

Transcript Prepared by Clerk of the Legislature Transcribers Office
Business and Labor Committee January 22, 2024

RIEPE: It's 1:30. This is the Business and Labor Committee. This is the 22nd day of January, and we're about to get started. As we do, this is the first time that we've met in this room. And so, my request to have bleachers installed in here didn't go through. So what we're going to do is those that are-- have bills coming up immediately, which is Senator Ibach's LB993. Oh, well, we have the appointment. But the bills, and LB1069, we're going to ask that-- because we want to get people in here who want to-- want to participate in those, so stay fast if you're in those categories. If you're in here for LB827 or LB906, we'd ask if you would, to be kind enough to wait outside. And then we will ask the ones that are here for the earlier bills, which we'll probably gladly want to leave, to go ahead and exit, and then we'll backfill. And we'll have to try to address this in the future. I asked him about-- we used to use this as, the one next door, as an overflow room, but I'm told that that is now the mother's nurturing room, and do not touch that. So, hands are off. OK. If we have any exchanges, we can and should do that at this time, if people are, are going to step out until-- so that we can get the other people in. Do we know how many people we have out there for the early bills?

_____ : No, I don't. There's quite a few out here.

RIEPE: Quite a few people or quite a few for this bill?

_____ : We got at least 5 for the first bill.

RIEPE: OK. The rule is 2. You're wondering, well, why didn't we have them stand in the back? But the rule is the, the Red Coats are not allowed for us to do that. So, thank you. With that, we're going to go ahead and get started. I am Merv Riepe. I'm Chairman of the Business and Labor Committee. I represent District 12, which is a good part of southwest Omaha and all of the small town of Ralston. By self-introduction, we don't have to have a quorum for a committee hearing. So we have what we have and we have quality instead of quantity. Right. So I'm going to ask to my left to start off, and if some of them come later, I'll try to intervene and introduce them so that you know who the players are. So Senator, would you introduce yourself?

McKINNEY: Yes. Thank you. My name is Terrell McKinney. I represent District 11, which is north Omaha.

RIEPE: Go ahead.

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MICAH CHAFFEE: Micah Chaffee, I'm the research analyst for the Business and Labor Committee.

IBACH: I'm Teresa Ibach. I represent District 44, which is eight counties in southwest Nebraska.

RIEPE: And Senator Ibach is the Vice Chair, and she will-- I have a presentation later, opening on a bill. And she will be chairing at the time, so if you see the moving of Chairs, it's not that I tired out. It's just the way it works. And this is our committee clerk. Go ahead.

LOGAN WALSH: Oh, I'm Logan Walsh. I'm the committee clerk.

RIEPE: OK. And here is our pages today. We have 2. We have Ella, who's from Lincoln, and she's a UNL student. And we also have Cameron, who's from Omaha, and he, too, is a UNL student. My request to you is to please silent all-- silence all phones, beepers, and other distractions from this hearing. Today before you, each hearing of all bills will be heard as posted outside of the hearing room and heard in the order of those postings. On each of the tables near the doors, you will find green testifier sheets. If you intend to testify today, please fill out one legibly, imagine that, all information and hand it to the page when you come to testify. This will help us to keep an accurate record of the hearing. If you are not testifying at the microphone but want to go on record as having a position on a bill being heard, there are white sign-in sheets at each entrance-- I guess there's one entrance, isn't there-- where you may leave your name and other pertinent information. Also, I would note if you are testif-- not testifying but have a position letter to submit, the Legislature's policy is that all letters for the record must be received by the committee by 8 a.m. the day of the hearing. The senator introducing the proposed legislation will first present and will be given the time needed, in essence, no lights. For purposes of the record, recorded record, we ask for each presenter to state one's name, to spell it, and to state who you represent. Senators who serve on the committee are encouraged to ask questions for clarification and understanding. That said, the presenter and those testifying are not allowed to ask questions of the senators serving on the committee. Senators may have computers and laptops at their disposal regarding the hearings, so please understand they are not drifting off. They are paying attention. In the Business and Labor Committee, we will use the light system to promote maximum engagement of those wishing to express positions as proponents, opponents, and neutral. Each testifier will have 3 minutes to testify. And when you begin, the light will be green. When the light turns yellow, that means you have 1 minute left,

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to the 3, 3 remaining. It's kind of like traffic lights. And when the light turns red, it is time to end your testimony, and I will ask you to wrap up your final thoughts. The 3-minute rule may change based on the number of people wanting to speak. As Chair, I will seek to hear citizens who have traveled some distance to each hearing. We also acknowledge letters received, along with any electronic transmissions that come our way, as to reflecting the concerns of the parties. We have a strict "no prop" policy in this committee. And should you have handouts you wish to share, please provide 10 copies or ask our pages, I would say through our committee clerk, to make copies. We'll get those made for you. And please be aware that any handouts submitted by testifiers will be included as part of the record, as exhibits. The pages will then distribute any and all handouts to committee senators. Following all proponent, opponent and neutral testimony, the bill presenter is offered the opportunity to close with final remarks. As a committee, we will work diligently to provide a fair and full hearing. We will make every effort to accommodate special needs. Short of an emergency, this committee will not take action on a bill the day of the hearing. At this hearing, we'll ask you to be respectful of the process to one another. And Senator Megan Hunt is-- would you want to introduce yourself?

HUNT: Sure. I'm Senator Megan Hunt. I represent District 8 in midtown Omaha.

RIEPE: Thank you, Megan Hunt.

HUNT: Thank you.

RIEPE: Senator Hunt. With that, we will begin today's with a confirmation hearing of Mr. Dallas Jones, for consideration as a member to the Commission for Industrial Relations. Welcome, Mr. Jones.

DALLAS JONES: Thank you, Senator. Good afternoon, Senator Riepe, members of the committee, staff. My name is Dallas Jones, D-a-l-l-a-s J-o-n-e-s. And as you mentioned, I am here before the committee seeking approval and appointment to the Commission of Industrial Relations. A little bit about me. I have been a practicing attorney with Baylor Evnen law firm here in Lincoln for 36 years. My practice is focused solely on workers compensation matters. I have never practiced any type of labor law. I am seeking appointment or reappointment after serving 6 years on the commission, 6 1/2, actually. Because about 6 1/2, 7 years ago, I was asked to fill a vacancy. I thought it sounded interesting, a bit different than what I do every day, but not entirely unrelated. I found that it was, in

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fact, just that. I enjoyed the work. I think I have always-- I know I have always been fair and impartial in approaching whatever the issues are that are before the commission. And I am hopeful that you will give me a chance for another term in that regard. Perhaps at this point, I can entertain questions if you have any.

RIEPE: OK. Thank you. Thank you very much for being here. Just a second. We may have some really drilling questions.

DALLAS JONES: OK. All right. I'm ready.

RIEPE: Are there any questions from the committee? Seeing none, I appreciate your expertise, your, your knowledge. And that's important to us.

DALLAS JONES: OK, Senator.

RIEPE: Thank you very much. And to get your seat, we'll probably-- we're seeing that you're going to exit. That's, that's helpful, too. Do we have any-- do we have any proponents? Any opponents? Anyone that want to speak in opp-- or in neutral position? Hearing none, thank you very much. That closes the confirmation hearing. We'll now move on to LB993, which is Senator Ibach, to my left. And we'll ask her or welcome her to take the stand.

IBACH: They set?

RIEPE: Senator Ibach, the show is yours.

IBACH: Thank you. Thank you, members of the committee, for having me today. Good afternoon, Chairman Riepe and fellow members of the Business and Labor Committee. My name is Senator Teresa Ibach, I-b-a-c-h. And today, I'm here to present to you LB993, a bill that would create the Apprenticeship Grant Act. LB933 was brought to me this interim by a group called Ignite Nebraska, a registered apprenticeship program that has developed an excellent workforce model that connects community partners, employers and educational institutions to provide paid apprenticeship opportunities with the promise of a full-time job offer in a high-demand, high-skilled, high-paying career. Testifiers following me today will be able to explain what Ignite Nebraska is and provide an overview of their successes. LB93-- LB993 seeks to expand this program statewide. LB993 provides grants to qualified businesses who are partnered with a registered apprenticeship program to provide on-the-job training and classroom instruction, either in person or online, to the employee enrolled in this program. For an employee to qualify for participation

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in the program, they must be underemployed and receiving economic assistance such as SNAP or under the Workforce Innovation and Opportunity Act. Upon graduating from this apprenticeship program, the business who received a grant must offer full-time employment to the employee with a salary that will allow the apprentice to become self-sufficient. As of today, we are requesting \$4 million to help facilitate getting this program off the ground. As drafted, this would give over 100 people in Nebraska the ability to move past financial barriers at their current job, to enter higher-skilled, higher-paid professions. I'm open to any questions. But I would encourage you to learn more about this Ignite program, which is-- which this bill is based on, from the testifiers following me who will better explain the program. There will be other testifiers who I have spoken to, who are supportive of the concept and have presented good recommendations to make this bill even better in terms of administration and expanding the ease of access to this program across the state. Thank you.

RIEPE: OK. Thank you very much. Are there questions from the committee? I have a question. Source of funds, are those-- is that \$4 million come from general-- the General Fund?

IBACH: For right now. We hope to, during the interim, maybe, tap into some resources that are already out there. But for right now, we would just request them from the General Fund, just to get the--

RIEPE: No ARPA funds still remaining.

IBACH: No.

RIEPE: OK.

IBACH: Just to get the program off the ground.

RIEPE: Have you had an opportunity to talk to Senator, to Senator Clements at-- in Appropriation?

IBACH: Yes. He's Mr. Fiscal.

RIEPE: OK. Thank you very much. Now, well, you'll be around, obviously, because you're on the committee, I hope.

IBACH: Yes, not going anywhere.

RIEPE: OK. Thank you very much. I would like to call up any proponents of LB993. And would-- thank you, Dallas. If you'd be kind enough to state your name to spell it, and then share with us who you represent.

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JONI WHEELER: Yes. Good afternoon, Chairman Riepe and members of the Business and Labor Committee. And thank you, Senator Ibach, where she went, for supporting and sponsoring LB993. My name is Joni Wheeler, spelled J-o-n-i W-h-e-e-l-e-r. I am the executive vice president of talent and enterprise solutions at Blue Cross and Blue Shield of Nebraska and the founder of Ignite Nebraska. I am testifying on behalf of myself, the Nebraska Chamber of Commerce, the Nebraska Economic Developers Association, and the Lincoln Chamber of Commerce in support of LB993. The Apprenticeship Grant act addresses the workforce shortage in Nebraska by helping individuals who are underemployed and receiving state-supported economic assistance become fully independent. This bill also provides businesses with alternative ways to identify local, qualified talent and give them access to high-skilled, high-wage, high-demand or H3 careers. In 2021, I woke up in the middle of the night with an idea to solve the far-reaching problem. How do businesses retain local talent and leverage our community's underutilized talent? And with that in mind, I created Ignite Nebraska. Ignite Is a registered apprenticeship workforce development program designed to provide access to meaningful career opportunities for individuals who are active in the workplace but underrepresented, while also helping companies fill entry-level positions with local talent. Through this collaborative workforce development model, community partners, employers and educational institutions provide paid apprenticeship opportunities with the promise of a full-time offer in a H3 career upon completion of the program. Ignite Nebraska is an example of the Apprenticeship Grant Act in action. Our partnership with Bellevue University, the Department of Health and Human Res-- Health and Human Services, community agencies, and corporate businesses help apprentices succeed by providing them access to: Higher-level, level learning at no cost, eliminating the financial barrier that can keep people out of the classroom; accelerated paid on-the-job training, enabling apprentices to begin their H3 careers as soon as possible; and family and financial resources providing participants with additional support, so they can focus on the new skills they're learning without having to worry about losing access to assistance. Ignite Nebraska launched in February of 2022 with a pilot apprentice cohort at Blue Cross and Blue Shield of Nebraska. Through this model, participants divide time between in-the-classroom learning and applied on-the-job training in the workplace. This first class graduated in September of 2022 and began full-time roles in October of the same year. There are currently 14 graduates of Ignite Nebraska from 3 cohorts, all working full-time jobs in the technology field across 3 companies, Blue Cross and Blue Shield of Nebraska, Union Pacific, and Boystown. And of the alumni who

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previously received economic assistance from the state of Nebraska, 100% no longer rely on state-funded support. Graduates have also expressed that this program has improved their wellbeing and made them more financially stable. Our objective is to scale the program across the state of Nebraska over the next 12 to 24 months. Information technology roles are currently the primary focus in upskilling talent. However, Ignite Nebraska is transferable by role, company, industry, city, and state. Programs like Ignite are not just a solution for Omaha and Lincoln, they're a solution that can be applied across the state, rural or urban. This bill is a game changer in workforce development, and it is life changing for Nebraskans. When we give someone a meaningful job, we give them hope. We give them pride. We give them purpose. And we give them the power to lift up their families. I would like to respectfully ask the committee to advance LB993, and I will be happy to answer any questions you may have.

RIEPE: Thank you very much. With that, are there questions from the committee? I have a couple. One of my questions would be is I noticed that you mentioned Bellevue University. Do you also work with Metro?

JONI WHEELER: We have worked with Metro. And Bellevue right now is the, the primary partner in developing our curriculum. We have worked with Metro, and they are very open to creating curriculum, too. But so far, we just haven't completed any process with them.

