

Transcript Prepared by Clerk of the Legislature Transcribers Office
General Affairs Committee February 12, 2024

LOWE: Welcome to the General Affairs Committee. My name is John Lowe and I represent District 37. I'm the Chair of this committee and will be conducting today's hearing. Today, we'll be hearing three bills. If you wish to testify in person on any of the matters before us, we ask that you fill out one of the green sheets of paper. They are located on the tables on either side of the room. If you're here and do not wish to testify but you wish to state your support or opposition for any of the matters before us, we ask that you fill out the sign-in sheet. If you do testify, please hand in your sheet to the committee clerk and-- as you come up. Please begin your testimony by stating and spelling your name in full for the record, which is important for our transcribers. The bill's introducer will be given an opportunity, opportunity to open. And we will do a 3-minute time period. That's standard for our committee. And if you need to go longer, we'll see if we can afford you some time. Looks like it shouldn't be a problem today. Then we will hear from the proponents, the opponents, and the neutral testimony for each bill. We ask that you listen very carefully to try not to be repetitive. We do use the light system in General Affairs. The green light signifies your start. When the light changes to yellow, you have 1 minute remaining for your-- for you to conclude your remarks. When the red light comes on, your time has expired and we will open up the committee to any questions that they may have for you. At this time, I'd like to encourage everyone turn-- to turn off or silence your cell phones or electronic devices-- think that's in here-- and anything that makes noise. We are equipped for electronics so you may see members referencing their iPads, iPhones, computers, or other electronic devices. I can assure you they're just researching the matter before us. If you have a prepared statement, an exhibit, or anything you would like to have distributed to the committee members, we ask that you provide ten copies to our committee clerk. If you don't have ten copies, don't worry. Provide what you have to the committee clerk and we can make copies to distribute to the committee. With that, we will proceed to the introduction of our members starting on my right.

BREWER: Senator Tom Brewer, representing the 43rd Legislative District, which is 11 counties of central and western Nebraska.

HOLDCROFT: Senator Rick Holdcroft, District 36: west and south Sarpy County.

J. CAVANAUGH: Senator John Cavanaugh, District 9: midtown Omaha.

BREWER: Perfect timing.

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LOWE: Yeah. And our committee clerk is Andrew Shelburn. And my RA is Laurie Holman, sitting to my right. And our page today is Collin Bonnie. He is a criminal justice major. And are you a senior or junior?

COLLIN BONNIE: Senior.

LOWE: Senior. Congratulations. Almost done. And with that, we look forward to hearing from Senator Aguilar on LB926.

AGUILAR: Good afternoon, Senator Lowe, members of the General Affairs Committee. I am State Senator Ray Aguilar, spelled R-a-y A-g-u-i-l-a-r, representing Grand Island, District 35. I'm here today to introduce LB926. This legislation modernizes Nebraska museums' method of communication and notifying the public regarding undocumented items and unclaimed loans. It also changes the time frame to retain all records from 3 years to 25 years to meet the American Alliance of Museums' required elements of collections, documentations, and records to guide museums who may not have a collections management policy. Modes of communication have changed significantly and notifying the public regarding undocumented items and unclaimed loans need to reflect that. This legislation would give museums the opportunity to choose from a variety of options, either newspaper, online, or posting in a public area in the museum. A museum may require title to undocumented property held by the museum for at least 7 years. After the 7 years, the museum may advertise that item to be claimed by the owner or other legal interests. This legislation would change that time frame for advertising from 3 years to just 1. This would make it easier for museums to treat, research, exhibit, or rehome these items in a more timely manner and with un-- updated advertising options. One year is sufficient. This in turn would help museums with the problem of overcrowding property. Following my introduction, you will hear from the collections manager from History Nebraska and others to help explain why this legislation is needed for, for Nebraska museums. Thank you for time-- your time. And I'll try to answer any questions you have, but the smart ones are behind me.

LOWE: Thank you, Senator Aguilar. Are there any questions? Oh, and we have had Senator Hughes join us. Can you-- Vice Chair, can you introduce yourself?

HUGHES: Absolutely. Jana Hughes, District 24. So I have Seward, York, Polk, and a little bit of Butler County. And I have a couple little

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museums in my neck of the woods that have reached out on this bill to me, so.

LOWE: Thank you, Senator Hughes. Are there any questions? Seeing none, we'll wait for the smart people.

AGUILAR: Thank you.

LYNNE FRIEDEWALD: I'm actually not one of the smart people.

LOWE: We'll listen to you anyway.

LYNNE FRIEDEWALD: I appreciate you for that. Good afternoon, Senator Lowe and members of the General Affairs Committee. My name is Lynne Friedewald, L-y-n-n-e F-r-i-e-d-e-w-a-l-d. And I'm from Hastings, Nebraska. I'm here to speak in support of LB926. I am not a museum professional. I'm a retired attorney who has experience with the current Museum Property Act. I served on the board of trustees of the Hastings Museum of Natural and Cultural History for 13 years, from 1997 until 2010. The Museum Property Act was passed in 1996. Twice during my tenure, I was asked by the museum director to address the law's process for acquiring title to loaned and undocumented objects in the collection. Museum staff had already attempted to reach lenders using any information available in the museum records, each time in collaboration with the Hastings City Attorney, [INAUDIBLE] museum. It was determined that the procedures set forth in the act required extensive published notice for each object-- once each week for 3 weeks of a notice that contained highly detailed information about each object. The expense of such publication was extraordinary in 2005 and again in 2011. I know that Hastings explored this possibility again in the last 5 years. It has not become less expensive in 2024. Museums are subject to the same shrinking budgets as all of our cultural institutions, and there's simply not a line item for \$5,000 or \$10,000 each year to address the deteriorating or undocumented objects in the collection. The result is that those objects continue to require storage space and conservation. The Hastings Museum-- for those of you who may not have been there-- is an institution accredited by the American Alliance of Museums and therefore adheres to the best practices of museum science. It was started in 1893 with the personal collection of Albert Brooking. It was designated the Hastings Museum in 1927 and has over 90,000 objects acquired over the last 130 years. Over those years, the collection was housed in a variety of suitable and very unsuitable buildings, and records were sketchy and sometimes lost. Consequently, the museum today has hundreds, if not thousands, of objects in a state of deterioration and

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with no documentation. Some fit with the museum's mission of interpreting the lives of early inhabitants and creatures of the Nebraska plains, but others have no connection with our state. Best practices and common sense would dictate that objects have deteriorate-- oh, sorry. Best practices and common sense would dictate that objects that have deteriorated-- or, in some instances, is actually toxic-- should be disposed of. Objects that have no connection to Nebraska should be transferred to other institutions where they fit the mission. But neither of those things can happen if the museum does not establish title. The crux of the problem is the cost of publication. Each time we addressed the problem in Hastings, we also reached out to other Nebraska institutions to see how they had proceeded. Every museum contacted had the same response: we can't use the Museum Property Act because the cost is prohibitive. No museum has been able to use this lot in 28 years of its existence. If I believe that LB926 would adversely affect newspapers, I would feel very conflicted. I love newspapers-- may I have another 30 seconds?

LOWE: Please continue.

