The-- probably the majority of our policy of our-- of our large policy book deals with tax policy, specifically

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

the equity of-- of taxes throughout the state, making sure that the taxes that are paid by our-- our members, our farmers and ranchers and agribusiness professionals throughout the state are-- that they provide services to everybody and not just one area over another.

**M. CAVANAUGH:** So if farm equipment overnight becomes all electric, that won't change your position?

**ANDREW DUNKLEY:** Well, overnight, I'd like to see how that would happen.

**M. CAVANAUGH:** Hypothetically, if tomorrow all farm equipment was electric.

**ANDREW DUNKLEY:** We would have to ask our members then. But the reality we live in now is that I'm not aware of any farm equipment that is operated through-- through electrical means alone right now.

**M. CAVANAUGH:** Neither am I.

**ANDREW DUNKLEY:** Yeah.

**M. CAVANAUGH:** OK, thank you.

**GEIST:** Any additional questions from the committee? Seeing none, thank you for your testimony.

**ANDREW DUNKLEY:** Thank you.

**GEIST:** Another proponent?

**TOM CROCKETT:** Good afternoon.

**GEIST:** Afternoon.

**TOM CROCKETT:** My name is Tom Crockett, T-o-m C-r-o-c-k-e-t-t, member representing the Association of General Contractors Nebraska Chapter in support of LB1149. I want to thank Senator Friesen for introducing this important legislation that will ensure Nebraska will be able to fund work on our roads and bridges for decades to come. AGC is a trade association of highway contractors who perform highway, bridge and municipal utility infrastructure work across the state. Our 47,000-plus construction workers depend on this as we continue to improve our infrastructure throughout the state. As more electric and fuel efficient vehicles join the nation's auto fleet each year, gas tax revenue, which provides the lion's share of funding for

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

infrastructure, will continue to decline. Did you watch the Super Bowl a couple of weeks ago? There were several commercials advertising electric vehicles. As previously stated, I think this probably is going to become more prevalent-- prevalent throughout the years, especially with federal legislation. In the past 10 years, the Nebraska Legislature, which includes many of you, has been innovated-- innovative in addressing our infrastructure funding needs. This includes Build Nebraska Act, LB84, the infrastructure bank, the County Bridge Match Program and the gas tax increase through the variable tax. Now's the time to address the unique challenge posed by electric vehicles. I won't pretend that I or AGC have all the answers, but we stand ready to assist you, Senator Friesen and the Governor, in finding a way that answers what may lie ahead. LB1149 represents a good first step on that path. I'd entertain any questions.

**GEIST:** Thank you for your testimony. Are there any questions from the committee? Seeing none, thank you.

**TOM CROCKETT:** Thank you.

**GEIST:** Good afternoon.

**LOY TODD:** Afternoon. Senator Geist, members of the committee, my name is Loy Todd. That's L-o-y T-o-d-d. I'm the president of the Nebraska New Car and Truck Dealers Association, testifying in favor of this legislation. It's-- it was a bit of a moving target when it started off with the fees, and then it's now moved into different methods of taxing. But in general, we have been part of a coalition for many, many years to fund the Highway Trust Fund. Rather than have highways competing for General Fund dollars along with all the other sources, we just truly believe in user fees and we would-- we welcome any efforts to try to continue to make it a user fee funded enterprise, whether it's-- it's additional fees or whether it's mile taxes, whatever. Just read the other day that our industry is going to be spending a trillion dollars to convert to electric over the next 10 years and the commitment is there. I have-- I have dealers who are already having to spend upwards of \$200,000 to convert to be ready for electric vehicle sales as-- and it's only about 2 percent of the market now. But it's growing and it's going to continue to grow because the commitment is absolutely there. We are committed to it. We want to sell the vehicles. Range anxiety is the biggest problem right now. And so but-- but highway funding, you got to have the roads. I don't care how much you use it, you still need the road. And so we're supportive and we look forward to working with all of you in the future in that regard. Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**GEIST:** Thank you for your testimony, Mr. Todd. Yes, Senator Bostelman.