RIEPE: Do you complement or compete with any other like organization serving the same population?

JONI WHEELER: I think we complement. We, so far, haven't found any other program that's exactly like us, because what makes us unique is we really do focus on people that are already in the workforce, underrepresented. And we provide wraparound services while they're going through the program, and we help them taper off those subsidies and services, versus fall off the benefit cliff, which a lot of times happens today, when they try to advance in schooling or, or the trades.

RIEPE: Is it also your intent to-- you, you said Union Pacific, Blue Cross Blue Shield of Nebraska and Boys Town. Is it your intent to recruit smaller employers than-- those are fairly big employers in the Omaha market.

JONI WHEELER: They are. It's, it's been a little easier to recruit the larger companies just based on funding. The smaller companies, if, if they have one position, they're going to typically go after somebody

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that's a little bit more senior. And so this bill will actually open a door for access for them to, to join in this program, as well.

RIEPE: Do you have a rule that you want to place so many graduates in any organization, so that you aren't putting like 10 at Blue Cross Blue Shield and try to spread them out so they don't become a sub-- they become more of a-- part of the subculture that's already there as opposed to creating their own?

JONI WHEELER: Sure. Yes. We try to, to average about 4 per company because there is investment in helping them grow and, and acclimate to the culture. So just to your point, we do feel like if we get too big of a number, it's a little tougher on companies, as well as on the individuals.

RIEPE: OK. Very good. Thank you. Any other questions? Thank you very much.

JONI WHEELER: Thank you.

RIEPE: Now we will move to the proponents. [INAUDIBLE] those that want to testify in support. You, sir, if you'd be kind enough to state your name and who you represent.

LUKE GROBECK: Yes. Good afternoon, Chairman Riepe, and members--

RIEPE: And spell it, please.

LUKE GROBECK: Oh, yes. Luke Grobeck, L-u-k-e G-r-o-b-e-c-k.

RIEPE: OK. And who you represent {INAUDIBLE}?

LUKE GROBECK: What's that?

RIEPE: Who do you represent?

LUKE GROBECK: Oh. Blue Cross Blue Shield of Nebraska and the Ignite program.

RIEPE: OK. Thank you.

LUKE GROBECK: I'm a graduate of the Ignite Nebraska apprenticeship program and here to testify in support of LB993. I am living proof that a registered apprenticeship program like Ignite Nebraska and the Apprenticeship Grant Act have the power to change lives. Like many people at the start of the pandemic, I lost my job. And my background made it difficult to find a new role. And unfortunately, I ultimately

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lost my apartment. So I needed help to get back on my feet and reached out to the Nebraska Department of Health and Human Services, which connected with the Ignite program. In 2022, I became part of the inaugural Ignite Nebraska apprenticeship cohort. Through the 8-month program, I gained the skills needed for a career in information technology and-- by working at Blue Cross Blue Shield of Nebraska in the information services department and learning in the classroom at Bellevue University. Part of what makes Ignite Nebraska so unique is that it's set up to remove the financial barriers that can keep people out of the classroom. And before joining Ignite Nebraska, I had enrolled in a welding program through Metro, to get back on my feet, but once the classes began, however, I lost my unemployment benefits. And then without that financial assistance, I just struggled to even make it to class. My car needed tires, for example, and I couldn't afford them. And I ultimately had to drop out of that program. Ignite Nebraska was a different story. The apprenticeship ensured that I focused on learning the new skills I needed in the classroom, without having to worry about losing access to the resources I needed to be successful to complete the program and the apprenticeship. The support enabled me to successfully complete my apprenticeship and accept a full-time role as an associate software developer at Blue Cross Blue Shield of Nebraska. In my new role at the company, I contribute to the business and Nebraska community at large. I no longer worry about affording my rent or maintenance on my car, because my career has enabled me to build financial stability and independence. Additionally, Ignite Nebraska laid the groundwork for future growth. I am currently taking classes at the University of Nebraska at Omaha to further my education in computer science and data science. I plan to do the master's program in Data Science. Ignite is what made it possible for me not only to survive and afford the basic necessities like rent, but to thrive and pursue that master's degree. The apprenticeship grant has the power to change the lives of Nebraskans like me. It will enable businesses to farm local talent, giving the community members the resources they need to grow and cultivate the economy at large. I respectfully ask the committee to advance LB993, and please let me know any questions that you have.

RIEPE: Thank you very much. Are there questions from the committee?
OK. Thank you very much.

LUKE GROBECK: Yes.

RIEPE: Let me ask, do we know if we have testifiers in the hallway for LB993?

_____ : Yeah, we have about 8 of them in the hallway.

RIEPE: OK. Could, could we be maybe rather rude and ask you to, to step out there so that we can bring in a testifier?

LUKE GROBECK: Yeah. Absolutely.

RIEPE: Not that they'll be next in line, but we need to get them in here so they can hear a little bit of it.

LUKE GROBECK: Yes, sir.

RIEPE: OK. Additional proponents. Let's hold-- is she going to-- I feel like a barbershop or something. Thank you very much for your patience. And if you'd be kind enough to state your name, please spell it for us, and then share with us who you represent.

JAMES DEGNER: Certainly. My name is James Degner, J-a-m-e-s D-e-g-n-e-r, and I represent Bellevue University. Good afternoon, Chairman Riepe and members of the Business and Labor Committee. Again, my name is James Decker. I'm a key account manager with Bellevue University, and I'm here today as an Ignite Nebraska partner to offer my testimony and strong support of LB993. As someone deeply involved in education, I believe this legislation holds great promise in advancing the quality of education and on-the-job training in Nebraska. Registered apprenticeships provide an opportunity for hands-on learning paired with customized training for industry relevant topics that produce skilled talent. This dual approach ensures that apprentices not only gain a deep understanding of theoretical aspects of their chosen field, but also real-time skill development and on-the-job training that is invaluable for real-world application. As a partner of Ignite Nebraska, Bellevue University has worked in collaboration with the team to create customized, holistic and high-quality courses. This tailored education and training has proven to be a game changer in ensuring that apprentices are seamlessly integrated into the workforce and able to meet the needs of their companies immediately. By supporting initiatives like Ignite Nebraska through legislation such as LB993, we are not only investing in the future of our workforce, but also empowering companies to build a pipeline of skilled and qualified talent. Also, supporting this bill helps us all build a workforce that is not only well-educated, but also highly skilled and ready to contribute meaningfully to the growth and prosperity of our state. I respectfully ask the committee to advance LB993. Please let me know of any questions you may have.

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RIEPE: Thank you very much for being here. Are there any questions from the committee? The only question that I have, this is 2024. Sounds like a very good program. Why did we have to wait for someone to wake up in the middle of the night [INAUDIBLE]?

JAMES DEGNER: Right. I don't have an answer on that.

RIEPE: OK. Neither do I. And she may not either [INAUDIBLE]. OK. Thank you very much. Are there additional proponents? Yes, sir. Please come forward. Do we have more people? Our Red Coat disappeared. [INAUDIBLE]. Oh, there you are.

_____ : [INAUDIBLE] for LB993.

RIEPE: Are there more out there for LB993?

_____ : No, everybody's here.

RIEPE: OK, great. Thank you very much. Yes, sir. If you'd be kind enough to state your name, spell it and then share with us, please, who you represent.

BOBBY BRUMFIELD: All right. Good afternoon, chairman and members of the Business and Labor Committee. My name is Bobby Brumfield, spelled B-o-b-b-y B-r-u-m-f-i-e-l-d. I'm the managing partner and security management advisor at Leonum Advisors: Corporate Protection Management, testifying in support of LB993. As a community advocate and someone deeply invested in the well-being of our local workforce, I believe this legislation can create a measurable impact in our communities across the state. Registered apprenticeships can reduce unemployment, underemployment by providing structured training and skill development to individuals in our communities who are eager to-- eager to work and simply need an opportunity. Ignite Nebraska was created to address these exact challenges and produce the intended outcomes. With the help of LB993, Ignite Nebraska and other registered apprenticeships can continue to have lasting impacts on families for generations to come. When individuals are equipped with the skills and knowledge gained through apprenticeships, it not only elevates their own economic status but creates positive ripple effects within their families. This legislation acknowledges the interconnectedness of community well-being and economic prosperity, aiming to create a foundation for sustainable growth. Lastly, supporting LB993 unlocks the potential of local businesses. The financial assistance alleviates the upfront costs associated with training, making it more accessible to businesses, especially small and medium sized enterprises, to

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actively engage in workplace development initiatives. Businesses can then actively and thoughtfully invest in the skill development of their workforce resort-- resulting in a more competent and specialized talent pool that, in return, enhances business productivity and output. LB993 is a win for businesses, a win for the community, and a win for the state of Nebraska. I respectfully ask the committee to advance LB993. Please let me know if you have any questions.

RIEPE: Thank you very much for being with us. Let's see if we have any questions from the members of the committee. I don't see any either. I have one myself, and that is have you personally been a mentor to some of these students, participants, if you will? Maybe I shouldn't call them that.

BOBBY BRUMFIELD: No, not a not a mentor. I serve on the board.

RIEPE: OK.

BOBBY BRUMFIELD: But I am-- I have not participated in mentorship with it.

RIEPE: OK. Is the board then selectively elect who gets to come into the program, because they simply may have more applicants than you have opportunities?

BOBBY BRUMFIELD: No, we-- we're there to support the staff at-- but they, they do a great job of, of finding out who-- who's a great candidate. And, and, and they do all the work, getting them through. We're, we're there strictly to support.

RIEPE: OK. Well, thank you for your work. And thank you for being here.

BOBBY BRUMFIELD: All right. Thank you.

RIEPE: OK. Next proponent. Well, if you would be kind enough to just state your name, spell it and then share with us the organization that you represent and--

LESLIE ANDERSEN: Absolutely.

RIEPE: --we'll go from there.

LESLIE ANDERSEN: Good afternoon everyone. Thank you very much for allowing me to be here. My name is Leslie Andersen, spelled L-e-s-l-i-e, Andersen is A-n-d-e-r-s-e-n. I'm the CEO of i3 Bank in

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Bennington, and I'm a member of the board of directors for Blue Cross Blue Shield of Nebraska. And I'm also a member of the board of directors for the Omaha Chamber of Commerce. And I'm testifying here in support of LB993, excuse me, for all three of those organizations. LB993 aligns with Nebraska's goals to build workforce that actively contributes to a thriving economy by providing financial support for registered apprenticeships. This legislation ensures that companies like Blue Cross Blue Shield can identify and retain local qualified talent, thus fostering economic growth within the state. Blue Cross is a supporter of registered apprentices, particularly through our involvement and investment in programs like Ig-- Ig-- Ignite Nebraska. Blue Cross was the first supporter and investor of this uniquely modeled program. Ignite Nebraska has not only contributed to the development of a skilled workforce, but has also positively affected Blue Cross's workplace culture. We believe that supporting registered apprentices-- apprenticeships is not just an investment in individuals and communities, but also an investment in the growth and success of businesses like ours. This bill also provides an opportunity to leverage the power of public-private partnerships by bringing together for-profit companies, educational institutions and the government to collaboratively-- collaboratively address a very solvable problem. Lastly, as a business owner, this presents an opportunity for local small businesses to contribute to the future, future workforce and economic viability of our state. By partner-- partnering with an organization like Ignite Nebraska and with all the support from this bill, we can ease the initial financial burden for small local businesses to start apprentice-- apprenticeships that meet their unique business needs. Expanding apprenticeships is a win for our state, for our employers and indeed for all Nebraskans. I would respectfully ask the committee to advance LB993, and I'm happy to answer any questions you have.

RIEPE: Thank you very much. Are there questions from the committee? Seeing none, we appreciate it. I know you made a special effort to be here--

LESLIE ANDERSEN: Thank you.

RIEPE: --on a snowy, icy day, so thank you.

LESLIE ANDERSEN: Thank you so much.

RIEPE: Additional proponents. If you'd be kind enough to state your name, spell it, please, and then who you represent.

COURTNEY WITTSTRUCK: OK. Perfect. My name is Courtney Wittstruck, C-o-u-r-t-n-e-y W-i-t-t-s-t-r-u-c-k. And I am the executive director of the Nebraska Community College Association. So, Chairman Riepe and members of the Business and Labor Committee, thank you for allowing me to be here today to speak on behalf of LB993. So I'm here today on behalf of my member colleges to testify in support of LB993. And I believe this is my first time testifying before the Business and Labor Committee, so after working in manufacturing for 20 years, I feel very comfortable surrounded by my, by my business and labor partners here. But during the majority of my time in industry, I worked for German automotive and industrial manufacturers, both in the U.S. and in Germany. And while in Germany, I was able to witness firsthand the value of a robust and thriving apprenticeship system, and I would like nothing more to see that replicated in my home state of Nebraska. Personal experience aside, my member colleges avidly support any and all efforts to address the workforce shortage in Nebraska, and apprenticeships represent a reliable and proven method of developing a skilled labor pipeline in our state. Apprenticeship programs provide a pathway for Nebraskans of all ages to grow and develop valuable industry skills by working and learning simultaneously. Those participating in apprenticeships come from all walks of life, from traditional college students to adult learners looking to upskill and reskill. Apprenticeships truly are a win-win-win scenario: a win for the apprentice, a win for the employer, and a win for the state. For employers, apprenticeship programs offer the opportunity to strengthen and build their workforces by providing a tailored, high-quality talent pipeline. For apprentices, apprenticeship programs offer an opportunity to learn and earn, that is earn a salary while learn-- while learning a skilled profession. During their apprenticeship, they will acquire real industry skills and knowledge through intentional mentorship, structured on-the-job training, and supplemental, technical classroom instruction. After completion of an apprenticeship program, the apprentice earns a nationally recognized credential that is portable and stackable and stays with the employee throughout their career. For the state, apprenticeship has been proven to be a very successful strategy for preparing skilled workers to help Nebraska compete effectively in the national and global economies. Yesterday's apprentices are today's carpenters, electricians, plumbers, and advanced manufacturing workers. In addition to the skilled trades, tomorrow's computer programmers, educational assistants, healthcare providers and others are becoming apprentices today. So, to fill the high-quality, skilled labor pipeline of tomorrow, it is critical that Nebraska invest in apprenticeships today. Thank you so much and I'll be happy to take any questions.

