

Transcript Prepared by Clerk of the Legislature Transcribers Office
Appropriations Committee March 24, 2023

CLEMENTS: Hello, and welcome to the Appropriations Committee hearing today. My name is Rob Clements. I'm from Elmwood. I represent District 2, which is Cass County and eastern Lancaster. I serve as Chair of this committee. And we will start off by having members do self-introductions, starting with my right.

DORN: Myron Dorn, District 30.

WISHART: Anna Wishart, District 27, which is Lincoln and Lancaster County.

McDONNELL: Mike McDonnell, LD 5, south Omaha.

LIPPINCOTT: Loren Lippincott, District 34.

ERDMAN: Steve Erdman, District 47.

CLEMENTS: Thank you, Senators. We have other senators presenting in other committees and if they-- they may come and go as they have obligations in other areas. Assisting the committee today is Tamara Hunt, our committee clerk. To my left is our fiscal analyst, Mikayla Findlay. Our pages today are, I believe, Malcolm from Omaha, a UNL student, and Kate [PHONETIC] from Kansas, a UNL student. At each entrance, you'll find green testifier sheets. If you are planning on testifying today, please fill out a green testifier sheet and hand it to the committee clerk when you come up to testify. If you will not be testifying but want to go on record as having a position on a bill being heard today, there are white sign-in sheets at each entrance, where you may leave your name and other pertinent information. These sign-in sheets will become exhibits in the permanent record after today's hearing. To better facilitate today's proceeding, I ask that you abide by the following procedures: please silence your cell phones and electronic devices. Move to the front chairs when you're ready to testify. The order of testimony will be introducer, proponents, opponents, neutral and closing. When you come to testify, please spell your first and last name for the record before you testify. Be concise. We request that you limit your testimony to five minutes or less. Written materials may be distributed to the committee members as exhibits only while testimony is being offered. Hand them to the page for distribution when you come up to testify. If you have written testimony but do not have 12 copies, please raise your hand now so the

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page can make copies for you. And now, we will begin today's hearings with LB736. Senator Raybould.

RAYBOULD: Good afternoon, Chairman Clements and members of the Appropriations Committee. My name is Jane Raybould, and that's spelled J-a-n-e, and Raybould, R-a-y-b-o-u-l-d. And I represent District 28 in Lincoln. And I am here today to introduce LB736, which would appropriate one-time funds of \$20 million to the Department of Health and Human Services to Program 347, 347, Public Assistance. These one-time funds would allow Nebraska Community Action Agencies to support capital campaigns, which can include purchase, renovation and other costs relating to facilities for the purpose of providing expanded services. While the bill states that this appropriation should come from general funds, I would respectfully ask that this committee consider instead of utilizing cash reserves, since this really truly is a one-time ask. Community Action Agencies provide programming across all 93 counties in Nebraska. These one-time funds will truly make an impact in every corner of our state. The programs include housing, health and wellness, food and nutrition, child development, employment programs, asset development, transportation, disaster relief, veterans services and education. And I have to tell you, in all the nine agencies spanning the entire state of Nebraska, they have nine capital funding facility projects all ready to go and already listed that would tremendously assist in the community outreach and the services they provide and increase their capacity. In addition, all agencies create innovative solutions to challenges located in their agency areas. These agencies work to move Nebraskans from economic instability to economic mobility. Now, let me talk about how these one-time funds will help the Community Action Agencies to continue to deliver their services for Nebraskans. All nine Community Action Agencies receive multiple funding streams for programs and services, as most nonprofit organizations do. None of the federal funds, however, can be used for capital projects or renovations. By providing one-time funds of \$20 million, they can partner to provide quality, long-term infrastructure to the designated communities. Community Action Agencies are experts at leveraging and braiding funds to be successful. And the return on investment by service to the communities, increased partnerships and state-level support would have a tremendous impact on support to communities statewide. You know, it's, it's amazing when you have an agency like this that knows how to leverage the limited public dollars that they get from government and partner with other agencies. And then they're able to show that-- and

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demonstrate that they have public-private partnerships. And then they can go out to their donor base, because all donor bases want to know that you have this collaboration of both federal, state and local dollars to continue to allow you to be successful in your mission in serving your community. Some agencies are-- that we're talking about today are dealing with aging facilities that were already past their service life when they took over occupancy. For example, old hospitals and retirement homes that were gifted or sold to the agency at a minor rate. These old buildings require high amounts of repair and maintenance, heating and cooling costs. They have foundation issues such as cracking and sinking. Layouts are not conducive for agencies to properly do their job and deploy programs and services. Community Action has been around for over 50 years. They plan to continue their work for decades into the future. Recognizing the facility, structural and operational challenges and addressing them directly will prevent more dire situations and more costly repairs. In addressing the facility problems, there will be a direct fiscal impact on agency budgets. Annual budgets for maintenance and repair can be reduced. An extreme level of lease payments can be eliminated. All of the fiscal savings will directly impact clients by being reallocated back into the programs and services to continue to increase their capacity to serve. Some agencies are dealing with spaces being leased that have incredibly high payments. The square footage needs are large for most facility locations, especially those referenced in LB736. With large square footage comes large lease amounts, most ranging from \$10,000 to \$15,000 per month without utility costs. Many of the landlords are not wanting to continue to put additional expenses into the aging buildings. Some of the leased locations are small and dilapidating-- and dilapidated, and landlords are not wanting to continue to renovate to allow for a more conducive environment. Some of the facilities being used for Head Start were not originally designed and built for small people. They were designed for adult business use. Therefore, the environment is not conducive to a proper environment for teaching children life skills, independence, as well as having classrooms large enough to meet state square footage requirements. In other areas, such as Kearney, there simply are no buildings available to lease to increase Head Start capacity to appropriately serve the community's 0- to 5-year-olds. And the only option there is to build. All of the agencies have been working for a long time to identify options for matching funds, private development plans and other private funds, such as foundations and grants, to help bring these facility projects to fruition. By not being able to use federal funds, this has created

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an extremely long-term progression. Community Action Agencies are seeing record increases in requests for their services, and agencies need to be able to work smarter and not harder. Community Action cannot be as successful as they are without their partnerships. Clients are put on individualized plans to give them the handup out of their situation. Many of the partner organizations are located all over the community, and often logistics are challenging for clients to be able to realistically get to where they need to be to access the additional leverage partnership services. Many of the proposed projects that our one-time fund would made possible are creating opportunities for one-stop shops-locations. These one-stop shops not only combine multiple services with Community Action, they also are providing co-locating opportunities for partner organizations to allow more immediate care for clients and provide some savings in that way. This impact will be another level in removing barriers that hold someone in poverty. Removing barriers helps to encourage the clients to continue with their accountable role in their plan. By increasing square footage and creating capacity to expand programs to be able to properly keep up with the growth pace of the identified communities, agencies would be able to keep Nebraskans in their communities across the state. By-- excuse me-- by increasing their ability to serve an appropriate number, they are not only keeping residents in their home communities, they are also helping them to move to economic stability and allowing them to contribute directly back to their community. By investing these one-time funds in our Community Action Agencies. We are investing in our communities and our people. I encourage the committee to include this request in their final budget proposal. I really want to thank you for your time. And did I tell you they were only one-time funds? Just want to make sure. And I would be certainly happy to answer any questions you may have.

CLEMENTS: Are there questions from the committee? Senator Armendariz.

ARMENDARIZ: Thank you. Thank you, Senator, for being here. Can you tell me how many agencies have requested the funds?

RAYBOULD: They have nine area agencies for the Community Action Partners. And-- so, for example, Blue Valley, which is in Beatrice Ave, requested \$2 million for a multipurpose facility. In central Nebraska and Grand Island, that's-- they call it Agency Area 2-- they've requested \$1.5 million to, to offer a new building in Grand Island for a one-stop shop and combining other agency services. In Lincoln-- in my, my hometown-- this need is tremendous. They are

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providing early childhood education, and they're hoping to expand early childhood to allow 200 more children in their programming in Lincoln, Nebraska. In Kearney, they are proposing-- the project in Lincoln is \$3.5 million. In, in Kearney, it's \$2.5 million. And that's an area for relocating and, and expanding funds to serve the 6.6 percent of the local population under six as well and-- having 7.1 percent of all the households living in poverty. Area 5 is in Gering. They have-- are requesting \$1.5 million. Current building is sinking and causing workflow, staffing and service inefficiencies. So they're hoping to find a new building and co-locate with other services. In eastern Nebraska, in the-- north Omaha and Bellevue, their food pantry, \$2 million of renovation and growth of current facilities in north Omaha and Bellevue to keep up with the increasing demand for their services. Area 7 is in South Sioux and Norfolk; combine two South Sioux City buildings and two Norfolk buildings for a multipurpose, one-stop shop. In Area 8-- that's Northwest Community Action Partnership in Chadron and Valentine. The request there is \$1.5 million. New building will save upwards of \$10,000 annually and increase outreach offices in Head Start programs. And in Area 9 in southeast Nebraska and Nebraska City, \$1 million. And they're saying, with the poverty rate of 18 percent, a co-located childcare program would be the most beneficial to the families they serve. So they have-- and I'd be happy to mail this out to you and you could see--

ARMENDARIZ: Would you, would you mind giving us the financial proposals for each of the projects to the committee?

RAYBOULD: Yes, I would, I would certainly ask them to be able to facilitate that--

ARMENDARIZ: That'd be great. Thank you.

RAYBOULD: --for you as well.

CLEMENTS: Are there questions from the committee? Senator Erdman.

ERDMAN: Thank you, Senator Clements. Thank you, Senator, for being here. I noticed that this bill has an emergency clause.

RAYBOULD: It does have an emergency clause.

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ERDMAN: And then I read in the fiscal note that the DHHS has said that they cannot adhere to that because of the time constraint with the contracts you need to make and it's a new program.

RAYBOULD: Yes, that is correct. And they said that they would need to staff up to be able to facilitate that.

ERDMAN: So will you have--

RAYBOULD: So--

ERDMAN: --an amendment then?

RAYBOULD: I'm sorry, sir?

ERDMAN: Will you have an amendment to remove the emergency clause?

RAYBOULD: I think we can facilitate that. We're, we're still hoping to continue to work with Health and Human Services and to see what-- we've, we've already met with Health and Human Services. We know that it might be a staffing issue, but we're hoping we can still work through that staffing issue because there are-- it would just be nine area agencies that they would have to work directly with instead of, like, all new programming. It's just nine different agencies all under one umbrella.

ERDMAN: OK. With, with all due respect, have you ever tried to work with HHS on an expedient?

RAYBOULD: I, I would have to defer to your judgment and experience.

ERDMAN: Yeah. Good luck.

RAYBOULD: OK. Thank you.

ERDMAN: OK. The other issue is this is a brand-new program, right? You're starting a new program.

RAYBOULD: This is-- it's-- these are existing programs that have been around for almost 50 years.

ERDMAN: It says--

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RAYBOULD: Community Action Partnership has been around for-- but these would be one-- one-time funds to help with their capital improvement funding for facility improvements.

ERDMAN: Going to the fiscal note, they're saying this is a new program and they have to have-- draft a new contract and execute those regulations.

RAYBOULD: Well, it, it would be--

ERDMAN: According to them, it's a new program.

RAYBOULD: Well, I know that it's, it's through an existing program, 347, which is their Public Assistance Program.

ERDMAN: OK. So then they're going to have to hire two FTEs to manage this?

RAYBOULD: That's what their-- that is what they have written, yes.

ERDMAN: OK. So you're doing a one-time appropriation of \$20 million. And then it appears that those people are going to be-- the FTEs are going to go on several years after that to manage the \$20 million. Does that seem right?

RAYBOULD: No, that-- it doesn't seem right. When we sat down with them and talked to them about it, they addressed the, the temporary nature of the distribution of the funds because we know that they have outlined and identified these projects. And we are hoping that the sooner they get the, the funds out, the actual-- they can actually do more with it rather than any construction delays and so on. So we did work with Health and Human Services after they submitted something like that. And I know that we can work with Health and Human Services on coming up with a better plan and program of executing and distributing these funds.

ERDMAN: This document is dated the 22nd.

RAYBOULD: Of?

ERDMAN: March.

RAYBOULD: Of March.

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ERDMAN: That was just a couple of days ago.

RAYBOULD: OK.

ERDMAN: So, evidently, whatever you've done with them hasn't gotten through yet.

RAYBOULD: Well, we, we did talk about how to best expedite the funds and execute the funds, and so I'm a little bit surprised by the, the date on that.

ERDMAN: It's peculiar to me that you would even need any more help.

RAYBOULD: I'm sorry?

ERDMAN: It's peculiar that they would need to have any more employees to do a program that's already set up. Does that make sense?

RAYBOULD: I didn't quite follow you, sir.

ERDMAN: OK. If you said this program is already in existence and you're going to make a contribution of \$20 million more, why do you need two more people to do that?

RAYBOULD: Yes. That's, that's what I was questioning.

ERDMAN: Yeah.

RAYBOULD: You're absolutely correct.

ERDMAN: That was my--

RAYBOULD: --because it's an already existing program. We know that the funding pools that they have to go out with the identified amounts to each one of the nine agencies throughout the state of Nebraska. And so it's a matter of getting the funds out. And then, of course, the compliance work that needs to get done.

ERDMAN: But the way I look at it-- [INAUDIBLE] going on to having a full-time-- two full-time employees in '24, '25. That may carry along for a number of years past when they need to do that. That's--

RAYBOULD: Well--

ERDMAN: --that's my point.

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RAYBOULD: I-- that is my concern too as, as your fellow state senator, that there be a continuation of an, an FTE. But when we did talk to Health and Human Services, they indicated that the temporary nature of having to facilitate the distribution of these funds.

ERDMAN: All right. Thank you.

CLEMENTS: Are there other questions? I have one question. You mentioned the project requested amounts. Were those amounts 100 percent of the cost of that project or is the-- each agency going to contribute some--

RAYBOULD: Well--

CLEMENTS: --as well?

RAYBOULD: In our conversations with Health and Human Services, they wanted to have an administrative cost covered. And so that would be-- the administrative cost is included in all of these projects and would be subtracted from each one of these amounts. I, I don't believe this is the entire amount. They would also have to do their capital campaign to contribute to some of the cost to make sure that this project-- this is, this is the ask of each, each of the projects that total \$20 million.

CLEMENTS: But the bill doesn't have a matching fund requirement, though. Is that right?

RAYBOULD: I don't believe it has a matching fund requirement.

CLEMENTS: I didn't see one. All right. All right. Thank you.

RAYBOULD: You bet.

CLEMENTS: We will open it up for proponents. Welcome.

TINA ROCKENBACH: Hello. Good afternoon, Senator Clements and members of the Appropriations Committee. My name is Tina Rockenbach, T-i-n-a R-o-c-k-e-n-b-a-c-h. I'm the executive director for Community Action of Nebraska. We are the state association representing all nine of Nebraska's Community Action Agencies serving all 93 counties. Our network does not typically bring bills. Our role is to advocate for Nebraskans we serve and provide support for effective policy implementation. We do this by serving as a resource for things such as

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data, impact stories and case studies for all of you. Our goal is to help you do your job more effectively and efficiently. For the first time in over 50 years of support-- of serving Nebraska, we are presenting LB736 to you in request for \$20 million to be allocated to our network for facility needs. We are also asking that it be considered in the final budget and to be allocated out of cash reserves. Community Action is proud of our proven ability to provide innovative solutions to do our job effectively and efficiently. LB736 requests that this funding be managed by DHHS, more specifically under the supervision of the Community Services Block Grant, or CSBG, Office. Our network currently has a relationship with this office related to the CSBG federal funds that everyone receives. We have a great relationship with them. They understand our programs and services, and we feel the current successful partnership would allow for a streamlined process. In our meeting with the leadership of DHHS and Senator Raybould, we had a great discussion regarding what logistics would need to be in place to administer this properly. While LB736 does not refer to admin fees related to DHHS, as a network, we have proposed to them that, to be as fiscally responsible with this request as possible, the total cost of the administration to DHHS would be split proportionately by each of the nine Community Action Agencies. We have agreed that this portion will be taken from each agency's allocation and held by DHHS to fund the administrative needs. According to the fiscal note, that total amount would be \$317,654 to cover the two FTEs. The collective statewide impact of our network is what proves our credibility in partnering with the Nebraska Legislature for facility funding. Across the nine agencies, 1,299 jobs are provided, with a total of \$105 million in economic impact. By supporting LB736 and its inclusion in the budget, you will pave the way for the future of making-- of moving thousands of Nebraskans from economic instability to economic mobility. We will be able to achieve this with the streamlined facilities projects to correct many of the logistical challenges agencies are facing. In turn, this will provide a total combined statewide agency budget savings of over \$658,000, which agencies will then reallocate back into programs and services to expand their outreach capacity. Final federal fiscal year '22 numbers demonstrate the incredible impact of our network. During that year, our agencies served over 92,600 individuals and over 37,700 households. From those numbers, 74 percent of our statewide clientele were rural area residents. While many of you are familiar with our emergency programs and services, we also want to highlight that eight of our nine agencies also have Early Head Start for ages zero to three

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years and Head Start for ages three to five years. FY '22 numbers show that we are currently serving 2,038 children across the state through both evidence-based programs. Some of our agencies are needing facilities to be able to expand early childhood education programs to increase capacity. This is a need we are seeing increasing statewide, as it correlates to the childcare provider declining trends after the pandemic. The handouts I have provided you with will give you detailed information regarding each agency's facility project need as well as a coverage map for each of our agency's areas. These proposals will help you to understand each agency's challenges, needs and goals. You will next hear from others that have firsthand experience of our network. Our history, credibility, fiscal responsibility and collaboration are why this appropriation will be an incredible partnership between us and the state. Together, we will provide stable, long-term infrastructure for communities to benefit from. I urge you to support LB736 and its inclusion in the final budget. Thank you for considering our request. And I'm happy to answer any questions that you may have.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony.