**BOSTELMAN:** Thank you. Thank you, Mr. Todd, for being here. Three or four years ago, I think we talked on the subject a little bit. Do you know we-- at that time I looked to Iowa had some study, some work being done. I think Iowa DOT or somebody did that study on the number of vehicles they had, kind of where they're going and what the costs, what they're doing with that. Do you know is that still-- has that been updated or not, do you know?

**LOY TODD:** I've never seen any successful follow-up to the-- that information. And I, you know, we-- we read a lot of it. I just haven't seen-- the only state that's really done an experiment is what Mr. Keigher indicated. Oregon tried it. I've talked to my counterpart in Oregon, and it was pretty unpopular with the-- and apparently not successful.

**BOSTELMAN:** And I think what I've seen was just mostly a fee, registration fee, and that was it. Is that right? Most states?

**LOY TODD:** Most states and they're-- and they're increasing them. I know there's some pushback for that, but-- but we're seeing bigger and bigger numbers simply because the need is there.

**BOSTELMAN:** OK, thank you.

**GEIST:** Yes, Senator Hughes.

**HUGHES:** Thank you. So thank you, Mr. Todd. Tell me a little bit about the electric cars out there. Are they rated on horsepower or I mean, are there-- you know, you have the Prius that doesn't go very fast and you have a Tesla that goes really, really fast. So what's-- what's the yardstick for those cars? Is there?

**LOY TODD:** You'd be amazed. I've worked for these people for 34 years. I know so little about cars it would really surprise you.

**HUGHES:** No, I'm not amazed at all. Not at all.

**LOY TODD:** There are-- there are states that utilize those kinds of things. I'm just not familiar with how it works.

**HUGHES:** But there are-- there are horsepower ratings, for a lack of a better term, on different models?

**LOY TODD:** Absolutely.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**HUGHES:** Maybe that would be something that we should look at as a-- if it's a registration fee.

**LOY TODD:** Right.

**HUGHES:** Possibly.

**LOY TODD:** There are-- there are states that actually-- your taxes are based upon that.

**HUGHES:** OK.

**LOY TODD:** Horsepower and engine size.

**HUGHES:** OK.

**LOY TODD:** There's all kinds of formulas. There's such a variety. It's-- it's-- it's-- it's all over the board.

**HUGHES:** Thank you.

**GEIST:** Thank you for your questions. Yes, Senator Cavanaugh.

**M. CAVANAUGH:** Thank you. Hi, Mr. Todd, how are you?

**LOY TODD:** Good.

**M. CAVANAUGH:** OK, so I wasn't here when the \$75 fee was assessed. Do you have any historical knowledge as to how we arrived at that number?

**LOY TODD:** No.

**M. CAVANAUGH:** OK.

**LOY TODD:** It was-- I'm sure it was just made up because it wasn't an average of anything we've ever seen, but it was-- it was just a number to get somebody to pay something.

**M. CAVANAUGH:** And if we were to find a way to calculate the-- like average annual mileage and take that times the 9.5 cent gas tax, that would be agreeable or considered?

**LOY TODD:** Yes, we-- we would support anything that helps to make up for the increasingly lost revenues to the Highway Trust Fund because of better gas mileage that we're experiencing now and-- and also just the conversion to other fuels.

**M. CAVANAUGH:** Thank you.

**GEIST:** Yes, Senator Moser.

**MOSER:** Are cars that are hybrid electric where they burn gas or electric, are they treated as electric or gas, in like a Prius burns gas and then the electric is kind of supplemental?

**LOY TODD:** Well, under our current system in this state, they-- they don't get caught up in the-- in the same formula. They don't pay the \$75. They pay nothing on that alternative. Because of--

**MOSER:** Just an electric vehicle, but they still pay for gas.

**LOY TODD:** Exactly. That's-- I think that's the theory. They still use some gas, and so they're still considered that. But there is no-- there is no additional fee for a hybrid.

**MOSER:** So the 2,500 cars or 1,800 cars, depending on who you believe, those are 100 percent electric-powered cars and they have to be charged.

**LOY TODD:** I believe the numbers, the 2,500 that are-- that are contained in the fiscal note or the 1,800, if that's a more accurate, those are-- those are plug-in. Those are all electric is my understanding of the identity of those.