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RIEPE: Thank you. Thank you for being here and sharing with us your German experience.

COURTNEY WITTSTRUCK: Jawohl.

RIEPE: Are there questions from the committee? Yes, Senator Hunt.

HUNT: Thank you, Chairman Riepe. Thanks for being here today. How many years were you in Germany?

COURTNEY WITTSTRUCK: I was only in Germany working for about a year, but I worked for German companies for-- gosh. I'm on the record, so I don't want to mess this up, but for almost 20 years.

HUNT: You will go to prison.

COURTNEY WITTSTRUCK: I know. I know. Yeah, I worked for-- some of the names will be very familiar to, to folks even here. Mercedes Benz, Robert Bosch Corporation, the automotive supplier, and Continental Tire and Rubber, also the German, German tire and industrial manufacturer.

HUNT: And in this-- so the apprenticeship programs that you saw when you were there, were those-- those weren't just parts of those companies, but sort of backed by the state then?

COURTNEY WITTSTRUCK: Yeah. And it's really ingrained in the culture, as well. And, you know, that's something it's-- the companies are partners, the state's a partner, and it's really ingrained in their culture. And I know some folks will say, well, if it's such a great thing for businesses, why don't-- why haven't they been doing this for a while? Well, it hasn't been in our culture to do that. And I think a bill like this would really kick start that type of program in Nebraska. And we know that we have a skilled labor workforce shortage. I think it'd be very helpful to kick start that program here. And, and I know we're not going to catch up to Germany right away. It took them, you know, 40, 50 years to get to where they are, but I think this is a very good start.

HUNT: OK. Danke Schoen.

COURTNEY WITTSTRUCK: Bitte Schoen. Should we spell that for the transcriber?

RIEPE: Spell it for the committee.

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COURTNEY WITTSTRUCK: Yeah. They have my contact information on the green sheets, so.

HUNT: Thank you.

RIEPE: Are there-- thank you. Thank you, Senator Hunt. Are there-- did you have any followup questions? Do you want to talk to her a little bit in German?

HUNT: I'm OK. Thank you.

RIEPE: Any other questions? The question I had or I have 2, or 1 question, 1 comment. The portable and stackable, that I've never heard. [INAUDIBLE] is that a German term?

COURTNEY WITTSTRUCK: No. No, actually it's not. Portable means that it-- the, the employee can take their credential wherever they go. So it's not just something that's company specific. And stackable means that they can continue to build on it later on. So let's say they earn-- and I'm, I'm totally making these up so if you're watching at home, please don't write me and say I'm messing this up. But let's say that you earn a, you know, a welding certificate to do, I don't know, spot welding. And you earn this credential. Then you go somewhere else, you can take that credential and build upon it. And maybe you want to get a different type of welding credential, then that is still valid and you can stack on top of that. It's not like you have to start over whenever you move positions or move companies.

RIEPE: That makes sense. Now, the only other thing that I had is, is my new LA this year just finished a master's degree in Germany at one of the universities, so.

COURTNEY WITTSTRUCK: So I can practice. Awesome.

RIEPE: Yeah. Gerald Fraas. He's straight down at the other end of the building on this floor. So give a little plug for Gerald. Any other questions? If not, thank you very much. We appreciate you being here.

COURTNEY WITTSTRUCK: Thank you very much. Appreciate your time, everyone.

RIEPE: Additional proponents. German or otherwise.

CARTER THIELE: Good afternoon, members of the Business and Labor Council [SIC]. My name is Carter Thiele, C-a-r-t-e-r T-h-i-e-l-e. I am the policy and research coordinator of the Lincoln Independent

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Business Association, and I am here today to express our organization's strong support for passing the Apprenticeship Grant Act. This bill is a promising step forward in our shared goal of providing underemployed and unemployed individuals in Nebraska with valuable job training and classroom instruction opportunities. In doing so, this act helps individuals earn a livable wage and reduce their reliance on economic assistance programs while encouraging Nebraska businesses to offer more apprenticeships. Our state is losing its workforce. We're experiencing a brain drain like nothing we've ever seen before. The unprecedented nature of this new wave is that our lesser-educated members of the workforce, which for so long have remained a consistent surplus to the state, have become more and more willing to leave. Passing this bill will go great lengths to retaining our workforce. Moreover, with a couple of improvements to this bill, this program would go a long way towards encouraging businesses from other states to expand their enterprise into Nebraska. Firstly, we would propose increasing the funding for this initiative. The current cap of \$4 million in grants per fiscal year is a commendable start, but we expect it to not meet the demand to be able to fully realize this act's potential benefits. Investing in our workforce through robust funding in this program would allow full utilization from companies across the state and beyond. Secondly, regarding the requirement that businesses offer full-time employment to the apprentices upon successful completion of the apprenticeship, that provision is bound to cause some issues. While the intention of preventing businesses from taking advantage of the program is an honorable intention, requiring businesses to offer full-time employment limits flexibility in hiring, particularly for small businesses, which this program looks to incorporate, who may not have the resources to guarantee employment in uncertain economic times. Also, during the apprenticeship period, either party may realize that the company or the employment relationship is not the correct fit for employment. Instead, this bill should incentivize businesses to retain their apprentices by retroactively subsidizing them the amount of money they would have paid in payroll taxes on the apprentice in the first year of the apprentice's employment. This way, we reduce the financial risk of the businesses for taking on apprentices and encourage them to participate in the program. In closing, I strongly urge this legislative body to consider these amendments. Increased funding and a more business friendly approach could ensure that the Apprenticeship Grant Act not only achieves its noble goals, but also becomes a resounding success story for the great state of Nebraska. Thank you, and I would be happy to answer any questions you may have.

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RIEPE: Are there questions from the committee? Senator Hunt.

HUNT: Thank you, Chairman Riepe. I-- would we be able to get a copy of your testimony, because I thought some of your suggestions were fine, and I'd like to read that again.

CARTER THIELE: Yeah, absolutely.

HUNT: OK. Do you have a, a paper copy?

CARTER THIELE: This is it.

HUNT: That's OK. Pages, can we get some copied? Thank you. Is that OK with you?

CARTER THIELE: Yeah. Absolutely.

HUNT: Thank you.

RIEPE: Can we come back to that or are you OK with this?

HUNT: I'm good, yeah.

RIEPE: OK. One of the questions I had was, you said not the \$4 million, but I didn't hear you give a number. I'm going to put you on the spot here. Remember, this is recorded on TV and on the mic. No pressure.

CARTER THIELE: Let's just double it and shoot for 8.

RIEPE: Shoot for what?

CARTER THIELE: Shoot for 8-- \$8 million.

RIEPE: OK.

CARTER THIELE: And then from there you give it a couple of years. You see what the demand is.

RIEPE: Geometric progression kind of a thing?

CARTER THIELE: Yes.

RIEPE: OK. That was my curiosity question. OK. We'll just wait a bit here. I don't know-- how far they-- they can't have to go very far. I think we have copy machines all over the place here.

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CARTER THIELE: I'll know for next time. I am new, so I apologize.

RIEPE: Well, that's OK. The other one that I guess that I had, you talked about brain drain. The stuff that I've read, which is somewhat limited, said that most of the brain drain is they're concerned about or at least have talked about is at the college level, but this is--

CARTER THIELE: I didn't hear you. I'm sorry.

RIEPE: It's-- when they talk about the brain drain, most of the stuff I read talks about the college degrees leaving the state. The more, I think, highly-- more highly educated. But you're saying it's also a problem or we're saying it's a problem--

CARTER THIELE: Yes.

RIEPE: --throughout the state?

CARTER THIELE: Yes. The University of Nebraska of Omaha's-- did a research study that went out, back in December, that showed a graph of the, the net loss of workers based on certain educational groups. And throughout the 2010s, while we were losing our workforce that had college education or beyond, we had a surplus that made up for that net loss with the groups that had an associate's degree or less. But now, since 2020, it's declined to the point where those groups with associated or less are only at like a net 90 increase. So it's almost even. And then we have, you know, more than 4,000 or 5000 of our college educated groups as a net loss.

RIEPE: OK. OK, that's, that's helpful. Senator Hunt, I don't know whether-- you haven't had any-- much time to take a look at this [INAUDIBLE].

HUNT: No. I'll reach, I'll reach out if I have questions. Thank you.

RIEPE: OK. Thank you. Thank you very much. Appreciate it. Thank you very much for being here. Do we have additional proponents? No additional that want to speak in favor? OK. Do we have any opponents? If you would, sir, if you'd be kind enough to give us your name, spell it, please, and then share with us who you represent.

JON NEBEL: You betcha. My name is Jon Nebel. I represent the State Council of Electrical Workers, representing about 5,000 electrical workers in the state of Nebraska and their families. My name is spelled J-o-n N-e-b-e-l. This is kind of awkward. I never thought I'd be up here testifying as an opponent for a registered apprenticeship

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bill. So I can't speak to any complaints about the registered apprenticeship side of it. I think it's good. I'm really excited that we're encouraging the use of registered apprenticeships. There's no better way to get to the skilled level than having a, a partnership that makes sure that we're educating person as we teach them on the job and pay them throughout the whole process. My concern, more or less, with the bill, though, is a couple things. I was concerned about the, the way the completion is, is defined in there. If we're, if we're going to complete-- for my trade and more construction trade specific, it's not just a completion of a class. It's actually attaining a license. So I'd want to make sure that if we're going to be giving moneys to contractors in our, in our field, it would be kind of tidied up that way, as well. And then, I'm not too sure on what the money is, is intended to do. If it's just-- intended just to supplement the worker's income through giving the business the money back or is it something that we can tailor more to encourage the expansion and incentivize more apprenticeships go through apprenticeship programs? For us, the jobs guarantee at the end might be something that disincentivizes our contractors. The way our apprenticeship works is we have a committee of the electrical workers, and it is half the committee and then the other half is the management side, meaning the contractors. And we utilize about 53 contractors in the Omaha area. And I think there's probably another 2 dozen Nebraska electrical contractors that utilize our apprenticeships, as well. So if we're going to guarantee employment after the fact, we might have a situation where contractors aren't utilizing more apprenticeships because they're all paying into the same apprenticeship program. And if they're not getting the same kickbacks on the back end for the, the cash incentive to have an apprentice, I don't know that it'll work its way out as far as-- when I, when I graduated out of my apprenticeship, I'm free and I'm skilled and I can go work for any contractor that has work. And I don't want a contractor to have to keep me on and not give me hours just so they can get a kickback on the back end, where I could go somewhere else and work for a contractor that is busy. I know my light-- my time is about up but, I understand that Senator Ibach is open to amendments on this. So as of now, the language we see we'd be opposed to, but are encouraged to hear that she's willing to negotiate an amendment.

RIEPE: OK. Thank you.

JON NEBEL: You bet.

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RIEPE: Perfect timing. We'll see if you have any questions from the committee. I had a question. Does this concern you with the electrical workers?

JON NEBEL: Yes. It's.

RIEPE: The same concern across all construction union lines?

JON NEBEL: I would imagine so. We're all set up pretty much similar to where we train as a collective and can work for whoever has the work.

RIEPE: OK, that's my question. Hearing none, no others? Are there any other-- thank you very much for being here. Are there any other opponents? Seeing no other opponents, are there any individuals who wish to testify in the neutral capacity? Are you in the neutral capacity?

SUSAN MARTIN: Pardon me?

RIEPE: Are you in the neutral capacity?

SUSAN MARTIN: Yes, sir.

RIEPE: OK. Thank you. If you would be kind enough, we know you, but state your name, please, spell it and share with us with us who you represent for the record.

SUSAN MARTIN: Good afternoon, Senator Riepe, and members of the Business and Labor Committee. My name is Susan Martin, S-u-s-a-n M-a-r-t-i-n, testifying in the neutral position on LB993 on behalf of the Nebraska State AFL-CIO. First, I want to say I think Senator-- or thank Senator Ibach for her effort in bringing a bill that will provide additional opportunities for workers, particularly lower income workers, but I'm not quite sure that the bill as written is equitable. The statement of intent says that grants would be provided to qualified businesses who are partnered with a registered apprenticeship program and who provide on the job training and classroom instruction to the employees enrolled in the program. In the bill, page 2, line 26, Section 4, it states that a business may apply to the, the department, but there's no definition of a business. Because the wording "is specific to business" may apply, this me-- may leave out our current union apprenticeship programs. In most of our building trade apprenticeship programs, there are signatory contractors who are the employers, and then the joint apprenticeship program which is the apprenticeship training program. Representatives from these two groups make up the labor management committee, who, in

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turn, is the program sponsor. Our apprentices, our apprentices go through the apprenticeship program and learn and work at our signatory contractors while they're going through the program. As long as they're in the apprenticeship program, they may be assigned to different signatory contractors based on the requirement of their training program. I know my testimony is more in the opposition, but I don't-- I do not oppose the concept of the legislation. We support apprenticeship programs, especially in high-demand, skilled occupations. And I have made the promise to Senator-- to work with Senator Ibach's office to further clarify who or what would be a definition of business. So with that, I appreciate your consideration of my views.