TINA ROCKENBACH: Thank you.

CLEMENTS: Next proponent. Good afternoon.

AARON BOWEN: Good afternoon. Good afternoon, Chairperson Clements and members of the Appropriations Committee. My name is Aaron Bowen, A-a-r-o-n B-o-w-e-n. And I'm executive director of Eastern Nebraska Community Action Partnership. We are the Community Action Agency designated to serve Douglas and Sarpy Counties. I am testifying in full support of LB736 on behalf of Nebraska's Community Action Network, which consists of nine agencies covering every county and-- essentially this side of the room at this point-- and on behalf of the thousands of Nebraskans who seek our assistance each year. The state's one-time investment in facilities and infrastructure through this bill would bolster the capacity of our high-impact services and programs, improve accessibility, and reduce the costs of maintaining spaces constructed decades ago. Our network responds directly to each community's most crucial needs. Our boards of directors bring together community representatives, elected officials and private sector leaders to create strategies that lead to the development of new community resources that help stabilize households and that elevate and center the voices of the people we serve. No household is immune

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from crisis, and there is no one-size-fits-all approach to ending poverty in our state. For some, living without basic resources and little hope is all they have known. For others, they are facing these challenges for the first time and struggle to know how and where to access help. Typically, our first point of contact with an individual or family is in a time of crisis, and we know that reaching economic security is only possible if we address those immediate needs first. We also know that there are many factors that may compel the request for food, financial assistance or a safe place to sleep. Our focus is to understand these factors and to walk alongside participants as they set goals and make a plan for changing their circumstances. Ultimately, we want them to gain the resources, knowledge and confidence that will help them move beyond crisis, gain their footing and build a brighter future. We are often the first call someone makes when times get tough, and we are a primary responder when whole communities face crisis. Our response during the flooding of 2019 and the COVID public health emergency are the most recent examples of our position as one of Nebraska's most essential and reliable service providers. Collectively, our agencies leverage tens of millions of dollars in federal and nonfederal annual funding annually, and we prioritize using these resources to provide services and keep our dedicated staff on the job. Funding for building improvements is the hardest to come by. And as Senator Raybould noted, our federal resources do not allow for the construction and significant improvements we seek to make via LB736. And so we do what we can as we can to keep our doors open, our utility costs low, and our spaces for early childhood education, food distribution, transportation, senior support, financial coaching and crisis intervention inviting and accessible for our participants. Every Nebraskan deserves the opportunity to thrive. Our clients do the hardest work themselves to improve their lives, and daily we celebrate their successes. Although they may come to us with urgent needs, they become first-time homeowners. They earn a better paying job with benefits. They learn to cook a new meal. They find primary healthcare. Their children are ready for kindergarten. They no longer feel alone in their struggle and say to us, I can do this. It is our responsibility to have the resources ready, including the spaces and places that welcome them, to support their path forward. Our network has served Nebraska for 58 years with innovation, persistence, resilience, integrity and humility. To my knowledge, this is the first time in those 58 years that we have ever come to the State Legislature with a request for support. We do not take our ask lightly, but we know this one-time

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funding will have a remarkable impact on the families, seniors, veterans and young adults we serve for years to come. And given our fierce focus on results and continuous quality improvement, we assure you that we will be able to show you the significant returns on this investment. Thank you for your consideration of this important bill. And I would welcome any questions you have.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony. And welcome, the next proponent.

SAMANTHA KNAUB: Hi.

CLEMENTS: Good afternoon.

SAMANTHA KNAUB: Good afternoon, Chairman Clements and members of the Appropriations Committee. My name is Samantha Knaub, S-a-m-a-n-t-h-a K-n-a-u-b. I am a family educator for Community Action Partnership of Mid-Nebraska's Early Head Start home-based program in Kearney. Today, I will be speaking in support of LB736, a bill requesting \$20 million to be allocated across the nine Community Action Agencies in Nebraska to help with facility improvements. However, I will not be speaking to you today as a family educator, but as a mother, specifically a mother whose child was enrolled in the Early Head Start center-based program from six weeks to two years and who is currently enrolled in the Early Head Start home-based program. LB736 would help to build a new facility for the Early Head Start Program that houses all children ages zero to three in Buffalo County that are enrolled in the program. Our Early Head Start Program began in 2010 and currently serves 48 families in center- and home-based settings. As a single mother, the impact Early Head Start has had on my life is indescribable. And if I go into too much detail, I might start crying. But I can tell you with 100 percent certain-- certainty I would not have been able to return to work after my maternity leave if my child wasn't accepted into Early Head Start. Buffalo County is growing at a tremendous rate, which is amazing. However, that is also creating a childcare desert. Buffalo County currently has 3,284 children under the age of four, representing 6.62 percent of the county's population. If good timing and luck are on your side and you're able to find an opening for your child at a childcare facility, the next hurdle you have to overcome is whether or not you'll be able to afford it. I am in support of LB736 because of its potential to help people and change lives for the better. It is what will provide more support to the 12 percent of families in our community that live in poverty. It is simply what

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makes sense. Having a central location for Early Head Start, Head Start, WIC and RYDE will ease the access of services to families, and it would be, it would be built on land that our agency already owns. It will also provide the opportunity to have a facility that can offer other services to families, including education classes and case management services and the possibility to expand Early Head Start services in the future. You can't put a price tag on the importance of a child educated, a child fed and a child loved. LB736 would be an incredible investment into the future of our community. On behalf of the parent community, I am asking that you choose to support LB736. Thank you for your time and consideration-- consideration of this bill. And I'm willing to answer any questions you may have.

CLEMENTS: Are there questions from the committee? Senator Erdman.

ERDMAN: Thank you, Senator Clements. Thank you for coming. I noticed that your district includes two counties in Kansas. Can you explain that?

SAMANTHA KNAUB: Norton and Phillips County in Kansas. What, what would you like me to explain?

ERDMAN: Why do we, why do we-- why are we funding things in Kansas?

SAMANTHA KNAUB: Honestly, I am not sure. But I can get you the answer and I will follow up with that.

ERDMAN: Thank you.

CLEMENTS: All right. Thank you for your testimony.

SAMANTHA KNAUB: Thank you.

CLEMENTS: Next proponent. Good afternoon.

GLORIA ANDREWS: Good afternoon. My name is Gloria Andrews, G-l-o-r-i-a A-n-d-r-e-w-s. Thank you, Chairman Clements and members of the Appropriations Committee for this opportunity to express my support for LB736. This one-time appropriation of \$20 million will provide tremendous benefits to all nine of Nebraska's Community Action Agencies and the people they serve through specific facility improvement projects. I am a senior participant with the Eastern Nebraska Community Action Partnership, and I want to tell you what this program means to me and the different improvements that this

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would make. I found the Senior Wellness Program when a dear friend of mine mentioned she was participating in the program and asked me to come and check it out. I have been participating in the program for about a year. Some of the benefits I have derived from the Senior Wellness Program include making exercise a priority in my life. I am more conscious of eating fruits and vegetables and know more about how-- the part they play in my overall health. I make it a priority to include them in my daily food intake. The Senior Wellness Program administrators routinely provide information about the advantages of eating a well-balanced meal. Improving ENCAP's space would make it more accommodating to seniors by allowing us a safe space to spread out more during our exercise programs. We could also put greater emphasis on inviting others to join. We also would like to start other programs and activities, such as reading for enjoyment area. When we spend our time at ENCAP, we are making an investment. We are made to feel at home. I have made many new friends within this wonderful group of people. I believe seniors deserve a welcoming space and the opportunity to improve our health and build new relationships at ENCAP. On behalf of ENCAP and my Senior Wellness participants, please support LB736. This program keeps me very busy and mentally engaged. I truly enjoy my time spent at ENCAP with my peers and my Senior Wellness advisor, Cat Pitman. I am looking forward to continued growth with this group. Thank you for your time. I will do my best to answer any questions you have.

CLEMENTS: Are there questions? Seeing none. Thank you for your testimony.

GLORIA ANDREWS: Thank you.

CLEMENTS: Will the next proponent come forward?

JOSH MOENNING: Good afternoon, Chairman Clements, members of the committee. My name is Josh Moenning, J-o-s-h M-o-e-n-n-i-n-g, the mayor of the city of Norfolk, Nebraska. I support LB736 for the following reasons. As you've heard, the bill's one-time ask for \$20 million distributed across the state, that would benefit all nine Community Action Agencies to rehab or build facilities that will serve children, family-- families and the elderly with an array of services. Specifically for Norfolk and South Sioux City, the funding will support Northeast Nebraska Community Action Partnership, or NENCAP. NENCAP serves 14 counties across northeast Nebraska. LB736 aims to serve the unique needs of more than 6,000 low- and moderate-income

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persons yearly in Norfolk and South Sioux City. This bill will create a one-stop shop for social services and early childhood programs, saving \$100,000 of federal, \$100,000 of federal funds each year in rental cost and reinvesting those funds in programming instead. Norfolk is home to approximately 25,000 residents. Of those, 15 percent, or nearly 4,000 people, in Norfolk live in poverty. If you are under five years old, your chances of being in poverty in Norfolk increase dramatically to 24 percent. In certain areas within the city, the poverty rate is as high as 40 percent. These areas include both parts of town where NENCAP's current offices provide access to services for residents. All of the projects that will be supported by this bill will enhance infrastructure and support workforce across the state. Additionally, by investing in early childhood development and supporting families with young children, we can help to reduce poverty and increase workforce numbers. We're all well-aware of the childcare shortage across the state of Nebraska. When parents have access to high-quality childcare and early childhood programs, they're more likely to be able to work, which can lead to increased earnings and economic progression for families. By supporting families with young children, we can also help to break the cycle of poverty and strengthen communities statewide. Overall, LB736 is critical to ensure that the Community Action Agencies statewide can continue to provide much-needed services to the communities that they serve while also making strides towards reducing poverty and supporting the local economy. And I would just conclude by saying the Community Action Program in Norfolk plays a very critical role in helping-- help those who need help. These funds are a unique opportunity, in my opinion, to rehab and modernize facilities that badly need it. The staff works very hard, but they're limited by the-- they're, they're limited by the conditions of the-- their existing facilities. For these reasons, I support LB736 and encourage your support as well.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony.

JOSH MOENNING: Thank you.

CLEMENTS: Next proponent for LB736. Are there-- is there anyone in opposition? Seeing none. Is there anyone wishing to testify in the neutral capacity? Seeing none. Senator, you're welcome to close.

RAYBOULD: Yes. Thank you. I would like to take a, a moment of-- point of personal privilege, and I would ask Ms. Gloria and the rest of the

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seniors who came down from north Omaha to please stand and be recognized. I got an official T-shirt too. [APPLAUSE]. I just want to say it was really nice to get to know them. And they are all phenomenal quilters as well, so. And my mom was a quilter, so they have a very warm place in my heart. And I do want to say thank you. I know day in and day out, you get bombarded with requests for money and funding and for other requests. And I, I just have to emphasize that I have worked with nonprofits, you know, certainly for more than 12 years as an elected official. But before that, I was on the Community Health Endowment Board of Trustees and I was on the funding committee. And we look for these type of agencies that collaborate and cooperate, not only with all the partnerships and other agencies in their community they serve. They really try to leverage and maximize their dollars. They know how to stretch those dollars. But most importantly, they know how to serve the people in their community. They are in touch with the needs, and they are flexible and nimble enough to adapt to add to a feeding program if that's the need of the season or, really, as we all know-- and I know Mayor Moenning said this as well, that, you know, childcare, childcare, childcare. And to-- just to find childcare openings. And I am so excited that part of the projects selfishly are going to be in Lincoln to help increase our capacity to allow more parents to get back to work. And, you know, Senator Erdman, you raised a really good point. And then I did talk to my legislative aide. And when we met with Health and Human Services, they talked about having a contract laborer, temporary, short-term contract person to help facilitate with the fundings of the grant, but with the hope that, you know, the contract would, would expire. And those individuals, because they have-- made contacts in the state of Nebraska, hopefully they would be offered other positions, maybe not necessarily in Health and Human Services. So that was the goal, is, like, let's get a short-term, temporary contract to help facilitate and, and expedite this grant funding out to the agencies, so. But thank you all very much. And I didn't know if you have any other questions. I, I know that Tina would be happy to, to get Senator Armendariz additional information on each one of the projects. And I think there was another question about matching funds. But I think matching funds is-- it wasn't identified in the program, but I know that they can offer that back up to the committee to, to show that they are working with all their donor partners and collaborating with some of the other agencies that they would like to co-locate in these facilities.

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CLEMENTS: Very good. Questions? Senator Erdman.

ERDMAN: Thank you, Senator Clements. One last question. Could, could, could you answer the question about why we give-- we, we spend money in Iowa and Kansas?

RAYBOULD: And, and I couldn't answer that, except--

ERDMAN: Well, I mean, found out what the answer is--

RAYBOULD: Yes. Absolutely, Senator.

ERDMAN: Thank you.

RAYBOULD: We would be able to do that.

ERDMAN: All right.

RAYBOULD: OK.

CLEMENTS: If you would send that to our clerk, the clerk will distribute it to the committee.

TINA ROCKENBACH: Absolutely.

RAYBOULD: All right. Thank you all very much.

CLEMENTS: Thank you, Senator. We have ADA accommodation written testimony from Tanya Encalada Cruz regarding LB736. That's 1 proponent, 0 opponents, 0 neutral. And we have other position comments for the record: 68 proponents, 4 opponents, 0 in the neutral capacity. And that concludes the hearing for LB736. We now open the hearing for LB108.

McDONNELL: Thank you, Chairman Clements and members of the Appropriations Committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l. I represent Legislative District 5, south Omaha. I'm here today to open on LB108. Federally qualified health centers are commonly safety net clinics for Nebraska families with no insurance, minimal insurance or Medicaid or Medicare systems who need, need assis-- assistance-- assistance in physical and behavioral or dental care. They are organized under a federal law that establishes specific criteria each center must follow, including detailed reporting and clinical quality standards reports, and serve both rural and urban areas. Nebraska has seven federally qualified health

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centers. I have handed out a map of where they are located across our state. Each center also has satellite locations to increase access for Nebraska families. The last time the state of Nebraska increased funding for these critical clinics was in 2016 when Senator John Stinner, a new member of the Legislature at the time, introduced an appropriation bill because he knew the health center in his district located in Gering was in critical need to expand services. LB108 increases the state line item appropriations to the health centers for-- by \$5 million over the biennium, with half the dollars focused on expanding behavioral health services and distributed evenly between the health centers and the other half focused on expanding access overall and distribution based on the number of uninsured patients served the previous year. This is an ongoing General Fund appropriation. Additionally, LB108 sets up a one-time \$15 million innovation grant program for health centers administered by the Department of Health and Human Services focused on capital improvements, workforce or development of career programs. These grants would be awarded by June 30, 2026. The bill currently has the one-time appropriation coming from the Health Care Cash Fund. I see someone in the crowd is happy with my, my bill so far. These health centers did not receive ARPA dollars last year. My goal with this legislation is to recognize the critical role and economic impact they have in our communities and reiterate why it's important for the state of Nebraska to invest in their services. I have three people here to testify. And I'm here to answer any of your questions. And I will definitely be here to close.

CLEMENTS: Are there questions from the committee? Seeing none.

McDONNELL: Thank you.

CLEMENTS: We welcome the first proponent.

KATHY NORDBY: Oh, sorry. My bad.

CLEMENTS: Good afternoon.

KATHY NORDBY: Good afternoon. Thank you for hosting us, Chairman Clements and members of the Appropriations Committee. My name is Kathy Nordby, K-a-t-h-y N-o-r-d-b-y. And I'm here as the CEO of Midtown Health Center located in Norfolk. I am here today on behalf of all the health center associations in Nebraska and the seven federally qualified health centers in strong support of LB108. I'd like to thank

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Senator McDonnell for introducing the bill and this important legislation it contains. Federally qualified health centers, also known as community health centers, last year served 116,000 patients in 80 different locations across the state. All of the health centers provide integrated medical, dental and behavioral health services as well as access to pharmacy and support services like translation, transportation and assistance in enrolling in medical programs and other economic assistance for the-- for their-- for their patients. Nearly, nearly all of our patients are less than 200 percent of the federal poverty level. And those who are uninsured or underinsured paid on a-- pay their, their-- for their care on a sliding fee scale according to their ability. We never turn patients away because of their lack of insurance or ability to pay. We are the primary care safety net for Nebraska. Nebraska health centers have experienced a 49 percent increase in the, in the number of patients we served over the last few years. That rate is double the national average. This rapid exam-- expansion has resulted in nearly doubling the health center workforce and the expansion of our economic impact to \$242 million annually to the state. Even with such rapid growth, there remains critical shortage areas to access for primary care in underserved areas and populations. While we know things like insurance and in-- income can impact access to care, geography plays a large part as well. Our rural communities are struggling to provide care that is accessible and affordable. LB108 contains two primary components. First, an increase to the annual state appropriation to health centers. The additional appropriation is focused on behavioral health services across the state. Over the last five years, health centers have experienced a, an-- this is hard for me to say-- a 120 percent increase in our behavioral health encounters. 120 percent increase. The need for access to behavioral health has only increased in a post-COVID world. At Midtown Health Center, we currently provide behavioral health services at each of our clinic locations, but have also been invited into school-- 10 different schools in the communities of Madison and Norfolk, where we bride-- provide behavioral health services. If we had additional funds, we would be expanding at those schools at the request of the schools. And we have requests waiting for-- at, at two or three additional schools that are nearby that we aren't able to serve at this time. The second part of LB108 is a one-time \$15 million innovation fund that will export-- support the expansion of health centers in Nebraska with both capital and workforce recruitment and retention strategies. Modeled after, after a successful program in Texas, this fund would provide a grant

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through the health-- through which health centers would access funding for their most immediate needs. At Midtown, this includes expanding our footprint in Norfolk and increasing-- and looking to increasing our capacity in our O'Neill and potentially either Wakefield or Wayne. Addit-- in addition to capital construction, LB108 allows for the innovation fund dollars that-- used to support recruiting and retaining workforce. Inflation and soar-- soaring workforce costs have made retaining and recruiting generations of workers more difficult, especially in rural communities. In order to address workforce shortages, health centers are developing innovative models to train staff where they, where they work. We have opened a medical cent-- assistant apprenticeships program. I've benefited by having two graduates already, with two more on their way. As a state, we've had 20 graduate, with another 37 starting their program. It's an exciting way to respond to the healthcare shortages, not only for us but for the community as a whole. In Texas, the Health Center Incuba-- Incubator Program resulted in a 65 percent increase in the number of patients that health centers were able to serve in just six years. And ec-- the economic impact analysis is attached to my document, so I won't belabor that here. You can look at that. But I would take this-- a moment to close and say thank you for your attention. And I would welcome any opportunity to answer questions.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony. Next proponent.

