

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Transportation and Telecommunications Committee February 5, 2024

**MOSER:** Our hearing of the Transportation and Telecommunications Committee will now come to order. Good afternoon and welcome. I'm Mike Moser. I represent District 22, Platte County and most of Stanton County. Senators will introduce themselves starting with Senator Bosn.

**BOSN:** Good afternoon. I'm Carolyn Bosn from District 25, which is southeast Lincoln, Lancaster County, all the way out to Bennet.

**BRANDT:** Good afternoon. My name is Tom Brandt. I have Fillmore, Thayer, Jefferson, Saline, and southwestern Lancaster Counties.

**MOSER:** Senator Fredrickson.

**FREDRICKSON:** Good afternoon. My name is John Frederickson. I represent District 20, which is in central-west Omaha.

**BOSTELMAN:** Bruce Bostelman, District 23.

**DeKAY:** Barry DeKay, District 40, which consists of Holt, Knox, Cedar, Antelope, northern part of Pierce, and northern part of Dixon County.

**MOSER:** OK. Our committee clerk is Lynne Woody. Our legal counsel is Mike Hybl. There are blue testifier sheets on the table as you enter the room. Please complete it and hand it to the page when you come up if you'd like to testify. Our pages today are Ethan and Ruby. For those not testifying but would like to record your presence, sign the gold sheet in the book on the table near the entrance. The Legislature's policy is that a record for the-- letter for the record must be received by the committee by 8 a.m. the day of the hearing. Handouts submitted by testifiers will be included as part of the record. Please provide 10 copies. Senators may come and go during the hearing. This is common and required as they may be presenting bills in other committees at the same time. Testimony will begin with the introducer's opening statement. Then we'll hear from supporters of the bill, then those in opposition, and then those speaking in a neutral capacity. The introducer of the bill will then be given the opportunity to make a closing statement if they wish to do so. During your testimony, please give us your first and last name and please spell them for the record. We will be using a 3-minute time limit today. There will be no demonstrations of opposition or support on the testimony. Reminder to turn off your cellphones or put them on vibrate. With that, that brings us up to our gubernatorial appointment. Greetings, Mr. Mello.

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**HEATH MELLO:** Good afternoon, Chairman Moser and members of the Transportation and Telecommunications Committee. My name is Heath Mello, H-e-a-t-h M-e-l-l-o, and I'm a resident of Legislative District 20 in central Omaha, a constituent of Senator Fredrickson. I want to thank Governor Pillen for both his confidence and nomination of me as the District 2 Commissioner to the Nebraska Highway Commission. As a lifelong Nebraskan, graduate of the University of Nebraska-Lincoln, former two-term member of the Nebraska Legislature, a past vice president for external relations for the University of Nebraska System, and now as the president and CEO of the Greater Omaha Chamber, I share Governor Pillen's belief that a strong transportation system is vital to Nebraska's economy, our continued development efforts, and the quality of life for all Nebraskans. Though my appointment is to serve as a District 2 Commissioner, which encompasses Cass, Dodge, Douglas, Sarpy, and Washington Counties, I'm committed to the statewide vision the Nebraska Department of Transportation and the Nebraska Highway Commission has that touches the lives of people in every one of Nebraska's counties and communities. As a former member of this distinguished legislative body, I'm aware of the significant needs of both the state and local government highway system and the fiscal realities that drive decision-making by both state policymakers and the NDOT. It is that appreciation for identifying solutions to challenges and a desire to help strengthen our state and regional transportation systems that I chose to service again as a member of the Nebraska Highway Commission. In this role as a highway commissioner, I participated in two meetings where we have discussed highway safety updates, collaborative partnerships with utilities, state recreation roads, the naming of highways, and future expressway development. This commission work has centered around shared priorities of safety, improving quality of life for communities, and the future economic growth that is connected with expressways. We have upcoming public engagement meetings this year in Norfolk, Grand Island, and Gering, aside from opportunities in District 2 to engage stakeholders about highway projects in construction. In my few short months as a commissioner, I believe that we have a visionary and dynamic leader in the Nebraska Department of Transportation Director Vicki Kramer, and hardworking, seasoned engineers and staff across the department. I commend you and your legislative colleagues for the major strides in transportation development taken over the past 7 years, and look forward working with NDOT in the implementation of highway bonding that you authorized last year in LB727. Thank you again for the opportunity, Mr. Chairman, to be here with you today. And I would be happy to answer any questions you may have.

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**MOSER:** Questions? Senator DeBoer. Introduce yourself, too, would you, please?

**DeBOER:** Hi, everyone. Senator DeBoer, District 10, northwest Omaha. So I was going to call you Senator Mello, but I guess that's not appropriate anymore.

**HEATH MELLO:** Sure.

**DeBOER:** Tell us, what is the biggest challenge that you see that the, the Highway Commission will face in these next few years? What, what do you anticipate will be the biggest challenge?

**HEATH MELLO:** Well, in my short time, in December and January meetings, clearly, I, I think the, the unique opportunity that now presents NDOT, arguably through the Highway Commission, is the continued expansion and construction of expressways. Some of the expressway projects that have been around for decades are now starting to go through the planning process. We had a, a recent briefing on that earlier in January. And I think that will consistently be at the forefront of the Highway Commission's work is ensuring that those expressway projects go the way that NDOT has been planning them, partially in light of timelines. But also, I think the opportunity is, is going to be the engagement that the Highway Commission does. I mean, the Highway Commission's role is to serve as that citizen input mechanism for stakeholders across different districts. And so in my district, District 2, that incorporates the greater Omaha area, engaging stakeholders, whether it's agriculture, business, or, or just citizens in, in general who are connected in some form of some of the major highway construction projects is going to be something that's really important in light of all of the construction. Clearly, we see in the greater Omaha area right now. But I think the construction you're going to see across the state and all the other districts that highway commissioners represent.

**DeBOER:** Thank you.

**HEATH MELLO:** Thank you.

**MOSER:** Senator Cavanaugh. You could introduce yourself,--

**M. CAVANAUGH:** Oh.

**MOSER:** --if you would?

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**M. CAVANAUGH:** Senator Machaela Cavanaugh, District 6, west central Omaha, Douglas County. It's like I didn't actually raise my hand.

**MOSER:** No questions?

**M. CAVANAUGH:** I might, but I see Senator DeKay.

**MOSER:** Oh, OK. Senator DeKay.

**DeKAY:** Thank you, Chairman Moser. Mr. Mello, when you were a member of this body what committees did you serve on why you-- in your 8 years here?

**HEATH MELLO:** Thank you for the question, Senator DeKay. I served on the Appropriations Committee for 8 years, as well as the Nebraska Retirement Systems Committee for 8 years.

**DeKAY:** Thank you.

**M. CAVANAUGH:** Well, all right, you-- I mean, it--

**MOSER:** Go ahead, Senator Cavanaugh.

**M. CAVANAUGH:** --seems like you want me to ask him a question, so. Besides having amazing backyard neighbors, happen to be my parents, this-- so one of the things with the Department of Transportation and as a former member and I believe Chair of the Appropriations Committee, you, I'm sure, understand that the Department of Transportation has very little oversight from the Legislature on how they utilize the funds. And I'm not entirely sure what role you'll play in the State Highway Commission on that, but could you speak to maybe your views on what your role would be over the finances and how you would approach that?

**HEATH MELLO:** Senator Cavanaugh, thank you for the question. And, and it's a-- it's a valid one. I think in, in my role as a, a highway commissioner, I think the best example I can share is, is the first-- the first Highway Commission meeting I attended as a new commissioner in December, where an item in front of us involved state recreation roads, where the Legislature passed legislation back in 2014 time frame to fund state recreation roads through the Game and Parks Commission. And that's a dedicated funding source that I believe comes from sales taxes paid on ATV products. And so part of that agreement within the Legislature, the Game and Parks and the Department of Transportation was that, that funding is, is earmarked for those kinds of roads at Game and Parks. And to some extent, that those roads would

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not come on to the Nebraska highway system, that they would be separate and distinct if they're designated as a state recreation road and get funding from that state recreation road funding source. We had an item that was in front of us in December where we had to make a decision as a commission to recommend to the Governor that we would maintain that state recreation road as a state recreation road. We would not include it or add it to the state highway system in light of some of the major improvements that were going to be made to this road out near, I believe, it was the Calamus Reservoir. And so I think if anything, that's kind of a unique-- a unique role that the Highway Commission plays of being that almost kind of to some extent a guardian of what you as a Legislature have passed into law to make sure that we continue to follow the legislative intent of what the expectation was. That was a, a good example in terms of that state recreation road funding designation and not looking to put it on the state highway system, which then would compete against other expressways or other highways across the state for funding. So I think that's a unique role we play in terms of carrying through legislative intent and laws that the Legislature passes year in and year out as it relates to the whole state highway system. In terms of your underlying question, that is not the role of the Highway Commission, so to speak, is to provide that, that oversight of, of NDOT. That is-- that, that rests arguably with, with you, the Legislature, at the end of the day. But I can tell you in my short time working with, with NDOT, they've been nothing but consummate professionals. Questions that I've had other commissioners have had, they have gone above and beyond to get the information in a very, very timely manner, which I think is just good-- it's a, I think, a good representation of good government at the end of the day.

**M. CAVANAUGH:** Thank you. I do have a follow-up question.

**HEATH MELLO:** OK.

**M. CAVANAUGH:** To the specific example that you gave, the state recreation roads, could the Highway Commission have presumably brought that under their purview without legislative action?

**HEATH MELLO:** So the Highway Commission ultimately decides whether or not to bring a road or to designate a road as a state highway. And so part of that agreement with the state recreation road statutes and funding that was passed is that, that we would maintain that, that would not occur. And so it was a reaffirmation that even though this rec road is going to receive tremendous improvements, it's under the Game and Parks control, so to speak, that we're not going to connect

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it to another highway, so to speak, out near the Calamus Reservoir. It's going to continue to remain a rec road, and we have to take action as a commission to reaffirm or make that determination as we give to the Governor.

**M. CAVANAUGH:** So I asked that question because we actually had a bill last week from Senator Dorn that it opens up the same area of statute, that there is a fee that funds that particular fund. And since you are a former legislator, I'm actually just utilizing or capitalizing on this opportunity of your breadth of knowledge to ask these questions. But my concern, to be transparent, that has nothing to do with you, but does have to do with the Highway Commission is, that that is money that the Legislature has allocated in a specific way. And as we've already said, whether I-- I also agree that the Department of Transportation is doing an excellent job, but they do have less oversight than other departments financially. And so I want to make sure that we are not just allowing pots of money that have been allocated a specific way to be swept in. So just being transparent, I very much appreciate your knowledge on this. And now that you-- well, assuming that the committee and the body approves, I will probably be asking you a million more questions offline.

**HEATH MELLO:** Thank you, Senator.

**MOSER:** Senator Brandt.

**BRANDT:** Thank you, Chairman Moser. Thank you, Senator Emeritus Mello, for appearing today. Last year, Senator McDonnell appeared before us to try and push a bill to reallocate funds based more on population in the state. Obviously, the bill didn't go anywhere. What are your feelings on a bill like that?

**HEATH MELLO:** Well, thank you for the question, Senator Brandt. I, I don't believe my role as a highway commissioner really lends itself to determining my own personal views on public policy that would involve the Nebraska Department of Transportation. That is arguably up to Director Kramer and her team to make that decision. I think the, the biggest impact that I can speak to is District 2, what I would be representing Cass, Dodge, Douglas, Sarpy, and Washington Counties, is just making sure that projects that are happening in those counties are happening the way the department says they're going to happen, that we engage stakeholders that are impacted by those highway construction projects. And that we are continually looking for opportunities to ensure the quality of life and the growth that comes with highway development continues to be maintained in, in the region

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I serve, so. I know that's a nonanswer to your question, but I think in some form or another, it's not really my role as a highway commissioner to comment on proposed legislation. I have to defer to the department on that.

**BRANDT:** All right. Thank you.

**MOSER:** Good dodge.

**BRANDT:** Yeah.

**MOSER:** Senator Bostelman.

**BOSTELMAN:** Thank you, Chairman Moser. Didn't know we were playing dodgeball. [LAUGHTER] Thank you, Mr. Mello, for being here today. Couple questions for you. We had-- one of the commissioners was in last week for a confirmation hearing as well. He runs a construction business, Pacific Road Construction, and he-- and I asked him the same question I'm going to ask you is conflict of interest. He handled-- I said, do you have a conflict, how would you handle it? He says, well, I just don't do it. We do not contract with DOT so that's, that's out of the-- out of the question or out of the realm for me to have that conflict. Since you're the president and CEO of the-- of the, the Greater Omaha Chamber of Commerce, how do you see yourself handling conflicts of interest that may come up? Because, obviously, I think the chamber and the mayor will be advocating for certain projects, those type of things within this area. How do you see yourself as a commissioner? Because part of what you are talking about is advocating for those type of things. How would you handle that potential conflict?

**HEATH MELLO:** Thank you for the, the question, Senator Bostelman. And I, I, I appreciate that in the sense of the unique role that I would serve as a commissioner as well as trying to advocate for transportation activities and infrastructure in, in the-- in the greater Omaha area. Anything clearly, first off, saying that the Greater Omaha Chamber does not contract or have any contracts with the NDOT as well. So there's no financial stake in this at the end of the day for us as an organization or myself personally, and we would maintain that, that relationship of not contracting or, or accepting any public funding from the Nebraska Department of Transportation in this role. I think the unique aspect that, that I've gathered so far in my short time with the commission is, is the expectation that projects clearly that are in the planning stages along the way at NDOT that we become familiar with them and that we, to some extent,

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individual commissioners can advocate for the projects in their-- in their district-- respective district. It's not, so to speak, that we get to make the determination of what those projects ultimately are. The department has a long kind of a-- a long kind of project list already that's in the works for the next 10 to 15 years, which would arguably well outlast my service and time on the Highway Commission. But it is more in the sense of our ability to be the best advocates we can for our districts in the sense of knowing what projects are about-- are happening, what projects are in the queue, so to speak. And then how we can, can help educate each other and help educate our districts about those projects, so. I'd be remiss to emphasize to some extent, there are things that come up that involve the Highway Commission that I would feel has a direct conflict in terms of my role as a public advocate for, for the greater Omaha's economic well-being. I would definitely take a step back and reconsider whether or not I have to cast a vote on it. We cast a, a small number of votes in the Highway Commission, arguably, at the end of the day. And if it was something of that magnitude, similar to what I've done in the Legislature, I've, I've withheld voting on issues that I felt were conflicts of me in committees or issues that would involve me on the floor of the Legislature as well and I'd probably maintain that same model in this new role.