**MOSER:** OK. And we don't have reciprocity on gasoline for passenger cars, right?

**LOY TODD:** I know of nothing other-- not passenger cars, no.

**MOSER:** I mean, you could fill up with gas in Denver and drive all the way across Nebraska before you'd have to buy gas. And if you went up to South Dakota or Kansas, you might not buy any there, so.

**LOY TODD:** Correct.

**MOSER:** As long as you could figure out some way to tax the people who charge their vehicles, you know, from out of state, I guess. OK, thank you.

**GEIST:** Thank you for your questions. Any additional questions from the committee? Seeing none, thank you for your testimony.

**LOY TODD:** Thank you.

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

**GEIST:** Any other proponents, any proponents? How about an opponent? Any opponents to LB1149? No opponents. Anyone who would like to testify in the neutral capacity? Good afternoon.

**SHELLEY SAHLING-ZART:** Good afternoon, Vice Chair Geist, members of the Transportation and Telecommunications Committee. For the record, my name is Shelley Sahling-Zart, S-h-e-l-l-e-y, Sahling-Zart is S-a-h-l-i-n-g-Z-a-r-t. I am vice president and general counsel of Lincoln Electric System and I am here today testifying on behalf of the Nebraska Power Association in a neutral capacity on LB1149. The Nebraska Power Association represents all of Nebraska's public consumer owned electric utilities, including public power districts, public power and irrigation districts, municipalities, rural public power districts and cooperatives. And I would tell you, we're-- we're this close where we would be supportive of this. But a lot of the discussion you have heard today is why we're coming in neutral. I want to be very clear, we are not going to stand in the way of doing something here, but how we do it is important to us and I wish Senator Friesen had another year so that I could actually come in and support one of his bills, (LAUGHTER) but this is close. So you've-- you've-- you've asked a lot of really great questions. And actually, your dialogue today is exactly why we're suggesting you take a little more time to work through some of these things and be careful about it. So charging on a kWh basis, currently under Nebraska law, only electric suppliers with a certified service area can sell electricity at retail. So can you do a carve-out to that? Yes. We just want to be careful about how we do it. Why? A number of years ago, actually it's probably been about 20 now, we had a mall in Omaha who was trying to charge their individual tenant stores on a kWh basis. That's not a legal resale of electricity, and we want to make sure that whatever carve-out you do for this is not opening the door to other kinds of uses. So some other things that come into that, gas tax is one, and that's important that you need to look at that. That's an important issue. Another one is looking at sales tax. Currently, we collect sales tax on the state retail sales of electricity. So if we're collecting that from the charging station and then they in turn are collecting sales tax on their retail sales of electricity, are we double-taxing the same electrons? So that's why a lot of states have made it so that our sale is not a retail sale for terms for purposes of sales tax. We just need to look at that. That's one we will so need to make sure we're doing. You know, in terms of-- in terms of how you do it, I would tell you, don't-- don't refine it too closely. There might be some people that don't really know how to calculate it on a kWh basis that want to continue offering it on a time basis. So keep

those options available. You might have public entities that want to offer it for free. You would want to think about, I guess, how you're going to handle taxes on some of those. Do you need any regulatory oversight? I don't really know what the regulatory oversight for individual gas pumps is. I know there is something with weights and measures, but do you need something on these? I don't know. I'm not recommending that. I'm just saying that's one issue that we ought to stop and, and think about and talk about. And in terms of-- in terms of ours, you know, we've taken a look at it. It's interesting that you talk about the people driving through the state. LES, my own utility, we've been doing a pilot study for several years where we had EV owners voluntarily sign up. We got a little dongle that they put underneath their steering column, and it allows us to sort of track their driving habits, only within our service area. We have it geofenced. But what we have found, because we can tell from that when they are charging and where they are charging, so what we have found, at least for the folks in our pilot study, our own customers, we find that most of them are charging at home. So I think that will vary across the state. I think in your municipal areas you will have people that are mostly charging at home. Out in the rural areas, you might have people needing to charge at other places across the state, right? And then you've also got your tourists that are just going through the state. So I think it's a great discussion. It's an important discussion. We are happy to be at the table for that. We have talked with the petroleum producers. We had already pledged to them that we will sit down and talk about this in the interim and be ready to have some solution for you next year. So with that, I would be happy to answer any questions. I thank Senator Friesen for bringing the issue forward.