TAMI SMITH: Good afternoon.

CLEMENTS: Good afternoon. Yes.

TAMI SMITH: Chairman Clements and members of the committee. My name is Tami Smith, T-a-m-i S-m-i-t-h. I am the CEO at Heartland Health Center, located in Grand Island, and a satellite clinic in Ravenna. I am here today in strong support of LB108 and would like to echo my thanks to Senator McDonnell for introducing this important legislation. Heartland Health Center is the newest health center in the state. We were established in 2014. That first year, we saw 841 patients. And last year, we served, served 7,300 patients. In addition to our main clinic in Grand Island, we have our satellite clinic in Ravenna, where we provide medical and behavioral health services and provide behavioral health services in three schools in the Grand Island district and are currently in the process of providing school-based services in 10 Title I schools in Grand Island, offering

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medical, dental and behavioral health. My colleague provided a good overview of LB108. I would like to tell you how this funding will directly impact individuals in central and western Nebraska. If you look at the map attached to my testimony, the pink represent all the counties where Heartland patients are located. Traveling west, the next closest health center is Community Action Health Center, located in Gering, and reflected in purple on the map. Over 300 miles separate our two health centers. And you can see the patients in between our two facilities are traveling great distance-- as much as four hours roundtrip-- to access healthcare. Because most of our patients are low-income, transportation barriers are common and only make that four-hour roundtrip even more difficult. LB108 can help us fix that. At Heartland Health Center, we are working closely with community leaders in both Hastings and North Platte to address the lack of access to care in their communities. Since Heartland first opened its doors, we have been working on expanding that access to Hastings. The attached letter from Deb Ross, executive director of Head Start in Hastings, speaks to the history and need to expand into Hastings. In 2019, we applied for federal grant dollars to support expanding to Hastings. Over 500 applications were submitted by health centers across the count-- country. But because of the limited funding, only 75 were funded. That was the last time federal dollars for health center expansion were available, and we don't anticipate any funding to be available any time soon. We have a potential clinic site location in Hastings identified. We simply need to put the final funding package together to make it reality. LB108 would provide a critical piece of the funding package. In North Platte, we have been in regular communication with Great Plains on bringing health center services to the community. A letter of support from Ivan Mitchell, Great Plains' CEO, is attached to my testimony. North Platte is currently facing a crisis in access to dental services for Medicaid and, and uninsured individuals. We are conducting an analysis to determine the depth and breadth of services needed in North Platte and are planning a meeting in North Platte to meet with community leaders and discuss expansion to the community. We are often asked about the role that charity care programs at hospitals and hospital-owned primary care practices play in improving access to care. Those programs play an important role in supporting patients who cannot afford their medical bills. For uninsured patients, those charity programs are the only way they can access specialty care services. What makes the care at health centers unique is that our programs are tailored to the communities we serve. Our staff is reflected of the

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demographics of our patient population, and many are bilingual. Well, we are-- while we all provide the same services at-- each health center tailors those programs to the patients that we serve. For example, Charles Drew Health Center has a medical respite program to support unhoused patients who are too sick to return to the streets or shelter but can no longer stay in the hospital. Community Action Health Center has a migrant health program to support migrant farmers in their community. And at help-- Heartland, we've worked closely with local packing plants to ensure that their workers have access to healthcare. For patients who have been historically marginalized and underserved, health centers represent a safe space where they can reach-- receive care. LB108 can help Heartland Health Center address immediate opportunities to expand healthcare access in rural Nebraska. We can close the gap in services in central and western Nebraska. I want to thank you at this time for the opportunity. I would be happy to answer any questions you may have for me.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony.

TAMI SMITH: Thank you.

CLEMENTS: Next proponent, please. Good afternoon.

ANDREA SKOLKIN: Good afternoon, Chairman Clements and members of the committee. My name is Andrea Skolkin, A-n-d-r-e-a S-k-o-l-k-i-n. And I am the CEO of OneWorld Community Health Centers, located in Omaha. And I am also here on behalf of the Health Center Association of Nebraska in support of LB108. OneWorld Community Health Center serves over 50,000 patients through 21 different locations in Omaha, Bellevue and Plattsmouth. Since our beginnings as a volunteer-run and free clinic, we have always championed compassionate healthcare for all regardless of insurance status or ability to pay. And we are the only primary care clinic in our area with a majority bilingual and bicultural staff. And we offer, as all health centers do, integrated medical, dental, behavioral health, pharmacy with affordable medications and support services under one roof. You've heard my colleagues talk about the need to expand quality primary care and the health center footprint in Nebraska. I'd like to speak to the request to increase the line item dedicated to Nebraska FQHC appropriations in the state budget. Since 2015, Nebraska's health centers, as you heard before, experienced just about a 50 percent increase in our patient population, growing from 76,000 to 116,000 in 2022. At the same time,

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the rate of uninsured patients seen at our health centers is consistently one of the highest in the nation. Even with Medicaid expansion, Nebraska health centers continue to experience a disproportionately high number of uninsured. The state funding we receive for uninsured patients is critical to fill that gap, but it hasn't kept up with the workforce needs and inflation and our operating expenses. LB108 addresses that need by appropriating additional dollars to care for the uninsured. We are also seeing an alarming increase in the need for behavioral services. Individuals with lower incomes are two times more likely to struggle with mental illness than those that have more resources. The stress of struggling to make ends meet leads to higher incidences of illnesses such as depression and anxiety. Moreover, research shows that the linkages are cyclical. Poverty leads to higher incidences of mental illness, and it is more difficult to pull oneself out of poverty when suffering with mental illness, and so the cycle continues. Last year, nearly 1 in 4 of our health center patient visits included some sort of mental health or substance use diagnosis. Because we offer a fully integrated care model, a patient who comes in for a medical or dental appointment and demonstrates the need for behavioral services can be seen that same day by a therapist without having to leave either the exam area or the clinic. One recent example was a mother of three children that came in for wellness visits for their children. One of the children was a teenager who expressed to the pediatrician social isolation, bullying behavior by others toward the child at the school and on social media. Upon completion of the wellness exam, the pediatrician was able to meet with the therapist, and they came up together with a plan. These stories happen every day in our clinics, and we simply don't have enough therapists to address the needs coming forward. So many of our patients will not go somewhere else either because of transportation, the stigma or no appointments available by other counselors or counseling centers and the fear of cost. Some of our patients also have dual or complicated diagnoses that our primary care providers are supporting as best they can with medications, but they need extra support from therapists. It's imperative that, as a state, we look at providing healthcare in new and innovative models and ensure those models create a healthcare system that's accessible to all. Investing in access to primary and behavioral healthcare is transformational in our state and has long-term impacts. We urge your support of LB108. And also, I'm here to answer questions.

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CLEMENTS: Thank you. Are there questions from the committee? Seeing none. Thank you for your testimony. Are there additional proponents for LB108? Seeing none. Is anyone here in opposition? Seeing none. Anyone here in the neutral capacity? Seeing none. Senator, you may close.

McDONNELL: Just quickly wanted to thank people that came here to testify and the work they do throughout our state. And I'm here to answer any questions.

CLEMENTS: Any questions?

McDONNELL: Thank you.

CLEMENTS: Thank you. And regarding LB108, we have position comments for the record: 11 proponents, 4 opponents, 0 in the neutral. That concludes the hearing for LB108. We will now open the hearing for LB114. Senator Vargas.

VARGAS: You said LB114, right?

CLEMENTS: Yeah.

VARGAS: OK. Good.

CLEMENTS: For LB114.

VARGAS: A couple things. Good afternoon, Chairman Clements and members of the Appropriations Committee. My name is Senator Tony Vargas, T-o-n-y V-a-r-g-a-s. Today, I'm presenting LB114, a bill to increase funding for evidence-based early intervention home visiting programs in our state. One, what is home visiting? Home visiting is an evidence-based service that supports the health and well-being of families with young children. It is voluntary, free for families and cost-effective, and the funding from the state is utilized for a specific home visitation model with remarkable outcomes called Healthy Families America, or HFA. Healthy Families America supports pregnant women and mothers with their children up to the age of three by pairing them with a trained professional who can tailor the program to meet the family's specific need. Home visitors form trusting relationships with mothers and families to help them reach their goals in child development, family health, parent-child relationship, school readiness and more during a critical and often isolating time for families. Now, outcomes associated with home visiting participants

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include that they are more likely to be enrolled in school and more likely to be employed, more likely to access prenatal care, have fewer CPS reports or calls to hotlines, and are less likely to need emergency medical care, are more likely to start breastfeeding and to breastfeed longer. They engage in more positive parenting techniques, such as more reading time between parents and children compared with families not enrolled in home visiting. Outcomes associated with children enrolled in home visiting programs include that they have improved early language and cognitive development, have greater math and reading achievement in elementary school, have reduced absentee rates and suspensions compared with children not enrolling in home visiting. Now, home visiting has a long history in Nebraska. In fact, if you speak with our public health departments, they were conducting home visits for new mothers decades ago-- a practice that was lost in an era of budget cuts. The first legislative effort in the Unicameral was in 2007, when Senator Gwen Howard was able to include an allocation of \$600,000 for nurse home visiting services in the budget. The line item-- or, this line item was then modified in 2013 to expand the definition of nurse home visiting to evidence-based home visitation and increased that at the time to \$1.1 million. It has not been increased or modified since then. And the \$1.1 million is included in the Governor's budget. In Nebraska, as in every state in the country, the backbone of our funding for home visiting is through the Maternal, Infant, and Early Childhood Home Visitation Act, or pronounced Mick-vee. MIECHV is a federal program that began in 2010. It has to be reauthorized every five years. In the recent reauthorization of MIECHV, this base amount of funding for home visiting was increased to \$1.7 million. And just as a note, this has broad support, bipartisan support, MIECHV, this reauthorization and was notably co-sponsored by our own Representative Adrian Smith. Now, with the increase to \$1.7 for the federal allocation, with our current \$1.1 million becoming the maintenance of effort-- and I think you might remember that term because we had it with another program that if we increase our funding-- if we go below our funding, we would lose federal funding match. Basically means we cannot go below the amount without losing funds from our baseline. The MIECHV authorization-- or, reauthorization bill also created a new opportunity for states to receive these additional funds for home visiting at a 25/75 percent matching rate that is capped annually. LB114 is asking for a \$900,000 increase to this specific line item-- oh, little ones-- to maximize this federal matching opportunity over the next five years. Of note, the MIECHV Program is currently housed in the DHHS Division of Public

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Health, but it is partnering with the Division of Children and Family Services to utilize additional resources from the TANF rainy day fund and the Families First Prevention Services Act to expand access to home visiting because of its success in preventing removals and calls to the hotline, whereby saving the state money in our child welfare system by preventing families from beginning court-involved in the first place. A word about the fiscal note. As we were drafting LB114, our original intention was always only to increase the existing \$1.1 million allocation in this line item by \$900,000, to bring it up to \$2 million total. The fiscal note indicates that the bill would bring the allocation to \$3.1 million. That is not our intention. So, just for the record and for my colleagues. I'd also note that in order to draw down the new matching MIECHV funds dollars, we can only use new nonfederal dollars for this purpose. So for those of you that were saying, why can't we use TANF? We can't use TANF rainy day funds to meet the matching requirement because those are federal funds. Finally, I would note that the amounts are just estimates at this time since the law reauthorizing MIECHV Program is so new. However, we don't anticipate that this will dramatically be different from what we were presented in the fiscal note. In closing, one of the things I want to be able to mention here is-- I think you've heard from me in the past. We tend to bring bills that are close to us for many different reasons. You know, it has dawned upon me-- and I think maybe other than Senator McDonnell, I'm one of the few senators that have kids under the age of five that have served on this committee. And during this time, I've had little ones. I've worked on a lot of things that have to do with teenage pregnancy in my first year in terms of bills. I've worked on maternal and child health because of my, my own wife's experience with eclampsia-- bless you, Senator Lippincott-- and seeing what has happened within the, the healthcare system. Actually, Methodist was my healthcare system for my wife-- and seeing what we had in terms of care and support and what I know is very difficult for individuals. But we're also-- are looking to what can we do in terms of programs that were working within this early intervention space from sort of prenatal to three or prenatal to five-- early times for young, developing families and for parents and for little ones. This is a way that we can address workforce, economic concerns, making sure people are developing and families are developing adequately at early ages. So that's the reason why I introduced this bill. I always try to make a comment as to my connection to something, and that's, that's my connection to this. And it's, I guess, appropriate we have a little one in the room. That's why I was reacting to that. But I just

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appreciate you for having this hearing. You will be hearing from individuals talking about the effectiveness of this program. And again, for the record, this is an existing program. We, we know it works. This would be leveraging federal funds that are already part of a reauthorization. And this is something that has been supported by one of our members of Congress and co-sponsored. And I want to make sure that we do our part so we can best leverage those federal funds with the MIECHV reauthorization. With that, I'm happy to answer any questions. You will hear from people behind me that will be able to answer some of these in real time on what these services look like.

CLEMENTS: Are there questions from the committee? Seeing none.

VARGAS: Thank you.

CLEMENTS: We welcome the first proponent. Good afternoon.

DUSTI STORM: Good afternoon, Chairman Clements and members of the Appropriation Committee. My name is Dusti Storm, D-u-s-t-i S-t-o-r-m. And I am the health services and deputy director for Northeast Nebraska Community Mission Partnership. We cover-- we do call that NENCAP for short. So if you hear me say NENCAP. Our agency covers 14 counties in northeast corner of Nebraska, including Senator Dover's district. I provide direct oversight for our NENCAP Healthy Families home visitation program. We have been accredited with the National Healthy Families America Program since 2017, and providing home visitation services for the last 16 years. We were one of the pilot sites under the initial home visitation program early on that senator referred to before. Research shows that children's experiences in the first five years of life greatly affect how their brain physically develops and the quality of how children interact with the world. Evidence-based home visiting programs offer support for pregnant or parenting families of children birth to age five who may struggle with significant life stressors such as poverty, exposure to violence or substance abuse, teen parenting or military families with one or both parents in the service. We are strengths-based and family-centered. We maintain best practice standards. We collect dat-- data and continuously use that information to make sure the program works in just the right way for each family. The strong connections and resources and individually tailored for the unique needs of the individuals are very important. The Families First Prevention Services Act was passed in 2018. Senator Vargas alluded to that earlier. We are one of those programs that works with Department of Health and Human

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Services, Children and Families Services staff to serve those families. Healthy Families is a free, voluntary program available to those who are currently pregnant, have a young infant or if the family is involved with Department of Health and Human Services. There are no income or citizenship requirements. And because of the voluntary nature of the program, families may choose to end participation at any time. NENCAP Healthy Families has a diverse population. Currently, enrolled primary participants have identified as 35 percent white, 51 percent Hispanic, 6 percent African-American, 4 percent American Indian, 2 percent Asian and 2 percent multiracial. Healthy Families--my program specifically employs eight staff that are advocates, and three of those are bilingual in Spanish and English. We do utilize interpreters from the community and the Language Link as we need to and as necessary to serve the families in languages other than English and Spanish. Evidence-based home visiting is a preventative health measure. What can it do? It can reduce child maltreatment, abuse or neglect, domestic violence, or the perpetuating cycle of domestic violence, parental use of drugs, alcohol, emergency room visits. And it can increase successful breastfeeding practices, well-child visits, proper immunization schedules, knowledge of child development, physical, mental and emotional health of the family. We've heard a lot about mental health recently. And we target parental understanding of bonding and ability to support and nurture physically, emotionally and mentally your child. Some examples. At the suggestion of the Healthy Families advocate, the parent of a two-and-a-half-year-old shared her concerns about her son's speech with the child's pediatrician. The child was referred to a speech therapy program. Mom also agreed to an evaluation by the Early Development Network. And that child has been receiving services for speech and some behavioral concerns as well. Another participating family had some issues during the fall, resulting in the four children being placed into foster care. The Healthy Families advocate has remained steadfast in providing services and helping the parent make the necessary changes to get her kids back home. During this time, the advocate has observed positive changes. And when the advocate told the parent how proud she was of her parent's efforts, the parent replied that she was able to do these things "because you are teaching me and you have not left me." We believe each family is unique, parents are their children's first and most important teachers, the home is a wonderful learning environment and each family has valuable strengths. In closing, we know that babies do not come with instruction manuals, that active evidence-based programs across the state are able to provide parents

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the tools they need to be a successful parent and raise children who are stable and developmentally on track to become productive community members in their futures. Thank you very much for allowing me to speak today. I would be happy to take any questions.