**BOSTELMAN:** Sure. And the second question was more of access to you, do you feel-- how do you feel people in those other counties of rural areas and that have access to be able to connect with you, be able to talk to those county highway superintendents, those type of folks, the state highway superintendents, that are out there, how they connect with you and talk as well as talking to the general public.

**HEATH MELLO:** Absolutely, terrific question, Senator. And I think a couple of things. One, partnership that we have and that I have with the Metro-- Metropolitan Area Planning Agency, known as MAPA, serves as our regional economic development transportation planning agency that incorporates the counties that I also would represent as the District 2 Commissioner. They are able to bring together a lot of those local public officials together around transportation and connect in terms of concerns they have, opportunities they may see, issues they would like to see NDOT address, and my relationship with MAPA and, and being active with them serves as a natural conduit to be able to connect to stakeholders across the region. The other aspect is my general work as, as the Greater Omaha Chamber president and CEO, you know, we are a 8-county economic development organization that I think most folks don't all always understand. We, we represent 6 counties in Nebraska, all of the counties that are in District 2 are



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district counties that we represent for economic development in terms of our, our regional partnership. So spending time with local government officials in terms of various economic development related issues is something that I, I do as part of my, my day job. And I think if anything, it helps provide an additional mechanism for folks to give feedback in terms of highway issues or NDOT issues that may come up as part of my role as a highway commissioner.

**BOSTELMAN:** OK. Thank you.

**MOSER:** Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Moser. Thank you, Mr. Mello, for being here today and for your willingness to serve. I almost feel obligated to say something on this as the senator from District 20. I think that, I, I feel really confident in your ability to serve in this capacity. I think your role as a senator, certainly on the Appropriations Committee shows your diversity of knowledge in the various areas of, you know, appropriations and financing for the state. And you've always been a quick learner with the university advocacy is now the Omaha Chamber. So I just want to say I appreciate your willingness to serve in this capacity, and I think the state will benefit from that. So thank you.

**HEATH MELLO:** Thank you, Senator.

**MOSER:** Senator DeKay.

**DeKAY:** Thank you. Mr. Mello, in your opening you said to the fact that you-- part of your responsibilities were to keep projects on schedule besides making sure funding is available for those projects. What else can you do to help keep projects going forward on the timeline that they're supposed to be on?

**HEATH MELLO:** I, I don't know if I, I want to be remiss, Senator. I, I hope I didn't say-- I'm, I'm not an engineer. I do not get to control the, the timeline, so to speak. I think the one thing that I, I mentioned that we get to do is engage stakeholders about those projects, those timelines, and ensure that we're able to help serve as that conduit to ensure that local constituents understand what may be happening, so to speak, the timelines with those projects. So if a highway is going to be shut down or there's going to be major shoulder construction that we're able to help share that information with various networks within the, the districts that we represent. So that would be something that I would-- I would continue to, to be able to

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move forward at that-- in that respect is sharing the NDOT information and making sure various organizations, various groups in District 2 are kept abreast of what's happening with highway construction.

**DeKAY:** OK. Thank you.

**MOSER:** All right. Thank you very much--

**HEATH MELLO:** All right.

**MOSER:** --and appreciate your willingness to serve. Thank you for being here.

**HEATH MELLO:** Thank you, Mr. Chairman.

**MOSER:** Supporters of Mr. Mello? Anyone want to speak in support? Anyone want to speak in opposition? Seeing none, is anyone wanting to speak in the neutral capacity? That closes our hearing on Mr. Mello. Thank you. That takes us now to Senator Bostelman, LB1030. The floor is yours, Senator.

**BOSTELMAN:** Thank you, Chairman Moser. Good afternoon, members of the Transportation and Telecommunications Committee. My name is Bruce Bostelman, spelled B-r-u-c-e B-o-s-t-e-l-m-a-n, and I represent Legislative District 23. I am here today to introduce LB1030, which would create the County Bridge Match Working Group, consisting of 3 individuals from the Department of Transportation chosen by the director, and 2 representatives from a list of county highway superintendents, county surveyors, or county engineers. This working group would be responsible for scoring and awarding County Bridge Match Program grants to counties. The bill also provides 2 \$4 million transfers from the Road Operations Cash Fund to the Transportation Infrastructure Bank Fund, to be used only for the County Bridge Match Program. The first transfer would occur on June 30, 2024 and the second on June 30, 2025. The Road Operations Cash generates approximately \$4 million in interest annually, so this transfer is essentially the interest from this fund. This program, program is essential to our counties and is a match grant program that provides 55% of the matching funds to repair or replace deficient county bridges to maximize-- to a maximum of \$250,000 per bridge. Over the interim, my office conducted a survey of county highway superintendents and also met with several of them, asking what changes they would like to see in the County Bridge Match Program. The overwhelming response was that they would simply like to be more involved in the process of awarding and scoring the grants. They

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indicated that, that when they are applying for the grants, they aren't entirely sure what the department is looking for. They believe having some county officials involved in the process would bring some clarity to the process, while also giving the department a, a county official's perspective when awarding the grants. This fund is critical to our counties to assist them in repairing and replacing aging infrastructure. With that, I ask for your support of LB1030 and its advancement to General File. I would like to answer any questions you might have. Thank you.

**MOSER:** Questions for Senator Bostelman? Seeing none, thank you. We received 3 proponent position letters, no opponent and no neutral letters. Anybody else to speak in support of Senator Bostelman's bill? Welcome to Transportation and Telecommunications.

**KHALIL JABER:** Good afternoon, Chairman Moser and members of the Transportation and Telecommunication Committee. My name is Kahlil Jaber, K-h-a-l-i-l J-a-b-e-r. I am the deputy director of engineering for the Nebraska Department of Transportation. I am here today to testify in support of LB1030, which changes provisions relating to County Bridge Match Program. The County Bridge Match Program is a program administered by NDOT for the purpose of funding the repair and replacement of deficient bridges on the county road system, created under the Transportation Innovation Act of 2016. This program is an important source of funding to meet the needs of the counties in addressing these bridges. LB1030 designates funding for this program through transfers from the Road Operation Cash Funds in the amount of \$4 million, fiscal year 2024 and \$4 million in 2025. It is very important to keep the program funded, but is also important we reevaluate the selection criteria uses to pick bridges to award these funds to. This would be done by the newly codified working group, which shall develop the program, including participation criteria and matching requirements for counties and score application and award of the funds. The reason we believe it is necessary to reevaluate the award process of the program is because, to date, we have primarily focused on small bridges that could be considered low-hanging fruit, some of which can be replaced by culverts which cost in the hundreds of thousands. However, there is need to repair and replace increasingly large bridges with costs reaching into the millions, which may be costly enough that counties are not able to meet the currently required match. As such, the creation of the new criteria can take these consideration into account and allow the program to best meet the need throughout the state. In summary, NDOT fully supports the continuation of the County Bridge Match Program, which

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will be accomplished under LB1030. Thank you for your time. If there's any question, I'd be happy to answer them now.

**MOSER:** Questions? Senator Brandt.

**BRANDT:** Thank you, Chairman Moser. Thank you for your testimony today. Is this bill in, in addition to the existing bridge match program, or instead of the existing bridge match program?

**KHALIL JABER:** I would say, Senator, it complements the existing program that we have in place.

**BRANDT:** So this is, this is \$4 million in addition to the existing program that we operated?

**KHALIL JABER:** It is not, as we understand. It is a part of the existing program that, that we have. It is just to clarify the funding part that was initially contemplated, which, you know, with the existing bill, addressed \$40 million for the bridge program, and it's going for multiple years. We had an issue, at one time, where the bill, which was at the time, LB610, dedicated these funds to this program. And then the bill, 19-- LB960, which is kind of-- dedicated the \$40 million. So the LB610 at the time, the 2 pennies that went to 2 counties to, to finish the city's 2 pennies to the state, had the-- some issues with the language. And I think the LB960, when they brought the bridge matching program and then basically some other programs included in there, sort of altered that language a little bit. And so, we were under the impression that we could not really dedicate any of the old 2 pennies' funds that we have to award this program. And I think this bill and some of the other legal clarification, I think that gives us the ability to proceed with that program without any confusion.

**BRANDT:** So am I to understand that under this, there are no caps?

**KHALIL JABER:** There is caps. The \$40 million is still the cap and it still exists.

**BRANDT:** But-- so my county approaches the committee with a proposal for a match. Today, that's capped, what, \$250,000 or \$500,000? This \$4 million is also-- uses the same criteria?

**KHALIL JABER:** I think we, we want the new committee to reevaluate these criterias. The prior criterias was, you know, that the team established, we have the 250 for bridge. We had 300 if it was multi-bridge within a county. We even have now \$750,000 if it was

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multi-county, multi bridges. And you know, we focus in our scoring on innovation, on equity among the 5 different districts. We focus a little bit on the needs, whether this bridge is, is effective, and type of, you know, scope. And so what we're saying is this will give us the opportunity, with the new makeup of the new committee, to reevaluate the match, to reevaluate the scoring criteria, and see how that-- and like I said, Senators, a lot of those criterias served us very well initially because of the type of bridges we were focused on. Now, what's remained is really, large bridges, and it is going to be costly, so probably a new criteria would be probably needed.

**BRANDT:** All right. Thank you.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you. So in light of the conversation you were just having with Senator Brandt, we have that greater flexibility with the amount of the awards now, the amount that goes for each project. So about how many projects do you anticipate this would help us get to?

**KHALIL JABER:** Well, it's hard to answer that questions because of the type. You know, some bridges may cost us a quarter of a million, half a million. Some bridges may be above \$1 million. So it's really depends on, on how many proposals we get and what criteria. Some of them might have small designs and larger. Depends on, you know, different locations. And-- but I suspect we will have from, you know, from half a dozen to a dozen bridges, annually, hopefully, with this funding.

**DeBOER:** And in the history of this project, or this-- the bridge bot-- bridge match program, about how many per year were you annually helping with?

**KHALIL JABER:** Well, I can just basically tell you that some of the earlier proposals from round-- I mean, we went through 8 rounds. First round, we've got, you know, 22 proposals that included, you know, 32 counties, and there were like 68 bridges included in those.

**DeBOER:** And how many did you fund of those?

**KHALIL JABER:** We funded the ent-- you know, in round 1, the whole 68; 66 the second year. We funded 54 a year after that. And so, a lot of those, like I said, those \$4 million to \$5 million, because of the type of those structures, some of them are bridge-sized culverts. Some of them was just a small repair that we needed to do. So because of that 55% match, because of-- sorry, the cap that we have, with the 250

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that you heard us talk about, gave us those opportunity to fund as many bridges as possible, part of those proposals.

**DeBOER:** So I guess part of the reason I'm asking the question is, is this an adequate amount of money to make a significant difference on the number of bridges that would be eligible for this kind of help?

**KHALIL JABER:** I can tell you, as a deputy for engineering in the Department of Transportation, I would never say this is adequate. I think we both could use more money to those bridges. That's been known. The needs are out there, in the millions. And so it's-- it is a program that allow us to continue to, to take care of those bridges, but it will not sunset those needs.

**DeBOER:** And-- OK. I guess then, by it will not sunset those need-- needs, you mean we're still going to have a lot of bridges out there that need some help?

**KHALIL JABER:** That is correct.

**MOSER:** Senator Cavanaugh.

**M. CAVANAUGH:** Thank you. Thanks for being here. Kind of following up on Senator Brandt had some questions about this. So the current program, when it was created in, I think was 2016, was really to address our aging, smaller bridges across the state. So-- and we put \$40 million towards that. So my first question is approximately how much of that \$40 million remains to be utilized?

**KHALIL JABER:** We, based on the last round, 8 rounds, we are about \$30 million into the \$40 million, so we got \$10 millions left.

**M. CAVANAUGH:** OK. And then, Senator DeBoer asked about the amount. So we're adding \$4 million, through this legislation, to the fund. Correct?

**KHALIL JABER:** We're not adding those \$4 million into the fund. They are just being transferred from one area to another to give us that authority to proceed with that. But the \$40 million is all we are getting.

**M. CAVANAUGH:** Oh, so it wouldn't be 44 then?

**KHALIL JABER:** It will not be 44. I'm sorry, it is only 40.

**M. CAVANAUGH:** OK. So we have-- OK. I feel like I need a little mind mapping of all of this at this point. My concern that I want to just try and get to is the-- this was initially created to help smaller communities that have aging infrastructure, to address that with this, this program. And I appreciate wanting to take on those bigger, more expensive projects, but I don't want that to come at the expense of the intention of this program. And so, I guess I'm looking for reassurances from you that, that we will still be honoring that commitment of why we created the bridge match program to begin with, that, that those smaller communities that have aging bridges are still going to get the resources that they need. And we can continue to look at bigger projects. But changing the makeup of the committee, and I'm just trying to find information on what the criteria are now versus what they would be, not things you need to tell me right now, but maybe you could follow up with the committee with that specific information, on the criteria of the, the 2 different committees. But if you could address my, my primary concern, which is the County Bridge Match Program's initial intent.

**KHALIL JABER:** I do agree with you, Senator, that that was the initial intent. And we will continue to try to address those low-hanging fruits. What I was trying to say is a lot of those are no longer there. We pretty much cleaned up all the, the kind of innovation and some of those small-size bridges. And now, we're left with a larger size type of bridges, that sometimes, in some of the counties, spans Platte River or other streams, etcetera. So we think that's the next phase, where you're trying to address some of those. But that doesn't mean that if there's some other proposals for some of those smaller-sized structures that we wouldn't address. And I might have confused the issue, and I apologize. The whole thing is the max is, as is today, is \$40 million, and so we-- all we have is 10. But because of the, you know, con-- confusion between the bill, 610, LB610 and LB960, that's really where we at. And this bill helps us out, streamline the, the expenditures, but it is \$40 million max at this point.

**M. CAVANAUGH:** OK. OK. Thank you very much.

**MOSER:** This is one of numerous revenue streams that counties and cities get from the state. So there are other funds through part of the BNA, and there, there are other funds that counties can use. This is just one program, right?

**KHALIL JABER:** That is correct. We have some other programs. We have federal programs that still continue with some of those bridges of the

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federal aid route. We have the purchase program for bridges, and that's between some of the-- specifically for bridges. That's nearly \$13 million. We have the 15% that the county and city gets out of the BNA.

**MOSER:** Right.

**KHALIL JABER:** And so, yeah. You're absolutely correct, Senator.

**MOSER:** Yeah. Each-- last time we divided it out, each legislative district got about \$300,000 in funds from that 15%.