LYNNE FRIEDEWALD: Thank you. I would feel very conflicted. I love newspapers and subscribe to two daily Nebraska newspapers, but it appears that no Nebraska newspaper has received a dime of advertising revenue from this act in 28 years. This procedure needs to be revisited. Newspaper readership is shrinking, and all statistics show that the majority of people are getting their news from online sources. This is unfortunately not a trend that's likely to change. We need to support our local museums and their professional staff members who are highly educated and passionate about our history and artifacts. This bill would assist them in maintaining the important collections of artifacts that tell the story of Nebraska, our state. Thank you for your consideration and I hope that you will act favorably on LB926. [INAUDIBLE]

LOWE: Thank you for your testimony. Are there any questions? Senator Brewer.

BREWER: Thank you, Mr. Chairman. All right. So if I donate something to a museum, the museum can keep it for how long before they could essentially say, all right, this display is done and we don't see a need to necessarily stash it somewhere? How many years--

LYNNE FRIEDEWALD: This is probably a better question for the professionals. But I will tell you from my time on the board of Hastings that if you donated it and we had all of your name and

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information, we would keep it until we didn't need it anymore because then it's ours. A donation becomes the property of the museum. A loan, however, is different.

BREWER: All right. So I probably need to get with the museum in Seward because I gave them a jeep and a whole bunch of rifles and--

HUGHES: That's ours now.

LYNNE FRIEDEWALD: That was very kind of you. Thank you.

BREWER: Well, yeah.

LYNNE FRIEDEWALD: If you wanted them back, though.

BREWER: Well, I'm not sure that I want to get rid of them, so-- but I probably should, for accountability at least, find out which status they're in, but.

LYNNE FRIEDEWALD: You should.

BREWER: All right. Thank you.

LYNNE FRIEDEWALD: You're welcome.

LOWE: Thank you, Senator Brewer. Are there any other questions? It-- on page 5 of the bill--

BREWER: They're yours.

LOWE: --line 6: The museum shall retain all written records regarding the property for at least 25 years-- strikes out 3 years after years of the date of taking title pursuant to the act. Does that have to be in paper form or can that be translated into electronic form? OK. I'll ask the--

LYNNE FRIEDEWALD: Sorry.

LOWE: --the nodding heads in the back. Thank you.

LYNNE FRIEDEWALD: You're welcome. Thank you.

LOWE: Thank you. Next proponent. Please go ahead.

CHRIS HOCHSTETLER: Good afternoon, Senator Lowe and members of the General Affairs Committee. My name is Chris Hochstetler, spelled C-h-r-i-s H-o-c-h-s-t-e-t-l-e-r. I'm a native Nebraskan, a rural

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citizen who lives two miles north of Dannebrog-- Dannebrog. I am also the executive director of the Stuhr Museum in Grand Island, Nebraska and a member of the board of trustees for the Nebraska Museums Association. I'm here today to testify in support of LB926, introduced by Senator Aguilar and Senator Lippincott, for whom we are very grateful. It's been nearly 30 years since the original Nebraska Museum Property Act came into being. There have been a lot of changes since then. Prior to then, computers were not widely recognized as a regular household item. It wasn't until 3 years after the original act was codified that cell phones were recognized as a popular public item. The first iPhone became available in 2007. Communication and recordkeeping have changed dramatically since then. When the Nebraska Museum Property Act was enacted in Nebraska, the primary forms of communication were the newspaper, radio, and television. Newspapers are still one of my favorite forms of communication. But there are 11 counties in Nebraska currently without local newspaper coverage. The number of communities losing their newspaper does not seem to be decreasing. On the contrary, it seems to be increasing. A few short years ago, there were only seven counties without local newspaper coverage. There are currently 17 historical collecting societies and museums without access to a local newspaper. The conundrum that museums face today was in the making for the past 50-plus years. Most museums in Nebraska were started in roughly the same time frame: the 1960s and early '70s. This stands to reason, as that century mark of history begins to mark the time frame of generational separation that makes history interesting-- once removed yet still generationally relatable. Many of our Nebraska museums began with an initial large transfer of objects that had been stored in community barns, warehouses, basements, and attics. While many of these objects were indeed old and precious to the families that had kept them, many were items that were not museum quality and that came from places without established lineage, or what we call provenance. Provenance is quite literally the stories behind the artifact, and that is what is most important to museums and to Nebraskans, for it is the stories contained within the artifact that matter the most. That is the place that history truly lives. Outside of that provenance, the artifact is simply an object. Unfortunately, but true, throughout the past 50 years, Nebraska museums have continued to be the drop-off point of boxes of things from community barns, basements, attics, and warehouses. Sometimes those boxes just appear at the museum's doorstep or gate without explanation or provenance. They have come in poor condition, less than museum quality, and often without any relevance to the museum's mission statement or scope of interest. Stuhr Museum has about 120 Barbie dolls that we currently house. I don't know how

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many prairie pioneers played with Barbie dolls, but we have 120 of them. The result is that museum buildings are bursting at the seams with simple objects, not arti-- not artifacts. We are all out of space around our state. Why does this matter? Because space is money and a resource that we do not have. By federal and state law, as well as museum best practices established by the American Alliance of Museums, once an object is at a museum, we must treat it as an artifact and try to protect it into perpetuity. This requires a climate-controlled building with special interest to humidity tests, security, and staffing. A recent study has cited that each artifact costs roughly \$30 per year to maintain. I'll say that again.

LOWE: You're not on the time basis now, so go ahead and--

CHRIS HOCHSTETLER: Thank you. A recent study cited that each artifact costs roughly \$30 per year to maintain. While this doesn't seem like much, most Nebraska museums hold collections in the tens of thousands-- some of us in the hundreds of thousands. Stuhr Museum in Grand Island is the safekeeper of over 147,000 artifacts. The math is pretty staggering. Under current law, if the museum is to deaccession an item with unknown provenance, we must go through the legal and ethical process of trying to establish that. That begins by placing each artifact in the local newspaper for 3 weeks via public notice. Once those 3 weeks have passed, the museum must-- sounds like my museum woodshop-- the museum must maintain the artifact for 3 more years before a dispossession can be enacted. While newspapers have been very kind with lower fees in their coverage of public notice to museums, particularly with the Open Meetings Act, we are talking about a different type of notice. We are talking about objects that need specific description to esta-- establish that provenance. That, that number in the thousands, if not higher, for each Nebraska museum-- what appears to be an otherwise reasonable cost to do so quickly balloons. We created a sample notice for the Lincoln Journal Star to test this for one artifact. It is only \$30 to do so. We take that times 3 for 3 weeks and we arrive at roughly \$100 per artifact. Most museums in the Nebraska Museums Association Consortium housed items in the founding collection and inappropriately held files that number in the thousands. If it is only a thousand, the cost to provide public notice is still \$100,000. Most of our museums in Nebraska operate at annual budgets much less than that number. The Nebraska Press Association is in opposition to the language of our proposed updates as it relates to public notice, and I understand why. Public notice must be a center-- critical piece of this, not only to protect the museums and our communities but also-- and most important to us-- to establish that provenance. Remember those stories that are so

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important to us? So the public notification of these objects is not just a matter of a list to indemnify the museum and say that we've done the right thing. It is also a vital museum function to determine the historical value of an object to an institution and the history through those stories. This conundrum deepens just a little bit. The 17 collective bodies within our state that have no local coverage must avail themselves of the local paper in the adjacent or subadjacent county. One must ask themselves regarding the establishment of provenance: how effective will this method be? Is it reasonable to assume that a family living in Blaine County would even subscribe to service in Custer County or would pay that much attention to it? We must also ask ourselves if this trend of dwindling local newspapers is likely to continue or reverse. One part of the solution is certainly the proposition that museums could run these public notices for free, but that still does not solve the provenance issue. We have tried to propose in LB926 a solution to this vast problem. Now, you may ask, what are museums currently doing? As Lynne Friedewald testified to, they are doing nothing. They are not deaccessioning because we simply can't afford to do it. We may ask ourselves, why is any of this important? What if Nebraska museums fail under the weight of a law that most cannot currently comply with? Most of you know how special these places are. Museums house the DNA of what it means to be a Nebraskan, the struggles that our families endured to create this special state, the journeys that were undertaken to establish our values, our heritage, our future, and our hope. If these places fade away and the stories are lost, who and what remains to share these stories and the journeys and the values that Nebraskans hold so dear? I urge the senators to help us find a solution to this challenge and support LB926's advancement in this process. Thank you.