CLEMENTS: Thank you. Are there questions from the committee? Seeing none.

DUSTI STORM: Thank you.

CLEMENTS: Thank you for your testimony. Next proponent. Welcome.

JAZMIN AGUILAR: Thank you. Good afternoon. My name is Jazmin, J-a-z-m-i-n. And my last name is Aguilar, A-g-u-i-l-a-r. I'm a public health nurse at the Visiting Nurse Association in Omaha. I'm also a home visitor in our evidence-based home visitation program, Healthy Families America. Our program serves moms who are pregnant until their child turns three years old. Many of our families experience significant economic and social barriers that impact their mental health, parenting efficacy and ability to navigate community resources. As a public health nurse, I meet with moms to identify their needs, ensure their child's safety and, and well-being and ultimately support them in developing a strong attachment with their child. It is my hope that by the time moms graduate from our service, they feel empowered and confident in their role as a parent. Today, I would like to share a story about one specific mom, Laura, and the impact of home visitation on this mom's mental health, relationship with her child and overall family stability. When Laura decided to enroll in Healthy Families America, she was a single mom with two children, and she was pregnant with a third child. She like-- lacked a support system and was struggling financially. Laura shared she grew up in poverty and experienced a traumatic childhood. She knew she wanted to parent-- raise her children differently than how she was raised, and she was hoping that home visitation would help her achieve that goal. One of my tasks as a home visitor is to identify risk factors in the home that could impact mental health or infant well-being. During one of our visits, I completed a routine depression screening, which was abnormally high. Laura told me about her feelings and eventually disclosed that she was having suicidal ideation. She said that even though she told her family, she felt that nobody understood her. Desperately, Mom asked for my help to stop the suicidal thoughts. Laura told me, "My children are the reason I want to live." I immediately helped Laura complete a safety plan that

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identified concrete steps to take when she experienced suicidal thoughts. Laura knew she wanted to be there for her children, but she did not even know where to start. I provided her with the suicide prevention hot [SIC] number and referred her to a mental health therapist. After our visit, I followed up with Laura to ensure she scheduled her first therapy appointment. During subsequent visits, I continued to screen Mom for depression and suicidal thoughts. Laura shared her doctor's recommendation, that she was afraid to take antidepressants, stating, "I don't want to become addicted." I provided Laura with ongoing education and support and praised her as she remained consistent with individual therapy. Over time, I began to see changes in Laura's mood and behavior, and I noticed she was becoming more confident in her role as a parent, and she was more attentive to, to her infant's needs. As I continued to work with Laura, we were able to expand our focus to discuss Laura's personal goals. Laura shared she was struggling with discipline-- disciplining her children. She did not want to use physical punishment, but she did not know any other way. I used our curriculum to help Laura identify her own values and ways she would like to parent differently than the way she was raised. By using curriculums, videos, role-playing, I taught Laura how to implement safe, evidence-based discipline strategies. Laura shared that she was proud of herself for parenting differently than her own parents. Laura now has been in the program for two years. Since her enrollment, she is a happier, more stable mom. Laura has started working full-time. She is increasingly independent when trying to access community resources. She look-- Laura looks forward to her visits and learning about child development. She feels comfortable sharing any questions or concerns. And I have seen a major shift in the way she parents her children throughout the past two years. Early in the program, Laura shared that she never played with her older children. But after learning about the importance of play and its effects on-- and its effects on child development, she engages in playtime and reading time with her children. During the visits, Laura constantly praises her, her children and is empathetic toward her-- their needs and emotions. Laura's child is reaching all his milestones on time and is a healthy, energetic boy. Laura's story represents the impact that home visitation has on so many of the families I work with. Thank you for your time today. Please consider advancing LB114. Home visitation programs like ours provide Nebraska families with the support and

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services they need to raise children who are safe, healthy, happy and loved.

CLEMENTS: Thank you. Are there questions from the committee? Seeing none. Thank you for your testimony. Next proponent. Good afternoon.

KIMBERLY MORENO: Good afternoon. Thank you, Chairperson Clements and the Appropriation Committee. My name is Kimberly Moreno, spelled K-i-m-b-e-r-l-y M-o-r-e-n-o. I am here today as a parent in support of LB114. I will be sharing my personal experience receiving home visiting services. My spouse and I have a one-year-old daughter who we have adopted. We found out about Healthy Families when we went into our first WIC appointment. While we were there, a family support specialist from Healthy Families was there presenting about the program. She took our information and said someone would be in contact with us. At first, we were very skeptical. We thought this program was a state-based program, and we felt that it was for the state to tell us how to be parents and to watch us. We did our research, but we couldn't find much. After some discussion, we decided to give it a try, and we didn't feel it would be appropriate-- if we didn't feel it was appropriate for us, we would tell them "no." Due to COVID, our first few visits were on Zoom. We didn't really get a feel for those first few visits, but we stuck it out. Once our home visitor was able to come to our house, she came in with activities in a blue binder. At that time, our daughter had just turned one month old. She participated in her first painting activity. It was her feet in paint. We made into a Valentine's Day-- made it into a heart for Valentine's Day, an activity we'll forever cherish. Once our home visitor left from her first home visit, we thought this wasn't what we thought at all. We looked through the binder that she had brought and found, as parents, we could use these tools and knowledge to help us get through these first stages as first-time parents. When our home visitor comes, we go over milestones, we do an activity, and we go over how parenting is going and then we go over tools that can help us as parents to help our daughter learn and grow. These home visits have helped us grow as parents. Whether it be about parenting, milestones, delays or just to talk to another adult, our home visitor is someone we can always turn to. Our daughter has grown to love our home visitor. And when we say her name, she waits for her by the door. And when she leaves, she waves bye and blows kisses and will stand at the window or door until she can't see her vehicle anymore. We would love to see this bill

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advance so more families across our state can learn and receive home visits. Thank you for allowing me to testify today.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony.

KIMBERLY MORENO: Thank you.

CLEMENTS: Next proponent, please.

KELLY CRANE: Good afternoon, Chairperson Clements and the Appropriations Committee. My name is Kelly Crane, K-e-l-l-y C-r-a-n-e. And I am the state policy specialist from Prevent Child Abuse America. Prevent Child Abuse America is the nation's oldest and largest organization dedicated to the prevention of child abuse and neglect. And Healthy Families America is our signature home visiting model, with nearly 600 sites across the nation. And I'm honored to testify before you all, along with my Nebraska partners. I'm here to ask you for your support for increasing funding for home visiting, and specifically share how these increased funds can be maximized through the opportunities under the newly reauthorized Maternal and Infant-- Maternal, Infant, and Early Childhood Home Visiting Program, or MIECHV. MIECHV supports evidence-based early childhood home visiting across the country. And Healthy Families America, which you've learned about from my fellow panelists, is one of the models that meets the evidence requirements for support from MIECHV. So the MIECHV Program, as you heard, was just reauthorized by Congress in December of 2022 through the Jackie Walorski Maternal and Child Home Visiting Reauthorization Act. The program has a long history of bipartisan support, which was no different in this reauthorization process. The bill was carefully crafted by members of Congress working across the aisle, and your own congressman, Adrian Smith, helped lead the effort. Prior to the bill going to the House floor, Representative Smith testified, saying, "Unlike most federal social welfare programs, we know what outcomes taxpayers can expect from our investments in MIECHV because funding is only provided for models and interventions that have proven results." He went on to say, "MIECHV is fact-based and evidence-based, and I think it's a model for other parts of our government." We actually had the pleasure of meeting with Representative Smith and the Healthy Families Panhandle program during the reauthorization process. His understanding and his support of the work was evident, and we're grateful for his leadership. The bill passed the House with an overwhelming bipartisan vote: 390 yeas, 26

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nays. And all three Nebraska representatives voted yes, and it ultimately became law. The reauthorization made important changes to the program, including creating a new funding formula for states. And as you heard, it's estimated that the new formula will increase Nebraska's base grant through MIECHV from \$1.2 million to \$1.7 million. And it also created a new federal-state match structure. The match was spearheaded by Congressional Republicans to provide an opportunity for states that want to invest in these valuable services for families and children. The proposed funding increases in LB114 would ensure that Nebraska can maximize and leverage this new federal opportunity. The federal match-- federal-state match begins in federal fiscal year 2020-- 2024. Sorry. States will have access to the federal match funding with a 25 percent state match. So for every \$1 that a state invests, \$3-- there will be \$3 of federal contribution. The amount of federal funding available for match will gradually increase over the four years. So by federal fiscal year '27, if Nebraska can meet the maximum state match, estimated to be around \$870,000, the state could leverage approximately \$2.6 million more in federal funding. The state match must exceed the established maintenance of effort that, like the match, was developed to be advantageous to states. Maintenance of efforts will be established based on nonfederal MIECHV-eligible spending by the MIECHV lead agency. So for Nebraska, for Nebraska, it's estimated that the maintenance of effort will be \$1.1 million, which is currently included in the Governor's budget. This opportunity provided to Nebraska through the recent MIECHV reauthorization will have a positive impact on children, families and communities throughout your state. Healthy Families America, or HFA, is one of these home visiting programs supported by these funds. It strengthens parent-child relationships, it promotes healthy child development and it engages family well-being-- enhances family well-being. As you heard, HFA achieves outcomes that benefit families, children and communities. For example, there has been rigorous studies that show that HFA results in fewer low-birth weight babies, reduction in the recurrence of maltreatment, reduction of special education services for children. And in addition, fewer HFA families are homeless, and HFA moms have increased participation in education and training. I commend your effort to expand evidence-based home visiting in Nebraska to reach more families and children. The dedicated early investments for parents of young children will pay off throughout families' lifetimes and will benefit families in Nebraska. Thank you

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once again for your time and your commitment and your attention. And I look forward to any questions.

CLEMENTS: Are there questions from the committee? Seeing none. Thank you for your testimony.

KELLY CRANE: Thank you.

CLEMENTS: Next proponent, please.

SARA HOWARD: OK. I'm the last one. OK.

CLEMENTS: Welcome.

SARA HOWARD: Good afternoon. Thank you for having me. OK. My name is Sara Howard, spelled S-a-r-a H-o-w-a-r-d. And I am a policy advisor at First Five Nebraska. First Five Nebraska is a statewide public policy organization focused on promoting quality care and early learning opportunities for Nebraska's youngest children. My position at First Five is focused on the area of maternal and infant health policy because we know that healthy moms and babies are critical to ensuring the long-term success of children in our state. And I'm here to testify on LB114. First, I want to thank Senator Vargas for his interest in home visiting in the state of Nebraska as well as Senator DeBoer, who sponsored LR367 on the subject during the 2022 interim. So-- you know, I'll go off-script because I think you've heard a lot about how home visiting works and how it has got a lot of fans across the state. What I want to give you some perspective on is some of the statutory history. Thank you, Malcolm. So in 2007, the first home visiting bill was introduced in the Legislature. It was actually introduced in this committee. And I'm speaking to Senator Lippincott only because you don't know a little bit about my history. So it was actually introduced by my mom. Prior to my mom serving in the Legislature, she was a social worker for 34 years-- so a frontline worker for the state of Nebraska. She got really fed up with the way the state was treating kids in their care and custody, decided to run for office, was a little bit of a rabble-rouser. And so when she was here, she was really focused on, how do we craft policy to prevent kids from ever getting into the child welfare system? We know that the system is broken. Is there a way to sort of stop that at, at the front end? And at the time, home visiting was, was still sort of building up its evidence base. And so what she did was she was able to get a line item in the budget in 2007 with LB55. That was \$600,000 for nurse home

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visiting programs. And so there were two programs, and they were exclusively home visiting programs for nurses. And the reason why she liked this-- Senator Erdman, you're back-- the reason why she liked that was because people won't open the door to a social worker, but they will open the door for a nurse. They will open a door for a trusted person who isn't going to take their kids away. So that was why my mom was hyper focused on home visiting. When I first got to the Legislature, my first year was in 2013, and that funding hadn't been changed. Between Mom introducing the bill in 2007, me introducing a bill in 2013, the federal government passed the Maternal, Infant, and Early Childhood Home Visiting Program, or MIECHV, that you've heard about, in 2009. Nebraska first accepted those funds and started implementing programs in 2011. Every state in the country has accepted MIECHV funds because they're slightly different than other funds in the sense that we always got a baseline amount of home visiting funds. There was no match. There was nothing that we needed to do. 20 percent of that baseline could be used for administrative purposes. However, by the time I got here, we were implementing MIECHV, but the, the line item still said "nurse home visiting." And so I introduced a, a change to that line item that said we're going to make it "evidence-based home visiting." And at that point, the Legislature chose to increase it to \$1.1 million. So they went from \$600,000 to \$1.1 million. And they expanded it from "nurse home visiting" to "evidence-based home visiting." That meant that other models were eligible for this type of support. MIECHV has changed, and it changed in December. Previously, with every previous reauthorization, there was a baseline amount. The state was always going to get their \$1.2 million, and then we were going to also kick in our \$1.1 million general funds. In this new reauthorization-- and it was really something that Congressional Republicans wanted to see in the MIECHV reauthorization. They wanted to see states have some skin in the game. You're not just taking this money. You're going to, to also kick in your own amount. So the General Fund appropriation that is already in the Governor's budget-- page 50 of LB814. You can look at it. It's lines 25 through 29 if you're curious. So the Governor has already sort of acknowledged that that \$1.1 million that has become maintenance of effort under the new MIECHV, that's something that we absolutely have to do. What you're being asked to consider is an additional \$900,000. Because in the new MIECHV, there's a matching opportunity. 25 percent of new dollars, new nonfederal dollars-- because I did get the question, should we use rainy day funds for this? Those are federal dollars. They would be ineligible, new nonfederal dollars to draw down a 75 percent match.

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It's capped annually. So in 2024, we would want to-- we would need 25-- our 25 percent would be about \$250,000, and we would draw down \$750,000. So home visiting could grow by, in total, \$1 million in 2024. The reason why we're asking for the \$900,000 is because it's very likely that we won't touch this line item again. You take it up to \$2 million, it'll be another 10 years. It'll be another Erdman, right? It was Phil Erdman the first time we voted for it. Hopefully it will be Steve the second time. And you probably won't hear about home visiting for another 10 years. So that is my light. I want to honor your time. I'm happy to answer any questions. I did tell you earlier if I spoke with you in the rotunda, all of your hard questions are, are-- I'm eligible for them. I'm happy to make my best attempt at answering them.

CLEMENTS: Senator Dorn.

DORN: Thank you, Senator Clements. And thank you, former Senator Howard, for being here. I, I guess I have some questions about that last part. You just made a comment there that-- the bill was only asking for \$900,000. I guess I-- and maybe Senator Vargas would have to explain it too. But the fiscal note shows \$2 million.

SARA HOWARD: Yes.

DORN: So, explain the difference in that and why-- I, I think you, you must have the \$1.1 million there from before and then \$900,000 there.

SARA HOWARD: That's exactly what happened. So when we were first drafting this, because the budget doesn't exist-- you know, the line item has been in every budget every other year. You, you voted for it. You voted for it. If you voted for the budget, you voted for this line item in the past. When we were working with drafters, they said becau-- even though the line item already exists in the budget and we'll probably see it in the Governor's budget, we're going to treat this like a completely new line item. So that's why the bill itself looks like \$2 million, but it, it should be just the \$900,000.

DORN: But we're still going to-- we, we still have to reappropriate or add back in the \$1.1 million.

SARA HOWARD: Yes.

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DORN: So I can see where the thought process would be why \$2 million. But that's-- but-- a new, new funding-- the \$1.1 has been a carry-- a funding that has been going on for years. The \$900,000 is new.

SARA HOWARD: Is new.

DORN: Thank you.

CLEMENTS: Are there-- Senator Erdman.

ERDMAN: Thank you, Senator Clements. Thank you for coming, Senator Howard.

SARA HOWARD: Thank you for having me.

ERDMAN: So the fiscal note doesn't say that.

SARA HOWARD: Right.

ERDMAN: The fiscal note says this bill would increase appropriations by \$2 million annually for a total of \$3.1 million annually.

SARA HOWARD: Yeah. And I think there was some confusion maybe between drafters and, and maybe the fiscal office. But the intention-- and I'm certain that you can, you can sort of work that out as you work out what the budget will look like-- but the intention is just the \$900,000.

ERDMAN: OK. Thank you.

SARA HOWARD: Thank you.

CLEMENTS: Are there questions? I am not sure what evidence-based means. Can you elaborate on that?

SARA HOWARD: You know, that is an excellent question. I brought Kelly here from another state for-- to answer evidence-based questions. So I will get you-- there-- so there are multiple models of home visiting that are actually occurring in the state. The only model that is funded by these funds and this line item is a, is a model called Healthy Families America. They have-- it has a very robust evidence base. And so I will send you all the academic research on Healthy Families America and its outcomes.

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CLEMENTS: I waited for you to ask that question.

SARA HOWARD: I, I know. I, I told you to ask me the hard questions. You gave it to me. I created this problem for myself, Senator.

CLEMENTS: Is that a federal term, a federal-defined term?

SARA HOWARD: That is in the MIECHV, that-- the, the, the funding for MIECHV dollars has to be for evidence-based programs, which means that they have to have a proven efficacy. It also means that, say a hospital is doing one visit after the baby goes home. That's not evidence-based home visiting. That is a home visit, but it's not evidence-based home visiting that would be able to be eligible for this funding.

CLEMENTS: The evidence is that it is effective?

SARA HOWARD: That it's effective.