RIEPE: Thank you very much. Are there any questions from the committee? Seeing none-- oh, Senator Hunt, please.

HUNT: Thank you. Sue, would you be willing to also send us a copy of your testimony? Just via email is fine.

SUSAN MARTIN: Yes. Absolutely. Yeah.

HUNT: OK. Thank you.

SUSAN MARTIN: Sure.

HUNT: That's it.

RIEPE: OK. Thank you. Any other questions? Seeing, seeing none, thank you very much for being here. Are there any others who wish to testify in the neutral position? If you'd be kind enough to state your name, spell it please, and who you represent.

SHANNON GROTRIAN: Certainly. Good afternoon, Chairman Riepe and members of the Business and Labor Committee. My name is Shannon Grotrian, S-h-a-n-n-o-n G-r-o-t-r-i-a-n, and I am the director of the Office of Economic Assistance within the Department of Health and-- Department of Health and Human Services. I am here to testify in a neutral capacity for LB993, which will adopt the Apprenticeship Grant Act. This is a program that works in collaboration with DHHS through the SNAP Next Step E&T program. LB993 aims to reduce reliance on economic assistance programs such as SNAP. The SNAP Next Step E&T program allows SNAP participants the opportunity to participate in training and access support services to assist them in entering the workforce or promoting within the workforce. The SNAP Next Step E&T program currently partners with YWCA of Grand Island, Metro Community College, and is in the process of onboarding the city of Lincoln.

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These partners as well as DHHS Workforce Coordinators assist in determining what program opportunities best meet the needs of the participant. Some opportunities include improving their ability to acquire general skills, knowledge, and work habits necessary to enhance their employability and maintain employment. There are multiple components available in the SNAP Next Step E&T program, including supervised job search, vocational and basic education, on-the-job training, job search training, and job retention. With the implementation of LB993, DHHS will add the apprenticeship component to the state plan. Supportive services are provided when a participant is involved with any of the SNAP Next Step E&T components. Supportive services can include assistance with transportation, work supplies, tuition, etcetera. In 2016, DHHS partnered with the Department of Labor and began to expand the SNAP Next Step program. At that time, the program was operating in only one county. This partnership allowed DHHS to begin working with community agencies to provide the case management services to participants. Currently, the SNAP Next Step E&T program operates in 19 counties across the state. The community partners currently operate in Hall, Douglas and soon to be Lancaster County. The DHHS workforce coordinators operate within the counties of Adams, Buffalo, Custer, Cheyenne, Dawson, Douglas, Franklin, Gage, Hall, Hamilton, Harlan, Howard, Kearney, Lincoln, Madison, Merrick, Phelps, Platte, and Scotts Bluff. If businesses utilizing apprenticeships under the program established by LB933 are located beyond the 20 counties currently served by the SNAP Next Up E&T program, additional workforce coordinators or partners may be needed to provide case management services. SNAP Next Step E&T participants who successfully completed their on-the-job training during federal fiscal year 2023 increased their income by an average of \$32,172 per year after completion. In addition to the increase in income, SNAP parti-- or SNAP allotments have decreased by an average of \$330 per month with this increase in wages. Thank you for the opportunity to testify today, and I'll be happy to answer any questions you have.

RIEPE: OK. Are there questions? Almost thought I saw a hand ready to go up. OK. I would have a question. My question is in your document here, it says SNAP Next Step E&T program. Are you contending that that completely would compete?

SHANNON GROTRIAN: I'm sorry, why do you--

RIEPE: Are they doing this-- are you doing-- think you're doing a similar job here, on the SNAP Next Step?

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SHANNON GROTRIAN: The SNAP Next Step E&T program is what would partner with businesses that receive the grant.

RIEPE: OK. I'm just trying to figure if we have--

SHANNON GROTRIAN: So just-- it would--

RIEPE: --2 people on the same nickel here. Are you saying your program complements or competes with?

SHANNON GROTRIAN: Complements.

RIEPE: Complements.

SHANNON GROTRIAN: Yes.

RIEPE: OK. So you're almost a proponent it sound-- maybe. OK. I know [INAUDIBLE] state. I know how that goes. OK. No further questions? Thank you for being here. Anyone else testifying in the neutral capacity? Hearing none, in the-- we will-- oh, there's Senator Ibach.

IBACH: I'm not used to going back in the [INAUDIBLE].

RIEPE: Before we go to that, I would say, too, is we had, in written correspondence, either letter or electronic transmission, we had 6 proponents, 0 opponents and 1 in a neutral capacity, for the record. Now, you may close. Thank you.

IBACH: Thank you. Thank you, Chairman Riepe. So I think that what the testimony-- and I would like to thank everyone that came today to testify. I think this is a great program with a, with a great goal in mind. I think it just demonstrates that we can come up with great ideas in the middle of the night. And it, it will become a win-win-win for everyone. I would also like to say thank you for the letters of support that came in. They were very thoughtful, as well. And with that, I would thank you for-- thank the committee today. And thank you for listening to LB993.

RIEPE: Thank you. Are there any questions of Vice Chair Teresa Ibach? Seeing none, thank you. And with that, that concludes the hearing on LB993. You may clear the house. The next hearing that we have, we're going to get set up here in just minutes, will be LB1069. Rod, don't leave. We're ready?

HUNT: That's my aunt.

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RIEPE: You're going to do Halloran's?

HUNT: Didn't expect to see her today.

LOGAN WALSH: Thank you, Rod.

RIEPE: Welcome. We apologize that we didn't have room in the-- space in the room for everyone to come in at the initial time. With that, we'd like to open on LB1069. And in the absence of Senator Halloran, his trusty and confident assistant Rod is going to present for us. So, Rod, with that, you're welcome to open and you have [INAUDIBLE]. If you would, of course, you know the drill, your name and then, obviously, who you represent, and spell it, please. Thank you.

RODNEY KROGH: Good afternoon, Chairman Riepe, members of the Business and Labor Committee. And thank you for this hearing. For the record, my name is Rodney Krogh, R-o-d-n-e-y K-r-o-g-h, and I serve as Senator Steve Halloran's legislative aide, and he had a conflict this afternoon. I'm here to introduce LB1069, which was brought to Senator Halloran by the State Fire Marshal Agency. This bill has 5 components which affect different areas within the agency, including the open burn proc-- open burn permit process, updating the Natural Gas Pipeline Safety Act regarding meter fee assessments and violation fine amounts, updating the water-based contractor renewal process with reducing filing times, updating the Boiler Inspection Act to reflect industry improvements along with safety features, and lastly, removing all references to the Fire Safety Appeals Board. This concludes my testimony on LB1069. The director of the State Fire Marshal Agency, Scott Cordes, is here, and he will be testifying to give you more information on the various changes and can answer any specific questions you may have. Thank you, Chairman Rieme-- Riepe and members of the committee.

RIEPE: Thank you. Are there questions from the committee? One question I have and I think it's a fairly simple one is who made the decision to go-- I think in the bill it says it goes to-- the penalty goes from, is it \$10,000 to \$200,000? Is that--

RODNEY KROGH: Direct-- Director Cordes on the specifics of the legislation.

RIEPE: Oh, the next speaker, I guess is gonna--

RODNEY KROGH: Yeah.

RIEPE: OK. Thank you for being here.

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RODNEY KROGH: But thank you.

RIEPE: And you'll be around here to close?

RODNEY KROGH: No. Waiving.

RIEPE: You're going to waive closing? OK. Thank you very much, Rod.

RODNEY KROGH: Thank you.

RIEPE: Thank you. Now we'll go to proponents. If you would be, sir, kind enough to give us your name, spell it, please, and then who you represent.

SCOTT CORDES: Yes, sir, Chairperson-- Mr. Chairman. My name is Scott Cordes, S-c-o-t-t C-o-r-d-e-s. Good afternoon, Chairperson Riepe and members of the Business and Labor Committee. I am the State Fire Marshal, and I'm here today to testify in favor of LB1069. I'd like to thank Senator Halloran for introducing this bill. LB1069 contains 5 major areas affecting operations within the State Fire Marshal Agency. First, I'd like to discuss the requested changes to the language regarding the open burning permit contained in Section 3. Currently, the agency produces, purchases, and distributes paper permits to all fire departments upon request so the departments may waive the open burning ban for bonfires, open rubbish fires, and fires for the purpose of clear-- clearing land within their fire districts. Many of these departments also have additional permitting requirements for open burns within their jurisdictions. This bill removes a requirement that the agency provide a standard permit. Instead, a series of minimum requirements are listed which can be included in the permit, which allows fire departments the flexibility to add any requirements or procedures they need. The agency will develop a model permit and have that available on the agency website for any department who wishes to use it instead of making their own. Due to not having to print and send out the permits, the agency would have a general fund savings of \$1,840. Section 4, which deals with the Natural Gas Pipeline Safety Act, would increase the minimum/maximum civil penalty amounts that may be imposed by the district court when actions are brought in that venue. The minimum amount will increase to \$200,000 and the maximum amount would be \$2 million. These amounts will be substantially similar to the amounts listed in the federal regulations. This is important for 2 reasons. First, this will allow the state to retain enforcement authority for violations rather than having to enter into a new agreement with the federal authorities, where they would take over all discretion regarding the imposition of

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and processes for enforcement actions. Under the current state authority, these penalty amounts have not been sought against a pipeline operator, so there's no anticipated fiscal impact from this change. Second, the change will allow the state to no longer lose points on the yearly program audit by the federal government. Without losing these points, the state would be eligible to receive larger grant portion match for the federal funding for this program. Section 5, which also deals with the Natural Gas Pipeline Safety Act, would allow the agency to set the annual pipeline meter assessment fee at a rate not to exceed \$0.50 per meter. During the past 7 grant periods, the state portion of the program costs have increased by 46%, but the grant amount has only increased by an average of 7.5%. The current maximum amount of \$0.20 has not been increased since 18-- or excuse me, 1983, 1983. Based on 624,000 meters, the average number of meters in the state, the current maximum rate of \$0.20 per meter generates an average of \$124,800 annually, which is inadequate to allow the program to function with a full inspection staff. The agency has the authority to employ 4 inspection deputies. However, after the retirement of a deputy in the fall of 2023, the agency has kept the position vacant due to inadequate revenue to fully sustain the position. Based on an analysis of revenue and expenditures over the next 2 years, the agency is proposing to set the fee at \$0.40 per meter for fiscal year '24-25 and for fiscal year '25-26. This would generate an additional revenue of \$124,800, which would be adequate to fully fund the all-- already allowed fourth position and other anticipated operational increases in the program. Section 6 of the bill addresses the submittal of paperwork to renew certificates required by water-based fire protection system programs. Currently, individuals holding certificates are required to submit an annual renewal application to the agency 30 days before their certificate expires.

RIEPE: Sir?

SCOTT CORDES: The agency is requesting that the time frame to submit the renewal application be reduced from 30 to 10 days to allow the submitters more flexibility. The agency now uses a more effective and efficient electronic process, making the 30-day timeframe unnecessary.

RIEPE: Sir, are you able to-- [INAUDIBLE]? We do have your-- all of your testimony on file?

SCOTT CORDES: Right.

RIEPE: And we're at the red light. So I'm, I'm trying to [INAUDIBLE].

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SCOTT CORDES: OK, I've got-- I-- I'll stop, sir, if you want me to. I've got one last paragraph that I'm-- [INAUDIBLE]. Tell me what to do, sir.

RIEPE: Are there any questions at this time? Let me see if there's some questions from the committee.

SCOTT CORDES: OK. Yes, sir.

RIEPE: Are there any questions? None? OK. Oh, you do have one. OK, thank you. Senator Hunt.

HUNT: Just for the, for the, for the record and Transcribers, and for people doing research later on this bill. And as the subject matter expert on this bill, I'd like for you to finish your testimony.

SCOTT CORDES: Section 9 of the bill addresses amendments to the Boiler Inspection Act regarding exemptions for certain types of boilers. Improvements in technology, engineering, controls, and safety devices for these types of boilers that have made them safer. These more easily understandable exemptions, which apply to all units in the state, will make compliance easier for boiler owners, installers, and users. Passage of this expanded exemption will result in approximately 600 fewer boilers being inspected on an annual basis, and will also result in about 200 fewer new installation inspections across the state. Sections 1, 2, 8 and 9 all deal with the elimination and any references to the Fire Safety Appeals Board. The board, which was created in 1979, was designed to hold hearings for the agency when a dispute arose in one of the regulated areas and serves the same function as the administrative hearing officer under the Administrative Procedures Act. The board is composed of 9 members from representing specific fields and positions. It is-- if it is utilized, the hearing must be conducted in the county where the issue has arisen, and the agency must pay for costs associated with the board. The agency has only convened the board once since 2007, and has a very difficult time trying to find individuals willing to serve on the board. The elimination of the board will allow the agency to then use a hearing officer for the requirements of the Administrative Procedures Act. Thank you for your time and attention today. I would be more than happy to answer any questions that you or the committee might have.