LOWE: Thank you very much, Mr. Hochstetler. Are there any questions? Yes, Senator Hughes.

HUGHES: Thank you, Chairman. Thanks for coming in, Mr. Hochstetler. So I have two-- kind of two questions. The Barbie thing threw me off. So if I come to Stuhr Museum with a box of stuff-- I clean out, I don't know, my mom's-- my grandma's cabinets or whatever-- and leave it there and walk off, do you have to keep this? You can't just take that and throw it in the dumpster?

CHRIS HOCHSTETLER: We have to keep it, Senator Hughes.

HUGHES: You have to keep it. OK. Now, does that count as-- does that mean I donated it or does that mean I loaned it to you?

CHRIS HOCHSTETLER: If there--

HUGHES: Because you don't even know who I am. I just dumped it off.

CHRIS HOCHSTETLER: Right. There-- if there's no gift of acceptance, we have no track record of that, we still have to keep it-- not as a loan because we don't know who it was loaned from. It becomes an artifact.

HUGHES: But it would [INAUDIBLE]. And so to, to get rid of it, you have to go through this process.

CHRIS HOCHSTETLER: We have to follow that process.

HUGHES: Oh my gosh. OK. Thank you. That's insane.

LOWE: Thank you, Senator Hughes. Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman. And thanks for being here. It's very interesting. Didn't really think this through before we got here. I had a similar question. So what would happen with this bill is it creates a-- streamlines the process for you to basically quiet the title of that in, in yourself, right? So you guys then are the owners.

CHRIS HOCHSTETLER: That is correct, Senator.

J. CAVANAUGH: OK. So these ones that-- like, when somebody drops off the box of 120 Barbies-- which, by the way, I feel like right now Barbie's a little hot. You guys can probably get rid of those. But may-- maybe it's not right for the Stuhr Museum. But, you know, somebody-- there's probably somebody that wants to have a, have a Barbie exhibit this year. So that, that's what we're talking about here, that one year. So you do this publication process that we talked about, then you wait a year, then you can claim that it is yours. So it's the equivalent of a gift, right?

CHRIS HOCHSTETLER: That is correct. And then we can exact a dispossession on it.

J. CAVANAUGH: Gotcha. And what is the word, deaccession?

CHRIS HOCHSTETLER: Deaccession. So that's a formal process by which a, a museum seeks to remove a piece from their collection. That is typically done by a committee of volunteers advised by professional museum staff, arrived upon by a decision of a governing body-- a board of directors or trustees-- that say, yes, we can now deaccession this piece from our collection. And the American Alliance of Museums then

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prescribe a, a recommended course of action for that item based on its condition.

J. CAVANAUGH: So in the example of the, the Barbies-- which is a funny and topical, I guess, example, but-- you-- we go through this process and somebody does want to do an exhibit about Barbies and you guys could put it out there and say, yeah, we don't want to take care of this anymore because it doesn't fit our collection. But some other museum, you know, pop art museum or something like that, might want that for their collection.

CHRIS HOCHSTETLER: That's exactly right, Senator Cavanaugh. We, we, we seek first-- the American Alliance of Museums tells us that we seek first to keep that artifact in the public trust via transfer to another museum or collecting institution or academic institution, for that matter, but held within the public trust. The second course of action would be that the museum could auction that item, albeit we are under some severe restrictions when it comes to auctions. You would not auction it in the community that you-- the museum resides because you would not want any board members, any museum employees, anybody-- any-- connected to the museum to have an opportunity to purchase that artifact. And you can see the conflict of interest there and why that exists. The third course of action would be if the, if the item has degraded so far that it is not worthy of another museum or of auction, that item can be destroyed.

J. CAVANAUGH: All right. Thank you.

LOWE: Senator Brewer.

BREWER: Thank you, Mr. Chairman. All right. I'm going to backtrack a little here because this whole deaccession thing. So if you donate something to the museum-- say it's a vehicle-- but you don't, but you don't--

HUGHES: Hypothetically.

BREWER: --give them the-- if you don't give them the title-- I mean, should you be doing that so that then they actually are the owners of that item?

CHRIS HOCHSTETLER: There, there's, there's a couple things there, Senator Brewer. And I'm a, a military-- old military man myself so I, I, I understand your personal connection to these items. The first thing that I would recommend is that the power to the museum is in those stories that you can connect to that piece. So documentation is

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important to the museum, not necessarily to establish the title of it but certainly to capture those stories of you and your jeep and your rifles that were utilized. The second piece of that is that once you-- you should have been given a deed of gift for those items. That deed of gift would share with you the obligation of the museum to maintain those artifacts that they accepted or if it was just a loan from you. Either way, that documentation should have been done. You can go back to that museum and say, hey, I need a deed of gift, and they should produce that.

BREWER: Very good. That's, that's good to know. And, and just so you understand: it is a World War II jeep. I do not go that far back. It is for the Higgins boat display. They needed [INAUDIBLE] with it. I had a barn-find jeep that was actually part of Kearney's airfield when Kearney had their airfield. It still had markings on it. So I, I donated it because they were going to get more good out of it than I was. On the issue of, of the rifles-- they did a, a weapons display. And this would be a little bit different in that-- well, one of the items was a \$10,000 sniper rifle that I kind of thought I'd get back at some day. So I probably need to go back to this deed of gifts and make sure that some of these rifles that-- when they're done with the display, I, I, I might see if we can work a deal to get them back.

CHRIS HOCHSTETLER: I would recommend you get your Barrett back.

BREWER: All right. Well, I know just the guy to talk to in Seward, so no problem. Thank you for your help.

CHRIS HOCHSTETLER: Thank you, Senator.

LOWE: Thank you, Senator Brewer. Are there any other questions? So I, I, I posed this question earlier to Ms. Friedewald. So you, you, you have to store the [INAUDIBLE] for 25 years. [BACKGROUND NOISE]. And we thought this was going to be a quick hearing.

HOLDCROFT: Maybe it was better [INAUDIBLE].

LOWE: I, I, I, I--

LAURIE HOLMAN: Somebody is not getting the message.

LOWE: --I hope the transcribers can put that in. So we're changing it from 3 years to 25 years regarding the written records. Can those be put into electronic files so that you don't have to keep books and books but--

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CHRIS HOCHSTETLER: They can, Senator Lowe. The American Alliance of, of Museums recommends that that is a, that is a plausible way to store those records if the institution has a digital archives policy.