CLEMENTS: All right. Thank you. And would you also describe maintenance of effort requirements? What happens if we do \$900,000 this year and then we drop it back to \$1.1 million?

SARA HOWARD: So this is a good question. OK. So your maintenance of effort in the new MIECHV is the \$1.1 million. So the \$1.1 million that's in the Governor's budget, that's your base amount. That will be your maintenance of effort. If you increase to the \$900,000 and then you take the \$900,000 away, you would be fine. Your maintenance of effort is just the \$1.1 million over the course of the five-year reauthorization of MIECHV.

MIKAYLA FINDLAY: To get the base.

CLEMENTS: OK. The \$1.1 million is the base amount. And we wouldn't be penalized for dropping back to \$1.1 million in the future?

SARA HOWARD: No. And I-- yeah. If you stay at \$1.1 million--

CLEMENTS: But if you reduce it below \$1.1 million, then there would be consequences.

SARA HOWARD: There would be consequences. They would start to take away your base amount from MIECHV. So if you go below the \$1.1

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million, they'll take a, a sub-- an equal amount out of the base amount that we're getting from the feds for home visiting overall.

CLEMENTS: And the \$900,000 is this-- has the 75 percent federal--

SARA HOWARD: Match.

CLEMENTS: --match with it. Does the \$1.1 million have a 75 percent--

SARA HOWARD: It does not.

CLEMENTS: --multiplier?

SARA HOWARD: There is no match on that one. I know. It makes it tempting to take away-- it out. No, no, no. Don't do that.

CLEMENTS: We can't do that.

SARA HOWARD: Well, I wouldn't if I were you. But you shouldn't do that is maybe the, the best recommendation.

CLEMENTS: I, I see. Well-- and then what kind of-- what providers are able to provide this service?

SARA HOWARD: Sure. That's a great question. So if you look at my little testimony, I did pass out a map. So you can see on the back of the map. So the blue counties are actually counties that are considered high-risk and eligible for these dollars. And actually, Senator Erdman, there's a county in your district, Keith County, that hasn't received-- doesn't have home visiting in it. So the ideal would be we would be able to receive some additional funding and be able to get home visiting into all of your districts that are eligible. The blue-- the little blue triangles, those are MIECHV-funded. Those are funded by this line item. So they're across the state. They're generally managed by public health departments, are doing quite a lot of this work, as well as-- so, community action groups are also doing some of this work through MIECHV dollars, using MIECHV dollars.

CLEMENTS: And we had one Visiting Nurse Association testifier.

SARA HOWARD: Yes. VNA is, is also getting these funds as well.

CLEMENTS: They are able to do this just out of-- directly or do they have to go through a community health center?

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SARA HOWARD: No, they can directly apply for funding from the state of Nebraska from the Division of Public Health.

CLEMENTS: All right.

SARA HOWARD: It's a little confusing. I will give you, I will give you many-- I will give you \$5.00. This is very confusing. The original amount that my mother allocated was in the Children and Family Services space because it's a child abuse prevention program. When they received the MIECHV dollars, they shifted it all over to the Division of Public Health. So now the home visiting is in the Division of Public Health. However, they are leveraging TANF dollars and Families First Prevention Services Act dollars out of the Division of Children and Family Services. So we're trying to braid as much funding as possible to increase access to home visiting because it works in terms of preventing child abuse and calls to the hotline.

CLEMENTS: Very good. Thank you for your testimony.

SARA HOWARD: Thank you for having me. I really appreciate your time today.

CLEMENTS: Are there other proponents? Seeing none. Are there any opponents? Seeing none. Is there anyone in the neutral capacity? Seeing none. Senator Vargas, you're welcome to close.

VARGAS: Thank you, Chairman Clements and members of the Appropriations Committee. Only thing I want to, to specify here is we will make the changes so that it is clear it is \$900,000 increase on the existing specific line item-- that line item which, for us that had been on the committee for years, we voted for, for the last three biennium, and for new members, is part of the Governor's budget already. As you can tell, this, this is about many different things. One, it is about early education-- early care. Families where we know are higher risk-- and we're seeing this across the state. And you could see the distribution of where these MIECHV dollars are currently utilized and which counties. There's a clear need for more evidence-based programming. And-- we'll get you more of the research. But the high level I can tell you is when we're using that term, it's utilized in, in our state statute in a lot of different places, we often ask people that come up here for new projects or, or new things that they're trying to pilot how they're going to demonstrate the effectiveness of something. This is being supported because it is clearly

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evidence-based and is-- it's collecting the data to ensure that it is actually working to reduce all those different outcomes that I mentioned earlier for-- more likely to access prenatal care, fewer CPS reports, positive parenting techniques, more likely to be enrolled in school and more likely to be employed. These are the things that we talk about, reactively trying to address down, down the pipeline in a lot of the programs we're working in. And I'm happy to say that this is working. I appreciate the bipartisan support in Congress we received on this. And if we can add these \$900,000, we will better leverage the federal funds and the matching funds that will help to make this program even more successful and increase its reach. So with that, I appreciate you. Hope you can support this in our budget. And thank you very much.

CLEMENTS: Are there questions? Was there a, a methodology in deter-- in asking for \$900,000? Is that-- is there a reason for that?

VARGAS: Well, it was probably two things. One, if we-- we operate on a biennium budget and we cannot obligate future Legislatures. If we're doing this now, it's something that I think you heard from former Senator Sara, Sara Howard. We do it and, like we've done in the past, this is something we're not going to touch for another decade because we want to make sure we're seeing it working. So doing the amount now means we are prepared and better leveraged for 2024-25 when there's big ramp-ups in the funds and none of us will be here-- at least, the majority of us will not be here at that time. I think that's going to make sure we're setting up future Appropriations Committees for success.

CLEMENTS: All right. Thank you. With that, with that, we have position comments for the record on LB114: 47 proponents, 4 opponents, 0 in the neutral capacity. That concludes the hearing for LB114. We'll wait a minute for the room to clear. OK. Now we'll open the hearing for LB490 by Senator von Gillern. Welcome.

BRANDON BENSON: Good afternoon, Chairman Clements and members of the Appropriations Committee. My name is Brandon Benson, B-r-a-n-d-o-n B-e-n-s-o-n. I'm always worried I'm going to misspell my name. So we got through that part. Hopefully the rest of this is good. I am Senator von Gillern's legislative aide. He had to take a flight this afternoon. Probably off to somewhere warmer than what we got here. So, you get me today. We're going to talk about LB490. Real quick, he wanted to mention to everyone that the reason he's bringing this

forward is that his son-in-law is a CrossFit athlete, 39 years old, and he has been fighting the effects of-- the ongoing effects after having COVID. So that's why this is important to him. COVID-19 has had a great impact on our society than virtually any other health crisis in the last generation. In addition to medical consequences, patients hospitalized with severe COVID-19 often experience profound functional limitations, severe depression and post-traumatic stress disorder and other anxiety issues. Recent studies suggest that one-third of these patients demonstrate neurological complications and impaired physical function one to two years post-infection. Our local hospitals have provided amazing medical care to patients who suffered from COVID-19. Some individuals with persistent or lingering symptoms need ongoing treatment and comprehensive rehabilitation in order to continue their recovery. This group has been labeled as "long haulers" for demonstrating long COVID. This bill will provide funding for world-class rehabilitation programs. We're requesting \$5 million in ARPA funds to continue on last year's appropriation. Together, we will continue to develop a model system of post-COVID-19 care that includes those long haul clinics, an expansion of mental health services and also ongoing COVID research. So there's a couple different components to this. So let's talk about the-- that post-COVID-19 "long hauler" clinic. If not treated, patients with long COVID will have ongoing physical limitations, experience additional medical conditions and will struggle to resume life roles as workers or parents. Prior to last year's appropriation, Nebraska was identified as only 1 of 10 states that did not have a publicly available COVID-19 rehabilitation program or an evaluation clinic. The mental health services part of this dealing with that, the long-term effects of COVID-19 include both cognitive problems and psychiatric needs. Research has found that half the patients who were hospitalized with COVID-19 showed ongoing cognitive impairment, such as difficult in-- difficulties in planning, attention and problem solving. One-third of the group had emotional problems, such as anxiety and depression. A number are presenting symptoms of PTSD. The mental health treatment, a crucial component of this care. And then finally, the research part. Since July of 2020, Dr. Judith Burnfield, the director of Madonna's Institute for Rehabilitation Science and Engineering, she has served as a consultant on a national COVID-19 study, and that's involving 38 hospitals across the United States. Rehabilitation clinics and scientists need to work together to develop and implement practical, evidence-based treatments to ensure individuals have the best chance of returning to a productive life. These funds will continue this research, resulting in

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clinical care standards for use by those healthcare professionals throughout Nebraska and our nation. In the spirit of collaboration, these standards of care developed will be shared with the rehabilitation centers across our state. Again, this bill uses ARPA funds that have been-- previously been appropriated but were not spent. I-- Senator von Gillern left a note here that Senator Wayne had legislation that stated these funds would go to qualified census tracts in Omaha, but we're asking for a small portion of those funds to be siphoned off to address the health concern that affects the citizens across the state. I would be happy to take any questions. However, I'm probably more suited for March Madness basketball stuff. As such, I have assembled a team, an all-star team of experts, and I will hand the ball off to them, so. Thank you.

CLEMENTS: Are there any questions? Seeing none. We welcome the proponents. Good afternoon.

GRACE TROUPE: Good afternoon. Thank you, Senator Clements, Appropriations Committee. I'm part of the all-star team. But I'm here because I am a long COVID patient. So, I am Grace Troupe, spelled G-r-a-c-e T-r-o-u-p-e. And I want to thank you today for allowing me to speak on behalf of the Madonna long COVID outpatient clinic. In the fall of 2020, I was a 30-year-old genetics teacher, wife, workout buff and mother of two young daughters. Then I contracted COVID-19 and my life got turned upside down. It was just a few months-- ugh, sorry.

CLEMENTS: It's OK. Take your time.

GRACE TROUPE: It was just a few months before vaccines were available. And it seemed to be a mild case at first, but I never fully recovered. From that point on-- oh. Thank you. I'll take that. From that point on, I endured severe brain fog that left me struggling to read books to my two small daughters, Violet [PHONETIC] and Belle [PHONETIC], ages three and five. It's embarrassing to not be able to read board books. Bleh. I couldn't focus. I struggled to write. I had difficulties driving and my memory didn't seem to work. And the fatigue was all-consuming. Parts of my day that were once side notes, like showering, became major events that needed to be planned for and needed recovery time. I needed to sleep 12 hours at night and take at least one, sometimes two naps a day. My life changed seismically. Last, last spring, my symptoms were so bad that I planned to quit my part-time job at the university. I went to several specialists, but it was a fruitless pursuit. There wasn't enough research out about long

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COVID, and many just dismissed my symptoms. They said, you're just depressed. Then my primary care physician referred to me-- me to Madonna's post-COVID outpatient clinic. At Madonna, I began to feel hope again. It was validating to hear that doctors believed that my debilitating symptoms were real, that there was medical terminology to describe them and that there were professionals to help me understand the symptoms and treat them. Madonna is where I found people who had tried the latest and best treatments, who would look at the research papers that I would bring in. Many of my breakthroughs in treatment have come from working at the Madonna post-COVID clinic. I've made enough progress with treatments that I'm still working my job for the state at the University of Nebraska-Lincoln as an instructional designer. I went from napping twice a day and sleeping 12 hours at night to only needing 10 hours and getting by without the nap. I feel confident that I can drive again. I don't spend all of my time looking for my things. I can read again. These are all meaningful improvements to my quality of life that Madonna helped me achieve. My last 2.5 years of struggle to restore my health post-COVID have brought me to my primary doc-- primary care doctor frequently but also to many specialists, such as immunology, cardiology, otolaryngology, rheumatology, endocrinology, gynecology, neurology, infectious disease, dermatology, pain specialist and an EMDR specialist. And if you thought that list was long, you should go to several appointments with each. Now that Madonna has developed expertise on long COVID, patients can greatly reduce the number of specialists that they need to visit to treat the condition. If Madonna can continue serving as a local expert, patients won't have to bounce around from clinic to clinic like I did, spending multiple days a week on doctors' appointments for years. This can reduce healthcare expenses and reduce the burden on our already overloaded medical system. Thank you for the opportunity to speak about Madonna and their expertise and research on post-COVID conditions. I welcome any questions about me and my illness.

CLEMENTS: Are there questions from the committee? Senator Dover.

DOVER: Yes. What kind of treatments did you undergo?

GRACE TROUPE: Many different treatments. So, at Madonna, there is a doctor and then a team of therapists. So there was neuropsychological counseling and physical therapy, occupational therapy, speech therapy. And then they prescribed medications, like things for mast cell activation: when your body stays in attack mode, your immune system

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does or-- so some of it was working with skills to cope with the disability, but other things were to treat the underlying condition.

DOVER: Thank you.

GRACE TROUPE: Yeah.

CLEMENTS: Senator Dorn.

DORN: Thank you, Senator Clements. Thank you for being here. About how long of a process have you gone through or how long since you found out-- COVID to where you're at today?

GRACE TROUPE: 2.5 years.

DORN: 2.5 years.

CLEMENTS: Other questions? I was wondering, are you receiving follow-up COVID shots?

GRACE TROUPE: Yes, I have.

CLEMENTS: And has that affected you any?

GRACE TROUPE: Yes. With each dose of the vaccine, my parosmia decreased in intensity. And parosmia's where everything smells and tastes like, like rotting corpses. And so I had meaningful improvements with each dose of the vaccine.

CLEMENTS: Well, you don't seem foggy today. Glad to see that you have improved, doing well. Other questions? Seeing none. Thank you for your testimony. We wish you well.

GRACE TROUPE: Thank you. Thank you.

CLEMENTS: Next proponent.

PAUL DONGILLI: Chairman Clements, members of the Appropriation Committee. My name is Paul Dongilli. It's P-a-u-l D-o-n-g-i-l-l-i. I'm president and CEO of Madonna Rehabilitation Hospitals. Before I begin, just a note of thanks to all of you. I read the papers and watch the television and know that you've all had a very difficult session. So, just thank you for your work on behalf of the state. We appreciate it. Although COVID-19 is moving from the pandemic to the endemic phase, the lingering clinical and financial impact remains significant.

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People with post-COVID conditions can have a wide range of symptoms that persist following the infections, and individuals with these symptoms three months past infection have been diagnosed as having long COVID. And Grace's testimony I think of puts a picture or paints a picture for the kinds of challenges these folks face. In January of 2022, the Brookings Metro published a report that assessed the impact of long COVID on the U.S. labor force. They reported approximately 16 million working-age Americans-- defined as individuals between the age of 18 and 65-- experienced long COVID and were unable to recover. Of this group, 2 to 4 million have left the workforce due to the-- due to this clinical impact. The report further concluded the annual cost of lost wages ranging from \$170 billion to \$230 billion. The U.S. Census figures for the state of Nebraska in 2021 report a workforce of 1.1 million. Those are the number of individuals between the ages of 19 and 65. We applied this methodology-- or, the methodology outlined by the Brookings Metro to project the national labor force impact of long COVID for Nebraskans unable to work or experiencing reduced working hours-- much like what Grace talked about, almost leaving her place of employment due to the effects of long COVID. The numbers impacting Nebraskans ranged from 7,200 to 16,000. This is between 0.6 percent and 1.5 percent of Nebraska's workforce. And, and this number is consistent with the national figure of 1.8 percent that was reported by the Brookings Metro. We're all striving to learn more about long COVID. There's no standard, accepted treatment for it. If we're unable to successfully help individuals like Grace recover, they'll be left with long-standing impairments, and the economic burden associated with their disability will only increase. Madonna wants to help provide a solution for Nebraskans with long COVID. The requested appropriation will allow us to continue our efforts that were started with this last appropriation to successfully provide treatment clinics for individuals with long COVID, complete research to better understand its impact and train healthcare providers across the state to help them recover and improve. I'm happy to tain-- entertain any questions that you might have about our work.

CLEMENTS: Are there questions? Senator Dorn.

DORN: Thank you, Senator Clements. Thank you for coming today. About-- I guess, what, what is the population or what is the amount that you've seen at your facilities, or the, the number of people that you've seen there?

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PAUL DONGILLI: Yeah. I'm, I'm going to ask to wait a moment to have Dr. Burnfield. She's going to talk about the clinics we've established in our work to date, which will include the numbers of people served and the number of visits that we've provided for patients.

DORN: OK. Thank you.

CLEMENTS: Other questions? I have a question whether you're asking for a reappropriation or a-- or additional money on top of previous--

PAUL DONGILLI: It's additional money. The original-- LB1159, the original bill in the legislation talked about a-- or, provided us a \$5 million appropriation. That bill then also identified subsequent fiscal year funding for the work, and that's what we're now coming to you for.

CLEMENTS: Which would make it \$10 million. Is that, that what we're saying?

MIKAYLA FINDLAY: [INAUDIBLE].

CLEMENTS: OK. We'll have to-- we'll check on that.

PAUL DONGILLI: OK.

CLEMENTS: Thank you, sir.

PAUL DONGILLI: Thank you very much.

VARGAS: Senator Clements.

CLEMENTS: Oh, Senator Vargas.

VARGAS: Yes. Sorry. I wanted to clarify what you just said, because [INAUDIBLE]. So was this a bill that passed previously? L-- that you just mentioned?

PAUL DONGILLI: LB1159.

VARGAS: LB1159. OK. And we--

PAUL DONGILLI: Last year.

VARGAS: --we passed that last year within the budget.

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PAUL DONGILLI: Correct.

VARGAS: I'm seeing head nods in the back. So we passed that last year in the budget, right?