HUNT: Thank you.

RIEPE: Thank you very much.

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SCOTT CORDES: You're welcome.

RIEPE: Are there questions from the committee? Senator Ibach?

IBACH: Thank you, Mr. Chairman. If you haven't convened since 2007 because the board has a difficult time trying to get individuals to serve on the board, are there currently members on that board?

SCOTT CORDES: There are some. There are some vacancies currently.

IBACH: OK. And so they-- you just don't convene annually. They're just standing members of that board?

SCOTT CORDES: Correct.

IBACH: OK. Thank you. Thank you.

RIEPE: OK. Any other questions from the committee? Seeing none, thank you very much for being here.

SCOTT CORDES: Thank you, sir.

RIEPE: Additional proponents, please.

MICHEAL DWYER: Good afternoon, Senator Riepe and members of the Business and Labor Committee. My name is Micheal Dwyer, M-i-- M-i-c-h-e-a-l D-w-y-e-r, and I'm a member of the Arlington Volunteer Fire and Rescue Service for 40 years, and here to testify in support of LB1069. I'll be very brief. I don't have written testimony, but I wanted to offer 2 things. One, tremendous support for our State Fire Marshal. Scott's doing a tremendous job. I've known him personally for a number of years. Just doing a great job. Specific to LB1069, the fire chiefs and I discussed this within our area; fully support the process. One of them loves the online process. He's using a ton. He's doing 200-- he did approximately 200 burning permits last year in our relatively small district, and 175 of those were online. Spoke to another fire chief. He didn't like the online system but he can use the paper system. The, the ability to have both of them is incredibly important. The only thing that I want to mention to the committee is that the struggle that local fire departments have is in enforcement. If you're a, a-- just a person that decides, you know, I'm going to burn something today. The weather's perfect, I'm just going to burn it. The fine is typically only, only \$100 bucks. It is my understanding and notice that I'm not an attorney, it, it is only \$100 and sometimes, that's not directly enforced. So in order for this to have any teeth, there needs to be significant enforcement. I

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understand that's not your job, but that's a piece that for local fire departments is a struggle. But with respect to LB1069, it's great. I'd encourage your support and would be happy to answer any questions.

RIEPE: Thank you very much. Any questions from the committee? Seeing none, thank you very much for being here.

MICHEAL DWYER: Thank you very much.

RIEPE: Additional proponents, please.

RIEPE: I think you know the drill. Name, spell, and who you represent.

RYAN McINTOSH: Good afternoon, Chairperson Riepe, members of the committee. My name is Ryan McIntosh. M-c-I-n-t-o-s-h, and I am here today as a registered lobbyist on behalf of the Nebraska State Volunteer Firefighters Association and the Nebraska Fire Chiefs Association. On behalf of these organizations, I'm here to offer our support for LB1069, specifically Section 3, that both Fire Marshal Cordes and Mr. Dwyer spoke about, that deals with provisions related to issuance of burn permits. LB1069 offers more flexibility for local fire chiefs to issue these permits. This is accomplished first, by allowing issuance of electronic permits and second, by allowing departments to customize their own permits to allow for additional controls or requirements for permittees. While the fire marshal may no longer be required to print the forms, I'm not aware of any concerns by our members in developing or printing their own forms. So with that, I would urge the committee to adopt LB1069. And I appreciate your support.

RIEPE: OK. Thank you very much. Are there any questions from the committee?

RYAN McINTOSH: Thank you.

RIEPE: Oh, not so quick. I have a question.

RYAN McINTOSH: Yes.

RIEPE: My question is this, is maybe you're the guy that can answer, it seems that the fine in there goes from \$10,000 to \$200,000.

RYAN McINTOSH: So that-- it's my understand--

RIEPE: [INAUDIBLE] I know it's an inflationary period of time, that companies try to figure out--

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RYAN McINTOSH: So I believe that applies-- that applies to the underground pipes, not to the fire, not to the, the burn permits. So I could not tell you anything about the reasoning behind that.

RIEPE: OK. OK. Well, we might hear some more about that. But thank you for being here.

RYAN McINTOSH: Thank you.

RIEPE: Additional proponents. And you're a proponent?

ROD BUETHE: Proponent.

RIEPE: OK.

ROD BUETHE: Good afternoon. My name's Rod Buethe, R-o-d B-u-e-t-h-e. I'm here representing the Gretna Fire Department and the Tri-Mutual Aid Firefighters Association, which is a group of 30 fire departments in the metro Omaha area. I just want to get up here, I'll be brief. I agree with everything they said. The burn permit process is what I'm most concerned about as part of this bill. To do paper only, it's kind of antiquated now, with all the computer technology we have. So if we could include the electronics in the law, that would be great. With that, I would urge you all to support LB1069. Do you have any questions for me?

RIEPE: OK. Thank you. We'll see here. Do any members of the committee have a question? Seeing none, thank you very much for being with us. Additional proponents? Any additional supporters, proponents? If not, let's hear from the opponents. Again, if you'd be kind enough, state your name and spell it, please, and then who you represent.

JILL BECKER: Good afternoon, Senator Riepe and members of the Business and Labor Committee. My name is Jill Becker, spelled J-i-l-l B-e-c-k-e-r, and I appear before you today as a registered lobbyist on behalf of Black Hills Energy. Black Hills Energy is currently opposed to LB1069. There are 2 sections of the bill that impact natural gas utilities. Section 4, which proposes to significantly increase civil penalties for violation of safety standards or any regulation under the Nebraska Natural Gas Pipeline Safety Act, and Section 5 of the bill, which proposes to significantly increase the per meter assessment from up to \$0.20 to up to \$0.50 per meter. Section 4 of the bill proposes to increase civil penalties from \$10,000 to \$200,000 for each violation for each day. The maximum civil penalty is increased from \$500,000 to \$2 million per day for any related series of violations. Black Hills Energy understands that the Nebraska State

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Fire Marshal's Office is facing pressure to increase these penalties. However, we have determined that these proposed changes pose significant risks to the utilities and to our customers. Currently, Black Hills Energy works very closely with the Nebraska State Fire Marshal when there are concerns about potential violations. Safety is the primary focus of Black Hills Energy. We want to ensure that our employees, customers, and the public enjoy the continued benefits of safe and reliable natural gas energy sources at reasonable prices. With a significant increase in penalties, Black Hills Energy and all other natural gas utilities operating natural gas pipelines within the state will be forced to look at these areas of concern from a viability and litigation perspective. Rather than a focus on collaboration with the State Fire Marshal and the Attorney General's Office, operators will more often be-- find themselves under an adversarial relationship due to the litigation over the level of the fines potentially assessed for each violation. The current safety requirements and fine structure already demand the attention of natural gas pipeline operators. In addition to the current statutes and fines, they currently provide adequate commitment of significant investment of our utilities into operating, maintaining, and improving pipeline safety. With the approval of the Nebraska Public Service Commission, Black Hills Energy invests approximately \$45-50 million each year in pipeline safety in the state of Nebraska. While we would never sacrifice its obligation of pipeline safety for economic reasons, the reality is that if pipeline penalties increase as proposed, then the cost of those penalties could impact the amount or pace of other investments or improvements in natural gas service within the state of Nebraska. The Section 4 language that gives us concern states that if the State Fire Marshal has reason to believe that any person is violating any provision, and then it goes on. It seems to imply that "reason to believe" language is, in fact, language that provides some type of legal standard, which could lead to unlawful and arbitrary and capricious penalties. We believe that if compliance is not already achieved within a certain amount of time, then the State Fire Marshal may request the AG bring court-- bring court action. Again, it seems to be vague as to what reasonable means within these statutes. But we think that there should be additional due process considerations given, if we do, in fact, make these statutory changes that would significantly increase the fines. And I see that the light is on, so I'd be happy to answer any questions.

RIEPE: OK. Thank you. Are there any questions from the committee for Ms. Becker? No. Seeing none, thank you--

JILL BECKER: OK. Thank you.

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RIEPE: --so much for being here. Additional opponents? If you'd be kind enough, sir, to state your name, spell it, and then share with us who you represent.

RICK KUBAT: Senator Riepe and members of the Business and Labor Committee, my name is Rick Kubat, R-i-c-k K-u-b-a-t, here today on behalf of the Metropolitan Utilities District, known as MUD. MUD serves natural gas and water to customer/owners in the Omaha metro area and surrounding communities. We serve natural gas to roughly a third of Nebraskans. MUD opposes LB1069 only and specifically as it relates to the 2 provisions that Ms. Becker just spoke to, which is the increase in fines, and to some degree, the assessment. A couple of years ago, there was a major rewrite of Nebraska's One-Call legislation that advanced out of the Transportation Committee, and it made it out on the floor. Several parties, including excavators, locators and utility operators, had varying opinions and issues on the bill. On the last day of the session with the bill failing to advance, a few of us then told departing Senator Friesen that we would work on the bill over the interim to see if we could come up with a proposal that all parties could live with. The various parties did come together over the interim. And in 20-- 2023, this Legislature passed LB122 as amended into LB683, a bill that made substantial and significant changes to how violations of the Nebraska One-Call Act [SIC] would be pursued. I bring this to your attention today because the natural gas operators simply have not had the time necessary to see if we can find a workable solution that works for both the State Fire Marshal's Office and our state's natural gas providers. As Ms. Becker alluded to, this bill makes staggering increases to penalties and fines arising out of the Nebraska Natural Gas Pipeline Safety Act, raising penalty provisions from \$10,000 per incident to \$200,000, and from \$500,000 to 200-- to \$2 million per series of event, events. Previous notices of probable violations, referred to as NOPVs, received from MUD in the past have cited both the Nebraska One-Call Act and the Nebraska Natural Gas Pipeline Safety Act. Going forward, if NOPVs reference the Nebraska Natural Gas Pipeline Safety Act with potential of \$200,000 fines or \$2 million more for a series of violations, both small and large gas providers will need to consider the significant financial liability to their customer/owners. This will naturally lead to more adversarial posturing by the parties and incentivize the need for litigation rather than our current statutory framework with more reasonable fines. Our current framework encourages more constructive dialogue with the State Fire Marshal's Office on potential violation. The safety of natural gas workers in our community should be the focus of-- notice of possible violations. We

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are concerned that the proposed changes will do the opposite. Nebraska's natural gas providers find-- found out about LB1069 upon the bill's introduction. We are appreciative that both Regina Shields and David Levering of the State Fire Marshal's Office found time to meet with us as recently as last week to discuss the bill. However, we would appreciate additional time that could be provided over the interim to see if we can find a workable solution that meets the needs of both parties. I see my light's on. I had one more sentence, but I'm going to spare you that, Chairman.

RIEPE: Go ahead and finish your one sentence.

RICK KUBAT: That meets both the need to the State Fire Marshal's Office and then the same time, ensures natural gas providers that we can continue to have a constructive dialogue with the State Fire Marshal's Office when notice of probable violations are issued. Thank you.

RIEPE: OK. Thank you. Are there questions from the committee? Seeing none, thank you. I appreciate your time

RICK KUBAT: Thank you for your time.

RIEPE: Additional opponents?

DENNIS PLACKE: Kind of intimidating.

RIEPE: If you would, sir, state your name, spell it, please, and then who you represent.