LOWE: OK. All right. And for the old items that your museum no longer needs or finds useful, is there a clearinghouse or someplace or a website or something that you can go market, you know, these, these items to that other museums may find and use?

CHRIS HOCHSTETLER: The, the Nebra-- the Nebraska Museums Association does offer-- maybe not a clearing site is a good way to put it-- but a, a listing of items to offer other museums--

LOWE: Where's Keith Bell [PHONETIC]?

CHRIS HOCHSTETLER: --those artifacts--

LOWE: We'll send him out there.

CHRIS HOCHSTETLER: --those artifacts that may be available within our state for transfer.

LOWE: All right. Thank you. I appreciate your testimony. Thank you.

CHRIS HOCHSTETLER: Thank you so much.

LOWE: Next proponent. Good afternoon.

KAREN KEEHR: Hello. Thank you, Senator Lowe and members of the General Committee [SIC] for allowing me to-- this opportunity to speak today about LB926, modernization of the Museum Property Act. My name is Karen Keehr, K-a-r-e-n K-e-e-h-r. And I am the archivist at the American Association of-- American Historical Society of Germans for Russia, located in the historic South Bottoms here in Lincoln. And I have been fortunate enough to be-- work in the museum professional here in Nebraska for my entire 24-year career, 11 of which I was the photograph curator at the Nebraska State Historical Society, now known as History Nebraska, which I still say is the best job in the state of Nebraska. I have also been-- had the pleasure to serve on the Nebraska Museums Association Board since 2000 in one capacity or another. I am very passionate about sharing my knowledge and training with smaller museums across the state, especially for museums that are run by well-intentioned volunteers. I enjoy speaking at Nebraska Museum-- the Nebraska Museum Association Conference, and I often host our monthly online learning opportunity. Nebraska Museum Property Act has been a hot topic always and, and, and a topic of frustration among Nebraska

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museum professionals. It is confusing to those who are new to museum jargon and expensive to both small, volunteer-run museums and large institutions like History Nebraska. I thought it might be helpful if I as a curator and archivist would explain some-- what accessioning, deaccessioning, and active collecting is. The museum profession has been around for a long time, but our standards, policies, and procedures have only really started to solidify since about the 1970s. Before then, it was just common for museums to take everything offered to them. Museum shelves filled up fast with a lot of time-- a lot of the time with five-- when everything that was-- with, like, five of the same butter churns and ten of the same sad irons. In the case of AHSGR, we have a lot of German Bibles and hymnals. Who gave what is not always recorded. And if it was, it's often vague descriptions written on little 3 by 5 note cards with the-- with notes saying, used by John Doe's grandma when she was young. Well, what's grandma's name? Was it the maternal grandma? Was it the paternal grandma? What decade was Grandma young? You, you get the picture. Today, we've learned from our mistakes, and we're much more selective about what we take into our collections. And we have very strict policies and strict procedures about what we take. Now we will-- we ask ourselves, what does the object tell-- does the object tell us an interesting and important Nebraska story? Will it help us better understand the history and culture of Nebraska? Does it fill a gap or a hole in our collection? And if we answered yes to these questions, then we begin the accessioning process, which is a formal way of accepting the item into our collection-- the object or item into our permanent collection. We do this through a, a deed of gift. Once the deed of gift is signed by both parties, the object is cataloged, photographed, sometimes surface-cleaned or stabilized, and then put into archival storage. Then the object is ready for display or placed into a secure temperature and humidity-controlled storage. If that seems like a lot, the Hastings Museum estimates a clasp-- cost between \$80 and \$100 to process an object that we want into our collection. Others estimate-- other studies estimate that it keeps-- it takes about \$30 a year for a-- to-- for a museum to just store an object, and that's including cataloging software, security, HVAC systems, curatorial staff, administrative staff, and a host of other basic necessities that just keep a museum functioning. So let's go back--

LOWE: Ms. Keehr, if you could wrap it up within, within a minute here.

KAREN KEEHR: OK.

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LOWE: We, we, we have your testimony in front of us, so we can go back and, and--

KAREN KEEHR: OK.

LOWE: --look at that. So if you can hit the high points--

KAREN KEEHR: OK.

LOWE: --and-- yeah. Please.

KAREN KEEHR: OK. All right. So I think if I tell-- I, I was going to tell you about a, a Bible that was dropped off at AHSGR. So you asked about if that becomes our, our problem. It does become our problem to, to deal with. We have to wait-- we have to hold that Bible for 10 years and establish that we've held-- that nobody's come to claim it in 10 years. And then-- again, it takes about \$80 to \$100-- \$80 to \$100 for me to process and wait for that and another \$30 for, for those 10 years to store. So I figured that it is about \$500. And in curatorial speak, that is about 50 archival boxes that we can't purchase because we're storing that object. We're also-- those butter churns that, that we don't want, they're taking up shelf space on our, our, our shelves that we can't-- that are taking up self-- shelf space for other objects that we can't accept because we don't have the space for them, things that could tell a much richer, more diverse Nebraska story. So I believe that the changes being proposed in LB-- LB926 will modernize the Nebraska Museum Property Act and will make it-- will-- and will allow Nebraska museums for a better intellectual control over the collections. And they will tell-- be able to tell a much richer, more diverse Nebraska stories through their objects that they collect and care for. So please support Nebraska museums by supporting LG-- LB926.

LOWE: Thank you very much, Ms. Keehr. Are there any questions?

KAREN KEEHR: Yes.

LOWE: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman. Try and talk loud so that the-- what do you call it-- stenographers can get it. So-- well, I should have asked Mr. Hosh-- Hosheler [SIC] about this, but-- so the example-- of course, the Barbies is a good one. But maybe in, in your case of the Bibles, do you have to advertise each individual Bible individually--

KAREN KEEHR: Yes.

J. CAVANAUGH: --or you have a bunch of them--

KAREN KEEHR: Yes. So each one of them would have a different publication year. Each one of them would have a different publisher. Each one of them would have a different shape, a different cover size. So each Barbie would be a similar thing. So each one of those would have to have a different object-- a, a different description.

J. CAVANAUGH: So each of these six butter churns you're going to have to advertise separately?

KAREN KEEHR: Correct. Because they-- we don't know if they came in together or if they came in separately. So they would have different provenances. So, yes, you would have to do a different notice for each one of those.

J. CAVANAUGH: And for something like that, isn't the likely outcome that you're going to get no response since you're not going to get any provenance out of it?

KAREN KEEHR: Correct. Which then would mean that-- and then we could either transfer those to another museum that they can maybe, like, transfer them to Stuhr Museum where they could use them in one of their historic structures or that we could maybe recycle them into-- I've worked with, like, artists who's used them to upcycle--

J. CAVANAUGH: OK.

KAREN KEEHR: --and things like that.

J. CAVANAUGH: All right. Thank you.

KAREN KEEHR: Yes.

LOWE: Senator Brewer.

BREWER: Thank you, Mr. Chairman. All right. So do we have a status other than the deed of gifts? So, like, I have something that I would like the museum to be able to have-- say, for a display-- but I don't want to lose control of it forever.

KAREN KEEHR: Sure. Then that would be a loan.

BREWER: A loan.

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KAREN KEEHR: So, so then you would work with them for the nego-- for the, the agreement for the loan.

BREWER: OK.

KAREN KEEHR: So, usually, it's for a, a set period of time for a specific exhibit or [INAUDIBLE].