PAUL DONGILLI: Yes.

VARGAS: And it was just, it was just-- it was general funds or federal funds?

PAUL DONGILLI: Federal funds.

VARGAS: Federal funds. And it was federal ARPA funds or--

PAUL DONGILLI: Federal ARPA funds.

VARGAS: Federal ARPA funds. OK. So--

PAUL DONGILLI: And this is federal ARPA funds follow-up.

VARGAS: And those funds have already been dispersed and utilized?

PAUL DONGILLI: They've been disbursed. I think last month we finally were able to finalize the contract. And we've not yet received, I don't think, a payment or an appropriat-- received any of the funds as of yet. But we've invested dollars in it, and we're working with DHHS in order to submit the request for funding based on the expenses that we've already incurred.

VARGAS: OK. [INAUDIBLE].

CLEMENTS: Oh. Reimbursement.

VARGAS: For reimbursement. So you're still waiting on the reimbursement. You got the contract in place. You're submitting the-- you've already submitted the costs for what you've already spent for reimbursement?

PAUL DONGILLI: We are in the process of doing that. We're looking at the templates that the state will require. Yes.

VARGAS: OK. And then for this additional funds-- and I know you saw this in the fiscal note, I'm-- or, or somebody has mentioned this. It's noting that the full amount of the ARPA funds has already been, let's, let's say, for a better word, designated or allocated. So if we

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don't have additional ARPA funds, would you be seeking-- or, Senator von Gillern would be seeking just general funds or cash reserve funds for this? I can ask him that in closing.

PAUL DONGILLI: Yes. I don't--

VARGAS: I can ask him that in closing.

PAUL DONGILLI: Yeah.

VARGAS: OK. Thank you for clarifying that.

CLEMENTS: Are there questions? Thank you for your testimony.

PAUL DONGILLI: Thank you, Chairman.

CLEMENTS: Next proponent. Good afternoon.

JUDITH BURNFIELD: Good afternoon, Senator Clements and members of the committee. My name is Dr. Judith Burnfield, and that's spelled J-u-d-i-t-h B-u-r-n-f-i-e-l-d. I am vice president of research and the director of the Institute for Rehabilitation Science and Engineering at Madonna Rehabilitation Hospitals. Thank you for allowing me to speak on behalf of LB490. As highlighted by Dr. Dongilli, COVID has had a substantial impact on our nation and our state's workforce, from teachers to farmers, to healthcare providers to academicians, to store clerks. We are seeing these individuals in Madonna's clinics with lives disrupted not only in the work environment, but also in the home environment, much as Grace shared with you today. The most recent U.S. Census Bureau's Pulse Survey highlights Nebraska's continued challenge with long COVID, with Nebraska ranking fifth highest in the nation regarding the number of adults reporting long COVID symptoms. And that figure is included in the handout that I provided. Estimates suggest that over 20,000 adult Nebraskans have experienced long COVID symptoms that substantially have reduced their ability to perform day-to-day activities, including work. Madonna is building a model system of post-COVID rehabilitation care that combines clinical expertise, post-COVID research, mental health services and community education to help ensure that those living with the lingering symptoms of COVID-19 achieve their best possible outcomes. There is also information in your handouts of some of the programming that we have put together. Madonna's model system of care includes integrated, multidisciplinary programming that spans the continuum of care from inpatient to outpatient to community services, including medical fitness and

return-to-work capabilities. We have expanded our mental health services, including developing a translational Health Psychology Center of Excellence to address the unique mental health challenges that patients post-COVID are experiencing. To date-- in response to one of your questions-- we have cared for over 450 inpatients recovering from the serious consequences of COVID through our rehabilitation continuum. Madonna has also created post-COVID assessment clinics in our-- on our Omaha and Lincoln campuses to provide comprehensive outpatient evaluations, including psychiatry, physical, occupational and speech therapy, as well as neuropsychology services. These assessments provide the foundation for an individualized treatment plan for each patient. They also help limit that need for the patient to go to multiple service providers, oftentimes located across the city or across the region. To date, multidisciplinary post-COVID rehabilitation care has been provided through over 6,663 outpatient visits. Beyond onsite services, we are expanding to include virtual programming so individuals unable to travel to Madonna can still access our services. This includes post-COVID support groups that are open to the public, with both in-person as well as Zoom options available. We're also developing a program that will serve the patients' needs in their communities as they return to work and life. Further, we are harnessing our resources to build community awareness regarding COVID-19 and the resources available to help healthcare providers and patients maximize recovery. We do not yet know best practices for helping people rehabilitate after they have COVID, and that's what needs to be defined. The materials that we're developing involve not only printed materials, but also educational sessions and consultations. We are meeting with healthcare providers and advancing awareness of COVID rehabilitation in venues across the state, such as delivering a presentation last year at the Nebraska Hospital Association's annual convention. And then yesterday, I was out in Kearney delivering a, a keynote at the Nebraska Brain Injury conference, focused on the intersection between COVID-19 and brain injury because we're seeing a compounding impact of those two diagnoses. Finally, we are collaborating locally and nationally with researchers to advance post-COVID clinical care and continue to build the clinical research infrastructure critical for guiding and refining post-COVID rehabilitation practice. For example, we are developing a robust database in collaboration with our colleagues at-- within Nebraska's Department of Health and Human Services to help guide clinical decision making regarding care of individuals post-COVID. Again, we don't know what best practices look

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like, and those need to be defined for rehabilitating patients. Nationally, we are collaborating on the multicenter NIH-funded COVID-19 Neuro Databank and Biobank study led by colleagues at NYU Langone Health. This work is focused on collecting data and biospecimens from patients experiencing new or worsening neurologic conditions associated with COVID-19 from across the U.S. I thank you for your thoughtful consideration of our request. And I'm open to any questions you may have.

CLEMENTS: Are there questions from the committee? Well, I, I did-- I have one. Of the 450 patients who you've seen, how have been your results of improvement?

JUDITH BURNFIELD: That's a great question, and it, it also speaks to some of the early research in which we are involved with. Madonna has-- for those of you not familiar-- we, we provide a, a continuum of inpatient services. We have our long-term acute care hospital, where we care for some of the most medically complex patients. So those may be the individuals that you heard about hospitalized who were on ventilators, critically ill, concerns that they wouldn't survive. As they started to stabilize somewhat in a medical situation, they then needed intensive rehab. Many of those individuals then transferred into our long-term acute care hospital, where we helped them to wean off of the ventilators, helped them to regain their stamina and started to deal with the damage that had been done to the nervous system as well as their cognition and other aspects. They are making gains, but they-- what we had learned from a research study that we collaborated on with colleagues from 38 facilities across the country is that, effectively, they make gains in that long-term, long-term acute care hospital, but they still have continued rehab needs. And that's, I think, where Madonna's other levels of care also become really critical. For some of those patients, they transferred then into our acute rehab, where you don't have to have quite such an emphasis on the medical complexity, but you build them up to three hours of inpatient rehab-- rehabilitation a day. We then work very intensively on building up their capacity to even, you know, get to the-- get-- manage in their home setting and to be able to navigate that environment, to be able to read to their children, to be able to start to develop the skills that they would need to return to work. Some of those individuals then stayed in this region and continued in our outpatient services. Many of them, though, went back to their homes across the state of Nebraska. That's the inpatient. The

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outpatient, they're making great gains. That, that's where we really get to see them spearhead forward.

CLEMENTS: So Ms. Troupe was an outpatient--

JUDITH BURNFIELD: Correct.

CLEMENTS: [INAUDIBLE] patient.

JUDITH BURNFIELD: Correct. Right. And so we, we do have that subset who transfer from the inpatient into our outpatient environment. But what we're really seeing is more and more people coming to us from-- strictly from the community with these long-lasting needs, these long COVID symptoms, which-- the definition varies. But, typically, what the definition is are those symptoms that are lasting three months or longer beyond their initial episode with the COVID and their symptoms that they did not have pre-COVID. And oftentimes as, as Ms. Troupe identified, it's a conglomeration of symptoms. So it's not as though you can just go to your, to your neurologist and they'll be able to take care of it or go to your urologist and they'll be able to take care of it. It's multifactorial, multifaceted.

CLEMENTS: All right. Thank you. Other questions? Seeing none. Thank you for your testimony.

JUDITH BURNFIELD: All right. Thank you.

CLEMENTS: Are there additional proponents for LB490? Seeing none. Is there anyone in opposition? Seeing none. Is there anyone in the neutral capacity? Seeing none. Would you care to close? All right. Well, we may have questions for the senator following this to clarify some of the funding questions. And with that. Regarding LB490, we have position comments for the record: 3 proponents, 0 opponents, 0 in the neutral. That concludes the hearing for LB490. And we are ready to-- as soon as-- we'll, we'll wait just a minute here. All right. We'll now open the hearing for LB763. Senator DeBoer.

DeBOER: Thank you so much. So, good afternoon, Chair Clements and members of the Appropriations Committee. I like to see you spread out in this room a little bit more than the last place I visited you. I am Senator Wendy DeBoer, W-e-n-d-y D-e-B-o-e-r. And I represent District 10 in northwest Omaha. I'm here today to introduce LB763. LB763 appropriates \$20 million, \$10 million each year of the next biennium, to the Department of Health and Human Services for a grant program for

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our food banks. Qualified food banks are nonprofits that serve 10 or more counties in Nebraska and qualify for the Emergency Food Assistance Program, otherwise known as TEFAP, through the United States Department of Agriculture. AM106-- which should be in the packet that was handed out to you-- is a white copy amendment and accurately reflects the intention of the bill, which was to only be for this biennium and not an ongoing appropriation, as unfortunately, the green copy of LB763 indicated there was a little problem at the beginning of the year with, with bill drafting and-- anyway. The white copy amendment is the intention of the bill. Last year, the committee approved an ARPA appropriation to these same entities for emergency food assistance. Recipients of those dollars included the Food Bank for the Heartland, the Lincoln Food Bank and Catholic Social Services. You'll hear from all three of those organizations today in support of LB763. In the materials handed to you is a map of the distribution networks for these food banks. They serve the entire state through their local community partners, which are listed on the handout as well. So between the three of those, we get the whole state. Unfortunately, the unpresten-- unprecedented demand on food banks due to the pandemic has continued. We have historically seen a trend when an economic crisis happens: even after the economy broadly has recovered, families will continue to struggle. We saw this following the 2008 financial collapse, and we're seeing it now following the pandemics. The food banks are especially seeing this because they both have a massive decrease in philanthropy at the same time as an increase in the need for food. So I'm thankful for this committee for their support and willingness to step up last year and help out these entities. But this year, we can see that the food crisis has only gotten worse. LB763 takes into consider-- the renewed dramatic need for food in your community pantries-- sorry-- community pantries, church pantries and other partners in every county across Nebraska. I hope that this is a direct, immediately-- immediate distribution of dollars for these needs now. And the testifiers here today will tell the story of this emergency for low-income, working Nebraska families. They can answer any questions that you may have regarding the difficulties faced in dealing with the increased demand. And while I'm here, I did want to mention or bring attention to another bill for this committee, LB661-- which was referred to the Health and Human Services Committee-- appropriates \$2.5 million to DHHS to create a grant program for a regional or local capacity and food security. This was the program that I brought along with this bill last year when I was asking for the food banks and this grant program. So I wanted to

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bring your attention to the fact that that has gone to another committee this year, but it was part of this bill last year. It has also been a successful program and one that I think is very worthy of this committee's attention as well. LB763 supports our food banks, which then, in turn, support local food pantries. So if you don't know how it works, there are these larger entities that get food. They can operate with economies of scale and that sort of thing. And then your local pantry-- which might be at your church. That's where mine is. So our church has one. And they would get money from the food banks and they would get food-- sorry. Not money-- they would get food from the food banks that supports them in their work with the individuals who come to our church for, for food needs. So when this summer, the fund-- the funding that this committee approved last year had not gone out yet, there, there just wasn't food. We just didn't have any food that we could get from the food banks. So our family did everything we could, turning all of our gardening into something to support that food bank. But, of course, not every food pantry has somebody who, you know, can do that. So this is a, a real need. I've seen, I've seen the faces of the children in the backseats of cars that came to pick up food. And, and they were very excited. They were very excited about it. So this is a real, a real need. It's vitally important that our local food pantries have enough capacity to serve Nebraskans, and LB763 helps us to achieve that goal. So, thank you for your time today. And I'm available to answer any questions.

CLEMENTS: Are there questions? Seeing none. Will you be here to close?

DeBOER: I should be, yes.

CLEMENTS: All right. We welcome proponents. Good afternoon.

BRIAN BARKS: Good afternoon, Chairperson Clements and members of the Appropriations Committee. My name is Brian Barks, spelled B-r-i-a-n B-a-r-k-s. I am president and CEO of Food Bank for the Heartland. I appreciate this opportunity to speak in support of LB763. And thank you to Senator DeBoer for introducing this bill. Food Bank for the Heartland based in Omaha is a member of Feeding America, like our friends at the Food Bank of Lincoln. Food Bank for the Heartland is responsible for distributing food in 77 Nebraska counties. Our territory covers Omaha to Scottsbluff, O'Neill to McCook. We partner with 544 different organizations, like brick and mortar pantries, and some are located in your communities. I have been with the food bank for 14 years and never did I think food insecurity in our state could

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get worse than it did during the outset of the COVID-19 pandemic. Unfortunately, it has due to inflation and the increasing cost of everything, from housing to food. The number of households served by Nebraska's two food banks this year is expected and projected to increase 40 percent compared to 2020. The copy of this graph is in your handouts. With history from the Great Recession as our barometer, we do not see an end soon. It took 10 years for the number of estimated food-insecure Nebraskans to drop to pre-Great Recession levels. We believe this will be the case now, as food security typically lags in an economic recovery, and we aren't there yet. Our operating budget at the Food Bank for the Heartland this fiscal year ending in June is just over \$16 million. We are budgeted to spend \$6 million on food. Like our neighbors in grocery stores, the food bank is experiencing a 10 to 30 percent increase in food prices. The cost of freight just to get the food to our warehouse, in many cases, has doubled. This fiscal year, the food bank began utilizing cash reserves to support the need to acquire food. While Food Bank for the Heartland is seeing an incremental increase in the amount of donated food from manufacturers, processors and real-- retailers, we are experiencing a 30 percent decrease in USDA-sourced food. Therefore, it is not enough to meet the growing demand. And you have a graph of food distributed by food banks in your handouts. We are now serving less food to more people than we were at the height of the pandemic. The face of food insecurity has changed. Food insecurity exists in every county and community in this state: urban, suburban and rural. Statewide data tells us 63 percent of people seeking emergency food assistance are employed. Another 12 percent are disabled or a senior not working. At one of our large-- largest pantry partners in Omaha, almost half of their clients served during the first three months of this year reported that they were on Social Security. This bill is called the Emergency Food Assistance Act for a reason. We are in an emergency, and Nebraska's two food banks, our hundreds of partners and the people we serve experience it every single day. I appreciate the opportunity to speak with you today. And I'm happy to answer any questions that you may have.

CLEMENTS: Are there questions? Senator Erdman.

ERDMAN: Thank you, Senator Clements. Thanks for coming. So what is your appropriation today from the state? How much do you get?

BRIAN BARKS: We received-- through, through the, the previous ARPA funding, there was \$17.5 million that was appropriated to-- that was

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split between our food bank, Food Bank for-- Food Bank of Lincoln and Catholic Social Services. That has been over a period of two years. This fiscal year, we are getting reimbursements for our expenses starting from October through June of this year. And then we will get a-- get reimbursements for July of this year through June of 2025.

ERDMAN: So if your annual budget is \$16 million, then how much did you get from ARPA money?

BRIAN BARKS: Our food bank is going to receive, over a period of two years, roughly \$10 million.

ERDMAN: And so how does that figure into the \$16 million? Is that--

BRIAN BARKS: That's, that's one-- for one fiscal year.

ERDMAN: So-- but is the ARPA money included in your \$16 million annual budget?

BRIAN BARKS: Yes, it is.

ERDMAN: So what did you do before you got ARPA-- you got a \$10 million ARPA fund?

BRIAN BARKS: If we did not receive ARPA funds-- so we're, we're spending \$6 million, and that's-- the preponderance of that is ARPA money. If we would not have received it, our spending line item on our budget for food probably would have been close to maybe \$2 million.

ERDMAN: So this is general funds now?

BRIAN BARKS: That is correct.

ERDMAN: So it has been an ongoing \$10 million every year going forward?

BRIAN BARKS: For the biennium. Of the biennium budget.

ERDMAN: OK. Thank you.

CLEMENTS: Other questions? Senator Dover.

DOVER: What caused the 30 percent decrease in USDA-sourced food?

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BRIAN BARKS: So when, when the pandemic began-- and we all saw the, the videos on TV of all the cars lined up at, at pantries and whatnot-- the USDA was, at the time, running a lot of, of food programs. Many of them came, came through food banks for distribution. Those have sunsetted. So our food bank alone has seen roughly a-- about a 5 million pound decrease in food from USDA. But yet, we're seeing an increase in the number of people that are seeking assistance.

DOVER: Thank you.

BRIAN BARKS: Um-hum.

CLEMENTS: Other questions? Seeing none. Thank you for your testimony.

BRIAN BARKS: You bet. Thank you.

CLEMENTS: Next proponent. Good afternoon.