**KHALIL JABER:** Yep.

**MOSER:** OK. Other questions? Thank you.

**KHALIL JABER:** Thank you.

**MOSER:** Other people to speak in support of LB1030? Welcome.

**PAM DINGMAN:** Good afternoon, Senator Moser and members of the Transportation and Telecommunications Committee. My name is Pam Dingman, P-a-m D-i-n-g-m-a-n. I'm a licensed professional engineer and currently serve as the Lancaster County Engineer. Today, I'm testifying on behalf of my office, the Lancaster County Commissioners, the Nebraska Association, and the Nebraska Association of County Officials in support of LB1030. This bill creates \$4 million a year for the next 2 years of dedicated funding for the very popular County Bridge Match Program, CBMP, which was established by the Transportation Innovation Act in 2016 and extended to 2019, by LB449 last year. The CBMP created an extremely successful partnership with the Nebraska Department of Transportation and Nebraska counties for the shared goal of improving local bridges. The first 7 years of this partnership provided for the replacement of 544 bridges. As you can see from exhibit 1 in the information that I have passed out to you, that I've shared with you, this has helped many counties replace bridges across Nebraska. Currently, the program has reimbursed counties 55% of the cost of construction, up to \$250,000 per bridge. The program reimburses the counties 80% of the funding at the time of the bid, helping us construct the bridge and the remaining 20% at the completion of the project. As shown on exhibit 2, there are, under the red column, there are 907 county bridges in Nebraska that are rated poor due to structural conditions. It is also important to note that 182 of these are currently closed. As a county engineer, I will tell you nothing makes constituents angrier than a bridge closure. It does not make me popular. As-- it's also important to note, as you can see



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on exhibit 3, that there are many more bridges that have been eligible for funding that are still waiting. Every year of the program, there were more requests for bridge funding than bridges awarded funding. In addition, the first-- to the first 7 years, the program replaced many smaller bridges. You may note the different sized dots on the exhibit. The medium-sized dots are bridges between 60 and 100 feet. Last week, I opened a bridge that cost \$1 million, that was a 60-foot span. The larger dots are bridges that are large-- longer than 100ft. The county highway superintendents are hopeful that with larger bridges and current construction inflation, the maximum amount of reimbursement per CBMP can be increased. The CBMP also encouraged counties to be innovative in the design and replacement. Lancaster County has bundled bridges, converted bridges to box culverts, and used accelerated bridge programs, such as Valmont's press brake folded tub girders. Since 2017, Lancaster County has replaced 30 bridges. Five of these were replaced using the County Bridge Match funding. Last week, I opened County Bridge E-38, south of the village of Nelson, giving the village access to their new ball fields and the sanitary sewer plant. These bridges matter. Placing funding into the program allows the citizens of Nebraska to get to school or work or to get their goods to market in a safe way on a reliable route. Restoring our rural bridges restores basic needs and the resiliency of our rural communities. Lastly, I would like to reference exhibit 4, from the American Road and Transportation Builders Association, 2023, showing a five year improvement on the number of structurally deficient bridges in Nebraska. As elected officials, we do not get to see the results of our work very often. And this exhibit shows that this is working in Nebraska. Thank you for your time this afternoon. And thank you for being our infrastructure partner. And as my NACO friends say, we are better together.

**MOSER:** Questions? Senator Brandt.

**BRANDT:** Thank you, Chairman. Thank you, Engineer Dingman, for your testimony today. I guess I want to kind of state this a little bit for the record. Thank you for exhibit 2. When you quickly look through this-- and my concern is for allocating money by county, dual county or excuse me. Hooker County has 1 county bridge. Saunders County has 548 county bridges. So my concern is this, is if we're allocating-- is-- can you answer, is the money allocated by county?

**PAM DINGMAN:** So I don't want to answer on behalf of NDOT, but I believe and, and hopefully, the people behind me will shake their head yes, that the money is actually allocated for square foot of deficient bridge deck. If that makes sense. Because as engineers, we really love

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our calculations. So it wouldn't have been anything necessarily like easy, right. So, so the square foot of bridge deck that are deficient is how that, that money, I believe, is, is spread around, around the counties.

**BRANDT:** So I don't want to speak for you, but you're telling me as an engineer, you're going to submit, like, 10 bridge decks at 1 time for reimbursement. Would that be correct?

**PAM DINGMAN:** It-- well, it doesn't work that way. So we have a bridge inventory. And we inspect those bridges and we turn those inspections into Nebraska Department of Transportation, and then they later go on to the Federal Highway Administration. So we don't, we don't make up our square footage of bridge deck. It is, as was on the constructed plans, and it remains in-- as a record in a system.

**BRANDT:** All right. Thank you. That's been very helpful.

**MOSER:** Senator DeBoer.

**DeBOER:** I don't really have a question for you because you've preempted them. And I just wanted to say thank you for bringing this exhibit-- these exhibits to us, because they really are very helpful in sort of seeing everything that we've done here and what it can do for us, so thank you very much.

**PAM DINGMAN:** I think it's important to show that we are making progress. It's not going to happen overnight. It's a lot of work. But I am dedicated to incrementally moving the bar forward.

**DeBOER:** It looks like we went from 9% structurally deficient to 8% structurally deficient bridges, which still seems like a lot, but that's, that's better.

**PAM DINGMAN:** That's progress.

**DeBOER:** Thank you.

**MOSER:** OK. Thank you for your testimony.

**PAM DINGMAN:** Thank you.

**MOSER:** More people testify in support. If you plan to testify, please come get in the front row so you're ready and queued up to go when your time comes. Welcome.

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**EMILY HAXBY:** My name is Emily Haxby. I am the 8-- E-m-i-l-y, Haxby is H-a-x-b-y. I am the vice chair for the Gage County Board of Supervisors. And I also sit on the road and bridge committee. I'm here to express my strong support for LB1030, which addresses the critical need for infrastructure funding in the state. Gage County is situated southeast Nebraska, which faces a significant amount of challenges related to the maintenance and replacement of bridges. I asked our county highway superintendent to put together a chart that assessed our current infrastructure, considering structural integrity, weight restrictions, and span considerations, and I attached it to the chart here. I can get you guys a color copy, too. It makes it easier to read, but the darker, the darker stuff is the what needs to be replaced due to inspection ratings or bridge below rating, and then the lighter ones are, are either still good or have been replaced. And then on the various-- on the side over there, you can see that we have been applying for the bridge match program, and some that didn't make the, make the cut and then some that did, and how it's helped our county. We did not include, we did not include any, structure that was under 20 feet, which would have been an additional 300-400 structures, because that would have taken him a lot more time to chart all of those, and those are also easier for us to fix as a county. The replace-- choice of replacement structures, we based on corrugated metal pipes, concrete box culverts, medium-bridge structure and large-bridge structure is how we classified these. So, the CMPs were the 20-30 foot span, the concrete box culverts were the 30-40 foot spans, the medium-bridge, 40-50, and large, over 50 foot. Now this is very generalized. It does base a lot on depth and, and different things. But for-- to, to kind of correlate costs, we were trying to give an estimate. So based on the recent project estimates that we have been working on, a corrugated metal pipe project is about \$1 million, \$400,000 for a-- sorry. That was supposed to be \$100,000. The math is right. But \$400,000 for a concrete box culvert, a million for medium bridges, and \$3 million for large bridges. Putting that all together, it would result in a total of \$280.3 million for the structures in Gage County. As a representative of the community, I want to highlight the pressing nature of these infrastructure challenges and the stress and the importance of LB1030 in securing assistance in funding. The tax burden on rural communities is substantial, and the support from the state is paramount to maintaining and improving our critical infrastructure. This is sec-- the success of these projects is not only vital for public safety, but for also for overall economic well-being of our community. And so I just tried to put it together just to show just kind of a county perspective on how this does help us.

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**MOSER:** All right. Thank you. Questions? Seeing none, thank you for your testimony.

**EMILY HAXBY:** Thank you.

**MOSER:** More people to speak in support?

**SCOTT HUPPERT:** Afternoon, Senators.

**MOSER:** Greeting.

**SCOTT HUPPERT:** Scott Huppert, H-u-p-p-e-r-t. I'm the Dodge County highway superintendent and I'm president of the Association of County Highway Superintendents here in Nebraska. I'm here in-- supporting this bill for the county highway superintendents and speak on behalf of my colleagues. We're in support of this bill, and we are grateful for what it has done for some of the counties which have "deteriorating" bridges in the last 5 or 6 years. As you know, with the rising costs, the material like steel and concrete that are the main structure of these bridges have doubled, if not tripled in cost over the last few years. As some of the counties, like my county of Dodge County, have over 300-400 bridges in their county and having 25-30% of them deficient to the point of repairing or replacing. As like my county and a lot of other counties across Nebraska, I'm having trouble finding the funds to keep up with the repairs and replacement of these bridges, not only trying to keep up with the growing industry and businesses and bigger and heavier farmer equipment that are putting more damage in some of these bridges, and now trying to find the funds to keep them up, just to keep up and getting-- it's getting tougher. So in conclusion, the county highway superintendents support this bill and hope to see it in the future.

**MOSER:** Thank you. Questions? Seeing none, thank you for your testimony. Other supporters? Welcome.

**TYLER CHICOINE:** Senator Moser, thank you very much. Good afternoon to the members of the Transportation and Telecommunication, Telecommunication Committee. My name is Tyler Chicoine. That is T-y-l-e-r C-h-i-c-o-i-n-e. I am a president of Garcia Chicoine Enterprises, testifying on behalf of the Associated General Contractors, Nebraska chapter, in support of LB1030. AGC is a trade association of highway contractors who perform highway, bridge, municipality, utility, infrastructure work across the state. First, I'd like to thank Senator Bostelman for his strong support of infrastructure and his leadership over the past years. AGC has been

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well aware, for some time, for the need to assist counties with funding the repair and replacement of their aging bridges. In 2014, the Legislature's Transportation Committee conducted an interim study on county bridges that included site tours hosted by our association in both Otoe and Cuming County. Subsequent legislation in 2016 resulted in the County Bridge Match Program. Nebraska's bridges are critical for all Nebraskans as they get-- as they go to work, take their kids to and from school, and deliver products to market. AGC supports the additional funding for the County Bridge Match Program, and LB1030, and would urge the committee to advance the bill to General File. Thank you for the opportunity and I appreciate the time. Will take any questions.

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

**TYLER CHICOINE:** Thank you.

**MOSER:** Anybody else to speak in support? Anybody to speak in opposition? Anybody to speak in the neutral? OK, Senator Bostelman, come on back.

**BOSTELMAN:** Thank you. I would just like to thank everyone who come in and testified today. I do appreciate that. Last year, when we passed the extension to the County Bridge Match Program, if you didn't get emails from the county highway superintendents and folks, you're probably the one-off, seeing a poster come into my office. So this is a big deal for, for our counties. This is a big deal to, to repair and replacement of our bridges. I worked with the Fiscal Office for the funding portion of this. So, with that, I continue to ask for your support, on, on the bill and move to General File. Thank you.

**MOSER:** Questions? OK. Thank you very much, Senator. OK. That brings us to our next bill, LB1127, Senator Bosn. For Senator Bosn's bill, we had 2 opponents, no proponents and no neutral. Welcome.

**BOSN:** Thank you, Chairman Moser. I am having an amendment passed around and I'll explain it, but you'll get that here shortly. It'll make more sense. Thank you, Chairman Moser. And good afternoon, members of the Transportation and Telecommunications Committee. For the record, my name is Carolyn Bosn, C-a-r-o-l-y-n B-o-s-n. I represent District 25, which consists of the southeast part of Lincoln and Lancaster County, including Bennet. LB1127 would bring Nebraska into conformity with a number of surrounding states by repealing the requirements that a driver obtain a vehicle inspection in order to

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drive for a transportation network company. I'll also explain the amendment that I'm handing out that deals with the technical change. It was brought to my attention that the vehicle inspection requirement has been identified as a hindrance for potential drivers in completing their application to drive for a ride sharing service. There will be a testifier behind me that will be explaining this in greater detail. It is also unlikely that a vehicle inspection requirement contributes negatively to passenger safety. For example, according to the Nebraska excuse me, the National Highway Safety Office, over 90% of crashes are due to human error and not due to an issue with the car. I believe it was 94 to 96%. The rideshare model offers a near instantaneous feedback loop, where pass-- passengers are able to provide feedback to the rideshare service about the quality of the ride, the driver, and any safety issues with the car. This feedback is provided through the rider's phone app and goes directly to the company, who can take immediate action to deactivate the driver if there is a safety concern. As public policymakers, we must frequently balance the interests of safety and free enterprise. Here we have evidence that the vehicle inspection requirement is not materially contributing to the overall safety of ride sharing services, and instead it is actually harming their ability to ensure as many people make it home safely as possible. My goal in introducing this bill is that we have enough drivers to fill the demand in Nebraska. By filling this demand, we will also be helping to lower the rates of intoxicated drivers on the road. Also making it easier for individuals to be a driver will help someone who's wanting to supplement their income or give a stay-at-home parent the opportunity and flexibility to work. Thank you for your time and attention. I'm happy to answer any questions. Also Alex Finke from Uber will be following me, and he may also be able to answer some more in-depth questions. For a quick clarification, we added an amendment, AM2103, to clarify. That basically puts a period after-- so if you go to page 3 of the green copy, line 8, we put a period after "Motor Vehicle Registration Act" because the definition of passenger car hadn't been updated and then actually excludes Uber and Lyft from the statute because it says: a passenger car defined under Revised Statute 60-345, which is the reference section, says that a passenger car means a motor vehicle designed and used to carry 10 passengers or less and not used for hire, which would sort of make this bill not necessary because that is what we're hoping to use these vehicles for. So essentially what this is doing, using an example of Uber or Lyft, allowing-- they go through a process, they apply, they get a background check, and right now they're also required to have their vehicle inspected. The vehicle inspection process is where we lose most applicants. Other states have taken action and said, OK,

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what if we eliminate the requirement to have that inspection? Does that put our passengers at a greater risk of harm? Is there an increase in accidents in states where we have eliminated that section? And the answer is no. There has been no change, no increase in the number of accidents in states where they have eliminated that requirement. To address some of the online comments that were made, I think their focus was on this is a Lyft and Uber should be paying for these inspections. Well, right now Lyft and Uber are not paying for these inspections. They're on the --they're on the-- they're the responsibility of the person who wants to have their vehicle inspected. And so the follow through just isn't there. That results in fewer Uber or Lyft, whatever the company may be, drivers who are available for individuals who want to utilize those services. Strong proponent of safety. And I think there's certainly an argument to be made that individuals who use Lyft and Uber after a night downtown or after a concert or after a night of going to the bar reduces the number of individuals on the road who probably shouldn't be on the road.