DENNIS PLACKE: Sure. Good afternoon, Chairman Riepe and members of the committee. My name is Dennis Placke, D-e-n-n-i-s P-l-a-c-k-e, and I'm the manager for the Nebraska-- for NorthWestern Energy's natural gas operations in Grand Island, Alda, Kearney, and North Platte. NorthWestern Energy appreciates the opportunity to speak on LB1069. NorthWestern supports the sensible improvements to state laws and ensuring that all natural gas operators meet federal pipeline safety standards. Safety is a fundamental tenet at NorthWestern's mission and values. NorthWestern operates its natural gas utilities in the safest fash-- fashion possible, not only to protect our customers but also our employees. It is also important that the fundamental regulatory framework is in place to ensure that any dollars collected by state regulatory regimes are allocated or assessed accurately and fairly. NorthWestern is sensitive to the fact that any proposed increases in penalties and fees lead to additional costs to operate and do our business in Nebraska. By regulation, those additional costs are passed

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on to the customers through increased natural gas rates. As proposed, Section 5 of LB1069 raises the cap on the annual meter assessment charge to the natural gas operators from the current \$0.20 per meter to \$0.50 per meter. While NorthWestern understands and generally supports the need for reasonable increases to the annual meter assessment to properly support the Fire Marshal's Office and, and full it-- fulfills it's regulatory duties, we have questions as to why such a large increase has been requested at this time, as it results in a 250% increase from the current annual meter charge. Docu-- no documentation has been provided to the natural gas operators to help us understand how this significant in-- increases funding or will be utilized. PHMSA data indicates there are 16,000-- no, 6-- 619,503 meter services in Nebraska being served by all natural gas operators. The proposed increase could change the statewide annual assessment from \$120,000 to \$300,000 annually. This is a potential increase of \$180,000 on an annual basis. NorthWestern's meter assessment charge alone could, could exceed \$113,000 annually. NorthWestern understands inflation and cost increase as part of doing business. However, questions remain because of the proposed meter charges. This concern is coupled a surprise by-- that came with the introduction of this bill. Natural gas operators had no idea this bill was coming. We were not given the opportunity to collaborate with the Fire Marshal, probably to-- prior to the bill being introduced. This was only after the introduction that NorthWestern's representatives had an opportunity to discuss the bill with the Fire Marshal's Office. During the-- during those discussions, the Fire Marshal assured NorthWestern that it will not immediately seek any increase into the full cap amount in Section 5. Rather, the Fire Marshal intends to stagger the proposed increases over time to moderate the overall impact. With the Fire Marshal's assurance of this phased-in approach, NorthWestern is not opposed to Section 5. Historically, the Fire Marshal and natural gas operators collaborated to protect the public safety. In recent years, the relationship has not been the same. In recent rulemakings, the industry has encouraged the Fire Marshal to return to the days of collaboration. Doing so would improve our combined work to protect the public. Surprise introduction of this bill was another disappointment. The civil penalty increase in Section 4 of LB1069 is a substantial leap from the current levels, and is very worrisome. NorthWestern has concerns with the lack of the structure and document procedure for due process in the application and/or the ability to appeal potential fines that may be levied against the natural gas operators. The current regulatory environment does not provide for a, for a fair due process mechanism. The only defined avenue to dispute resolution for any party involved, including the natural gas operators, the Fire

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Marshal's Office or its customers, is to file a complaint in civil court. NorthWestern cannot support the requested increase without additional language to create a due process framework that is available to all parties. Oversight by a neutral third party to dispute and discuss such fines is needed to make sure all party interests are protected. Natural gas pipelines and distribution systems are already heavily regulated at all levels of government and may-- and many different government agencies. NorthWestern understands the changes in laws and regulations are a part-- are a natural part of the regulatory environment in which we conduct our business. We welcome the opportunity to engage in collaborative discussions with the Fire Marshal's Office when it first initiates its process in developing these rules and regulations. Not having an opportunity to seek mutual advantageous solutions when drafting rules, regulations or litigation-- legislation until the process is before a legislative committee is challenging. Regulatory progress is best achieved when all parties have a seat at the table. While NorthWestern opposes LB1069, we welcome the opportunity to be part of that discussion.

RIEPE: Thank you, sir. Are there questions from the committee? OK. Seeing none, thank you very much.

DENNIS PLACKE: Thank you.

RIEPE: Additional opponents? Are there any additional opponents? Seeing none, are there any individuals here testifying in a neutral capacity? Seeing none, I would report that we had, in correspondence or electronic communication, we had 0 proponents and 1 opponent and 0 in a neutral capacity. There's no one here to close. So with that, I would declare that LB1069 has had a fair hearing and close [INAUDIBLE]. Thank you very much. You can take [INAUDIBLE] till we get-- you can turn it off until we get up to the next one.

JOE MURRAY: So, they're supposed to be here.

RIEPE: OK, we're going to open on LB851. And if you would be kind enough to introduce yourself, spell your name, and then share with us who you're representing today. And--

JOE MURRAY: Sure.

RIEPE: --you may proceed under the terms of making the presentation.

JOE MURRAY: OK. I am Joe Murray. That's spelled J-o-e M-u-r-r-a-y. I'm the legislative aide for Senator Jacobson. He was supposed to be here, but we have a conflict with another hearing, and so I am here instead.

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We represent District 42, which includes Hooker, Thomas, McPherson, Logan, Lincoln, and part of Perkins counties. L51 [SIC-LB851] is part of the Internet [SIC] Nebraska program, funded from the Inter-- Intern Cash Fund. The DED has contracted with Aksarben Foundation to provide a program to connect businesses with students to provide internship opportunities by ensuring the participation of eligible businesses and offering support and structuring internship experiences. LB851 will provide a couple simple changes to improve access to the program. The din of LB851 is to provide more internship opportunities for students to connect with Nebraska companies, to learn necessary skills, to have a better workforce, and keep more young, skilled workers in Nebraska. It expands the pool of students eligible to participate in internships by expanding the size of companies that are eligible for internship grants, from less than 50 full-time equivalent employees to less than 150 full-time equivalent employees. LB851 also eliminates telecommute mileage restrictions to allow more students to be eligible to participate. Note that the stricken section regarding telecommunity is not aimed at eliminating telecommuting for internships. Rather, is aimed at removing the statutory limit on telecommuting. DED would like the ability to make rules around telecommuting that mirror actual business policies. Internships will still take place in Nebraska. We believe that increasing the size of businesses eligible for the program from less than 50 to less than 150 employees, will result in approximately 1,900 more businesses becoming eligible for the program. Beyond the 150 employees. DED notes that the likelihood of businesses having their own internship program increases. Having a limit makes it more likely that we are not subsidizing internship opportunities that would exist without the program. Since its inception in 2011, Intern Nebraska has helped companies to Nebraska to create more than 3,700 internships. Legislation passed during 2022 significantly expanded Intern Nebraska. Under the redesigned program, business will be able to apply for financial assistance to cover additional internship costs, including intern housing, transportation costs, and recruitment expenses. Since October 2023, 97 businesses have been approved for 659 internships. Thank you for considering LB851. It is a simple, good bill that I think you'll agree should advance to General File. There will be testimony from the department to answer detailed questions about the program and any others. But I will attempt to answer any questions if, if you like.

RIEPE: Thank you very much. Are there any questions from the committee? If not, Joe, we appreciate your opening on this.

JOE MURRAY: Thanks.

RIEPE: And we will see if there are any proponents that want to speak in favor of the bill. Please, if you'd be kind enough, sir, to share your name, spell it, please, and then share with us who you represent.

K.C. BELITZ: Good afternoon, Chairman Riepe and members of the committee. My name is K.C. Belitz, K-C, and my last name is B-e-l-i-t-z, and I'm here representing the Department of Economic Development. We appreciate the opportunity to spend some time with you today testifying in favor of LB851 to enhance the Intern Nebraska program to making-- make it more accessible for employers. Last month, the federal Bureau of Economic Analysis reported that Nebraska had the third fastest GDP growth in the nation. So while our economy continues to be strong, I think we all know we're nowhere near our potential growth because we have a lack of qualified workers. As businesses across the state can attest and we hear regularly, it is challenging to find and keep good people. The U.S. Chamber of Commerce reports that Nebraska has one of the most severe labor shortages in the nation, with 39 available workers per 100 open jobs. Retaining our graduates certainly is a key piece of the puzzle as we seek to grow our workforce and address those challenges. Now, the good news is we have an opportunity in front of us as a state. Nebraska is actually a young state with a high birth rate compared to our neighbors. Among U.S. states, we have the third highest percentage of our population under the age of 18. And survey data of Nebraska students confirms that the majority of Nebraska's youth want to live in a community similar to where they grew up. However, there's a challenge, and that is that more than half of those same students say the inability to find a career opportunity would be the top reason that they would move elsewhere. These kids want what we have in Nebraska, but we have to be able to close that gap for them on the professional side. So their top priorities, when we ask those Nebraska young people what it is that they want in their future hometown, they're looking for safety, proximity to family and good schools. Again, we have what they want. But with that abundance of job openings and having what they want, they still aren't perceiving that they can find the career opportunity they want in Nebraska. It's a perception question. So as a state, we need to do a better job of connecting these students to those opportunities. And I would suggest that internships are one almost perfect tool to do exactly that. We appreciate the legislature's commitment to fund the redesigned Intern Nebraska program. The program's enhanced flexibility is lowing-- lowering barriers to entry for small businesses and startups. DED believes there is opportunity to expand the scope of Intern Nebraska to benefit even more of our state's businesses, and, and thus, our state's young people. LB1012

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limited in turn Nebraska to businesses with fewer than 50 FTEs, and this reduced the number of businesses that were eligible for awards. The program's changes were intended to exclude big businesses that may well have their own programs. However, these changes we have come to understand have also excluded many small to medium-sized businesses. So we would propose changing the Intern Nebraska eligibility limit from 50 to 150 FTEs, and would also support, as you heard, amending language in the original act that would only allow student interns to telecommute to an employer within 30 miles of the student's school. The current language is unnecessarily restrictive, and we would propose a change that would simply restrict telecommuting internships that occur within the state. We appreciate the committee's work to strengthen Nebraska's workforce through Intern Nebraska, and certainly appreciate your consideration of these requested changes to the program, as well. At this time, certainly am happy to take any questions from the committee.

RIEPE: Thank you very much. Senator McKinney.

McKINNEY: Thank you. Thank you, Director. I was just curious and I know you're new to DED this year-- last year, but--

K.C. BELITZ: Yeah.

McKINNEY: --do you know the reasoning why they limited it to 50 FTEs?

K.C. BELITZ: The idea was, at the time, as I understand it, that it was, it was going to focus on small companies that would likely not already have their own internship program. But what we've seen in the experience is that there's a, there's a gap in the middle there, where companies from 50 to 150 probably don't also have their own program and so, probably just realigning a little bit with things we've learned since that was done. But the intent, I think, remains the same, that we want to, want to encourage those employers who are smaller and don't have their own internal internship program to be able to access this tool.

McKINNEY: OK. Thank you.

K.C. BELITZ: You bet.

RIEPE: Thank you very much. Any other questions? Seeing none, thank you very much for being here.

K.C. BELITZ: Thank you.

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RIEPE: Additional proponents? Any additional support? If not, we'll move on to opponents. OK. And if you would repeat name.

COURTNEY WITTSTRUCK: Hi there. My name is Courtney Wittstruck, C-o-u-r-t-n-e-y W-i-t-t-s-t-r-u-c-k, and I'm the executive director of the Nebraska Community College Association. I will make this very short and sweet, because I don't want to waste your time and repeat something you've already heard. But the community colleges welcome and support any opportunity that would expand internships in our state. And we stand ready and well-positioned to partner with the DED, DOL, Intern Nebraska to increase internships in our state because we not only believe, but the data shows that internships are another opportunity to really increase that pipeline of skilled labor in our state. So with that, I'll be happy to answer any questions. Like I said, short and sweet.

RIEPE: Any questions from the committee? I want to clarify this was a testimony in proponent.

COURTNEY WITTSTRUCK: Correct.

RIEPE: OK. Just for the record, or for the--

COURTNEY WITTSTRUCK: Thank you.

RIEPE: --transcript-- Transcribers. OK. Thank you very much. Any other additional proponents? OK. Seeing none. Now we're ready for the-- any opponents? Any in opposition? No? And there are no opponents? Is there anyone that wishes to testify in the neutral capacity? Seeing none, is there any-- what do we have for[INAUDIBLE]. For the record, we had 1 proponent letter or electronic transmission, We had 1 opponent, and we had 0 neutral. So, I assume, Joe, are you going to waive for closing?

JOE MURRAY: Yeah. I'll waive.

RIEPE: OK. Thank you very much. That said, I've-- concludes the hearing for LB851. And we will move on. We now have Senator Ben Hansen joining us. Thank you very much.

HANSEN: Yep. Sorry, I was in a hearing the whole time.

RIEPE: Yeah. It's a busy-- it's a train station. Now [INAUDIBLE] LB906. Let the dust settle here a little bit. I am going to make the next presentation of LB906, the opening. And so with that, Senator Ibach will be the Chairperson and she will run the proceeds.

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IBACH: Thank you, Senator Riepe.

RIEPE: So this is what it looks like looking that way.

IBACH: Switch ends of the table. OK. You can go ahead with LB906.

RIEPE: OK. Thank you very much, Vice Chairman Ibach, and esteemed members of the Business and Labor Committee. I am Merv Riepe, its M-e-r-v R-i-e-p-e. I am representing the 12th District of the state of Nebraska, and today I represent LB906. This bill is brought at the request of leaders of the Nebraska Department of Labor to protect children. Recent news highlights concerning instances of child labor prompt our attention. While the error of children in coal mines has passed, today, children continue to be employed in ways not conducive to their development. In Nebraska, we have seen a recent increase in the number of reports and investigations of child labor law violations. LB906 addresses this by increasing penalties, namely, changing violations to a Class I misdemeanor from the current Class II of promoting active prosecution. A Class II, a misdemeanor, carries a maximum penalty of a \$1,000 fine and/or 6 months' jail time. And a Class II [SIC] misdemeanor carries a maximum penalty of \$1,000 fine and/or 1 year prison time. LB906 also grants the Department of Labor authority to physically inspect workplaces and subpoena records, ensuring a direct oversight. This proactive approach strengthens the department's ability to catch violations against children and act as a significant deterrent from employers seeking to sidestep our laws, laws intended to protect the youngest among us. In subsequent testimony, those seated behind me will elaborate on the need and rationale behind these measures. With that, I conclude my opening statement and welcome questions. I will stay for the closing. And thank you.

IBACH: Thank you. Are there questions from the committee?

RIEPE: OK.

IBACH: Seeing none, thank you.

RIEPE: Thank you very much.

IBACH: We'll move on to proponents. Go ahead when you're ready. Thank you.