KATIE PATRICK: Good afternoon. Good afternoon, Chairman and members of the Appropriations Committee. My name is Katie Patrick, K-a-t-i-e P-a-t-r-i-c-k. And I'm the executive director of Catholic Social Services of Southern Nebraska. And I'm testifying today on behalf of the Nebraska Catholic Conference, which represents the public policy interests of the Catholic Church in Nebraska, including the work of CSS and Catholic Charities of Omaha. And one quick clarification before I begin my testimony is that the two food banks that received the funding last year through ARPA were-- was the Food Bank for the Heartland and then the Food Bank of Lincoln, so not Catholic Social Services. We're a partner of both of those food banks, but the money was directed to the Food Bank of Lincoln and then Food Bank for the Heartland. So, together, CSS and Catholic Charities have served communities across the state of Nebraska for nearly a century, with a consistent focus on feeding the hungry. Catholic Social Services, the charitable outreach arm of the Diocese of Lincoln, last year provided 306 tons of food given to the hungry of southern Nebraska. This includes everything from client choice food markets to food recovery and redistribution to providing breakfast and sack lunches to the homeless. And as of this year, we also now have a community garden on site. Catholic Charities of Omaha, the charitable outreach arm of the Archdiocese of Omaha, last year distributed 2.1 million pounds of food to nearly 300,000 people through their food pantries and mobile food pantry and home food delivery program. The food assistance provided by

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Catholic Charities last year represents a 400 percent increase compared to their food assistance just a few years ago. Regarding LB763, we're grateful for that opportunity to share several testimonials from our clients. My hope is that the following stories will help you hear the names and imagine the faces of those people and families who, at the end of the day, will benefit from LB763. Diane [PHONETIC] is a single mother of four. She came through our food market in Lincoln last week and received 48 pounds of fresh produce, canned vegetables, grains, dairy and meat. It was enough food to help her and her children for the week. Our food market supplements the SNAP benefits that she receives. So, thanks to the Food Bank of Lincoln and our generous donors across the city, CSS is able to serve Diane and 2,391 other individuals just like her. Carlos [PHONETIC] is an elderly gentleman who lives on SSI and frequents our food pantry in Auburn. His fixed monthly income is not sufficient to purchase all the food that he needs in a month, so he relies on our pantry to supplement. We work with his schedule so that he is able to pick up the food when he comes into Auburn for his doctor appointments, and he lives roughly 30 miles outside of Auburn. So, thanks again to the Food Bank of Lincoln and our generous donors, we're able to provide for Carlos and 737 other individuals just like him. Jill [PHONETIC] is a volunteer at one of our food partner pantries in central Nebraska. She was delivering produce boxes door-to-door on her route. As she approached one of her regular homes, the father of the household shared some devastating news. His daughter, the provider for her three children, had just died in a car accident a few days after the adoption had gone through. As the grandfather, he was now caretaker of the children in addition to his own. So he now has 11 mouths to feed. Jill returned to her local food pantry, called CSS to request two additional boxes of meat, which we provided. And we also were able to connect them to our emergency services program to provide some financial assistance for the family. This was thanks to the Food Bank for the Heartland. CSS delivered more than 200 tons of food across central Nebraska last year to thousands of households in need. Efforts by the state to assist our partnering agencies with the Emergency Food Assistance Act will not go unmatched. As you just heard in client testimonials, partnerships are what make serving the hungry and those facing food insecurity possible. But while our parishes, community donors and benefactors go above and beyond in their generosity-- and they do quite often-- there remains a shortfall of financial support needed in order to reach all of those facing food insecurity. LB763 will help provide important assistance to the food

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banks that are serving those in need in our urban, suburban and rural communities. Nebraskans need your support and participation in this effort so that together we can provide for and raise strong families and thriving communities. We respectfully request that you advance LB763 to General File. Thank you for your time and consideration.

CLEMENTS: Are there questions? Does Catholic Charities have to pay for any of the food you received from the food banks?

KATIE PATRICK: So the, the fees that were charged through the food banks are typically associated with just the movement of the food and not a cost to the food itself.

CLEMENTS: Of transportation only?

KATIE PATRICK: Um-hum.

CLEMENTS: Thank you.

KATIE PATRICK: Yep. Thank you very much.

CLEMENTS: Thank you for your testimony. Next proponent. Good afternoon.

MICHAELLA KUMKE: Good afternoon. Good afternoon, Chairperson Clements and members of the Appropriations Committee. My name is Michaella Kumke, M-i-c-h-a-e-l-l-a K-u-m-k-e. I am president and CEO of the Food Bank of Lincoln, and I'm here today in support of LB763. We serve 16 counties in southeast Nebraska, where an estimated 48,910 of our neighbors, including 14,900 children, are food-insecure, according to Feeding America. Statewide, the number of food-insecure Nebraskans would fill Memorial Stadium not once, but more than two times. It would be irresponsible for anyone to stand by and watch a house burn without acting. Similarly, we cannot look the other way and pretend food access is not a real and persistent emergency. We are both a central dis-- excuse me-- we are both a central collection and redistribution site and a frontline service provider at the Food Bank of Lincoln. Regular conversations with neighbors remind us it is not easy to show up in a food line or at a food pantry. It's both a confession and a cry for help. That's how it was for Jeff. Stitched on the chest of his blue cotton work shirt, I saw the name of the factory in the nearby neighborhood. His hands, soiled by grease, gripped his steering wheel as I struck up, struck up a conversation while he waited in line for food. With some gentleness, I asked him how he was

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doing that Friday afternoon. He said, "Well, I'm a little nervous. I have never, ever done this before. I don't want to be here, but my family needs me to be here." We had a good product mix that day. I told Jeff he would leave with some frozen meat, fresh produce, cereal and other items to take home to his family. He looked me squarely in the eyes and he said, "You have no idea what this means. Thank you." It would undermine the work of Nebraska's food banks and our partners to deny that the charitable food system helps make the good life attainable for so many of our neighbors in our state. We do not do this work alone. We couldn't. We have connected meals to neighbors thanks to steady support from foundations, corporations, individuals and the state of Nebraska. Our investment in purchased product is about double what it was prior to the pandemic. As I sit before you now, dedicated members of my team and volunteers are getting food into the hands of hungry neighbors at our facility at the food bank. In fact, I just received a text. 915 households were served today at our location and another 300 in Falls City. Jeff may have been there again, or maybe his family's situation has improved. Regardless, it took a certain amount of humility for him to ask for help. I am no better or different than Jeff. I am here today because of him and everyone like him who swallows their pride to put food on the table. Please support LB763. Thank you for your time and your service.

CLEMENTS: Are there questions? Seeing none. Thank you for your testimony.

MICHAELLA KUMKE: Thank you.

CLEMENTS: Next proponent. Seeing none. Are there any opponents? Seeing none. Is anyone here in the neutral capacity? Seeing none. You're welcome to close, Senator.

DeBOER: Thank you, Senator Clements and members of the committee for your attention during this hearing. The need is great. I mean, that's, that's just the truth of it. You know, I see the people who come through, and there's-- there is a variety of folks who come through, and no one chooses that path to get food just for the heck of it. These are people who are working. They're trying. There are a lot of reasons why they're in the situation that they are. They're our neighbors. And this is something that-- I mean, last year, I came in and I said this is the very thing that ARPA should, should be for. And, you know, this is the very thing that we should be helping out with. If we can't help people to eat-- I mean, I've never been hungry

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a day in my life. I mean, really. Honestly. I can't imagine it. I can't imagine what it must be like. So, I just ask you to, to help us out to do this thing. We, we have every reason to believe that, in a couple of years, this will clear up. But for now, we need to help those folks out. And, yeah. I'm happy to answer any questions. I would, I would note that apparently there might have been a misunderstanding. The Catholic Social Services did not get food. It was the Catholic-- I'm not saying it right.

VARGAS: Catholic Charities. Catholic Charities.

MICHAELLA KUMKE: [INAUDIBLE].

DeBOER: Is that all right?

CLEMENTS: Oh.

DeBOER: I mean, this is not normal. So, I-- I'll get back to you. But, anyway, there was some clarification about-- they're very similarly named organizations. And just to clarify about which organization. I'll let the committee know which organization did and did not receive funds from the last program.

CLEMENTS: Very good.

DeBOER: Any questions?

CLEMENTS: Senator Vargas.

VARGAS: I don't know if you could speak to this. And if not, I'll follow up with one of the members of the Food Bank for the Heartland. There is this food innovation grant program. And at the bottom at the end here, it says that there was \$2.5 million in sub-awards from last year, and the \$48,000 that was unappropriated. I just didn't know if you wanted to speak to that or-- I can talk with them separately, but.

DeBOER: Yeah. So I will just a little bit clear that up. When I mentioned that there was another bill over in HHS, that's the bill, is that food innovation grant. It was \$2.5 million of the \$20 million last year. So \$17.5 million went to food banks and the Catholic Charities. And then the \$2.5 million went to--

VARGAS: The food innovation.

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DeBOER: The food innovation grants. Those food innovation grants are now-- for whatever reason, they were directed in the, the referencing process over to DHHS this year. But that is a continuation of the program that we did in the bill with the food bank bill last year. So I don't know if that answers the question.

VARGAS: It does. I just wanted to make sure that the funds got out.

DeBOER: Yeah. And I'm-- my understanding is that the-- that was a very successful program, that those grants went to some very interesting and innovative things.

VARGAS: Yeah. They're, they're-- the list of this is things that I've seen in the past. They're effective programs. That's great. Thank you.

CLEMENTS: Other questions? Seeing none. Thank you, Senator.

DeBOER: Thank you.

CLEMENTS: Regarding LB763, we have position comments for the record: 7 proponents, 0 opponents, 0 neutral. That concludes the hearing for LB763. We will now open the hearing for LB539. Senator Vargas, welcome back.

VARGAS: This is the home away from home.

CLEMENTS: Back to the other side of the table.

VARGAS: Yeah. Many of us came in when we first started. I've been here for six years. Oof. OK. Chair Clements and members of the Appropriations Committee. My name is Tony Vargas, T-o-n-y V-a-r-g-a-s. I represent District 7, which includes the communities of downtown and south Omaha. If one of our fantastic pages would be able to hand this out. Here you go. I'm here to open on LB539. All I could say is this is a fairly simple bill. You don't deal with a lot of cash fund transfers that are just sort of-- exact amounts, so. This bill transfers the dollars from the Juul tobacco settlement the state of Nebraska receives each year, which is \$1,082,164.23 to Agency 25. That is the exact amount. Program 30, Tobacco Prevention and Control. So it moves it to that agency and Program 30 program to focus on reducing tobacco use by our youth. The intent of this bill is to add these dollars to the current Program 30 appropriation of \$2.5-- \$2.6 million. Any tobacco settlement dollars are historically deposited into the healthcare cash funds. We use the exact dollar amount

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received by the state annually to make it clear we are not reducing the Health Care Cash Fund. We're not taking money from that, per se, but we're taking the new money that was placed in there from the Juul tobacco settlement fund in the Health Care Cash Fund and directing it to Program 30, Tobacco Prevention-- Prevention and Control. It's appropriating the new dollars coming to the fund starting the first year of this biennium budget cycle. My intention is for these dollars to continue to be transferred to Program 30 as long as the state continues to collect Juul settlement dollars. In January of 2023, the U.S. District Court approved the \$1.7 billion settlement, resolving a class-action lawsuit alleging Juul Labs deceptively marketed e-cigarette and vape products, downplayed addiction and marketing to minors. I believe it is important that these dollars be invested back into our state's tobacco control program to educate our youth on the health impacts of using this product or any tobacco product. This program has components in place, including community grants, the Nebraska Tobacco Quitline, media campaigns, youth programs, as well as gathering data to measure trends and progress. We know if we can communicate effectively to youth, we can see decreasing use, reducing long-term health impacts and costs and deaths. By including this transfer in our budget, we can invest in our youth and will be appropriately using settlement funds for what it is intended for. Today, I'll have three experts to testify as to the health impacts of tobacco and vape use as well as how investing in this pro-- this actual program makes a difference. Thank you. And I'll be available to answer any questions. And you should have in front of you this-- hopefully I got enough-- got out-- this youth tobacco use in Nebraska. And for some of our new members, sometimes when there are settlement dollars-- and we've had some past bills like this-- we, we are trying to direct the funds for where they are intended to be utilized. And this one is not general funds, not, not other-- we're not raiding a cash fund. We're not doing anything of that sort. It's moving money that is coming from a settlement from Juul Labs and putting it towards the use of reducing the thing that we're trying to reduce.

CLEMENTS: Are there questions? Senator Dover.

DOVER: What does the Nebraska Health Care Cash Fund fund?

VARGAS: A lot.

DOVER: OK. Can you be a-- can you break that down a little bit?

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VARGAS: Yeah. You want me to be spec--

DOVER: Brief, brief information is fine.

VARGAS: So the Nebraska Health Care Cash Fund funds many different health-related programs in the state. The best thing I can tell you is what we typically deal with is making sure is, is this sustainable? You know, our intent was to make sure-- and this was funded by a lot of different things-- settlement funds being one of them in the past. And it's continually funded. But the, the most important thing that we're trying to take away from the Health Care Cash Fund is we've tried to not-- make sure it's sustainable and we're not taking away funds so that it-- we eventually have to put general funds into this fund, because it funds a lot of different programs-- some of which are expiring or we've taken out of it over time and some of which we've added new uses to the Health Care Cash Fund. So for the purposes of this, it's new money that went into the Health Care Cash Fund from the Juul settlement that we're just going to take out and put into this other program.

DOVER: Can you please, please explain-- as far as Juul settlement go-- settlement goes-- is that a-- each year for a number of years? Is that done? Have we received all the moneys?

VARGAS: I actually can't answer that question, but I'll make sure to follow up. Somebody may be able to answer that following up. I just know that there is an existing component of it that has already been settled, that has been put into the cash fund that we're trying to move over to this Program 30. I can't speak to the additional amounts.

DOVER: Thank you.

VARGAS: Thank you.

CLEMENTS: Other questions? Seeing none. And if former Senator Howard was still here, we could find out the--

VARGAS: She would be able to tell you. Actually, no. She wouldn't tell you. She would say, don't touch the healthcare cash. That's what she would say.

CLEMENTS: Next proponent. Thank you.

BRIAN KRANNAWITTER: Mr. Chairman and members of the committee, good afternoon. My name is Brian Krannawitter. That's spelled B-r-i-a-n. Last name is spelled K-r-a-n-n-a-w-i-t-t-e-r. And I am the government relations director for the American Heart Association here in Nebraska. And I would like to express our support for LB539. On December 6 of 2022, Nebraska Attorney General Peterson announced a \$430.5 million settlement between Juul Labs in 33 states and territories. On the press release from Attorney General Peterson, it was stated, "This settlement aids in the first steps to addressing the vaping problem facing teens. Juul is being required to provide settlement money towards programs that help curb addiction. It also sends a strong message to companies in any industry: don't mess with our children," stated Attorney General Peterson. LB539 is a strong bill. And certainly from my perspective, it reflects the intent of the settlement as stated by the Attorney General by investing dollars derived from the Juul lawsuit toward settlement-- towards tobacco prevention and cessation efforts. I should note that the Surgeon General considers e-cigarettes as tobacco products because most of them contain nicotine, which comes from tobacco. The latest data, as provided by the Campaign for Tobacco-Free Kids, shows that there are 17.1 percent of Nebraska high school students who used e-cigarettes. This is higher than the national average of 14.1 percent. Research studies have found that kids are twice as sensitive to tobacco advertising as adults. In Nebraska, it's estimated that the industry spends more than \$62.5 million a year. LB539 presents an opportunity to counter this by investing more funds in tobacco prevention and cessation to combat, to combat-- excuse me-- combat youth tobacco use and help smokers who want to quit. With respect to e-cigarettes, from a personal perspective, I witnessed the explosion of this among teens when my son was in high school. He's 19 now. Electronic cigarettes are battery-powered devices that can deliver nicotine and flavorings to the user in the form of an aerosol. Vaping is the act of inhaling and, and exhaling the, the aerosol, often referred to as vapor, which is produced by an e-cigarette or similar device. The term is used because e-cigarettes do not produce tobacco smoke, but rather an aerosol, often mistaken for water vapor that actually consists of fine-- excuse me-- of fine particles. Most of these particles contain varying amounts of toxic chemicals which have been linked to heart and respiratory diseases and cancer. As referenced previously, most e-cigarettes have been found to contain nicotine, which is derived from-- from tobacco. With respect to Juul, it was found some years back that the Juul nicotine, pods, contained as much nicotine as a

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pack of 20 regular cigarettes. Additional investment in prevention and cessation can help tobacco use and those who want to quit, thereby saving lives and dollars. This bill provides an opportunity to do this. Some of the testifiers following me will provide more information with respect to programming and the impact. I want to thank and commend State Senator Vargas for bringing this bill forward. And I urgely-- and I respectfully urge the committee to advance this bill. Quick question-- or, answer, I should say, with regard to the payments come-- coming in. I believe it's '21 through '27. The first one came, I think, in December. And then-- I will follow with the committee to confirm this. And then I think there's two extra payments following that. I think maybe 2029 and possibly 2031. Also, I have included as a handout here the actual press release from the Attorney General that he released in December for the committee, and also copies of my testimony. And, finally, this is a letter of support from my colleague from the American Cancer Society. And with that, I'd be happy to try to answer any questions you may have.

CLEMENTS: Are there questions? I was wondering if you've heard how other states are using these funds.

BRIAN KRANNAWITTER: I know there are other proposals in other states to do exactly what we're trying to do. Senator Vargas alluded to the Nebraska Health Care Cash Fund. That derived from the 1998 settlement from major tobacco companies. And it also included in that fund some Medicaid payments, some dollars that the federal government owed the state. And so I think it was 2020, around-- or, excuse me-- around the year 2000, the Health Care Cash Fund that was set up here in Nebraska. So, anyway. That's a long way of answering. I do believe other states are, are putting forth similar proposals to do what we are doing here.

CLEMENTS: All right. Thank you for your testimony.