**GEIST:** Thank you for your testimony. Yes, Senator Moser.

**MOSER:** So the problem with people selling electricity that aren't authorized to sell it, that's just like a charging station problem, that's not really a problem necessarily in the home?

**SHELLEY SAHLING-ZART:** No.

**MOSER:** Because the homeowner would pay their electric bill anyway, and they might just use the watt meter to just figure out how many kilowatts they're charging their car with, compared to how many kilowatts they're using for the rest of the home.

**SHELLEY SAHLING-ZART:** Because we're going to meter the home.

**MOSER:** Right.

**SHELLEY SAHLING-ZART:** Right. So it's-- it's all included in whatever the home is using.

**MOSER:** Yeah, it's a shorter way.

**SHELLEY SAHLING-ZART:** In the home, the level 1 chargers are different when you get into the level 2 and the level 3 chargers will have demand charges on those because they're using--

**MOSER:** They might be three-phase you mean?

**SHELLEY SAHLING-ZART:** Not necessarily, but they're using energy at-- less frequently, but they're using a lot of it all at once. So their-- their demand--

**MOSER:** Oh, so you--

**SHELLEY SAHLING-ZART:** --will--

**MOSER:** --may not get enough income back to cover your costs if you don't charge a demand charge.

**SHELLEY SAHLING-ZART:** Correct. And there are-- I mean, there's a lot of things you can do with that too. We worked with a few. There's a few that have put batteries with their chargers so that they can kind of bring those peaks down and level that out. So, I mean, we're learning a lot about this as we go, too, which is going to be the interesting part, and it's changing pretty rapidly.

**MOSER:** There's a lot for the electric car owners to learn too.

**SHELLEY SAHLING-ZART:** Yes.

**MOSER:** I have a family member-- maybe I shouldn't even describe it that closely, but they plugged in. The charger was 220, so they got their European little shaver charger thing so you can get your shaver on 220 and plugged that in to charge their car.

**SHELLEY SAHLING-ZART:** Oops.

**MOSER:** And it worked. It started charging it, but they could barely move the meter [INAUDIBLE]

**SHELLEY SAHLING-ZART:** Right.

**MOSER:** The battery condition didn't improve much.

**GEIST:** Any other questions from the-- yes, Senator Bostelman.

**BOSTELMAN:** Thanks. Thanks for being here today. Question for you.

**SHELLEY SAHLING-ZART:** Um-hum.

**BOSTELMAN:** Why don't we just make the use of electricity for it to-- for a motor vehicle or for a tractor or for a combine, whatever it is, call it a fuel, and then we charge it accordingly. So electricity then would become a fuel rather than a-- something you use at the house or for everything else, but specifically for motor vehicles, tractors, trucks. We redefine it, restate it as a fuel for those purposes, and then we charge accordingly.

**SHELLEY SAHLING-ZART:** Yeah. My answer to that is, I think that's one of those things that should be on the table and we can discuss that. All we're saying is that right now, if you do it as a kWh sale, it's a retail sale which is prohibited under the statute. So how we write that and how we address that, I think we-- I think lots of things are on the table for discussion.

**MOSER:** Make an example.

**SHELLEY SAHLING-ZART:** I have to think through that. I don't have an immediate philosophical answer to that right now.

**BOSTELMAN:** OK, thank you.

**GEIST:** Any additional questions? I'm sure this is something your industry is talking about when--

**SHELLEY SAHLING-ZART:** Yeah.

**GEIST:** --you go to your seminars or whatever.

**SHELLEY SAHLING-ZART:** Yeah.

**GEIST:** It's the big topic.

**SHELLEY SAHLING-ZART:** Yeah, we're dealing with it a lot because, you know, Senator Moser's point, some people, you know, if you've got a plug-in vehicle at home, that's one thing. If you've got, you know, a Tesla and some other things, they have special charging equipment. There's not a lot of uniformity yet, but lots of it is evolving and the vehicles that are coming out are more and more high-powered, so.