BREWER: Gotcha. Thank you.

LOWE: Thank you, Senator Brewer. Yeah, the classic car collection in Kearney. I tried to loan them a 1976 Cadillac convertible-- convertible. And they said, no, there are too many of those out there right now. We don't want any. So sometimes they will turn down a contribution. They did take my 1911 Sears and Roebuck car, though.

KAREN KEEHR: Oh, that sounds interesting. Yes.

LOWE: So, yeah, it, it was shipped in its own body.

KAREN KEEHR: Oh, wow.

LOWE: So any other questions? So these rules where you have to categorize everything specifically--

KAREN KEEHR: Um-hum.

LOWE: --are those your rules or are they in statutes or--

KAREN KEEHR: I don't think they're in statute. But because each object is a separate thing, it would be difficult to describe them as a whole.

LOWE: OK.

KAREN KEEHR: Because like I said, if you take the example of the butter churns, each butter churn would be slightly different. Each Bible is slightly different. And even if you just had one running long notice, it still is just long. And you would still have to say the publisher's name, the, the date of the publisher, the size of the Bible, or does it have a leatherette cover, a cloth cover-- all that kind of stuff to describe each Bible.

LOWE: I hate to cheapen things down, but when I've attended auctions, there's a, a box with so many things in it over here and another box with so many things over here and-- so they just kind of group things when it comes down to it.

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KAREN KEEHR: Right.

LOWE: Do you, do you do any of that?

KAREN KEEHR: No, that wouldn't be-- in some cases, you could maybe do that. Like, say if it's a, a jar of buttons, you could maybe say: jar of buttons, circa 1920. But you'd still probably have to estimate how many buttons there were. You wouldn't have to describe each and every button. Same with, like, a tea set. You could probably describe the tea set as a whole. However, when you're talking about individual objects, it would have to be-- you wouldn't be able to group them in a, in a, in a box if they didn't-- if you didn't know that they had all come together. And because we don't know the provenance, we don't know that they came together.

LOWE: All right. Thank you very much. Any other questions? Seeing none, thank you very much. Welcome.

SUSAN WELLER: Thank you. Good afternoon, Chairman Lowe and General Affairs Committee members. My name is Susan Weller, spelled S-u-s-a-n W-e-l-l-e-r. And I reside in Walton, Nebraska. I'm here today as the director of the University of Nebraska State Museum of Natural History, which includes Morrill Hall in Lincoln, Ashfall Fossil Beds State Historical Park in Royal, Trailside Museum of Natural History in Crawford, and the research collections here in Lincoln, which are comprised of approximately 13 million scientific specimens and anthropological artifacts. We are fully accredited by the American Alliance of Museums, an achievement shared by only 11% of natural history museums in our nation. The views I'm sharing today are my own and do not represent an official position of the University of Nebraska System or the University of Nebraska-Lincoln. As a constituent and as the director of Nebraska's first museum, established in 1871, I'm here to testify in support of LB926. The purpose of this bill is to amend Nebraska's current Property Act. My colleagues have-- and Senator Aguilar have gone through some of the mechanics of the act. I will try to shorten my comments accordingly. I will just say that for items lacking proper provenance-- which in the case of scientific specimens includes legal paperwork to document ownership through donation or field work that's been permitted by the state or federal government-- when they lack this proper provenance, it is then very cumbersome for the museum to obtain clear title to the items in our care. Once ownership can be established, the possible actions-- as has been mentioned-- include accession, which is asserting legal ownership and continuing care of the objects, arranging for transfer to another museum whose mission better aligns

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with the items in question or, if necessary, disposal. One of the benefits of LB926 is that digital media forms would reach a much larger audience, and then the decreased action wait time after posting from 3 years to 1 helps focus the museum on being-- on effective communications over this shortened time frame to ensure all avenues of contacting possible prior owners are exhausted. For example, we've had-- we have items that were abandoned by former professors, some just dropped off without explanation at our visitor services desk or on the steps, steps of the museum if we're closed. And we have examples of owners who loaned the material to us decades ago who are deceased and the living descendants scattered. An example of unresolved property at the UNSM is a 1927 loan of 39 World War I items from a Captain W. R. McGeachin, spelled M-c-G-e-a-c-h-i-n. We continue to care for these items, of course. However, their interpretation and care would be much better suited for a museum who has a focus on American history or Nebraska history rather than my museum whose mission is focused on natural world and world cultures. In this case, the specific case, the digital media provision would enable us to potentially reach any living descendants who would care about the property and resolve the loan. An expedited timeline for response ensures, again, there's a strong focus on canvassing for possible owners. For this and other reasons, I strongly support this bill and ask that you lend your support to LB926 to help Nebraska museums preserve our individual and collective histories to the highest standards of best museum practices upheld by the American Alliance of Museums. Thank you for your time and for considering my testimony.

LOWE: Thank you, Ms. Weller. What was the name of that World War I-- just in case somebody's listening across the wild-- world wide web here?

SUSAN WELLER: Yes. According to our accession, it's-- not accession-- according to the records, the loan records, the name is Captain W. R. M-c-G-e-a-c-h-i-n.

LOWE: Thank you.

SUSAN WELLER: I apologize. I'm not sure of the pronunciation.

LOWE: No, it, it was very good. Senator Brewer.

SUSAN WELLER: Yes, Senator Brewer.

BREWER: Thank you, Mr. Chairman. Well, first off, most of the time, our hearings are kind of boring. This is interesting stuff here that

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you guys are talking about. And-- maybe because I'm a history major and all that, but. So we talked a little in one of the earlier discussions about how you have an item that comes up. It goes out to kind of be available to other museums before it kind of goes out to try and figure out how to, you know, do something with it. So I was glad to hear that something like the, the stuff you were talking about from World War I could go to somewhere else if, if they have a need and you don't. But likewise, if they just happen to come up a dinosaur horn sitting around, they can, they can let you have a dinosaur bone. Where on earth do you keep all the stuff? I mean, I, I, I'm trying to visualize \$13 million-- 13 million items. I mean, it, it just seems almost overwhelming. You must have a lot of your time and energy just trying to keep up with the storage and, and managing, you know, what to move and where and when and, and-- I mean, is that a good description of your time and effort?

SUSAN WELLER: So first, I would invite any interested member of this committee or others. I would be happy to arrange a behind-the-scenes tour of our research collections. So please contact me. We have areas-- so the public museums, Trailside, Morrill Hall, and Ashfall Fossil Beds act as storage, if you will, but they're stored as visible public displays, those specimens. In addition, we have at least three floors of a building-- which, for security reasons, I'd prefer not to give the name.

BREWER: No problem.

SUSAN WELLER: We do have it under a separate keycard, but it's part of a public building, which makes security more challenging. But that is where-- most items cannot be exposed to light for long periods of time and then must come off display to be properly conserved and maintained. So we try to rotate, with the exception of Archie, who's huge-- our, our mam-- mammoth does not easily go on and off display. We rotate items. And then they are stored. They're available to researchers. Many of us work towards creating what are called digital libraries of our collections that are available to the public and the researchers online. And so through various ways, we do make them available for others to research.

BREWER: So if you were to look at the people that you have employed that maintain these records, their title-- are, are they historians? Are they librarians? They're logistics specialists? How, how do you describe what-- this recordkeeping part of it?

SUSAN WELLER: So, many of them are collection managers.