**MOSER:** Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Moser. Thank you, Senator Bosn, for being here and for introducing this bill. You mentioned in your opening that there was a number of surrounding states that currently have waived this or have eliminated the requirement for this inspection. Do you know which states those are? Or do you know how many states nationwide have eliminated this?

**BOSN:** I do, and I think the individual behind me can probably tell you more about that. But Montana, Wyoming, North and South Dakota, Minnesota, Iowa, Kansas, Missouri, Oklahoma, Arkansas, Texas and Louisiana have all eliminated those requirements.

**FREDRICKSON:** OK, great. Thank you.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you, Senator Moser. Senator Bosn, thank you for bringing the bill. You had information about the number of additional accidents that happened, and it was a minimal amount. I think 5, 6% is what it seemed like you were saying that were due to or the number of accidents that are due to faulty equipment. But my concern would be that it isn't limited to a question about more accidents, but it would also include do you have any information about, like, breakdowns, more breakdowns for? Do you know what I'm saying? So that somebody is going

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somewhere and then the car just won't operate in the manner that can get them there. So that, like, I think that would be what the vehicle inspection would, would turn up was the amount of vehicles that were not going to be reliable, I guess, is how I could describe it. Do you have any information about reliability of vehicles after the inspections went out of play?

**BOSN:** I-- if I do, I don't know where it is right now and I've forgotten it, but I can look into that. I-- someone behind me may be able to answer that.

**DeBOER:** Yeah, maybe they they will, but I--

**BOSN:** I do not know the answer, but I can-- I've written it down and I will find out and get back to you.

**DeBOER:** Perfect. Thank you.

**MOSER:** If you don't get where you are trying to go, you're going to get bad feedback.

**BOSN:** Correct.

**MOSER:** So that would take care of some of those drivers if they have to open the door and help push the car along as they go. That's a joke. Sorry. OK. Other questions for Senator Bosn? All right. Thank you.

**BOSN:** Thank you.

**MOSER:** Are there proponents for LB1127? Greetings.

**ALEX FINKE:** Good afternoon, Chairman Moser. Good afternoon, members of the committee. My name is Alex Finke, A-l-e-x F as in Frank-i-n-k-e. I'm testifying on behalf of Uber Technologies, Inc., in support of the bill, LB1127. As the senator stated, this bill would remove the requirement for tech-- for TNCs, transformet-- transportation network companies, for vehicle inspection. It's going to lead to greater economic and safety outcomes. There are hundreds of drivers in Nebraska that will-- that do not get access to our platform because of this inspection requirement. It is the most-- it is the most cumbersome and it does not increase safety outcomes. And actually in certain ways, it can decrease safety outcomes. So the requirement disproportionately impacts drivers in zip codes that are in low-income. The bottom 30% come from low-income zip codes in the state, so in the metro area and outside. And-- and then also our



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internal data demonstrates that vehicle inspections do not impact safety. So as senator mentioned, she talked about the 96% are human error. Only 2% of crashes nationwide are due to vehicle error. We also have an internal system set up so that in real time if a rider is concerned about the condition of the vehicle, that will be flagged by an internal team that will review that. That person can be deactivated if it is egregious enough while the situation is investigated. The senator also pointed out that most of the markets-- 50% of markets in the United States for Uber do not have this requirement, and there's just no safety outcomes. And the last part that I would like to point-- the last part of this is that Uber vehicles are actually safer than regular vehicle-- passenger vehicles in the state of Nebraska. They're 2 times newer. We are twice as safe in terms of fatalities per mile traveled. And we decrease DUI-related insue-- incidents by 6.1%. And so I would urge you all to support this bill, and I feel like I'm going to have questions.

**MOSER:** What does it cost to get your car inspected?

**ALEX FINKE:** That would be based on whatever that mechanic charges for the 19 point inspection.

**MOSER:** Is there a checklist or something?

**ALEX FINKE:** It's, it's a-- there is a checklist. It's a-- it's a form. This is the-- the reason why it's the largest barrier to entry for us is, you know, the documents that you have to sign. You have driver's license, insurance card, then we run a background check, and then you print off the form. You have to get the form, print it off, find a accredited mechanic that will do the inspection in the checklist there. We generally have agreements with them to do the, prior to that, to do it like Jiffy Lube, for example, nationally allow-- works with us. Then you have to get the form on the checklist form and then you have to reupload that. That's sort of the process of getting the vehicle inspected.

**MOSER:** OK. Senator Brandt.

**BRANDT:** Thank you, Chairman Moser. Thank you, Mr. Finke, for testifying. You're telling me that today 30% of your vehicles don't pass in-- and in the bill summary is a list of all the things that are inspected here. I mean foot brakes, parking and emergency brake, steering mechanism, windshield glass, windshield wipers, headlights, taillights, etcetera. What, what are these vehicles failing from? Because this is just kind of a basic list right here.

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**ALEX FINKE:** Oh, I'm sorry, I was not clear on that point, Senator. It's-- no, no. They-- people don't ever make it to get the inspection.

**BRANDT:** You're saying 30% of your applicants do not get the inspection. Therefore, they do not become Uber drivers. Is that correct?

**ALEX FINKE:** Yes, I'm sorry. Yeah. It's not that they fail the inspection when they go get their car inspected. It's that they don't even make it to the facility to get their car inspected.

**BRANDT:** Do you have a percentage of vehicles that do fail the inspection?

**ALEX FINKE:** I do not. I would have-- I would-- I would have to-- I can get that information for you. I'd be more than happy to do that. The only stat on that is that our cars are generally 2 times newer than the average passenger vehicle. So I'm guessing they're not, not many are failing.

**BRANDT:** And then if I heard Senator Bosn's opening correctly, it has to be a vehicle that holds 10 or less. Is that correct?

**ALEX FINKE:** I believe that that is correct. I am not 100% sure on that. Do we have criteria for what vehicles are allowed? Like, pickup trucks are not allowed on our platform. Other than that, it's just the minimum requirement is that for us it's 4. It has to seat 4 people and have 4 doors.

**BRANDT:** All right. Thank you.

**MOSER:** Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Moser. Thank you, Mr. Finke, for being here and taking the time to testify, answer questions. One of the things you mentioned in your testimony I'm kind of curious to hear a little bit more about, you mentioned that in some cases it's possible that these vehicle inspections can actually decrease safety. Help me understand that a little bit more.

**ALEX FINKE:** Yeah. Because, one, it-- we-- that's what-- because we have-- so in turn we have fewer fatalities per mile traveled. So their safety, generally newer vehicles have fewer issues and are generally safer. And then it is also if you have more access to Uber and rideshare in general, not specific to our company, but rideshare, you are more likely to not drink and drive, not drive if you are fatigued.

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If you-- we, we service nonemergency medical transportation where things can happen like that. It's just going to have more Uber drivers on the road and more rideshare drivers on the road.

**FREDRICKSON:** So, so to me that, that sounds a bit more like a correlation, not causation thing. I would imagine the actual inspection-- so-- because of what I'm understanding, if I'm understanding this correctly, is that the argument for this is that you're going to have more drivers for the rideshare--

**ALEX FINKE:** Correct.

**FREDRICKSON:** --correct? Like the, in other words, the inspection's the barrier.

**ALEX FINKE:** Yes.

**FREDRICKSON:** But the actual inspection itself is not a safety risk per se.

**ALEX FINKE:** Correct.

**FREDRICKSON:** OK. And what-- I'm sorry if I missed this or I think Senator Moser may have asked it, but the cost of-- the cost of these inspections I think is currently on the drivers. Is that correct?

**ALEX FINKE:** That's correct. It is on the driver.

**FREDRICKSON:** Is that something Uber would be-- consider covering the cost of in the future?

**ALEX FINKE:** Potentially.

**FREDRICKSON:** I think that might help with the barrier as well. I mean, I imagine one of the barriers is the 30% you might lose, this is perhaps the cost barrier as well. And so I think if the underlying goal is overall safety, operational vehicles is part of that.

**ALEX FINKE:** Yes. It is our understanding-- our data bears out that it is not the cost that is prohibitive. It is the printing out the document, get-- finding a facility to go get the inspection done, getting the, the the form filled out, and then uploading that form back into the app. Because this-- it's the only step that requires anything outside of scanning things on your phone.

**FREDRICKSON:** Got it, got it. Thank you.

**ALEX FINKE:** Thank you.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you. So you said that you have a 30% fall-off rate between some initial application part and then those who go to get the inspection done. Is that-- is that correct?

**ALEX FINKE:** Roughly, yes, Senator.

**DeBOER:** OK. So you also mentioned that you have a lot more newer cars than the average on the road.

**ALEX FINKE:** Yes.

**DeBOER:** Is that true just in Nebraska? Because here's why I'm asking. It seems to me that if the obstacle is the vehicle inspection, that some people might be self-selecting and saying, h'm, I'm not going to be able to get my vehicle approved because I realize I'm driving something that is older, so it's not as reliable. So I guess I would want to know in states where there aren't inspections, if you have the same sort of statistic about being newer cars or if people are self-selecting because of the inspection process.

**ALEX FINKE:** Yeah, I think that's a fair question. I will have to get back to you on that. I do have-- I don't have data for outside of.

**DeBOER:** Because it may be that just as they are self-selecting and you're saying, oh, we have fewer drivers, they may also be self-selecting out the cars that are less reliable.

**ALEX FINKE:** The only other state I can speak to is the state of Illinois where I am from, and that-- the car-- our car stock in Illinois is also newer. I can't speak to any other state as a whole.

**DeBOER:** OK. Thank you.

**MOSER:** Senator DeKay.

**DeKAY:** Thank you. Are your Uber drivers when they get a car serviced, can they be shade tree mechanics and service those vehicles themselves?

**ALEX FINKE:** No. No, Senator, they cannot.

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**DeKAY:** OK. Well, that's what I was getting at because when I take vehicles in and then they have it on the hoist, they're checking tires, ball joints, the exhaust system and everything else so.

**MOSER:** All right. Thank you for your testimony.

**ALEX FINKE:** Thanks for your time, everyone.

**MOSER:** Sure. Anybody else to speak in support of LB1127? Support, supporters for LB1127? Seeing none, is there opposition to LB1127? Anybody to speak in opposition? Seeing none, is anyone here to speak in the neutral on LB1127?

**ERIC KAMLER:** Good afternoon, everyone, Chair Moser, members of the committee. My name is Eric Kamler. That's E-r-I-c K-a-m-l-e-r. I represent the Nebraska Public Service Commission's 4th district and the current vice chair of the Nebraska Public Service Commission. I'm here today on behalf of the PSC to provide testimony in response to LB1127 in the neutral capacity. LB1127 repeals current requirements for transportation network companies, or TNCs, to perform initial safety inspections on each personal vehicle prior to approving it for use and annually thereafter. Currently, statute also requires TNCs to make those initial and annual inspection reports available to the commission upon request. As this bill repeals the entirety of Nebraska Revised Statute 75-328, it would therefore remove additional inspection requirement as well as eliminate the commission's ability to audit a TNC's vehicle fleet as the commission deems necessary to assist in commission investigations into consumer complaints. For taxicabs, limousines, open class carriers, buses, and other motor carriers under its jurisdiction, the commission has and enforces requirements regarding safety spec-- regarding safety inspections. These rules require that the commission ensure all vehicles are kept in proper physical, mechanical condition and gives the commission the authority to inspect any vehicle subject to its jurisdiction. The commission, the Department of Health and Human Services, and the Carrier Enforcement Division of the Nebraska State Patrol work in tandem to ensure these inspections are conducted as there is some regulatory overlap amongst these agencies. TNCs and all other motor carriers are currently under the same general regulatory guidelines regarding initial safety inspections. However, because LB1127 would remove these safety provisions for TNCs but do nothing in regard to those same requirements for all other motor carriers under the commission's jurisdiction, it would result in the creation of a heavier regulatory burden for all other motor carriers. Although the commission does not oppose the passage of this bill and takes a

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neutral position, we wanted to highlight how the passage of this bill would create disparity in the regulatory framework between TNCs and all other motor carriers. It would be prudent for the committee to consider this when deciding this bill's future or any other amendments. This concludes my testimony. Thank you all for your time. I'll be happy to enter-- answer any questions that I can. And also note that our transportation director, Dillon Keiffer-Johnson, is also here for any further in-depth operational questions that I may not be able to answer.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you. Thank you for being here.

**ERIC KAMLER:** Absolutely.

**DeBOER:** This may be one of those in-depth questions.

**ERIC KAMLER:** Sure.

**DeBOER:** But it occurred to me somewhere in the midst of this that we were talking about safety issues, but I'm wondering if some of these inspection issues are also about emissions and those sorts of things. Because it strikes me that those wouldn't map with questions of safety, but would be a larger goal that if we're going to have people out there earning money in cars for hire that we might have an interest-- the state might have an interest in emissions and things.

**ERIC KAMLER:** Absolutely. I think that might be a better question for our transportation director to maybe answer. As I hinted at during the testimony, we do work with a few other agencies on inspections and making sure that they're all covered that way as well for the sake of safety.

**DeBOER:** So do you-- you don't have any information about whether or not that emissions is a-- one of the areas that's covered by that.

**ERIC KAMLER:** I don't.

**DeBOER:** OK. That's fine. That's fine.

**ERIC KAMLER:** I'll have to lean on Mr. Keiffer-Johnson for that one. I'm sorry.

**DeBOER:** Thank you.

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**MOSER:** Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Moser. Thank you, Commissioner Kamler, for being here. I'm sorry to see you are injured.

**ERIC KAMLER:** I wish I had a better story. Yeah.

**FREDRICKSON:** I just had a quick question. I appreciate your testimony. I'm kind of just reviewing this quickly. I see that part of the commission's-- it says in paragraph 3, you talk about how the rules of the commission help to ensure that all vehicles are kept in proper physical and mechanical condition. This bill, as I understand it, would potentially jeopardize the commission's ability to do that for TNCs. Is that your understanding of this as well?

**ERIC KAMLER:** So actually, the commission as it stands right now, we follow up on consumer complaints. So if there's a complaint, the commission follows up on it. Currently, the policy stands, as I understand, there is-- there is not an active follow-up for the safety inspections from the commission side, unless requested by the commission or followed up by a consumer complaint.

**FREDRICKSON:** OK. So you're not involved in the actual process itself. It would only be if there were a complaint of sorts that could potentially [INAUDIBLE].