JOHN ALBIN: Vice Chairman Ibach and members of the Business and Labor Committee, my name is John Albin, J-o-h-n A-l-b-i-n, Commissioner of Labor. I here-- appear before you today as commissioner in support of

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LB906. I want to thank Senator Riepe for introducing this legislation on behalf of the department. LB906 would provide the Department of Labor greater investigative powers to find violations of child labor laws. The Nebraska Department of Labor administers child labor laws found in Nebraska Revised Statutes Section 48-302 to 48-313. Under these laws, the department receives complaints of child labor concerns and investigates alleged violations. If a violation is found, the department refers the violation to the appropriate county attorney for potential prosecution. Currently, violations of the child labor laws are a Class II misdemeanor. A Class II misdemeanor has a maximum sentence of up to 6 months imprisonment and a \$1,000 fine. Over the last few years, the department has seen an increase of child labor complaints. In 2020-- or 2023, the department received 35 child labor complaints, compared to 4 in 2020 and 5 in 2021. In investigating alleged violations, the department has hit some administrative difficulties. In similar programs, such as the Employee Classification Act and the Wage Payment and Collection Act, the department has direct subpoena authority. As currently written, the department lacks this direct authority in regard to child labor. The department has been able to navigate this because, as the commissioner, I have broad authority to issue subpoenas under other statutes as necessary for the proper administration of my duties. However, this subpoena authority specifically, specifically cannot be used for criminal violations. Child labor violations may include other criminal violations such as potentially human trafficking, that the department would refer to the appropriate agency. As currently written, the use of the information gathered by the department for criminal prosecution is difficult. The proposed changes would give the department explicit authority to subpoena information from the employers who may be violating child labor laws. This information may then be used as appropriate in enforcement of all laws. Additionally, the department isn't [SIC]-- proposing to increase the penalty for violations of child labor laws from a Class II misdemeanor to a Class I misdemeanor. The Class I misdemeanor has a maximum sentence of up to 1 year imprisonment and up to a \$1,000 fine. Because the violations are criminal, the department refers alleged violations to the appropriate county attorney. Increasing the penalty encourages employers to file legal hiring processes and will give the department continued support from the county attorneys across the state on prosecution for violations of child labor laws. County attorneys will retain the ability to decide the appropriate cause of action for prosecution. This concludes my testimony, and I'd be happy to answer any questions you might have.

IBACH: Thank you, Director. Are there questions? Senator McKinney.

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McKINNEY: Thank you, Senator Ibach. Commissioner, I was curious. How does the department educate families and youth about their rights, so they're-- so they aren't violated?

JOHN ALBIN: We do require-- we have a series of posters that we require as a part of the process. The individuals are made aware-- are part of the school employment process, and people are made aware of the rules that apply. We post it on our websites. It is a bit confusing at times because they're federal and state child labor provisions. The federal provisions are more stringent. So employers, we always try and advise them to be careful that you may be complying with Nebraska law but you may not be applying-- complying with federal law. So, you always have to look to the more stringent of the 2 standards and use those standards in governing yourself.

McKINNEY: Is there any additional outreach to immigrant families?

JOHN ALBIN: There's not a special immigrant outreach program.

McKINNEY: OK. And, and I ask that because I, I think I saw something last year, where there was some kids working in some factories that were-- I believe they were immigrants. And I'm just wondering if when they come, is there some type of education to let them know-- let them know of their rights, and how has that been done?

JOHN ALBIN: That would be difficult because the federal government, as I understand it, has chosen not to tell people-- or tell the state governments where the immigrants are being placed. And so we wouldn't have an avenue to discern where those individuals are.

McKINNEY: Is there a way to identify where they're at? No?

JOHN ALBIN: Not until the federal government chooses to share that information.

McKINNEY: That's interesting. All right. Thank you.

IBACH: Thank you, Senator McKinney. Are there other questions for the Director? Seeing none, thank you for testifying--

JOHN ALBIN: All right. Thank you.

IBACH: --on LB906. Other proponents of LB906. Go ahead.

JESSIE McGRATH: Good afternoon, Senator Ibach. My name is Jessie McGrath, M-c-G-r-a-t-h, and I'm a resident of Omaha. And I'm here to

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testify in front of-- in favor of Senator Riepe's bill, because this is the kind of common sense legislation that protects youth. And we've seen problems with children in the employment area, where businesses don't pay particularly close attention to the children that they have working for them. And if they're willing to cut corners on things like the paperwork giving authorization, that means they're going to be doing other things also. So this legislation, increasing the penalty, making it more-- or less cost-effective for businesses to violate the law is, is something that, that I support. And I thank Senator Riepe for, for bringing this and looking at protecting the children of Nebraska.

IBACH: Very good. Thank you. Are there questions for this testifier?

JESSIE McGRATH: And also, I just want to say I was here earlier today to testify in favor of the nomination of Dallas Jones for the, the position he is up for. I'm a law school classmate of Mr. Jones, and I've known him for 40 years, and I think that's an excellent appointment. So thank you.

IBACH: So noted. Thank you very much. Are there other proponents of LB906? Thank you. If you'll state your name and spell it for the record.

NICK GRANDGENETT: Yes. My name is Nick Grandgenett, spelled N-i-c-k G-r-a-n-d-g-e-n-e-t-t. So I'm a staff attorney with Nebraska Appleseed, testifying in support of LB906. So we do appreciate Senator Riepe for bringing this bill. I think it's a really important opportunity for our state to address the child labor violations that occurred in 2022, with respect to the Packers Sanitation Services, Incorporated, or PSSI. So PSSI was a contract cleaning crew that was contracting with JBS to employ minors between the ages of 13 and 17 in meatpacking plants in Nebraska and across the United States. So the federal Wage and Hour investigation investigated that contract and ultimately determined that PSSI had been employing minors, again, between the ages of 13 and 17, and then charged them \$1.5 million in penalties for violations that affected 102 minors in 8 different states. So of those 102 minors, 33 were employed in Nebraska, which is more than any other state. And these are kids who are required to, you know, do very dangerous work, like using chemicals to clean head splitters, backsaws, brisket saws, all of the types of machinery that makes meatpacking one of the most dangerous industries in the United States. You know, by itself, I think meatpacking is an incredibly dangerous industry. It's certainly a very dangerous industry for children. I think every year in the meatpacking industry, in Nebraska,

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at least, about 10% of the meat and poultry workforce experiences a reportable injury or illness. If you compare that to construction, it's about 2.7%. So meatpacking is, again, very dangerous. [INAUDIBLE] for all of those reasons, we really do appreciate Senator Riepe for bringing this bill. And I think the one thing we would just highlight is, as we think about what the law should look like now, after the investigation has happened, we want to make sure it's structured in a way that it holds the corporate actors accountable. I think one thing that is worth talking through and thinking about is, you know, a lot of these investigations came out of the fact that, you know, Hall County prosecutors were holding the, the families of the kids accountable, as opposed to the corporate actors. They were filing criminal charges against them. And that is the process through which I think the federal Wage and Hour investigation ultimately got started. So, again, as we think through all of this, I think it's important to make sure that we [INAUDIBLE] corporations in this and not the families of individual children. But overall, it's a really good bill. We appreciate Senator Riepe for bringing the bill and would urge the committee to advance it to General File.

IBACH: Thank you very much. Are there questions for this testifier? Seeing none, I thank you for your testimony.

NICK GRANDGENETT: Great. Thank you.

IBACH: Other proponents of LB906? Seeing none, any opponents of LB906?

ANSLEY FELLERS: Thank you.

IBACH: If you could state your name for the record.

ANSLEY FELLERS: Certainly. Thank you. My name is Ansley Fellers, A-n-s-l-e-y F-e-l-l-e-r-s, and I'm here on behalf of the Nebraska Grocery Industry Association. And I'm testifying in opposition to LB906. First, I want to thank the Department of Labor for being responsive on this and more-- all of our issues more broadly, and Senator Riepe for understanding where our employers are coming from with these changes. So many individuals work their first job in a grocery store, restaurant or other retailer, but it's become increasingly difficult to hire 14- and 15-year-olds. Many students want to work, according to our businesses, but in many cases, it's not worth hiring a 14 and a 15-year-old right now, because of minor infractions. And a lot of kids want to work before 16 to earn some money to buy a car when they turn 16. As in this bill, rules and regulations and enhanced penalties apply to legitimate businesses

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trying to do the right thing, just as they apply to bad actors flouting the law. While we understand the intent, this misdemeanor enhancement applies to everyone without any sort of distinction between minor infractions and serious violations. I would argue the egregious violators don't necessarily care about misdemeanor enhancements and increased fines. You're generally just punishing the people who are trying to do the right thing in the first place. I would also point out, just for the record, that one neighboring state, Iowa, is actually doing the opposite. For instance, they extended the school year working hours for students to 9 p.m. and summer hours to 11 p.m. They're also allowing 14- and 15-year-olds to work up to 6 hours on a school day. We generally-- the subpoena power and investigative authority, I-- we don't necessarily oppose that. It's generally the, the fine and the enhancement. So, thanks for your time. I'd be happy to answer any questions.

IBACH: Are there questions for this testifier? Seeing none, thank you. Other opponents? Seeing no more opponents, are there any-- is there anyone here that wants to testify in the neutral position? Seeing none, Senator Riepe, would you care to close?

RIEPE: I will close and, and wrap it up in 2 quick sentences. LB906 is in the Business and Labor Committee to protect children. To do that, the legislation needs subpoena power and more punitive fines for noncompliance.

IBACH: Thank you. They-- and that will close-- does anybody have questions? That will close the hearing on LB906. Thank you, Senator.

RIEPE: Thank you.

IBACH: Sorry, sorry, sorry. I forgot my job. We also had 10 letters from 10 proponents and no opposed and no in the-- 0 in the neutral, so. Thank you very much.

RIEPE: [INAUDIBLE]. OK. Well, thanks. Thanks for the help. OK. Gage [SIC], I know you're here for Senator Blood?

GABRIEL HINRICHS: Yes.

RIEPE: Welcome.

GABRIEL HINRICHS: Thank you.

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RIEPE: And we're ready to open on LB827. So with that, if you'd be kind enough to intro-- give us your name, spell it, please, and then share your position with Senator Blood.

GABRIEL HINRICHS: Yes. I do have some handouts over here, too, by the way.

RIEPE: OK.

GABRIEL HINRICHS: Yep. Good afternoon, Chairperson Riepe and members of the Business and Labor Committee. My name is Gabriel Hinrichs, spelled out G-a-b-r-i-e-l H-i-n-r-i-c-h-s. I am the administrative aide for Senator Carol Blood. She is unable to attend today's committee hearing due to other committee hear-- hearings happening at the same time. So, the entertainment industry is expansive and continues to grow each year in its productions of high-quality entertainment. Films especially require filming on locations across the country, making each state liable for the safety and security of entertainers, especially child entertainers. According to a Nebraska Examiner article from November 9th of 2023, Senator Sanders introduced LR243, which has the goal of analyzing how the film industry can grow in the state of Nebraska and to also look at the potential of gaining tax revenues from the industry. It is great to see that some in the body already understand how lucrative this business is. And with that, we also must understand and analyze how that can help and hinder child entertainers. Having reviewed Nebraska statute and laws for child entertainers, there's seemingly not much when it comes to our laws catering to the careers of youth entertainers. The Department of Labor currently requires that a child and their parent or guardian must acquire a performing arts permit, which I handed out to each member of the committee. And so each permit comes with a \$10 application fee. The permit runs out after 90 days and the process must be completed again. Beyond this permit, there are not any laws in statute which specify child entertainment protections here in this state. On the application for the performing arts permit, the statement of employer, at the top of the sheet, are the main guidelines but are not direct or concise. I have no doubts that the Department of Labor absolutely upholds their end of the bargain, but also it can lead to too broad of an interpretation of the statement by employers. Unionized child entertainers have a large amount of protections in place already, so this leg-- so this legislation will impact nonunionized child entertainers. This draft still includes the requirement for receiving a performing arts permit with more detailed information that is necessary to be filled out. This bill includes specific hours in a day that a child can work, and outlines the purpose for hours of work,

such as education and relaxation according to the age of the child. These hours are different for when school is in session and out of session, as well. Encourage-- ensures-- ensuring safety for the children in the entertainment industry is of paramount interest. Not allowing sexual exploitation during filming and not allowing persons of the opposite sex to be in the same changing room are very important. The amendment that I have submitted to the committee will make sure that there are exemptions in place for parents and guardians and for caretakers, as well. The educational requirements within the bill are meant to ensure the rigorous academic standards we have in Nebraska are met. That includes having classrooms that are appropriate for the student and the teacher. The teacher must also be certified under Nebraska's educational requirements. Financial protections of children in the entertainment industry are of immense interest. The Coogan Law, named after the famous child actor Jackie Coogan, was signed into law in California back in 1939. This law ensures that a certain percentage of money made from a film project will be placed in a trust fund that cannot be touched until the child reaches of-- age of 18. In Section 11 of this bill, we include the trust protection for children that make \$8,000 or more for a project and require 15% of that money to be placed within the trust. Making these statutes to-- making these changes to statutes 48-301 and 48-310.02 are necessary. We welcome more from the entertainment industry, as this will set clear cut rules and regulations. With that, I am not here to answer any questions, so thank you guys.

RIEPE: Well done. Thank you. Are there proponents? Thank you for your courage to come in today. This ain't art stage props. OK.