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BREWER: Collection managers.

SUSAN WELLER: Collection managers. We also have curators who are experts in the particular area of study. I'm an entomologist. My-- therefore, I'm associated with our entomology research collections. We have people who specialize in birds, in fish-- obviously, in fossils, and so forth. So you have your, your experts in content and then collection managers. Due to tight budgets, our collection managers also have to maintain our archives. And we do work with the university libraries to have better arch-- archival skills, recordkeeping skills among our staff because we do not have a separate registrar, which many museums have.

BREWER: OK. Thank you.

LOWE: Thank you, Senator Brewer. Any other questions? Seeing none, thank you, Ms. Keehr-- Weller. Are there any other proponents? Seeing none, opponents? As the curator of the world's oldest living Nebraska fossil, are you proponent or opponent?

DENNIS DeROSSETT: I'm testifying in opposition.

LOWE: OK.

DENNIS DeROSSETT: So. Good afternoon, Chairman Lowe, members of the General Affairs Committee. My name is Dennis DeRossett, D-e-n-n-i-s D-e-R-o-s-s-e-t-t. I'm the executive director of the Nebraska Press Association, representing 146 newspapers located throughout the state. We consistently advocate for open government, a major part of which is transparency and accountability through public notices. We're testifying today in opposition to LB926, specifically to the language on page 2, lines 24 through 31 and on page 3, line 1. This language provides two additional options for museums to give public notice pursuant to the Museum Property Act. Neither of these options-- posting to the museum's own website or displaying the notice in the public area of that museum-- provides for one of the key and critical elements of public notices, and that is that being a true public notice must go through an independent third-party. In addition, there are three other essential elements of a public notice: accessibility, verifiability, and archivability. These are essential because each public notice is part of a proven legal process. They're not just ads in a newspaper. It's part of a legal process. Proof of publication of each notice through a notarized affidavit signed by the publisher is provided to the entity placing the notice or to the courts. There are no provisions in LB926 for any of these essential or necessary

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elements to occur. Government entities should never be allowed to testi-- or excuse me-- to verify their own actions, and it's certainly not independent of itself. I would go one step further specific to the concerns of the proponents of LB926, that public notices in newspapers have a proven serendipitous effect that would actually help the process of establishing provenance that museums work hard to achieve. The cost of each notice that we've found is rarely a real issue. Rates are set in statute, and the last two increases were in 1996 and in 2023. In between, there were 25 years of no rate increases for public notices. We did search and we found two notices from the past year regarding the Museum Property Act. The total cost of each notice for three insertions was about \$32 total for, for the notice. Finding a newspaper of general circulation in the county to publish a notice should not be an issue. In Nebraska, there are 93 county units of government, approximately 245 school districts, and approximately 580 cities, towns, and villages-- all of which are using newspapers of general circulation in their county to publish their public notices. We're happy to assist any unit of government or an individual that needs to place a personal business or court-related notice to determine the proper newspaper of general circulation in which to publish their notice. The work and flow of the government and the courts depends on a proper and effective system of public notice. If an issue ever does arise, we meet with representatives of those entities to determine the cause and then work together for a proper solution. A good example is LB513, which is now on Select File this session as a part of LB287. Another example is LB938, the County Purchasing Act. It would have allowed counties to place certain notices on their own website rather than publish them in newspapers. We expressed our concerns with NACO and the bill's sponsor, Senator Brandt. They agreed with our concerns and removed that option through AM2214, which was added and now adopted. As methods of communications evolve, Nebraska newspapers have responded to requests to modernize public notices. We've taken major steps to do that. In 2021, we launched a website as a statewide repository for all public notices: it is www.nepublicnotices.com. It is free access and fully searchable, and there's no cost to government for the posting of the notices to this website. They first must be printed in the newspaper, and then they're uploaded to the site. In 2022, that legislation was proposed by the Nebraska Press Association, and it was approved to mandate that all notices after first appearing in print must then be uploaded to that website. Currently, there are over 310,000 notices on that website. We've reached out to the proponents of LB926 to discuss our issues and concerns and to learn more about the real issues they're facing. We would offer to continue to do so. But as LB926 currently

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stands-- and that is not having the critical elements of a public notice-- we ask you to not approve this bill because of the bad precedent and the bad, bad public policy it would establish. Thank you. And I'm happy to answer any questions you might have.

LOWE: Thank you, Mr. DeRossett.

DENNIS DeROSSETT: Yes.

LOWE: Senator Hughes.

HUGHES: Thank you, Chairman. Thanks for coming in. How are schools today charged or other public entities charged for putting an Open Meetings Act-- or their open meeting on the-- in print?

DENNIS DeROSSETT: It's--

HUGHES: Is it a flat rate or--

DENNIS DeROSSETT: --it's set by statute. It's a line rate. And it's about 50 cents a line. So a meeting notice--

HUGHES: Is probably, like, \$1.

DENNIS DeROSSETT: --is about \$5.

HUGHES: So you can understand their concern when you're saying even at an average of \$32. But if they have to, to put in a lot more detail on something-- I mean, I'm just thinking of the Goehner Museum, and they've got, I don't know, a thousand things that they need to get rid of. That's \$32,000. And I'm pretty sure their budget's probably about \$5,000.

DENNIS DeROSSETT: I don't disagree with that. The notices we found had, you know, less detail. But our issue's not with, you know, that. In fact-- that's what I was saying. We wanted to learn more and see if there was a way that we could even help come to a resolution because-- but, but what we did not want to see was public notice redefined as allowable on a government website or to post it in your own business. That is not notice to the public.

HUGHES: Well, could you work something out where maybe they could just post it on this nebraskapublicnotices.com? Just upload it there and that would count?

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DENNIS DeROSSETT: It is not a-- it first has to be published by statute in a legal newspaper.

HUGHES: But we could take that statute away and then go to this, maybe. I'm just trying to think of other solutions for them that doesn't cost--

DENNIS DeROSSETT: But there, there would be a cost for that because it costs to, you know, to maintain that site. We do it now through our current rates, something we added on to. So I understand the voluminous cost issue that that would be, but I think our biggest concern is not to, you know, change what a true public notice, you know, would be. Because if you open it up to being on a government website-- and there's no state now that allows it. There's two that have a Internet first-- I think there's one maybe that has an Internet first. And then-- so it's digital and then print. But it still goes through an independent third-party. So I don't have the full solution today. I did reach out to Mr. Hochstetler on Thursday. Had a discussion. But, again, time didn't allow to get into the-- too much into the weeds on it.

HUGHES: OK. Thanks.

LOWE: Thank you, Sen-- Vice Chair Hughes. Senator Brewer.

BREWER: Thank you, Mr. Chairman. All right. If we go to your testimony here, it says: A good example of a brilliantly written bill is LB513, which is now on Select and is part of LB287. Do you know who wrote those bills?

DENNIS DeROSSETT: For LB513, I do.

BREWER: OK. It's the same guy on the other one too. All right. I guess the, the issue is trying to figure out an answer here. And I was kind of tracking with what Senator Hughes was going with too to figure out, how can we, how can we figure out a solution to do both? Because the concept of the bill I like, but how do we do that without putting you in a position that it puts everybody who's, who's publishing a paper in a bind? I mean, is there anything that kind of comes to mind offhand?