**ERIC KAMLER:** That is my understanding. I might have to defer to our transportation director, but that's my understanding.

**FREDRICKSON:** Thank you.

**MOSER:** OK. Thank you.

**ERIC KAMLER:** Thank you very much.

**MOSER:** Anybody else to testify in the neutral? Welcome.

**BRENT SMOYER:** Thank you. Good afternoon, Chair Moser, members of the Transportation and Telecommunications Committee. My name is Brent Smoyer, B-r-e-n-t S-m-o-y-e-r, here on behalf of the other NTA in Nebraska, the Nebraska Transportation Association, not the Telecom Association, just to clarify. We're coming in to testify neutral. Of course, following the PSC, I believe Commissioner Kamler hit it right on the head that this would not necessarily be a level playing field as the bill is currently written. And so we did provide a-- an amendment that I think would certainly help to improve that leveling

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the playing field. Gives regular-- regulated carriers like taxi companies that we represent, some relief from the regulation, but not nearly as much, of course, as the TNCs would see. Does retain the commission's authority to inspect regulated vehicles upon consumer complaints. As you heard from Commissioner Kamler, which is currently kind of the standard that they're operating under, and make sure that the PSC can accomplish their job of retaining-- protecting public safety. While we did work with the PSC on this language, they did not get a chance to vote up or down whether they supported it. But we did work very closely with them in terms of the drafting of this amendment. So, again, we would just encourage the committee, if this bill is to move forward, that you look at leveling the playing field and making sure that both taxis and TNCs can operate in the same realm. With that, I'm happy to take any questions.

**MOSER:** Questions? Senator Bostelman.

**BOSTELMAN:** Thank you, Chair Moser. That was one question that's been going through my mind on this is like, OK, we have taxi services or other services, for hire services that are out there that have been longstanding businesses which now Uber and others are working in as well. It seems like if the taxis, limousine services, those have to go through these, what's the balance then? If they don't have to-- if a Lyft or Uber driver, do they have to go to that extent-- extensive inspection? Or is this a pared back inspection?

**BRENT SMOYER:** Well, at least as I understand it currently, and I'm no expert on TNCs, but their inspection is, I think, as-- potentially as high as ours. And so that's where this amendment comes from, this friendly amendment, is just try and semi match what they're doing in terms of complaint to the commission, then the commission goes through and does their checks. I think again, in trying to make sure that we are fair to everybody, it just seemed like the direction to go. Or maybe I'm missing the question. I'm sorry.

**BOSTELMAN:** OK. Yeah, I guess that's a question I have, is if you're entering into public service as far as carrier--

**BRENT SMOYER:** Sure. Sure.

**BOSTELMAN:** --for hire, this seems to be-- if you want to get into a business, you should comply with the requirements for everybody else I guess, especially safety on the safety side.

**BRENT SMOYER:** Sure.



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**BOSTELMAN:** And that's what your point is to be, to bring that back in to make sure all those points are there or just a portion of those inspection points are there.

**BRENT SMOYER:** Sure. And I got to admit I am not a total expert on the inspection points. I'm lucky enough to just be good enough to change my own oil. But I can certainly find a little more on that for you, Senator, if you like. And we can talk through it. But again, I think ultimately our appeal to you and to the rest of the committee is just making sure that what's good for the goose is good for the gander in this case and we can all find that balance.

**BOSTELMAN:** OK. Thank you.

**MOSER:** Other questions? Seeing none, thank you.

**BRENT SMOYER:** Thank you.

**MOSER:** Anybody else to speak in the neutral? Senator Bosn, you're welcome to close.

**BOSN:** Thank you, Chairman Moser. Just for clarification, and maybe everybody knows this, but things that I knew and I didn't know it before I brought this bill, the PSC regulates and then does the inspection of taxis, and Uber and Lyft drivers are separate and not regulated by the PSC. So that's part of why they're separate when it comes to vehicle inspections and what their requirements are. Certainly I understand the good for the goose, good for the gander argument here. But absent data that I'm wrong and the data that I'm sharing with you is wrong, the data says that there isn't a correlation between these vehicle inspections and rider safety. And so my position and my argument to all of you is, is that this essentially removes red tape, encourages more individuals to participate in this-- in these rideshare programs, increasing workforce in our community, and as a strong added bonut-- bonus increases safety so that those individuals who shouldn't be driving home in the end of the day aren't driving home at the end of the day. I will get the number for the breakdowns. And look-- I'm looking into that and I spoke with their lobbyist. One of the problems with that is, is if they don't get their certificate, if they apply for a certificate and they don't get it due to a breakdown, they don't know versus that they didn't have their vehicle inspected and so they didn't get a certificate. There's no like submitting your, your failed-- your failed inspection requirement. Right? So if I take my vehicle in and it fails an inspection, I'm probably not going to go brag about that to the Uber

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company and upload that failed certificate. So we'll work on getting something to answer that question, because I think it was a good question. The, the, the numbers that are here, and I will certainly share this with everyone, breaks it down between vehicle inspection markets, states that require it versus states that don't. And in states where they do not require the vehicle inspection market-- vehicle inspection, the average number of applicants who complete the program is still only 15.5% of those who show an initial interest. But in the state of Nebraska, because we have that vehicle inspection, it goes down to 9.1% actually follow through. And so that roughly averages out to be about 200 drivers in the state of Nebraska that are not complying or not completing because they don't drive without it, but they're not completing the application process that otherwise may be available for all of your transportation needs at the end of the day. So with that, I will answer any questions or submit it.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you. One last one. Could you look into the emissions issue as well, if that's part of it, just so we have that information?

**BOSN:** I have that down. I forgot to mention. I'll also find out more on that.

**DeBOER:** OK. Thank you.

**MOSER:** Other questions? Thank you so much for appearing before us today. That will close the hearing on LB1127. How many people intend on testifying on the next two bills? OK. Thank you. Senator Lowe, welcome.

**LOWE:** Hello. I don't know if I've ever testified in front of the Transportation Committee.

**MOSER:** I'm sure you'll do fine.

**LOWE:** Thank you, Chairman Moser and the members of the Transportation Committee. My name is John Lowe. That's J-o-h-n L-o-w-e, and I represent Shelton, Gibbon and Kearney. I'm bringing LB1163 on behalf of the League of Municipalities. This bill will allow cities and villages to use certain-- will be able to use all-terrain vehicles or utility-type vehicles for the purpose of snow removal between the hours of sunset and sunrise. My understanding is that this practice is currently being done and occurring in many jurisdictions, but we need to update our state statutes in order to ensure this will be done-- being done properly. I've also handed out a technical amendment that

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was requested by the Nebraska Department of Transportation that deals with ATVs and UTVs having their headlights on. I know when I travel around Kearney, this is probably not the best week to introduce this bill. Maybe last week at the beginning of the week when we had a little bit more snow on the ground would have been better. I sure like the weather outside. You see them running around trying to do sidewalks and driveways and everything else. And under the current statutes right now, the-- it's illegal for them to do this. So this just makes it legal and just kind of ties everything up.

**MOSER:** They can clear their own driveway, they're own sidewalks, but they're not supposed to be on the road.

**LOWE:** Yeah. You can't-- you can't drive it down to clear off your business sidewalk.

**MOSER:** OK.

**LOWE:** With that, I'll answer any questions.

**MOSER:** Questions? Thank you, Senator, appreciate that.

**LOWE:** I'll try to stay around to close.

**MOSER:** Thank you. Proponents for LB1163. Welcome.

**WILLIAM DeROOS:** Hello. Thank you for hearing my testimony today. My name is William DeRoos, W-i-l-l-i-a-m D-e-R-o-o-s, and I'm the city administrator for Schuyler, Nebraska. I'm here on their behalf as proponent for LB1163, which would, as Senator Lowe stated, allow ATVs and UTVs to be used for the purpose of snow removal after sunset and prior to dawn. Currently we have to look the other way or enforce the law. And I'm not comfortable telling my police chief to look the other way. We've been approached by several business owners and residents of Schuyler for the proper way to do this. And the proper way to do it is that between any business or any residence you go you have to load that ATV or UTV up onto a trailer and drive it over to the next one. This is both ineffective for cost, for time, and it's less safe than simply driving to your next destination. So I'll ask that this committee move LB1163 to General File. We also hope that it goes through so that we can have a safer and more effective snow removal program within our town. It does hinder us greatly to not be able to have quick access to grocery stores being cleared prior to business hours. Gas stations, anything like that need to be open so people can continue with their day, getting in there prior to business opening is

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really important. And with that, I guess I'll yield my time and open for questions.

**MOSER:** Wendy. Senator DeBoer.

**DeBOER:** Thank you, Senator Moser.

**MOSER:** Yes. Thank you.

**DeBOER:** Thank you for being here. I just have 2 questions for you. One, do these vehicles usually have headlights or something so that you can at least see them?

**WILLIAM DeROOS:** Yes, they usually do. And since the original legislation went through for ATV and UTV ordinances, the safety measures in those vehicles have come a long way. They're usually equipped with headlights, with taillights. Some have 5-point harnesses or entire rollover cages.

**DeBOER:** And then the other question I have is why, why-- I mean, I don't know that you wrote the bill, but you're here testifying first so I'll give you some latitude there. Why only at night? Why? It seems like that would be the least safe time for them.

**WILLIAM DeROOS:** It's an excellent question. There's less traffic on the road during the nighttime. And precipitation usually occurs during the night. So if you can get out there while it's snowing and get a jumpstart on it, that helps a lot. It's also perfectly legal now to drive on the road during the day with one of these. But the second the sun dips below the horizon, you're in violation of state statute.

**DeBOER:** OK. Thank you.

**MOSER:** Senator DeKay.

**DeKAY:** Thank you, Chairman Moser. Right now, small skid steers, they're not restricted from being able to clear driveways or drive down the roads, are they?

**WILLIAM DeROOS:** I, I don't know off the top of my head the rules for small skid steers.

**DeKAY:** Because, I mean, they're lighted the same way basically and you don't need a safety flag or anything in here for them either. So I was just curious.

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**WILLIAM DeROOS:** Yeah, I believe that's correct. I think that's true.

**MOSER:** Senator Brandt.

**BRANDT:** Thank you, Chairman Moser. Thank you for your testimony. Does Schuyler allow ATVs in the normal operation of the city?

**WILLIAM DeROOS:** We do. We have a registration program to ensure that they're driven by people who should be allowed to drive.

**BRANDT:** So really today, other than the nighttime component, I would be legal during daytime hours to blade off, I mean, I could clean my driveway and then drive down to my business during daytime and do this today and the statute is legal. Is that correct?

**WILLIAM DeROOS:** That's correct.

**BRANDT:** OK. So now your city doesn't have normal operation of ATVs. Does this authorize all those towns that don't? There's a lot of towns out there that don't let people use UTVs and ATVs. Does this statute now authorize those during a snowstorm?

**WILLIAM DeROOS:** That's a great question. It's something I actually forgot to bring up in my original testimony. This would allow cities to choose whether or not they want ATVs to be operated during snowstorms. Currently, towns and cities can prohibit ATVs. They just-- they can be more strict. They just can't be less strict than state statute. So if a city didn't want them to be operating during the snowstorm, they can choose to prohibit that. But we would like the ability to use all of the units of horsepower available to us to address snow issues.

**BRANDT:** And I guess, yeah, I'm from a small town. I get it and skid steers and God knows everything else crawls around out there to clean up snow. But Omaha, in Omaha as far as I know, you can't drive your ATV down the street. I'm a little concerned in a big city like Omaha and Lincoln where it's heavily trafficked that now you're going to have a bunch of people cut loose, because they've got the green light to go clear grandma's driveway with the four wheeler. I mean, how do you see this?

**WILLIAM DeROOS:** I see where you're coming from. But Omaha or any other municipalities could still prohibit it should they choose or allow it if they want.

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**BRANDT:** So they would have to pass an ordinance saying so after this gets passed in the Legislature.

**WILLIAM DeROOS:** That's correct.

**BRANDT:** All right. Thank you.

**MOSER:** Senator DeKay.

**DeKAY:** Thank you. That just spurred a question for me. So would there be an age requirement on the operators of those ATVs or?

**WILLIAM DeROOS:** I don't know off the top of my head as to what that would be. But yes, there's an age requirement for ATVs and UTVs to be driven on public property.

**DeKAY:** OK. Thank you.

**MOSER:** Senator Bosn.

**BOSN:** Thank you. Just a point of clarification to kind of follow on Senator Brandt's question. Right now, if the city of Lincoln prohibits ATVs driving on city streets and this goes into effect, it's still illegal to drive on the city streets of Lincoln.

**WILLIAM DeROOS:** That's correct. All the other rules within the state statute would have to be followed. This would just give municipalities the ability to say, go ahead and for the explicit purpose of snow removal, drive before dawn or after dusk.

**BOSN:** OK, so if Lincoln chose to change their position, they would have to proactively do that. This doesn't make them--

**WILLIAM DeROOS:** That's correct.

**BOSN:** --react and say, OK, now we also have to make it illegal to drive them between sunset and sunrise. It is illegal until we-- Lincoln decides otherwise.

**WILLIAM DeROOS:** Yep. That's right.

**BOSN:** This just allows local control when local governments choose to exercise it.

**WILLIAM DeROOS:** That's correct.

**BOSN:** Thank you.

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**MOSER:** Thank you for your testimony.

**WILLIAM DeROOS:** Thank you all very much.

**MOSER:** Yes. Anybody else to speak in support? Welcome.

**CHRISTY ABRAHAM:** Thank you, Senator Moser and members of the Transportation Committee. My name is Christy Abraham, C-h-r-i-s-t-y A-b-r-a-h-a-m, here representing the League of Nebraska Municipalities. We want to first by thanking Senator Lowe for introducing this bill for us. This is a bill that came through our legislative committee process by the city of Schuyler. And I thought Mr. DeRoos did a great job of explaining why Schuyler came forward with it. And as he mentioned, as they were explaining the problem, a lot of other municipalities in the room were like, oh, yeah, oh, yeah, we need that too. And all of your questions have been great. And so I just want to clarify, for larger cities like Omaha, like Lincoln, they're not allowing ATVs on their streets for probably very, very good reasons. This bill is not going to require them to do that. They can continue to prohibit ATVs in every way. What this bill does allow is in those municipalities who decide, yeah, we are going to let ATVs or UTVs be on our roads in some ways, this allows them for snow removal only to be in those hours from when the sun goes down to when it comes up because what's in law right now is you have to operate between what I'm going to call daylight hours. You can only operate your UTV on the road during daylight hours. So with this small exception for snow removal, we're going to let you do it when the sun's not up. So it's a pretty narrow situation in what-- when we are allowing ATVs and UTVs to be regulated. And another great question about headlights and taillights, yes, those are absolutely required to be on the ATVs and UTVs. There is a separate statute. I'm sure your brilliant legal counsel has already identified it. But it's 60-6,357. It says every ATV and UTV has to display a headlight and a taillight. One minute. I also would just like to say we certainly appreciate the amendment from the Department of Transportation clarifying that, because I think that's always the intent. We want these vehicles to be safe, and that's going to include headlights and taillights. So I'm happy to answer any questions you might have.