**GEIST:** Are you seeing a uniform standard--

**SHELLEY SAHLING-ZART:** No.

**GEIST:** --being proposed?

**SHELLEY SAHLING-ZART:** Not yet.

**GEIST:** Oh, interesting.

**SHELLEY SAHLING-ZART:** Not before-- well, at least not between-- Tesla is kind of its own thing, and then there's the others, but I mean, I think that will come. What we're seeing, though, is that just the evolution in the vehicles and the technology themselves is rapidly increasing. I mean, we had a speaker about a month ago that also talked about a charger that's being worked on. I have no idea how close to deployment it is, but it's one that would work a lot like the charger for my Apple watch that you would drive over it. Mind-boggling to me, but you know, I think we'll see some of those technologies in the future.

**GEIST:** Um-hum. Interesting. Thank you for your testimony. I don't see any additional questions.

**SHELLEY SAHLING-ZART:** Thank you.

**GEIST:** Any others who want to test-- testify in the neutral capacity? Seeing none, Senator Friesen, you are welcome to close.

**FRIESEN:** I just want to remind everybody that we passed on Tuesday at 2:22--

**GEIST:** 2:22.

**FRIESEN:** --at 2:22 p.m. and that's kind of a, you know, I was hoping I'd get back up here in time, but I didn't. So, I do want everybody to know that it really warms my heart that Shelley at least could testify in a neutral capacity. (LAUGHTER) After eight years of being in this body, I think I'm getting better. This is probably where we could talk about the need for term limit change, I guess. So a couple of things, and I do-- I do think we need to work very closely with the electric industry because that's who I envision is going to be the-- almost the lead in this in how these systems get built and how they get wired and how that process might work. So I think down the road, I will not be here, but I would envision that there will be a lot of close work with the electric industry in figuring this out because I think it's in

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 22, 2022

both our best interests to get this done before we get too many charging stations out there and then suddenly decide to switch directions and go somewhere else. So I think having this in place earlier, the better. Time is kind of the essence because if we start to build all these charging stations and then suddenly say, oh, now we need a way of measuring this or measuring that, and I know some stations do measure time. But as I follow the technology, there's getting to the point where there's companies saying that they're probably going to be charging a car in 10 minutes. And then so you're going to be having other older technology that takes an hour or 20 minutes, whatever. So I mean, the technology changes rapidly, so it's got to be based on something, I think, other than time. But again, we're-- we need to be looking at all those things. When I looked at-- when they first set this up-- from what I remember reading about it is they did try to determine the average mileage. And that's where they came up with the \$75. And that's, far as I know, they tried to measure it as best they could and came up with a compromise. So we're just basically taking doubling that over a few years and hopefully before we get to that time frame even, there would be an alternative method of doing it and then we'd switch back to basing it-- basing it as a fuel. Again, farm equipment is generally exempt from paying any kind of road tax. So my-- they do have a prototype electric tractor they've tested in Germany. But again, our-- farm equipment generally does not pay a road tax but our trucks do. Our trucks are again, we're running on diesel fuel, which we do pay road tax, but down the road, they've already made electric pickups. And from my standpoint, some day, I-- if they can get the mileage to where I can see a use for it, I wouldn't say I wouldn't have an electric pickup. And so those options are getting there fast, and I think that the time is coming that more and more vehicles are going to step up. One thing that we have to keep in mind is if-- if all these BTUs that we burn in gasoline and diesel get converted to kilowatts, we've got to generate a lot more electricity. And so the electric industry is going to be extremely important, and I think we're going to have to expand our generation capacity way further than what we're talking about windmills and solar power. We've got some big work ahead of us in building that infrastructure. So this is just a small step and again won't be completed while I'm here, but I do think the time to start discussing this is here. With that, I'd answer any questions.

**GEIST:** Great. Any questions from the committee? Seeing none, that will close the hearing on LB1149. Oh, and I do have four online comments that are in opposition, add that for the record.