SHEILA FINEGAN: My name is Sheila Finegan. It's S-h-e-i-l-a F-i-n-e-g-a-n, and I'm with Trinity, Trinity Artists International. Good afternoon. We've established that my name is Sheila Finegan. I am an executive partner at Trinity Artists International and TAI Talent agency, representing children and adult actors in the film and television industry. We have offices internationally as well as here, here locally in Nebraska. However, I am based in Los Angeles, but my pride stems from being born and raised in Nebraska. I thank Senator Blood, and Gabe, who had to read through 24 pages of, of my notes, and her office, for responding to my request and for addressing this issue by drafting and introducing LB827, the Entertainment Industry Child Performance Protection Act. I have been advocating for a child in the entertainment protection bill since 2009, because I experienced firsthand the lack of protections Nebraska has for children working in the entertainment industry. I should also mention that I am a mother of 3 former child actors, 2 of them are adult actors, and 1 is a

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2-time Emmy-nominated television producer, who also came from Nebraska. In 2009, my youngest son, then in kindergarten, worked as an actor on a Nebraska film. He was tasked with working outside in the snow until 3 a.m. on a school day. This surprised me, giving the robust labor protections for children in the entertainment industry in California, as mandated by the actors union, SAG-AFTRA. I hadn't anticipated such working conditions to be permissible for children in Nebraska, prompting me to question what other working conditions were legally allowed for children in the state. As filming nationwide grows and Nebraska looks to attract film projects in the state, it is essential that the ethical, safety and legal concerns for children working in the entertainment are properly addressed through legislation. I firmly believe in the lifelong benefits and skills that working entertainment provides for children, and how it can enrich their lives. However, I also recognize that the industry can expose children to potential abuses that threaten their physical, mental, educational, and financial well-being. Due to this risk, the utmost importance that the industry has proper regulations in place to prevent exploitation, to ensure the proper education, and provide a safe working environment. As a mother and a talent representative, I can attest that every provision in this bill is necessary for Nebraska. The protections in this bill have been created in response to injustices and abuse that child performers have faced, and it addressed the nuances unique to the working nature in the entertainment industry. They also have precedent as legislation in other states, as requirements by SAG-AFTRA. I additionally would like to express my support for the future bill to be presented, LB1022. The long-awaited legislation will encourage filmmakers to bring projects to Nebraska, providing new jobs and opportunity. It positions Nebraska competitively amongst states seeking to attract films. LB827 pairs harmoniously with the tax incentive bill. Upon filmmakers choosing Nebraska through tax and incentive bills, a child protection bill will ensure safeguards for our most vulnerable children on set. In my professional opinion, I reme-- I recommend adding amendments to LB827 that mandate schools to approve child work permits and to implement background checks for adults collaborating with child performers. I'm happy to answer any questions from any of you senators to further explain my support for this bill.

RIEPE: Thank you. Thank you so much for being here. Are there questions from the committee?

IBACH: I have one.

RIEPE: We have Senator Ibach.

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IBACH: You mentioned that other states have similar legislation. Can you expand on that a little bit, and maybe give us an example of what states might have something in place already?

SHEILA FINEGAN: A lot of the states such as Georgia, New Mexico, have a lot of the same-- all these laws all come from California. I mean, it's the film capital of the world, and so that's where these all stemmed from. And again, you know, any state that has filming going on has child protection. Any union job that would be a SAG-AFTRA that would come into the state, a motion picture, television series, anything that's a union would-- you would have to-- the laws that are, you know, presented, those were-- those are already what you would have to-- productions would always-- already have to follow those, as well. But it's also-- we need to be concerned about nonunion films. And so, these are very standard.

IBACH: OK. And are there any federal guidelines that are out there available? I'm not very familiar with the industry myself, so I'm just curious.

SHEILA FINEGAN: There are federal guidelines. I-- I'm going to be honest with you, I'm not sure--

IBACH: OK.

SHEILA FINEGAN: --what, what they are. But in my, in my lane, this is just com-- this is just--

IBACH: Comes.

SHEILA FINEGAN: --just how it is. It's common sense. It's just how it is. You know, so.

IBACH: OK. Great. Thank you, very, very much.

SHEILA FINEGAN: You're welcome.

RIEPE: Thank you. Are there additional questions? If not, thank you very much, and we will ask for other proponents to come forward.

STACY HEATHERLY: Hello.

RIEPE: Hi. And if you'd be kind enough to state your name and spell it, please, and then who you represent.

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STACY HEATHERLY: Stacy Heatherly, S-t-a-c-y H-e-a-t-h-e-r-l-y. I'm the eastern Nebraska film commissioner. I extend my appreciation to film professional, Sheila Finegan, who just spoke, and to Senator Blood's office for the work on this bill. And thank you all for all the work that you do in-- for our state. This bill will work with other processes and procedures to ensure the professionalism and industry standards on set. When a SAG production, which is the Screen Actors Guild of America Federation of Television and Radio Artists, project comes to Nebraska, there are industry standards that are understood and upheld, as Sheila had mentioned. Nebraska independent filmmakers have high standards, as well. However, as we grow this industry, which we intend to do, if we do not have a law in place, that is a possibility-- there is a possibility we can experience a different standard used on an independent film set. Our youth are one of the main reasons we are even considering film in Nebraska, for opportunities for them. It is our job to protect them and their rights on set. Having a child entertainment law will help ensure we cover one important aspect. This will positively impact reputable production wanting to work in the state that has industry standards. And that's all I have today. But I can answer questions on SAG-related productions, union productions and nonunion productions, if anyone has any questions on that specifically.

RIEPE: I have a question. How does this, if this legislation is passed, how does that position us in terms of attracting more activity? I know there's an interest in more film activity. Or does it disadvantage us?

STACY HEATHERLY: This is actually, in my professional opinion, this puts us as-- at an advantage. Any states that have these types of laws attract very professional productions that are looking for state regulation. I feel that on a, you know, on a smaller scale, our office, Eastern Nebraska Film Office, kind of tracks those from our office and works with the production companies, but we really have no recourse. So-- but we can at least be on set and make sure things are happening correctly. But if we have no recourse, there's really nothing, you know, no action that can be taken.

RIEPE: Say they understand it as being a part of the business, cost of doing business.

STACY HEATHERLY: Yes.

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RIEPE: OK. Any other questions? [INAUDIBLE]. Thank you very much for being here. Additional proponents? Sir, if you'd been kind enough to state your name, spell it and then share with us who you represent.

JADEN PERKINS: All right. Good afternoon, Chairman Riepe and members of the Business and Labor Committee. My name is Jaden Perkins. I am the policy fellow for the Heartland Workers Center. We're a statewide organization that promotes workers' rights and civic engagement through leadership development. We're here today in support of LB827, because it's important to protect the interests of young Nebraskans in the film industry. Many people aspire to enter the film industry, pursuing careers in areas like acting, directing, writing, cinematography and more. It's essential for them to receive the proper education, mentorship, and support to navigate the industry's challenges and opportunities. Last year, LR243 was introduced to examine the effects of expanding our state's tourism industry for film, and from that study, indicated a need to economically incentivize young actors to live and work in Nebraska. Additionally, child labor in the film industry is an ongoing concern when it lead-- when it leads to exploitation, violating regulations meant to protect young performers, proper oversight, adherence to labor laws, and prioritizing the well-being and education of child actors are crucial to address this issue. LB827 seeks to establish labor protections for child actors in the film industry by bringing clarity on work hours, educational standards, and financial security. By doing so, this bill will si-- simultaneously attract young child actors to live and work in our state, which leads to a growing and vibrant film economy that can compete with the likes of California and New York. Youth retention and economic development are long talked about key issues for the future prosperity of Nebraska. LB827 is another positive opportunity to address those issues head on. Please advance this bill to General File. I'm open to questions, as well.

RIEPE: Thank you very much. Any questions from the committee? I have a question. Senator McKinney brought up at an earlier hearing about the question of education of, in this case, children, or maybe the parents or custodians, as to what their rights are. Do you go to-- do you carry out that educational function?

JADEN PERKINS: Yeah. So, the Heartland Workers Center, we actually do quite a bit of education when it comes to labor laws. And so we partner with companies and corporations across the state and-- to give their workers that proper training when it comes to labor law.

RIEPE: But you have some means of getting it to the individual?

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JADEN PERKINS: Yes. We also work with individuals in the community, across the state, as well.

RIEPE: OK. OK. That was my question. Any other questions? Hearing none, thank you very much.

JADEN PERKINS: Thank you.

RIEPE: Additional proponents? Thank you for being here.

SHARI HEINKE: Afternoon.

RIEPE: If you'd be kind enough to state your name, please, spell it, and then who you represent.

SHARI HEINKE: For sure. My name is Shari Heinke, S-h-a-r-i H-e-i-n-k-e, and I am representing children who are, well, they were child actors, in Nebraska. I started out as a mom with 2 kids who wanted to act, and my daughter ended up booking the job as the voice of Strawberry Shortcake. Kind of went international. My son and my daughter ended up booking a lot of commercials in Nebraska, doing a lot of work. They ended up being part of the union. Different things. And as crazy as it sounds, they kind of tapped out all they could do in Nebraska. They couldn't work here anymore. They were kind of oversaturated in the market. So we went to southern California. They ended up getting representation and working. My son ended up being-- doing 25 national commercials, TV, film. He did 17 episodes of the show Glee. And I ended up working as a talent manager for children. So as I got into California and I was working in the industry, I saw all of the-- all the help, all the requirements, all the things in place for child actors there. And I looked back on our time in Nebraska. And it was sad, because I allowed a lot of things to happen, and I allowed my kids to do things and be part of things that probably weren't good for them at the time, like missing school. And they just didn't have the educational support. Working hours were very long and very arduous. So I really would love for the state of Nebraska to pass this, because there are kids here. It may seem crazy to think, but there are kids here who are working and then end up going to California or just stay here and want to work. So, I'm all in favor of this. And I would love to put in the fact, also, like an amendment, of a work permit signed by the school. That's something that's really important that we saw in California. As I worked as a talent manager, helping kids, a lot of kids think that they don't need that-- their grades up because they're just going to be this famous actor and make \$1 million, where most of the child actors end up going to college and

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doing other things in life. They just kind of do it when they're a kid. So we really encourage them to keep up that education, and I believe that would be a really great part of this bill, as well. So thank you for hearing me, and I appreciate you considering this.

RIEPE: Thank you. Are there questions from the committee? This isn't one I would expect you to understand but I'm going to say it so Gage can hear it, as well, is I just have a question on the fiscal note. It looks like \$101,000 in 1 year and \$73,000 in the next. I'm just trying to figure out when, when it comes from and where is it supposed to go. But anyway, I only say that to you. I don't expect you to respond to that. I just wanted to get it into the record.

SHARI HEINKE: OK. Thank you.

RIEPE: So anyway, thank you very much for being here.

SHARI HEINKE: Thank you so much.

RIEPE: Additional proponents? If you'd be kind enough, sir, to state your name, spell it, please and then share with us who you represent.

GARRET SWANSON: Thank you. Members of the Business and Labor Committee, my name is Garret Swanson, G-a-r-r-e-t S-w-a-n-s-o-n, and I'm here on behalf of the Holland Children's Movement in support of LB827.

RIEPE: OK.

GARRET SWANSON: LB827 provides critical statutory framework for the Nebraska Department of Labor to protect children in, in the enter--entertainment industry. When regulated properly, the entertainment industry can open opportunities for children and their families both economically and socially. Yet, all too often, stories of exploitation and abuse are rife within the industry. Due to their lack of experience, professional representation, familial support, and other reasons, children are particular-- particularly susceptible to coercion and exploitation. We believe LB827 combats exploitation through several requirements outlined in the bill, such as pre-authorization, educational requirements and a guarantee of financial compensation. If LB827 is passed into law, it will require an employer to submit an application to the Nebraska Department of Labor to receive pre-authorization to employ a minor. This pre-authorization includes several criteria, criteria that are listed on pages 2 and 3 of the bill under Section 3. Not only does this help the state by providing an enforcement mechanism, but it also gives

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employers very clear expectations when hiring. Next LB827 requires that minors receive adequate time for education during the school year. Not every minor in this. Industry will go on to have a career in the industry as an adult. That's why it's critical that minors receive an education while working. Finally, as listed under Section 11 on pages 7 and 8, LB827 requires the creation of a trust for the performing minor. As outlined in Section 11, 15% of the minor's gross earnings will be placed in the trust, and the trust will be made available to the minor when they turn 18 or are legally emancipated. This rule provides critical protection to the-- for the child performer. And as I stated above, not every child in the industry will continue to work in the industry when reaching adulthood. Having a percentage of their earnings placed in a trust will empower them to get a good start on life and return agency to the rightful owner. We think-- we thank Senator Blood for introducing this bill, and we strongly urge it to be voted out of committee. And then, kind of off my script here I wanted to touch on your question, Senator Ibach, from earlier. The department-- the federal Department-- Department of Labor website has a great map, interactive map comparing all the laws between the 50 states for child performing laws. I did not memorize really much of it. But that website is there. It's great. It hasn't been updated in a year but it's pretty functional, and I referenced it a lot when my-- in my research.

RIEPE: OK. Are there other questions from the committee? Seeing none, thank you very much for being here.

GARRET SWANSON: Thank you.

RIEPE: Are there additional proponents? Additional supporters? Proponents? OK. We're going to move over to those in opposition. Any opponents? No-- none in opposition? OK. Anyone here to testify in the neutral position? OK. With that, I will record that in letters and electronic transmissions, we had 4 that responded in favor of LB827, no opponents and none in a neutral capacity. So, with that, that concludes our hearing on LB827. I declare it as having a fair and reasonable hearing. Thank you very much.