**MOSER:** Senator Bostelman.

**BOSTELMAN:** Thank you, Chairman Moser. Thank you for being here today. Could you tell me how many citations have been issued for people violating the ordinance?

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**CHRISTY ABRAHAM:** I'm sorry, Senator Bostelman. I don't know. I mean, I could try to collect that, but I'm sorry I don't know how many have been issued.

**BOSTELMAN:** So my question comes down to and I've talked with, with the city administrators. I've talked to Senator Lowe about this as well. When this was brought to me at first, I thought this was interesting, something we need to consider, something this body should consider potentially. And then we talked again about this. And so I called the chief of police in Schuyler. I said, do you have a problem with this? Is this an issue? He said, no, it's not. So are we having a bill looking for a problem instead of having, having-- is-- what is the problem we're trying to address? Because Schuyler chief of police says we don't have an issue with this. I understand there's an ordinance out there. I understand that the ordinance says that you're not supposed to do it between the hours of darkness. They operate these vehicles on the streets during daylight hours to remove snow or otherwise. But the chief says, you know, no, we don't have a problem with this. Because when we did have problems, you did have problems, a lot of problems up there with four wheelers, ATVs, motorcycles running up and down the streets with younger kids and that. So that was addressed. But-- so I'm just curious if this is-- if there's other cities, other towns that really have-- is, is, is this an issue like Senator DeKay said, you're in a skid, skid steer down the street. Well, that's not licensed either so technically that's in violation as well. If I have-- if I have other type of snow removal, but it's technically in violation as well. But do we have a large problem? If we do, that's fine. But I'm just curious.

**CHRISTY ABRAHAM:** Yeah. Senator Bostelman, I have to tell you, I'm so relieved to hear that there isn't any law-breakers in Schuyler, Nebraska. That makes me happy. That's what that tells me. I think that what I heard Mr. DeRoos say is that we don't want to be in a situation where we're going to ask the chief of police in Schuyler to look the other way to do snow removal. We want to make sure there's something in the books that allows people to do this.

**BOSTELMAN:** Well, I understand that. But as Senator DeKay said, and I appreciate that, no one does. But I think there's other vehicles that are removing snow that are probably in violation as well. So maybe we need to amend this bill to include all the other type of vehicles that may be removing snow as well.

**CHRISTY ABRAHAM:** And we're certainly happy, if the committee is looking to expand this, to work with you on that. Certainly ATVs and



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UTVs are something that are specifically outlined in state law. And they do have rules and regulations about how they are supposed to be operated. Cities and villages are allowed to control sort of how they want to use them. So we just thought that was a good place to start because that's what Schuyler was indicating. That's how they would like to start this, and that would be helpful for them.

**BOSTELMAN:** OK. I guess the chief of police sees it a little bit different, but OK. Thank you.

**CHRISTY ABRAHAM:** And, and I'm sorry that I'm going to just glom onto your question. I did also want to mention to Senator DeKay that if you look in your bill on page 3, line 2, there's some things about if you are operating an all-terrain vehicle or utility type vehicle, you have to have a Class O operator's license. So I think that may answer some of your questions about what kind of age you need to be to operate them. You have to have one of those licenses or a farm permit.

**BOSTELMAN:** So let me-- so just to make sure. I mean, I'm not overly opposed to the bill. I'm just saying do we have issues in other towns, other cities and stuff. So that increases the importance of a bill like this to make sure we're addressing those issues so.

**CHRISTY ABRAHAM:** I certainly appreciate your question, Senator Bostelman. I can tell you from the League legislative committees, when we heard this proposal, there were lots of other municipalities in the room who said this would be very helpful for them. So it's not just Schuyler.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you, Senator. So I just want to make sure that I have the statutory scheme correct in my head. My understanding is the current law is that municipalities can elect only in municipal roads, because I remember this hearing last year on a different issue, to allow ATVs, so long as they have the headlights and taillights and that if they elect to do that, they can regulate it. But what I'm hearing this year is-- but that's only during the-- apparently, the state permissive language about ATVs on municipal roads is only during the day and that permissively, we're not even allowing them to make that local decision after dark. Is that correct?

**CHRISTY ABRAHAM:** Senator DeBoer, this is such a good question, and I don't mean to get into the weeds with you too much. But if you look on page 2 of the bill on line 27, what you will see what's been stricken

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and added, what current law says is ATVs, UTVs only operate between the hours of sunrise and sunset. So that's very clear in state law right now. That's when you can operate it. Now you're saying, are there exceptions? There actually is. If you turn to page 4, apparently electric utility personnel have really good lobbyists because on page 4, lines 11 and 12 it says, oh, but you don't have to be limited between the hours of sunrise and sunset. So I don't-- I don't want to misrepresent to you, Senator DeBoer, that it's as clean cut as I would like it to be. But generally, generally what the rule is, is that municipalities are allowed to regulate UTVs within certain parameters. And those parameters are it has to be in daylight hours.

**DeBOER:** OK.

**CHRISTY ABRAHAM:** OK.

**MOSER:** Other questions? Senator Brandt.

**BRANDT:** Thank you, Chairman Moser. Thank you, Ms. Abraham, for your-- for your testimony. I run a snow removal equipment or a snow removal company. Most snow removal happens in the evening hours because the parking lots are empty and we've got a contract to go do this. I see my four-wheel drive ATV as a tool, and it's the perfect width to clean off a city sidewalk at night. Under this is it, if I'm in a city like Lincoln or Omaha, and I can do this at a high rate of speed and get it done, is it legal for me to use that tool, or do I have to use a snow blower or a skid steer instead?

**CHRISTY ABRAHAM:** That's a very good and nuanced question, Senator Brandt. And I'm not saying that just so I have time to ponder it. It is a very good nuanced question.

**MOSER:** On the sidewalk is OK.

**CHRISTY ABRAHAM:** I, I think--

**MOSER:** On public roads is the problem.

**CHRISTY ABRAHAM:** Yes. See, you don't even need me. Senator Moser can answer your question. It's my understanding that what the regulation is, is when you get out on the public streets.

**BRANDT:** OK.

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**CHRISTY ABRAHAM:** But if you are clearing-- if you are a business and you're clearing your sidewalk in Lincoln in front of your business, that's probably OK. But don't go out in the street.

**BRANDT:** So the ordinance doesn't discriminate against sidewalks. It clearly says I can't be on a-- on a city street. That's fine. I just want to be clear.

**CHRISTY ABRAHAM:** Yes.

**BRANDT:** All right. Thank you.

**CHRISTY ABRAHAM:** You're welcome.

**MOSER:** Further questions. Thank you for your testimony.

**CHRISTY ABRAHAM:** Thank you so much. I appreciate it.

**MOSER:** More supporters for LB1163? Are there any opponents for LB1163? Any neutral testimony for LB1163? Seeing none, Senator Lowe had to go testify in front of another committee so he waived his closing. So that brings us to the next bill. Senator Cavanaugh, welcome.

**J. CAVANAUGH:** Thank you, Chairman. I guess I'll wait till they change the--

**MOSER:** We received no comments on Senator Lowe's bill and on LB1250, Senator Cavanaugh's bill, we got 29 proponents, 1 opponent, and no neutral. Welcome.

**J. CAVANAUGH:** Thank you, Chairman Moser and members of the Transportation and Telecommunications Committee. My name is Senator John Cavanaugh, J-o-h-n C-a-v-a-n-a-u-g-h, and I represent the 9th Legislative District in midtown Omaha. I'm here today to introduce LB1250, which directs the Department of Economic Development to establish a grant program for nonprofit organizations to operate bike share programs. The bill states legislative intent to appropriate \$250,000 for the purpose of this grant program. I brought this bill in collaboration with ROAM, R-O-A-M, Share, which operates Heartland Bike Share in the Omaha metro area, BikeLNK, Bike, it's L-N-K in Lincoln, and Valentine Bike Share in Valentine, to highlight the importance of the bike share programs and the need to support them in more communities across our state. I'll be brief in my introduction today and I just ask you to-- the committee's support for LB1250 and be happy to take any questions. And there will be folks behind me who maybe give better color.

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**MOSER:** Questions? Thank you for your testimony. Supporters for LB1250. Welcome.

**BENNY FOLTZ:** Thank you. Good afternoon, Chairperson Moser and members of the Transportation and Telecommunications Committee. My name is Benny Foltz, B-e-n-n-y F-o-l-t-z. I was born and raised in North Bend, currently reside in La Vista and am the CEO of ROAM Share and I'm here to testify in support of LB1250. ROAM Share is a 501(c)(3) nonprofit organization that exists for the development, promotion, and operation of bike sharing programs throughout the heartland region for the benefit of the general public, aimed at promoting health and quality of life, as well as promoting the use of sustainable and equitable forms of transportation by bike. We've grown to employ around 15 Nebraskans, most full time and have provided over half a million bike share trips, most of which were taken in the recent years. For those that might not know, bike share is a shared transport service where bicycles are available for shared use by individuals at low cost. Bike share has evolved from a fun activity, which it still is, but to become a form of public transit. And ROAM has been operating bike share in Nebraska for over 14 years. We started with just a few stations in one neighborhood in Midtown Omaha, and we now operate 3 different bike share programs across Nebraska. You may have seen the bike share program here in Lincoln called BikeLNK or BikeL-N-K-- I rode it to the Capitol this morning-- that helps thousands of folks, especially UNL students, move around the campus and around Lincoln. We also operate a bike share program called Valentine Bike Share in Valentine, Nebraska. It's also North America's most rural bike share station. And although that is a fun fact, more and more rural areas are installing or trying to install or want to install bike share stations. And I've been contacted by many of them to do so. And our third program and our largest is Heartland Bike Share, which is in the Omaha metro, covers a span of 125 square miles, ranging from urban to suburban to rural and recreational destinations. We're also in Council Bluffs, Bellevue, Papillion and Chalco Hills. We have a station at Eugene T. Mahoney State Park as well that does very well. And we're discussing options about adding e-bikes to the already successful station there. Last year, Heartland Bike Share relaunched its program to be an all-electric bike share program, becoming one of the first in the country to do so. E-bikes have changed the game of bike share, and if you haven't been on one, I personally invite you all for a bike ride. These e-bikes have make-- make a more efficient and easier bike trip. And I know it's easy to think that that might sound like you're being lazy riding an e-bike, but it's not about that at all. This is about public transportation. This is about moving people from point A

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to point B on a bike, and that's what we do. However, this all comes with a cost, which is why we're here today. We'll need assistance with funding, especially if we're going to expand across Nebraska. As bike share has evolved, we have proven its success in Nebraska. You should all have letters of support from nearly all the places I've mentioned, describing the successes that they've had and how bike share is beneficial to their communities. And you'll hear personal testimony from the cities we operate in. We believe in the bicycle as a valid form of public transportation, but also has positive residual effects such as exercise, mental wellness, and let's not forget that it is fun. Thank you.

**MOSER:** Let's take Senator Fredrickson.

**FREDRICKSON:** Thank you, Senator Moser. Thank you for being here today. I appreciate your work and your advocacy. I've actually personally enjoyed the bike share at Mahoney State Park with some cousins of mine. I couldn't resist the opportunity to get you on the record as the CEO of ROAM Share, what is the best bike share in the state?

**BENNY FOLTZ:** What is--

**FREDRICKSON:** What is your favorite one, yeah?

**BENNY FOLTZ:** The favorite bike share station?

**FREDRICKSON:** Yes.

**MOSER:** It's the one by his house.

**FREDRICKSON:** That's exactly right.

**BENNY FOLTZ:** I actually don't have one in La Vista yet, but hopefully this year we will. On the record--

**FREDRICKSON:** You don't need to answer that. I was just--

**BENNY FOLTZ:** OK?

**FREDRICKSON:** Yeah, yeah. [INAUDIBLE]

**BENNY FOLTZ:** Go with all of them, the one that I check the bike out from.

**FREDRICKSON:** Yes. Good answer.

**MOSER:** Senator DeKay.

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**DeKAY:** How do you gain revenue from them? Is it by the minute, by the mile?

**BENNY FOLTZ:** Sure. Yeah. So we-- we're a membership base, so you can buy a daily pass, a monthly pass, or an annual pass is how most of them are set up. If you buy a daily pass, you can check a bike out and ride it as many times as you want for a 24-hour period. Right now in Omaha that costs \$12. In Lincoln, I believe it's \$10 right now. And then we have monthly for only \$20 as well. So it's very affordable. If you cannot afford one of our passes, we have a very strong equity program. We'll work with you on getting you a pass as well. But these passes, which I'm very modest and below the national average intentionally, only support about 10 to 20% at best of my total operations. So the fare cost recovery is incredibly low. Even if I was to raise the rates, which would decrease the number of trips, I wouldn't make up enough to justify that, that increase. So I'm trying to fundraise every year, about \$1.5 million to support this. So it's obviously a terrible business model, but that's how all public transportation is.

**DeKAY:** Do you work just within the city systems or do you work within the university or college systems too?

**BENNY FOLTZ:** Oh, we definitely work-- you'll hear from UNO student government that's here today. We partner with UNL, Creighton. We have a station at College of Saint Mary's. So they're all partners where we, you know, we'll table events at. We try to encourage them to use transportation. UNMC is one of our largest riderships actually. We have 4 stations on their campus. They weren't able to testify for various reasons, but they support us and are already going to purchase 2 more stations with their expansion.

**DeKAY:** OK. Thank you. Appreciate it.

**MOSER:** Senator Bostelman.

**BOSTELMAN:** Thank you, Chair Moser. What was operating? Did you say \$1.5 million operate, for operating expenses?

**BENNY FOLTZ:** I have about a \$2 million annual budget.

**BOSTELMAN:** So how much do you receive from the sharing, the rental of the bikes I guess?

**BENNY FOLTZ:** 10 to 20%, 20% being a good year, of course. It also is different from program to program, right? My, my program in Valentine,

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which does less than a thousand trips right now and is closed during the winter months.

**BOSTELMAN:** Are these-- and I was looking through your packet here, some good information. So is it-- so is this the-- this is separate from those who use a credit card to rent a bike or is it the same system?