BRIAN KRANNAWITTER: You bet.

CLEMENTS: Next proponent. Welcome.

ATHENA RAMOS: Good afternoon, Mr. Chairman and members of the Appropriations Committee. My name is Dr. Athena Ramos, A-t-h-e-n-a. Last name, Ramos, R-a-m-o-s. I am a public health practitioner with over 20 years of experience in community-based tobacco prevention and control programming. And I wanted to express my support today for LB539 as I believe that funding from the Juul settlement should be

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directed towards tobacco control efforts. Tobacco use remains the leading cause of preventable disease, disability and death in the United States. Many people across the country die from tobacco use. In fact, more than-- more people die from tobacco use than AIDS, alcohol, car crashes, illegal drugs, murders, suicides combined every single year. Over 16 million people across the country live with at least one disease caused by smoking. And here in Nebraska, there's over 2,500 people each year who die from their own smoking. And it's estimated that 38,000 young people here in Nebraska alive right now under age 18 will eventually die from their own smoking. In our state, we spend approximately \$924 million each year on healthcare costs that are directly attributable to smoking. Investing in a comprehensive tobacco control program makes a difference and saves lives and can save money. Comprehensive tobacco control programs include population-level interventions to reduce tobacco use and exposure to secondhand smoke, prevent youth from starting to use tobacco and they help people quit. According to the U.S. Centers for Disease Control and Prevention, for every \$1 that we invest in tobacco-- comprehensive tobacco control programs, a state can receive up to \$55 in savings from averted tobacco-related healthcare costs. Plus, we know that those states that make larger investments, they see the quicker and larger impacts. The Tobacco-Free Nebraska Program has and continues to be a vital resource to Nebraska communities. Tobacco-Free Nebraska provides funding to seven community coalitions across the state to implement community-based tobacco prevention and control programming. These coalitions provide science-based information, tailored research, outreach and health education programming to the areas that they serve. I have been an active member of the Metro Omaha Tobacco Action Coalition for the past 20 years, and our coalition has consistently worked to change the landscape in Douglas County around tobacco and secondhand smoke. Some of, some of our notable achievements include educating the community about the dangers of tobacco and secondhand smoke, leading discussions with healthcare facilities and college campuses to make their, their campuses, their facilities smoke-free, promoting smoke-free housing policies with property owners, managers and tenants and advocating for health equity. Community-based interventions are effective, and they're one component of a comprehensive tobacco control program, but they need adequate funding. Nebraska is a state that prides itself on the good life. Invest-- investing these Juul settlement dollars in promoting the health and well-being of Nebraska residents is a really good thing. We need to continue to invest in things that work, invest in programs like

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Tobacco-Free Nebraska. So, in addition to the community-based programming that I mentioned, they've also built out a lot of, of infrastructure, including the Nebraska Tobacco Quitline, which you heard about from Senator Vargas, and mass media campaigns and, and communications. They also provide nicotine replacement therapy. And they continue to collect evaluation data to, to measure their progress towards their strategic goals, including those that align with the Healthy People 2030 initiative. So we can do better to create a good life for people here in our state. And supporting LB539 is an investment in public health. It's an investment in communities and it's an investment in the lives of Nebraska residents. So I want to thank Senator Vargas for recognizing that, working together, we can promote health and protect lives and save money through a comprehensive tobacco control program. I appreciate your time and would be happy to answer any questions.

CLEMENTS: Are there questions? We've had tobacco cessation efforts in the past. This says it's creating a program. How is this different?

ATHENA RAMOS: No. This would be adding additional dollars to the Tobacco-Free Nebraska Program. So it'd be investing about \$1 million more into the Tobacco-Free Nebraska Program.

CLEMENTS: I'm sorry. That's existing language. That's not the new language. Thank you.

ATHENA RAMOS: You're welcome.

CLEMENTS: Thank you for your testimony.

ATHENA RAMOS: Thank you.

CLEMENTS: Next proponent. Welcome.

MAGGIE BALLARD: Good afternoon, Chairperson Clements and members of the Appropriations Committee. My name is Maggie Ballard, M-a-g-g-i-e B-a-l-l-a-r-d. And I first want to express my regrets for following Dr. Ramos because she's so well-spoken. I should have hopped in front of her. But hopefully you'll still get some information from my testimony as well. So I'm a preventions specialist at Heartland Family Service. I am testifying in support of LB539 and want to thank Senator Vargas for introducing this bill. As a preventions specialist, my team and I do presentations around the Omaha-Council Bluffs area, particularly with middle school students, and we implement

evidence-based strategies that are shown to reduce alcohol, tobacco and other drug use. And in almost every single school that we go to, vaping is reported as being the biggest problem. And in the back of my mind when I hear that, I think, of course it is. We have this rich, powerful industry that spends \$1 million per hour on advertising. Also, this industry understands the same science that I understand, the science I share with students and community members, except that I use that as a warning, which is that the younger we are, the further away we are from our brains being fully developed. The further away we are from our brains being fully developed, the more likely we are to develop addiction. And the tobacco industry, the Juul industry, their business model relies on getting people addicted, and the best way to do that is to target teens. But I'm not telling you anything that you probably don't already know. After all, we know where this \$1.08 million is coming from. What we would like to see is for that money to go towards youth cessation and youth prevention in Tobacco-Free Nebraska. So I want you-- Senator Clements asked about a, you know, quitline and a cessation that we already have. I want you to think about some of those ads that you see for nicotine gum or nicotine patches or prescriptions like Chantix or for the quitlines, the products and the services that are advertised to help people to quit smoking. While these are helpful products, the advertising around them is often geared towards adults, people that want to be able to hug their grandchildren without smelling like smoke, middle-aged people who don't want to have to miss out on entertaining conversations while they go outside and smoke. These types of ads are great at demonstrating to adults what they will gain when they quit smoking. And, of course, adults have fully developed brains, so they're able to figure out that these same resources can help them to quit using other nicotine products like Juuls. But what if I'm a 16-year-old girl that doesn't have kids to hug, that doesn't mind smelling like strawberries from my vape juice or that doesn't need to go outside when I take a pull from my Juul pod? Those ads are not going to resonate with me. So as I mentioned, I work in both Iowa and Nebraska. And in Iowa-- we have a couple things I want to talk about. It's My Life, My Quit, which is targeted towards teens. It's staffed by the same people that answer calls from adults, but the program is advertised separately to teens. It's promoted for being confidential, not needing parental permission. And if Tobacco-Free Nebraska had a My Life, My Quit, we could help the very same people that the Juul industry got to start using nicotine to stop. Iowa also has a program, a program called ISTEP, which stands for the Iowa Students for Tobacco Education and

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Prevention. It's led by students and supported by adults. It's a statewide movement made up of young people who want to step up and take action against tobacco. We don't have a My Life, My Quit in Nebraska. We don't have that type of STEP program across the state, and we need, we need both. So this leads me to my final ask. Appreciating, again, Senator Vargas's bringing this bill forward, but we'd also like to see these funds kind of earmarked to go towards youth prevention and youth cessation. So, obviously, hoping this bill comes out of committee. And I would be happy to answer any questions. Oh, and I have another piece, I guess. I wanted to say about your question earlier about-- or, no-- I'm sorry-- Senator Dover's question about how many years. So what I saw on the AG's website is it's-- and it's a matter of how much you want to take the money at one point. So it's between \$8.1 to \$8.8 million. And so, basically, like, if we go at the rate we're asking for now at, you know, \$1,080,000, then that would obviously be enough for it to go for eight years. If we start asking for more than that at one year, then obviously it'll run out sooner. So it might be just six or seven years. But hopefully that makes sense and answers that question.

DOVER: Thank you.

CLEMENTS: Are there questions? Seeing none. Thank you for your testimony. Are there other proponents? Seeing none. Anyone in opposition? Seeing none. Anyone in the neutral capacity? Seeing none. Senator, would you like to close? Senator-- Senator waives closing.

McDONNELL: Perfect closing.

WISHART: Mike, this is a milestone. This is 58 and 59.

McDONNELL: A hundred [INAUDIBLE].

CLEMENTS: We have position comments for LB539: 12 proponents, 1 opponent, 0 in the neutral capacity. And that concludes the hearing for LB539. We'll now open the hearing for LB652.

McDONNELL: I think-- thank you. Thank you, Chairman Clements and members of the Appropriation Committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l. Represent Legislative District 5. I think you'll enjoy these next two bills to end our-- the Appropriations hearing schedule. There's a couple of handouts coming around that you can, you can look at. I come here before you today to support Jobs for American Graduates, JAG Nebraska. JAG is a program that provides

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wraparound services to Nebraska youth and barriers to academic success, helping them stay on track towards graduation and successful careers. For a school to participate as a program site, the budget has been set at roughly \$85,000 for one year. Currently, JAG Nebraska is being offered in 14 schools throughout our state. And in Omaha, it-- it's available in two high schools and four middle schools. The evidence-based actions of JAG are at the core of their, their model. The program tracks and measures progress in a variety of ways, reports back to the national organization. These measurements include graduation rates, employment rates, barriers to success and alumni engagement. The results from these, these measurements have been very promising. The most recent graduation class had a 98 percent graduation rate, with an exception-- expectation of 100 percent by the completion of the GED. 66 percent of those seniors were employed either full or part time. And 10 percent on average experienced removal of two barriers since their employment-- enrollment in the program. 96 percent reported contec-- connectivity with their alumni, which is higher than the national rate of 71 percent. The goal of LB652 was to expand these amazing results statewide so that it could benefit all Nebraskans. In order to do this, we wanted to cover the costs for participating schools. So, thanks to Mikayla and Liz Hruzka for working on this through the fiscal year. I'll be able to thank Mikayla to her face. I'll thank Liz when I see her the next time. We were able to find TANF funds that we could help spend down the state's unused balance while also providing a sustainable funding path going forward. However, I'm happy to report that LB652 is no longer necessary and ask to keep the bill in committee. This is because Governor Pillen, Commissioner of Department of Labor John Albin, and Department of Health and Human Services CEO Smith agreed that the partici-- participation and partnership between the state of Nebraska and the United Way of the Midlands through the Jobs of American Graduation [SIC], the JAG Program, has been a huge success and have funded the rapid expansion of JAG throughout the state in a smart and sustainable way. This is a great example of the executive branch, legislative branch and the private sector working together to create a great opportunity for students throughout Nebraska. All parties have agreed to provide funds for the rapid expansion of JAG statewide through 2025. We all agree that JAG is a valuable program for Nebraska's youth and that TANF funds provided a sustainable source for JAG to operate statewide. So I'm here to ask you not to vote for this bill and leave it sitting in committee because we have been successful through the cooperation of, of the Governor and CEO Smith and John

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Albin and others, the United Way through the, the private sector. Any questions?

CLEMENTS: Are there questions? Are there any proponents? Seeing none. Any opponents? Seeing none. Anyone in the neutral capacity? We have a neutral testifier.

McDONNELL: Oh, OK.

DIANE AMDOR: I'm sorry to steal your chair. I'll keep you all here for five more minutes longer.

CLEMENTS: Welcome.

DIANE AMDOR: Thank you. Good afternoon, Chairperson Clements, and members of the Appropriations Committee. My name is Diane Amdor, D-i-a-n-e A-m-d-o-r. And I'm the staff attorney at Nebraska Appleseed. We're here today to provide neutral testimony on LB652. We share Senator McDonnell's concern about the state's TANF rainy day fund, and we appreciate his leadership in advocating for utilizing these funds for the benefit of Nebraskans. We also want to ensure that the Legislature keeps the bigger picture in mind when considering proposals for spending down the TANF rainy day fund. So, to that end, we are testifying in the neutral capacity today to provide information about the TANF block grant and what it can and cannot be spent on. Nebraska's TANF funds are dramatically underutilized, and I've outlined that in my written testimony, which I also provided to the Health and Human Services Committee earlier this session. There's no reason for Nebraska to have \$131 million sitting in a TANF rainy day fund. The TANF Program gives states broad flexibility to develop and implement creative and innovative strategies and approaches to remove families from a cycle of dependency on public assistance and move families into work and out of poverty. The purposes of TANF are broad, and Nebraska should make a better use of our TANF dollars. But that doesn't mean that TANF funds can or should be used just for anything or everything. As a general rule, states must use TANF funds for eligible, needy families with a child and for one of the four purposes of the TANF Program, which I've listed here. States fund their TANF programs with a combination of federal and state funds. While both are very flexible, the two sources of funds have somewhat different rules and restrictions. For the federal funds, Nebraska's TANF rainy day fund or TANF reserve is entirely made up of federal funds. And then we also have state maintenance of effort, or MOE, funds. And this LR407

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report that was compiled by Liz Hruzka from the Legislative Fiscal Office includes a description of Nebraska's MOE expenditures. There are a few basic steps that the state should take when evaluating a proposal to initiate a new TANF-funded program. The first step is to identify how the program meets one of the four purposes of TANF. The next step is to determine whether or not the benefits constitute assistance-- and there's a definition of that in the federal regulations. And anything that falls under assistance is subject to a number of requirements, including work, time limits, child support assignment and data reporting. The next step is to establish eligibility criteria, including a definition of needy if the program meets purposes one or two under TANF. The next step is to decide how to fund the program, whether it's federal TANF or state MOE funds or a combination. The fifth step is to consider the requirements, limitations and restrictions that apply to the selected activities or services. I've included a few of those in my written testimony. Finally, the state's TANF spending plan and any amendments to it must be approved by the federal government. Just because something is an allowable purpose, that does not mean it is the best use of TANF funds. As noted previously, the whole point of TANF is to remove families from a cycle of dependency on public assistance and into work. A growing body of research shows that direct cash assistance is one of the most powerful tools available to meet those goals. As such, direct cash assistance should be the first priority in TANF spending. Fortunately, Nebraska has not diverted TANF funds away from direct cash assistance to the extent that other states have. This is a positive aspect of Nebraska's TANF Program that should be protected and expanded. The note-- the handout that I provided notes that, in 2021, Nebraska spent around 26 percent of our TANF funds on basic assistance, which is higher than the national average, and only spent 4 percent of our TANF funds on other services, which is compared to the 14 percent national average. ADC, or Aid to Dependent Children, is the TANF-funded program that provides direct cash assistance to Nebraska families. Financial assistance reduces stress on parents and lowers child maltreatment rates. Providing cash to families has immediate and long-term positive impacts on children. Adequate TANF cash assistance can help survivors of domestic violence build the financial stability necessary to leave abusive relationships and rebuild their lives following violence. And providing adequate cash assistance to families with low incomes saves money for everybody. For these reasons, we urge the committee to consider the impact of this proposal and other proposals for TANF spending on Nebraska's lowest

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income families and move forward with an effective strategy for helping families in poverty maintain stability and promote children's healthy development. Thank you for your time at the end of the hearing day, at the end of the hearings for this session. And I'd be happy to answer any questions.

CLEMENTS: Any questions? Seeing none. Thank you for your testimony. Anyone else in the neutral capacity? Seeing none. You're welcome to close, Senator.

McDONNELL: Again just wanted to thank Governor Pillen for his leadership and Commissioner Albin and, and CEO Smith and the United Way of the Midlands. We're all working together. And again, I'm asking you not to vote for this bill and leave it in committee.

CLEMENTS: We have position comments: 1 proponent, 0 opponents, 0 in the neutral. That concludes LB652. We'll now open the hearing for LB653.

McDONNELL: Thank you, Chairman Clements and members of the Appropriation Committee. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l. I represent Legislative District 5, south Omaha. I come before you today to present LB653, which was introduced as a placeholder bill to ensure that the mentorship was flagged as an eligible use of Temporary Assistance for Needy Families TANF funds. As you know, Governor Pillen has incorporated his plan for mentorship in the budget presented to us for consideration. I ask that we keep LB653 in the committee and bear in mind that the eligibility of TANF funding as we examine the broader budget. It is important to recognize that all uses of TANF funds must align with one of the four main purposes. These purposes are, one, assisting needy families so that children can be cared for in their own homes; two, reducing the dependency of needy parents by promoting job preparedness, work and marriage, preventing out-of-wedlock pregnancies and encouraging the formation of maintenance of the two-parent family. By keeping mentorship in mind as an eligible use of TANF funds, we can support our constituents in achieving self-sufficiency, providing a better future for their children and strengthening our communities. I believe that mentorship programs can play a crucial role in fostering the personal and professional growth of individuals, thereby-- there-- therefore direct-- directly contributing to the realization of those four objectives. It is essential to address the current situation in Nebraska, where we have experienced a 77 percent decline in mentors

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from pre-COVID to post-COVID. We urgently need to recruit 1,500 new mentors over the next year to catch up and help with learning loss. At present, children who have asked for mentors are placed on a waiting list. These are kids who have actively sought help and someone to care about them, but we currently do not have enough people to meet their needs. This situation is both shocking and disheartening. As we engage in the larger, larger TANF conversation with the executive branch, we must keep the needs of the children and families in mind as well as the goals of TANF, which is to reduce and eliminate people's dependency on DHHS. I'm here to thank you and appreciate the Governor's work on this and also his leadership going forward and his sincere support of mentoring, knowing that it makes a difference in every person's life that has a mentor.

CLEMENTS: Are there questions? Seeing none. Are there any proponents? Anyone in opposition? Is anyone in the neutral capacity?

DORN: Yeah.

McDONNELL: Oh, yeah. OK.

CLEMENTS: Seeing none. You're welcome to close.

McDONNELL: I waive.

CLEMENTS: He waives closing. LB653 has position comments. We have 0 proponents, 1 opponent, 0 in the neutral. That concludes the hearing for LB653. That concludes our hearings for today.

WISHART: For the year.

CLEMENTS: For the year.