

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: All right. Good afternoon and welcome to Health and Human Services Committee. Everyone joining here and on TV, you just missed the previous couple minutes. It's all right. My name is Senator Ben Hansen. I represent the 16th Legislative District in Washington, Burt, Cuming, and parts of Stanton Counties, and I serve as Chair of the Health and Human Services Committee. I would like to invite the members of the committee to introduce themselves, starting on my right with Senator Ballard.

BALLARD: Beau Ballard, District 21, northwest Lincoln and northern Lancaster County.

WALZ: Lynne Walz. I represent Legislative District 15, which is Dodge County and Valley.

HARDIN: Brian Hardin, District 48: Banner, Kimball, Scotts Bluff Counties.

RIEPE: Merv Riepe, District 12, which is southwest Omaha and the good folks of Ralston.

HANSEN: And also assisting the committee is our research analyst, Bryson Bartels, our committee clerk, Christina Campbell, and our pages for this afternoon are Sophia and Delanie. A few notes about our policy and procedures. Please turn off or silence your cell phones. We will be hearing four bills and we'll be taking them in the order listed on the agenda outside the room. On each of the tables near the doors to the hearing room, you'll find green testifier sheets. If you are planning to testify today, please fill one out and hand it to Christina or the pages when you come up to testify. This will help us keep an accurate record of the hearing. If you are not testifying at the microphone and want to go on record as having a position on a bill being heard today, there are white sign-in sheets at each entrance where you may leave your name and other pertinent information. Also note, if you are not testifying but have an online position comment to submit the Legislature's policy is that all comments for the record must be received by the committee by noon the day prior to the hearing. All handouts submitted by testifiers will also be included as part of the record as exhibits. We would ask if you do have any handouts that you please bring ten and give the copies to the page. We will be using a light system for testifying. Each testifier will have five minutes to testify. When you begin, the light will turn green. When the light turns yellow, that means you will have one minute left. And when the light turns red, it is time to end, to end your testimony

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

and we ask you to wrap up your final thoughts. When you come up to testify, please begin by stating your name clearly into the microphone and then please spell both your first and last names. The hearing on each bill will begin with the introducer's opening statement. After the opening statement, we will hear from supporters of the bill, then from those in opposition, followed by those speaking in neutral capacity. The introducer of the bill will then be given the opportunity to make closing statements if they wish to do so. On a side note, the reading of testimony that is not your own is not allowed unless previously approved and we do have a strict no-prop policy in the committee. So with that, we'll begin this afternoon's hearing with LB35 and welcome Senator DeBoer to open.

DeBOER: Thank you, Senator Hansen. It is a rare pleasure for me to get to come before the Health and Human Services Committee, and I always enjoy it, so thank you so much for having me. Members of the HHS Committee, I am Wendy DeBoer, W-e-n-d-y D-e-B-o-e-r. I represent Legislative District 10 in northwest Omaha, here today to introduce LB35. LB35 seeks to extend the sunset of a bill that was passed with overwhelming support in 2021. In 2021, LB485 expanded eligibility for the childcare subsidy and included a provision to require a study be done on the program. The bill contained a sunset for the expansion and the intention was to have the study done around the same time to then provide us as a Legislature information regarding the program to better advise us of how the program was working, whether we had the right number, etcetera, but unfortunately, upon implementation, a couple of things made it clear to me that extending the sunset had become necessary. First, due to staffing constraints at the Department of Health and Human Services, the collection and sharing of the data took much longer than anticipated. I'm happy to report that First Five, the nonprofit taking the study on at no cost to the state, has received the data to start analyzing. I believe it was just within the last couple of days. They only recently received the data and they would be unable to compile a report on the timeline that is required under the current law. So in this bill, we're changing that timeline to give them a little extra time to finish it. Second, to get folks enrolled in the program takes time and education for both the childcare providers and for the families. The sunset, which we provided in LB485, it turns out we're simply too short. There's not been enough time for the expanded program to work to get families enrolled and to see whether or not the program has helped families and, and childcare providers to get off of-- to work their way off of the childcare subsidy the way we had intended it to and to assist with the cliff effect. Regarding programming-- funding, the program has