**BENNY FOLTZ:** These are actually the same-- the same thing. Yeah. So the, the, the system-generated revenue, which is what we call the membership fees basically, that's what accounts for about 10 to 20% of my operating budget.

**BOSTELMAN:** How would th--, how-- what-- it's not specific in here. And I don't know if it should be or not. So it says, operating expenses I think is what the, the grants would be for. Could those be more defined as to how that would-- what those should be used for, could be used for?

**BENNY FOLTZ:** I would imagine that they would be. I think it was put in there, I don't know, vague to begin the bill with. I'm not sure how that part works.

**BOSTELMAN:** Maybe it's we put it till the department sets up rules and regs. But Senator Cavanaugh will probably have an answer for that.

**BENNY FOLTZ:** Yeah. I'm sorry.

**BOSTELMAN:** OK. Thank you.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you. So I, I think we're all so sort of intrigued by this 10 to 20% is made of your operating expenses by the fees that people pay. So the rest has to be paid for by--

**BENNY FOLTZ:** When you fund--

**DeBOER:** --philanthropy?

**BENNY FOLTZ:** Yeah. So local philanthropic support is the largest right now, you know, writing grants. We get-- most of them come from Nebraska, but we get a few national ones as well. And then we have sponsorship dollars as well. So all of our stations have a place to put a business logo and all of our bikes have available real estate. So if anyone's interested in sponsoring, please let me know.

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**DeBOER:** So that's the other thing I was going to ask you. So you said that UNK is considering getting another station. Do they-- does anyone get-- do you charge for putting a station somewhere the-- is anyone--

**BENNY FOLTZ:** Which did you say?

**DeBOER:** You said UNK you're setting--

**BENNY FOLTZ:** Oh, sorry, UNMC.

**DeBOER:** Sorry, UNMC, OK.

**BENNY FOLTZ:** Yeah. We, we don't currently charge to do the install. It's, it's part of-- I take that back. Yes. We will charge an installation fee but, I mean, it's nominal. I should probably do a better job of charging more. I just don't want to scare away, you know, underserved communities, which is where we focus a lot of our fundraising on where I don't even charge those fees, actually. Ideally, I would get a larger organization, the state's largest organization, to support me, support my operation just generally speaking, which is what I'm trying to work on. But for every station that we install, we actually are set back even further. I have to do more fundraising for it.

**DeBOER:** So you're basically subsidizing the government--

**BENNY FOLTZ:** Yes.

**DeBOER:** --for a-- for some transportation.

**BENNY FOLTZ:** Thank you. Yes.

**DeBOER:** OK. Thanks. Thank you for doing that.

**MOSER:** Senator Cavanaugh.

**M. CAVANAUGH:** Thank you. Thanks for being here. Speaking of subsidizing the government, did you previously receive government funds for your program from the state?

**BENNY FOLTZ:** We've received funds from the Nebraska Environmental Trust, but we-- they used to be one of our largest funders, but we haven't received that for 3 years now. We were rejected again this year.

**M. CAVANAUGH:** OK. So, so this would be hopefully filling that void that the environmental trust has created.



**BENNY FOLTZ:** Yeah. Last year when I got rejected, I needed to start thinking of other revenue streams. And this was one of my ideas that's--

**M. CAVANAUGH:** How long had they funded you prior to that?

**BENNY FOLTZ:** Was pretty consistently, since before I even started, which was in 2018 so.

**M. CAVANAUGH:** OK.

**BENNY FOLTZ:** Yeah.

**M. CAVANAUGH:** All right. And I see on your documents that you handed out in the Heartland Bike Share Annual Report that your utilization has consistently grown.

**BENNY FOLTZ:** Yes.

**M. CAVANAUGH:** And it looks like it even consistently grew throughout the shutdown of the pandemic.

**BENNY FOLTZ:** Yeah, we-- we've grown year over year. We had a one dip in 2018 and then I took over in 2019. And we also started-- we introduced e-bikes. That was the big changer. Of course, we were strategic in where we were installing our stations as well. But yeah, we've seen tremendous growth since 2019. And then through the pandemic, you know, at first it was we weren't sure what was going to happen, and there was a scare that we might have to shut down, and some bike-share programs did. And then they said that the disease or-- it wasn't going to be spread through outdoor activity. So we remained open the whole time, and more people wanted to get outside once they could. And we just blew up at that point for that period of time.

**M. CAVANAUGH:** Thank you.

**BENNY FOLTZ:** Yeah, thanks for asking.

**MOSER:** Having a business that only covers 20% of its expenses from rental, makes a guy's head spin.

**BENNY FOLTZ:** Yeah.

**MOSER:** I would think that you'd maybe just go buy some bicycles and give them away.

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**BENNY FOLTZ:** Yeah. Well-- so bike share is advantageous in many ways. You know, one, you, you don't have to worry about maintaining it. That's what my team does, right? We do check overs every 3 to 4 weeks, a full breakdown and overhaul of every bike. So you have that, you know, safety net in your head that your bike's going to work. And if that bike doesn't work, you just check out the one right next to it. Right. And then where you're riding to--

**MOSER:** Can you pick them up anywhere and drop them anywhere?

**BENNY FOLTZ:** We're a, we're a station-based or a, or a dock-based.

**MOSER:** Oh, so you got to pick it up at a station and drop it at a station?

**BENNY FOLTZ:** Yeah. We, we do not believe in the dockless bike-share program. Those don't work and they kind of clutter the cities that they're in. Bikes are heavier than scooters. Scooters are the dockless program. And when you're riding the bike and then you return it to one of the stations, you don't have to worry about locking it up or the security part of it. You just-- you dock and walk, as we say.

**MOSER:** OK. Thank you for your testimony.

**BENNY FOLTZ:** Yes. Thank you.

**MOSER:** Anybody else to speak in support?

**JULIE HARRIS:** Good afternoon, Chairman Moser. My name is Julie Harris, J-u-l-i-e H-a-r-r-i-s. I'm the executive director of Bike Walk Nebraska, and we are the bicycle and pedestrian advocacy organization for the state. I should also mention that I'm a very proud board member of ROAM Share and have been for a long time, and can't say enough about the outstanding work that Benny has done as our executive director. We stand in enthusiastic support of this bill and want to thank Senator Cavanaugh for introducing it. Bike share has made a really big impact on Omaha and Lincoln. As Benny's data shows, it's, it's mind-blowing the growth that we have seen over the last several years. Even the station of Valentine has shown that bike share can have a positive impact on rural communities, as well. And we're not the only ones seeing that potential. Several other communities and college campuses in the state have reached out to Bike Walk Nebraska over the years, looking for information on, on how they can get a bike-share system. These folks have seen or used the system in Omaha and Lincoln or in other communities around the country, and they want to see how they can get it going in their own communities. The

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conversation, as it has here, has always evolved into, well, how much does it cost? And while the concept of bike share is quite simple, as we've already demonstrated here, it's easy to underest-- underestimate the operational requirements to run a bike-share system, and it's also easy to underestimate the infrastructure needed for a bike-share system to operate with its most efficiency. Many have tried to replicate bike share in a more homemade fashion, but it almost always results in a fleet of underutilized and ill-maintained bikes and burned out volunteers. This bill would provide a tool for communities to implement or expand bike share. The return on investment has been demonstrated in Omaha and Lincoln, helping to get more people around in a more efficient manner, providing transit users with additional help for the first and last mile of their trips, providing a way for folks who do not have regular access to a vehicle to have a low-cost transportation option to get to jobs, and providing recreational opportunities for citizens and visitors. Bike share also helps to alleviate parking congestion in the-- in busy business districts. Imagine if we had a bike-share station right here at the Capitol, we wouldn't all be making laps in our cars, perhaps, quite as often. To provide some context about the fiscal note of this bill. The cost to build a parking garage averages out to about \$30,000 per parking space. So by my math, the cost of this proposed bill is equivalent to about 8.3 parking spaces. That seems like a pretty responsible investment, especially when you look at the data that Benny passed out to all of you, about the usage, efficiency, and effectiveness that bike share brings to the table. I hope you'll support this bill so that we can expand a solution that has a demonstrated positive impact in our communities. I'll add one more thing, that most public transit does not have a full return at their fare box either. So they don't make up all of their money based on the people that use their system either, so that bike share doesn't stand out any differently in that regard. Happy to answer any questions that you have.

**MOSER:** Seeing none, thank you very much. Anybody else in support? Welcome to the Transportation and Telecommunications Committee.

**ELIZABETH ELLIOTT:** Thank you very much. And good afternoon, Chairman Moser and the members of the Transportation and Telecommunications Committee. I'm Elizabeth Elliott, E-l-i-z-a-b-e-t-h E-l-l-i-o-t-t, director of Lincoln Transportation and Utilities, and I'm here to testify in support of LB1250. Here in Lincoln, we are one of the partners with ROAM under BikeLNK, which is the, the bike share. And at the end, I want to clarify a couple questions that were asked earlier. But bike-sharing programs are a means to enhance accessibility, providing transportation option that is not only affordable, but also

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readily available to individuals from all walks of life. In a world where financial considerations often limit mobility options, bike-sharing breaks down barriers by offering a cost-effective and efficient means of transportation. Moreover, the economic benefits of bike-sharing cannot be overstated. By linking individuals to jobs, bike-sharing programs become catalysts for economic development. As we strive to retain and attract talent, particularly among the vibrant and dynamic millennial demographic, embracing bike share aligns seamlessly with the Governor's efforts to end the brain drain. By investing in bike share, we position our state as a hub of innovation, fostering an environment where businesses and individuals alike can thrive. Furthermore, bike share plays a crucial role in overcoming the first mile/last mile challenge associated with public transit. This challenge relates to the-- typically the initial and the final segment of a commuter's journey, typically between home or a destination and the transit station, which often pose accessibility and convenience issues. Bike-share programs offer the flexibility and sustainable offer-- options that enable commuters to effortlessly connect to their starting points. By embracing bike share, we not only provide a practical and affordable transportation option, but also position our state as a forward-thinking leader in addressing the evolving needs of our citizens. And therefore we ask for your support of LB1250. I just want to clarify a couple things that were stated earlier. So under BikeLNK, we're arranged a little differently than the other 2 organizations. The city of Lincoln actually owns and operates BikeLNK. We partner with ROAM and they manage our O&M. We pay ROAM about \$300,000 a year to manage our O&M. And then we do get sponsorships to help offset the costs for the city on this. The, the ultimate costs are fully borne by the city. And we do have partners like the University of Nebraska-Lincoln, many engineering firms across the community, as well as others that help fund Lincoln's Bike Share Initiative.

**MOSER:** Senator DeKay.

**DeKAY:** Thank you. In Lincoln, can you tell me how many bikes you currently have?

**ELIZABETH ELLIOTT:** Benny would probably have the exact numbers.

**BENNY FOLTZ:** 125. 25 are electric and 100 are classic pedal bikes.

**DeKAY:** Thank you.

**MOSER:** Let's take Senator Brandt.

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**BRANDT:** Thank you, Chairman Moser. Thank you, Director Elliott, for your testimony. Are you running a fiscal deficit on your bike program right now?

**ELIZABETH ELLIOTT:** We are. It is covered by general funds--

**BRANDT:** Do you know how much--

**ELIZABETH ELLIOTT:** --to make up the difference.

**BRANDT:** --do you know how much difference there is or what the loss is for this year?

**ELIZABETH ELLIOTT:** Right around \$100,000.

**BRANDT:** So if we, as a state, decide to go forward with the bill and, and appropriate \$250,000, I noticed in the bill itself there was no criteria for the distribution of this money. How, how would you divide this money among all the applicants, assuming every bike-sharing company in the state, of which I do not know how many there are, are going to apply for this?

**ELIZABETH ELLIOTT:** You know, I-- and I think it was mentioned earlier that the Department of Economic Development would have to establish some rules. I think there could be a number of factors that could be considered into how it's distributed. Maybe there are certain priority points. Maybe it's to serve the workforces near the, the prison system, to make sure that they can connect to the bus stations. Maybe it's just the location or the number of users. I think there's a number of ways that could be done, but I do think those rules would have to be set out.

**BRANDT:** All right. Thank you.

**MOSER:** Other questions? Senator Cavanaugh.

**M. CAVANAUGH:** Well, I was just going to ask if you could, for the record, restate the answer to Senator DeKay's question.

**ELIZABETH ELLIOTT:** Definitely. So I think the question was, were there any partners--

**DeKAY:** No. How many current-- how many current bicycles?

**ELIZABETH ELLIOTT:** Oh, yes. I apologize. So 125 bicycles, the majority right now are electric bikes.

**M. CAVANAUGH:** Thank you.

**ELIZABETH ELLIOTT:** Sorry about that.

**M. CAVANAUGH:** That's OK.

**MOSER:** Senator Bosn.

**BOSN:** Thank you. Ms. Elliott, can you tell me, are-- where is the bike share right now, the hub station, I guess we're calling it, in Lincoln?

**ELIZABETH ELLIOTT:** So we have several different hub stations spread throughout the community. Primarily, they are in kind of the downtown/University areas. So we have a couple on the University campus, we have one over on 11th and F, we have one on 12th and L, and a number of other locations across town. But the majority of them are close to downtown.

**BOSN:** And are any of them at the-- like, a pickup location or near a pickup location for city transit? I mean, you've talked about the first and last mile concern, and you and I have talked about that in other capacities, as well. But are they currently located at or near those bus stops?

**ELIZABETH ELLIOTT:** Most of them are near bus stops. They're not right directly next to a bus stop. So for example, there's one on 12th and L, and then we have a bus stop-- actually, it would be 11th and L. And then we have a bus stop at 11th and N, so it's just a couple blocks separating them. And that would be similar to most of the other ones around town.

**BOSN:** OK. Thank you.

**MOSER:** Other questions? If you have \$300,000 you spend on 125 bikes, it's \$2,400 per bike per year.

**ELIZABETH ELLIOTT:** And I would have to pull the exact budget on that, because the-- obviously, the initial setup costs, to purchasing bikes and the stations, and the kiosks there. And then there's the annual O&M costs, which are about \$300,000. So you'd be about right, roughly.

**MOSER:** Yeah. I would think that you could come up with a little more efficient system. \$2,400 bucks would buy-- if you buy them at the big box store, they're what, 150 bucks apiece-- buy a lot of bikes. OK.

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Other questions? Thank you for your testimony. Anybody else to speak in support? Welcome.