DENNIS DeROSSETT: Well, I, I don't think it's putting people who publish a newspaper in a bind. I think it's the-- it's the public accountability. Because newspaper-- excuse me, museums rec-- any entity that receives tax dollars, part of their reporting back is they're under the Open Meetings Act and have to, you know, abide by

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public notice. So this is not about the newspaper as it is the accountability to the public. So I think that-- I mean, if they're-- trust me, if, if it was about that, we would have been to the Legislature probably every other year for a rate increase for a public notice. Then we'd not wait 25 years. But, you know, it could be something in the statutes of the requirements. Again, I don't have the solution today. I just am very concerned about setting a precedent that would allow a government entity to post on its own website and try to be accountable unto itself. Because these have to be-- they, they can be challenged. And a publication, proof of publication, can either confirm that you did the right thing or it can show that you did not do the right thing. And as you know, any government entity that does not go by the, the open meetings or the rules of public notice, that action can be voided immediately.

BREWER: All right. Thank you.

LOWE: Senator Hughes.

HUGHES: Sorry. Thanks, Chair. So then that got me thinking. Could it-- could another third-party be a different government entity? Like, could it be posted on the county website or something like that? Would that count?

DENNIS DeROSSETT: Well, again, that's a government website.

HUGHES: But it's a, it's a different branch and not, not run by the same--

DENNIS DeROSSETT: I, I think that-- and, in fact, as I mentioned in this one bill, Senator Brandt's bill, LB938, even the county officials realized that is not-- and they allowed-- accepted the amendment to not have public notice on their website. There's been many bills that have been introduced that would allow that. None of them have passed. And, in fact, even this session, I think there's five or six bills that require a, a new public notice. And it's all in-- through print because it establishes the independence.

HUGHES: Could the public notice be-- go to the museum website and look at it? Like, one sentence so it's 50 cents? Sorry. I'm just trying to-- we can talk about this later.

DENNIS DeROSSETT: Yeah. Again, I think there are-- there surely are solutions out there. But what they are, I don't know. I'm just-- again, on behalf of, really, transparency and open government, we're very concerned that, you know, public notice would be changed to

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allow-- because even social media has been used and why not put it on social media? I guess my question is, you know, who has full faith and trust in social media? And if it's something that was posted today, is it's-- and what's posted tomorrow, are they the same thing? You know, newspapers cannot be hacked. Once it's verified, signed, and notarized, the courts recognize that and have for centuries that-- in fact, the state constitution cannot be changed unless you give public notice through newspapers to the citizens of Nebraska.

LOWE: Thank you, Senator Hughes. Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chairman. And thanks for being here. Just so I, I understand. You were talking about open meetings. The-- we're-- the-- this is a little bit different than that, though, right?

DENNIS DeROSSETT: Yes.

J. CAVANAUGH: This is about a disclosure to-- my understanding from every-- from what I've heard from everybody is, we're trying to create reliability in who owns this property, not-- it's not about the public-- necessarily public accountability. Because it could be-- I mean, I don't think that the American Historical Society of Germans for-- from Russia is a government subdivision.

DENNIS DeROSSETT: Not all museums are, no.

J. CAVANAUGH: Right.

DENNIS DeROSSETT: If they take public dollars and-- tax dollars and fall under the Open Meetings Act and if their statute-- which it does, their statutes require public notice, currently.

J. CAVANAUGH: The statute requires public notice. It-- this is a mechanism to discern who actually is the previous owner, who is the current owner of some property. So it's-- this is not an, this is not an Open Meetings Act question. I mean, I, I'm with you on the Open Meet-- I brought a bill to subject more people to Open Meetings Act last, last year or two years ago. It went to the Government Committee, which is run by a very intelligent guy who drafts great bills. But I was unable to convince him of the wisdom of my expansion of the Open Meetings Act. But I guess I'm seeing a-- I, I see what you're saying, and I agree that we need to, to come up with-- to make sure the intention is to, to create certainty and reliability. It's not specifically about accountability, I think, is, I guess I'm-- the distinction, which is maybe why Senator Hughes's suggestion about requiring that it be posted on the county's website or a different

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political subdivision may-- maybe is a different answer than saying, well, this isn't all just the ecosphere of the sys-- city and the county. In Douglas County, our city and our county website's the same website, so I-- but I guess-- I don't know. That may be food for thought or something. But I guess I'd throw out there: would you be amenable to the requirement that it would only be published once? There's a three consecutive week publication or-- can you address that?

DENNIS DeROSSETT: I think we would be open to discussing that, yes.

J. CAVANAUGH: OK. Thank you.

DENNIS DeROSSETT: Yes.

LOWE: Thank you, Senator Cavanaugh. You stole my question, so I won't ask my question.

J. CAVANAUGH: Great minds.

LOWE: Great minds. Any other questions? Seeing none, thank you, Mr. DeRossett.

DENNIS DeROSSETT: All right. Thank you.

LOWE: Are there any others in the opposition? Seeing none, any in the neutral? Seeing none, Senator Aguilar.

AGUILAR: Thank you, Chairman Lowe. Suffice to say, in my estimation, the educational value and the historical value that the museums collect as they do, I think is so much more important than the profit margin of the newspaper industry. They have other methods of advertising what they need to advertise, and I think that doesn't sit well with the media. I'd ask you to advance LB1026 [SIC] to the floor.

LOWE: Thank you, Senator Aguilar. Any follow-up questions by anybody? Seeing none, that ends our debate on LB926. Oh, and there was 1-- on LB926, there was 1 online proponent, no opponents, or no neutral. Now we will go on to LB1000. Senator Brandt's. Senator Brandt, you may open on LB1000.

BRANDT: Well, it's good to be back to the General Affairs Committee. Good afternoon, Chairman Lowe and members of the General Affairs Committee. I am Senator Tom Brandt, T-o-m B-r-a-n-d-t. I represent Legislative District 32: Fillmore, Thayer, Jefferson, Saline, and southwestern Lancaster Counties. Today, I'm introducing LB1000. LB1000

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is a bill to provide for the anonymity of state lottery winners who win over \$250,000. With lottery prize winnings increasing year after year, this idea has become more popular in many states. In 2015, only five states allowed winners to remain anonymous. Now, there are 23 states that have some sort of, of identity protection for winners. Some surrounding states include Kansas, Missouri, Wyoming, and North Dakota. The reason I was compelled to bring this bill is all the stories and articles about lottery winners struggling financially and mentally a few years after winning big. Beyond the financial hardships, there are countless stories of winners attempting or committing suicide. A major factor in these stories is the amount of harassment winners receive from immediate family and friends, to newfound fourth cousins and local charities or organizations. The harassment pressure to give becomes so large that many move out of state to get away from it. I don't think this bill will solve all of those issues, but I do believe the ability to remain anonymous to the public will allow winners to hold on to a sense of normalcy and not leave the good life. Nebraska should be a place lottery winners move to to spend their newfound wealth. And kind of a story about this is, probably over 20 years ago, there was an individual that won the Kansas lottery that was kind of local. I'm not going to say much more about that. But it was a \$6 million winner. And he was harassed so badly once everybody found out that he just-- he took off. I think he ended up in Colorado. So the net effect of that was, yeah, he paid all the taxes on his winnings but then he, he wanted to stay around. But because everybody knew he had won this money, he had people coming out of the woodwork pestering him all the time that he just took off. So anyway, thank you for your consideration of this bill. I'd be happy to answer any questions. Following me will be Brian Rockey, who's the director of the Nebraska Lottery and Charitable Gaming Association-- or excuse me-- Commission that could answer any technical questions about the lottery, so.

LOWE: Thank you, Senator Brandt. Are there any questions? And have you won?

BRANDT: I've got the winner in my pocket right now, so we're, we're, we're set up. We got to get this passed first.

LOWE: Senator Hughes.

HUGHES: Thank you, Chair. So since you've won-- I, I think we're fourth cousins, aren't we?

BRANDT: That could be, yeah.

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HUGHES: Anyway. Just curious--

BRANDT: Scary, isn't it?

HUGHES: --do you know how many people in the state of Nebraska win over that amount?

BRANDT: Yeah. When I talked to Mr. Rockey this morning: any given year, it's, it's 10 to 20 people are usually over that \$250,000 amount.

HUGHES: Thank you.

LOWE: Thank you, Senator Hughes. Other questions? Seeing none.

BRANDT: And I also-- the handout that I, I-- we had the Research Office do a comparison of all the states around us. This is a pretty good read. It gives you an idea of what the variability is. The \$250,000 was kind of a common number that a lot of states used. And you'll see anywhere from \$600 to \$10 million is what the limits are in these states in here. And we'll stick around to close.

LOWE: All right. Thank you. Shouldn't be long. Are there proponents? Are there opponents? Those in the neutral.

BRIAN ROCKEY: Good afternoon, Chairman Lowe and members of the General Affairs Committee. For the record, I am Brian, B-r-i-a-n R-o-c-k-e-y. And I serve as the director of the Nebraska Lottery and Charitable Gaming Division at the Nebraska Department of Revenue. I appreciate Senator Brandt asking me to stop by and answer any questions you might have. As he noted, we discussed this morning, and it's between 10 and 20 winners a year above that threshold. I actually checked over the lunch hour with our finance director, and there were 12 winners above \$250,000 last, last fiscal year. And it will vary year to year depending on what's going on with the major jackpot games. I can tell you that-- and Senator Brant mentioned how many states currently offer accommodation for, for anonymity. Our practice at the lottery is to, you know, treat a winner as public information. But if the winner says, I don't want publicity, we, we readily honor that. And it doesn't matter if it's a \$5,000 winner or a \$500,000 winner. But some-- we do get questions at times from players about a provision such as what is in, in LB1000.

LOWE: All right. Thank you, Mr. Rockey. Questions? Senator Cavanaugh.

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J. CAVANAUGH: Thank you, Chairman. Thank you for being here, Mr. Rocky. This is an interesting conversation. Well, first question is, if we pass this bill-- so if somebody wins-- has a winning ticket-- say Senator Brandt has the winning ticket in his pocket right now, as he says, which I don't know when the drawing is-- but say-- is the drawing on Wednesdays or--

BRIAN ROCKEY: Powerball is drawn Monday, Wednesday, Saturday.

J. CAVANAUGH: OK.

BRIAN ROCKEY: Mega Millions is Tuesday, Friday.

J. CAVANAUGH: So say for the sake of argument that Senator Brandt has the drawing that wins tonight.

BRIAN ROCKEY: Um-hum.

J. CAVANAUGH: How much time does he have to claim that?

BRIAN ROCKEY: 180 days from the date of the drawing.

J. CAVANAUGH: OK. And so if this goes into effect, would the-- somebody who bought the ticket then, before it goes into effect, would they be protected by the anonymity?

BRIAN ROCKEY: I believe so, yes.

J. CAVANAUGH: OK. And then for the drawing, is-- the place where you claim it, is it the state where you bought it, the state where you live, or--

BRIAN ROCKEY: It's the state where you claim it. So even though the games are effectively nationwide-- Powerball is sold in 45 states-- each state system is different. So you have to go to that jurisdiction to redeem it. And the taxes are based off of-- each state's a little bit different in how they collect. We're-- Nebraska, we automatically collect income tax. But it would-- if you won in Nebraska, you'd claim in Nebraska.

J. CAVANAUGH: You mean if you purchased it in Nebraska?

BRIAN ROCKEY: If you purchased it in Nebraska.

J. CAVANAUGH: So if I'm driving cross-country and I buy a ticket in another state, I'd have to return to that state to claim the--

BRIAN ROCKEY: Correct.

J. CAVANAUGH: OK. And then I would pay the taxes in that state?

DENNIS DeROSSETT: It dep-- you'd pay in the state, but the state would issue a W-2G that then you'd have to reflect in your income.

J. CAVANAUGH: OK. So I, I'm just trying to figure out if there are states that would become a destination for someone to come and claim because of the anonymity protection. But you're saying that's not a realistic possibility?

BRIAN ROCKEY: It's-- yeah. They'd have to go there and buy the ticket in order-- and, and, and then hope to win there.

J. CAVANAUGH: All right. Thank you.

BRIAN ROCKEY: Um-hum.

LOWE: Thank you, Senator Cavanaugh. Any other questions? Seeing none, thank you.

BRIAN ROCKEY: Great. Thank you.

LOWE: Appreciate you always being here. Are there any others in the neutral? Senator Brandt.

BRANDT: I guess I'd, I'd like to maybe clarify something that Mr. Rockey said that-- and I'm going to look back at him after I say this-- yes, today, you can remain anonymous until the press files a Freedom of Information Act.

BRIAN ROCKEY: Or asks. Just plain out asks the question.

BRANDT: Yeah. So you-- yeah. You're only as, as good until the newspaper wants to know that Senator Lowe won, you know, has the 4-- \$400 million lottery ticket or whatever. And this would shield them from that reveal. They would have to opt in to this. This is not automatic. So if you didn't tell the lottery that you wanted that protection, you, you don't get that protection. The bill's about one sentence long. You can see in there where the exception is at. I do have some anecdotal evidence. Did get some emails because I had brought this same thing several years back that there are people in the state of Nebraska that do not buy lottery tickets here for this very reason. I don't know how many people. It's probably not a lot. But I suppose somebody that's traveling and they're going through Iowa

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or Kansas and they have something like this and they're a regular player, they're going to buy their tickets over there. And I do think, whether it's measurable or not, I do think this is just one small thing that people that buy these tickets, it-- you know, it would help the state. And I truly believe it'll keep people in the state after they win. It's been a long time since we've had a big winner, but someday it's going to happen again. So with that.

LOWE: So you're thinking this is part of the tourism then, huh?

BRANDT: Absolutely.

LOWE: OK.

HUGHES: Economic development.

BRANDT: Yeah. Economic development.

LOWE: Any oth-- any questions for Senator Brandt? Seeing none, thanks for bringing LB1000.

BRANDT: All right. Thank you.

LOWE: There were no online comments.

HUGHES: All right. Senator Lowe with LB1164, please.

LOWE: Thank you, Vice Chair Hughes and fellow members of the General Affairs Committee. My name is John Lowe. That's J-o-h-n L-o-w-e. And I represent District 37. And this is a shell bill, and so I close.

HUGHES: Are there any questions?

BREWER: And he stayed for close.

LOWE: I--

HUGHES: He waives.

LOWE: I waive.

HUGHES: All right. And that ends LB1164. Oh. Any-- yeah. Any opponents? Any proponents?

LOWE: No online comments either.

HUGHES: Any, any neutral? All right. We're good. And we end.

LOWE: We're going to have a Exec hearing.