**AUSTIN ROWSER:** Thank you. Thank you. Good afternoon, Chairman Moser and members of the Transportation and Telecommunications Committee. My name is Austin Rowser, A-u-s-t-i-n R-o-w-s-e-r. I'm the assistant director of Public Works and City Engineer for the city of Omaha. I'm over at transportation services for the city, and I'm here to testify in support of LB1250. A lot of statements have been made here that I would, I would echo and not take up too much time with that. But the bike-share programs, they really benefit our communities. They provide a transportation option that is affordable, as you've heard, and accessible to individuals, that need basic transportation. These services do provide valuable first and last mile connections, as was previously testified. In Omaha, there are-- Benny just informed me there's 85 stations in Omaha with about 400 bikes. The majority of those are close to the, the heavily used transit locations where the Metro buses would stop, and service for individuals. They do have a direct impact on economic development and recruitment and retention of our most talented individuals. In addition, bike sharing is a valuable resource for individuals traveling and touring to the Omaha metro area. Bike stations are available to serve areas of our community that are important to visitors, linking downtown areas, entertainment districts, and outdoor spaces. On a personal note, I have used the bikes many times, just going out for the night. Sometimes that-- I do own my own bicycles. Sometimes that electric power option is pretty appealing to me. So sometimes, that's an option. Also, I've had 2 bikes stolen before, so theft can be an issue. The dock and walk option that Benny talked about is certainly very important when people are choosing options to go out. The city of Omaha, we have invested considerable resources in the development of the program. There's a number of the assets that the city of Omaha owns. Heartland Bike Share does help operate those for us. And the, the money that we put in, which includes a, a, a city council resolution that's considered next week, for \$478,000. A lot of that is hardware costs, goes in, again, to the stations. It goes into the bikes themselves. That's paid for through our parking and mo-- mobility fund, so those are not tax funds that go towards that. That is-- that's parking fees. And so that's, that's the purpose of the program in Omaha, is to offset some of those fees. I'm really excited about this bill. It provides, you know, the-- Omaha's network. We've obviously got neighboring communities that-- where there's a bit of a gap in the network. And so, you know, having places like Ralston and La Vista that can come on board and, and really build onto the network of, of what we have in Omaha, with

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regards to the bike share. It would be a very important resource for us, and it's part of our interest in this bill. So behalf on the city of, of Omaha, we would ask for your support of LB1250. Thank you, again, for the opportunity to be here and speak. And I would be happy to answer any questions you would have for me.

**MOSER:** Questions? Seeing none, thank you for your testimony. Are there more supporters? Welcome.

**NATE OSTDIEK:** Hello. Good afternoon. Hello, Chairperson Moser and members of the Transportation and Telecommunication-- Telecommunications Committee. I am Nate Ostdiek, N-a-t-e O-s-t-d-i-e-k. I'm the University of Nebraska-Omaha student government vice president, and I'm here to testify on behalf of the UNO student body in support of LB1250, and to speak to the positive, transformative, transformative effect that bike-share programs have had on our population at UNO. So the UNO-- student government at UNO has taken several steps over the last few years to partner with Heartland Bike Share and to really increase access to bike sharing, and we have seen benefits and universally positive feedback from our student body. Several areas that I would just kind of like to address are citywide transportation and associated retention. So this-- a bike-share program, it's integrating with already existing public transportation. The UNO student government currently, in partnership with our parking services, we pay for access to-- for students-- anyone with a student ID is able to ride the buses for free. And increasing-- the bike-share program is very much integrated with that, you know, Metro and ORBT bus lines. So you're really actually increasing the distances that students are able to go, either if they have their cars parked on campus so they don't have to move them, risking losing a parking spot, or if the student doesn't have access to a car, it really actually increases the ability to maneuver around the city. And so among these, many of the students who have actually seen the most benefit are international students, who are representing talent, who are coming to study in Nebraska, out of all places that they can go. And oftentimes, they're the ones who say it's like, hey, I haven't left my dorm room for like, you know, weeks or they only are able to do it when they can get a ride from somebody else. It's really enabling that sort of mobility that I think is making a good impression, and I think we have a responsibility to do that. So among both these populations, which do overlap, offering alternative forms of transportation that is also affordable is going to be essential for keeping young people in Nebraska, and really kind of attracting those from out-of-state, as well, for whom the "bike-ability" of a location could actually be a determining factor in where they end up moving.



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Another benefit that we've seen is really reduced congestion within the campus area. At just an anecdotal level, I've seen really, a greater and greater number of students utilizing this, especially over the last couple years as we've promoted it a lot harder, just utilizing bike-sharing services for short to mid-distance travel, from like the north san-- campus to the south campus. And that's reducing a lot of the congestion through Elmwood Park, that would be filled up with cars and, and the like. This had the effect of ultimately reducing traffic congestion and alleviating parking concerns because it presents people the opportunity to park further away and then come back. Finally, health and recreation. Supporting bike share is supporting not only means of rep-- transportation for many people, but it's also supporting healthy Nebraskans. We're kind of instilling within, you know, these people, that it's like, hey, let's go out there-- and incentivizing it, which ultimately is going to reduce a lot of the burden on our healthcare system. So, I mean, thank you. The student body of UNO asks for your support in favor of LB1250. Thank you. And thank you, again, for the opportunity to testify. And I would be happy to respond to any questions that the committee may have.

**MOSER:** Senator DeKay.

**DeKAY:** Yeah. Thank you. So do you have to buy a pass or can you buy an individual ride?

**NATE OSTDIEK:** Yeah. So the model that we've gone through-- the student government, we did a pilot program last year, where we wanted to see, like, what the interest was. So we worked out a partnership with bike share to get 200 annual passes purchased from them, using student government funds, which were then distributed to the student body at no cost to the students. And so then-- and, and there were annual passes. So that was in, I believe, February of last year. And then, this year, we're pursuing a further partnership to expand access, because all 200 passes went within a week. And we saw usage of various stations actually just double, and more than double. And I-- actually, I don't have the most up-to-date numbers on me, but I would be happy to provide them.

**DeKAY:** Appreciate that. Thank you.

**MOSER:** Senator DeBoer.

**DeBOER:** Thank you so much for being here. And that was very interesting. So your 200 passes went immediately. Does that lead to some congestion in terms of like you go, you think there's going to be

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a bike there, but there isn't a bike there? Or are you pretty much able to keep up with the demand in terms of the individual stations?

**NATE OSTDIEK:** Yeah. That's a great question. Thank you. So demand-- you check the bikes out through an application. And on that, you're able to see how many bikes are at a given station or it's like they're-- or if there are too many bikes at a station and there's not an available one, so you're able to plan your route around that. And you actually see that information as you are checking the bike out. And then beyond that, we haven't had any particular problems. I've utilized it. I know a lot of people have utilized it. There's almost always a bike where there is-- where you want one. There are 5 stations on UNO's campus proper, and then 2 adjacent in the Aksarben area. Among those, almost all trips are being taken from one of those stations to the other one. So it almost self-regulates itself, where people are going to class from the dorms, or going back to the dorms, you know, from class. It creates a flow, where, if you need a bike, there will usually be one there.

**DeBOER:** All right. Thank you.

**DeKAY:** Off of that--

**MOSER:** Well, let's take Senator Brandt.

**BRANDT:** Thank you, Chairman Moser. Thank you, Mr. Ostdiek, for your testimony today. And this is kind of anecdotal, but in the bike-riding student body, what percent own their own bikes and what percent use this program, about?

**NATE OSTDIEK:** Yeah.

**BRANDT:** If you had to guess.

**NATE OSTDIEK:** Yeah. Thank you for that question. So among the bike-riding student population, I think we have seen an uptick. I, I do not have the data as to the, you know, percentage of which ones prefer using what. I know that there is a population of students who do already bike, who, who own their own bike, who are not primarily utilizing this. Part of that is because there are some housing such as-- I know a lot of them belong to the Newman Center on campus, where I know biking is incredibly popular there. There is not a bike-share station near there. So I notice, you know, whenever I will, you know, drive by or see, they have a very large number of bicycles, just at the bike racks. And around campus, they are-- still are being utilized. But the main benefit here is from students who do not

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necessarily own a bike, or who may be commuting to campus from outside of campus, and then may need to either go somewhere else in the city from their parking spot, or need to get from like, north campus to south campus.

**BRANDT:** All right. All right. Thank you.

**MOSER:** Senator DeKay.

**DeKAY:** Thank you. You said there were like 5 stations on UNO's campus. Is there a phone app or anything that you can look at to make sure there's avail-- a bike available at one of the stations?

**NATE OSTDIEK:** Yeah. Thank you. Yes, there is, on the-- I believe it's called bike-- bike share-- let me look at my phone real quick. OK. It is called-- it's called BCycle. That's the app. And on it, you're able to see a map of whatever account you're like, logged into where you have your membership, of that city. So in this case, for Omaha, it would be Heartland Bike Share. You're able to see a map of all the stations in Omaha overlaid onto that, and how many bikes are currently at that station. And to check the bike out, you, you go to the station, you'll activate-- there will be a little button that will activate the station. And you press the button on your phone, saying to check it out. And after a couple of seconds, it beeps, and you're able to take the bike. You have the bike, then, for an hour. After that, you begin racking up some fees. But as far as that goes, they're all, they're all electric, so there's usually never a problem getting where you need to go, or at least to the next station, within that hour.

**DeKAY:** Thank you.

**MOSER:** Senator Bosn.

**BOSN:** Thank you. So the-- specifically with the bike-share program that you have at UNO, do those also-- can you turn those in downtown Omaha, or do they have to be checked out and returned on UNO campus?

**NATE OSTDIEK:** Yeah. Thank you. It is-- thank you for the question. That-- it's totally integrated within all the Omaha stations.

**BOSN:** OK.

**NATE OSTDIEK:** So there's 85 of them within that. As just like, an example, I know a popular route has become to go down to Aksarben, and then to take the bikes from Aksarben on the Big, Big Papio Trail, all

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the way down to Bellevue, where there's a station down there. So you go 16 miles down there, and then-- or 8 miles down there, and then 8 miles back. And you're able to-- I mean, you're able to do that within the hour. And you're able to do it-- other popular destinations I know, people going into midtown, other things like that, just from UNO's campus, or taking the ORBT. And then you're able to also check a bike out downtown if you wanted to. So it's not just the stations that are on UNO's campus, but it's any station within the city.

**BOSN:** Thank you. Nice job. Thanks.

**MOSER:** Thank you for your testimony.

**NATE OSTDIEK:** Thank you.

**MOSER:** Are there other supporters? Is there anybody here in opposition? Seeing none, anybody here in the neutral? Senator Cavanaugh.

**J. CAVANAUGH:** Thank you, Chairman Moser and members of the Transportation and Telecommunications Committee. So first off, to Senator Bostelman's question, I think there is some room for kind of tightening up the language in there. And the Fiscal Office has already pointed that out to us in that conversation. I mean, one of the things-- we drafted the bill, and we wanted to see how folks came and testified, about what specifically they think this would be applicable to before we narrowed the scope of the language. So we got some good ideas here today that we can work on, present to the committee. I would just point out-- so a lot of what we're talking about here, you know, there's-- these bike-share programs are a public good. So, you know, some people, I think, see-- they think bike, they think recreation alone, but they're part of transit. They're part of infrastructure. They are part of a lifestyle that we are attempting to sell. And we have conversations in this body about what's it going to take to get young people to move to the state. And we talk about spending hundreds of millions of dollars to build-- to attract an IKEA to, you know, a certain strip mall. We're talking about \$250,000 here, that brings in the type of lifestyle that young professionals are looking for. We have, you know, an anecdotal story about ConAgra leaving the state. And they left to go to a community that is the type of place that people want-- younger people want to live in. Younger people want to have active transit. They want to have other options, and that's what we're talking about. So this is an economic development tool, not just recreation and transportation. Senator

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Moser, to your question about why is this cost so much? We're talk-- the bikes we're talking about cost \$3,300 apiece. They--

**MOSER:** The electric ones.

**J. CAVANAUGH:** The electric ones.

**MOSER:** There's 25 of those and 100 of the other ones.

**J. CAVANAUGH:** In Lincoln. Yeah. And in Omaha, there's a lot more of the electric bikes. And you can look at the letters that were submitted. We have a submission from the AARP, is in favor of this. And part of the reason they're in favor of this, is those electric bikes extend the time in which someone can enjoy these and use them. You get to be a person of a certain age, like maybe yourself and myself, Senator Moser, and we might want a little bit of extra assistance to be able to use these bikes. And so that's one of the reasons we're doing it. But also, in a city like Omaha, we've got a lot more hills than they've got here in Lincoln. And so we need the, the bikes to get up those hills. You know, this started in the best district in the state, which is District 9. And a lot of these bike stations are in District 9, but you can see the topography goes up as you go east from 72nd to 60th Street, goes down to Saddle Creek, goes back up as you're going downtown. And so to traverse some of those areas, these pedal-assist bikes are a lot more popular. And if we want folks to use them, we're going to need to be moving in that direction. So I, I think those are important points to consider when we're talking about what we're doing here. But again, the fact that we're getting 20-- 10 to 20% are from user fees. I think we need to make sure we're looking at that in the same perspective that we do talk about our other transit: bike, buses, the BRT in Omaha. And actually, the, the new streetcar is not going to charge a fare at all. And the reason is when you increase the fares, you decrease the ridership. And we do want to make sure that we are not pricing people out of this. So I just want to make sure that the committee understands that. I think those were all of my points. But I'd be happy to take any other questions. But I would certainly encourage the committee to take a, a serious look at this. Oh, I did want to extend the offer of anybody who wants to go on a, a field trip and tour, either the Omaha stations, Lincoln stations, go for a ride. And I certainly would love to get out to, to the stations in Valentine, as well. That might be, maybe, a not during the session field trip, but, we'll go pick up Senator DeKay on the way, and we'll tour Valentine and, and take a ride on the, the bike share in Valentine. And I, and I would point out in the letters, we have submissions supported by the mayor of the city

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of Papillion, city councilman from Omaha, Don Rowe. We have folks in, I think it was, Marquette or Central City, who are interested in expanding these programs into places besides Omaha, Lincoln, and the metro areas, and, of course, Mahoney State Park. So with that, I'll take any questions.

**MOSER:** Questions? Senator Cavanaugh.

**M. CAVANAUGH:** I just want to correct the record, that Senator Cavanaugh had it wrong. He had the number flipped upside down. The best district is District 6, not 9. No need to respond.

**MOSER:** I couldn't even hear her, so we'll just-- [INAUDIBLE]. Other questions? Thank you so much.

**J. CAVANAUGH:** Thank you.

**MOSER:** That'll conclude our hearing for today. Thank you for attending.