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

operated solely with federal dollars, specifically the CCDBG grants, with the ability to use TANF funds should the CCDBG funds run out. My understanding is that has not been necessary in these first two years. That will continue to be the funding stream under LB35. I was a little shocked, however, to see that the fiscal note-- the department says that they need \$380,000 in General Funds in fiscal year '23 and \$533,000 in fiscal year '24 to pay for administration of a program which they're currently administering. So there may be some cost to the state for administration of the program. Covering expanded eligibility will continue to have no state General Fund impact, however. So I would like to reiterate the cost to cover the expanded eligibility has no General Fund income impact because it is all federally funded through the CCDBG. We still have a short-- shortage of childcare providers in the state. This is a big issue. Following shutdowns from the pandemic, some childcare providers simply did not reopen. This is especially true in our rural areas. The childcare subsidy is paid directly to childcare providers and gives providers a stable source of income when families continue to use their service, when otherwise they would likely be unable to afford to do so. To be eligible for the subsidy, a family has to make less than 185 percent of the federal poverty level, which for a family of two, so a single parent and a child, would be \$33,000. Continuing to expand eligibility gives our providers the best opportunity to be successful and to stabilize our childcare system around the state. Colleagues, you might remember this year at Legislative Council, when we met this past fall in Nebraska City, that we had panels about the needs of the state, both from a panel of rural folks and a panel of urban folks. And you may remember that childcare was listed by both of those panels in their top four issues facing their communities. So we need to do all we can to support the families and childcare providers. LB35 is one way to do so. Again, it does two things. It extends by a little bit the amount of time that's necessary for First Five to finish their report because they didn't get their data when initially intended. And it extends the sunset of the whole program, which is this expanded eligibility from 2023 until 2026. I think that should be a good time to, to give us-- to understand are we at the right number? How is the program working? Is this helping with the cliff effect? And hopefully, hopefully by then we can have stabilized in our childcare system throughout the state of Nebraska. Thank you, and I would be happy to answer any questions.

HANSEN: Thank you. We never like to use the term "it's just a simple bill" in, in this committee, but this almost seems like a simple bill.

DeBOER: It's kind of a simple bill.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: It's kind of scary.

DeBOER: If you were looking for the underlining, it was a little difficult to find it.

HANSEN: I know, I noticed that. I'm flipping through, I'm, like, what did you change?

DeBOER: Yeah, there's, there's, there's two dates.

HANSEN: OK. Well, we'll see. Are there any questions from the committee? See, that's how simple it is.

DeBOER: Look at that.

HANSEN: All right. You sticking around for closing?

DeBOER: I am.

HANSEN: All right, well, let's get closing, so.

DeBOER: I will say this is one that I am very highly considering for my priority.

HANSEN: All right. Thank you.

DeBOER: Yeah.

HANSEN: So with that, we will take our first testifier in support of LB35. Welcome.

BRYAN SLONE: Thank you, Chairman Hansen and, and members of the Health and Human Services Committee. My name is Bryan Slone, B-r-y-a-n S-l-o-n-e, and I'm president of the Nebraska Chamber of Commerce and Industry. I'm here on behalf of the Nebraska Chamber, as well as the Greater Omaha Chamber and the Lincoln Chamber today in support of LB35. Last year and actually for the last two years as chamber president, the-- we have gone out across the state and talked to our members and business and community leaders across the state about what the number one priority is in the state from an economic growth standpoint. And from an economic growth standpoint in each of the two years, the issue is not surprising it's workforce. And then when we asked the second question, what's the greatest inhibitors to your community in terms of attracting and retaining workforce? In every community I've been to in the last two years, it's the exact same two issues. It's affordable housing and it's childcare, affordable

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

childcare. In this case, we believe that, that investing in childcare is, is one of the key solutions to our workforce problem that affordable, available, and quality childcare is directly linked to the workforce participation rates. Thus, affordable childcare is a core element of overall Nebraska workforce strategies and our economic strategy as a state. In particular, allowing more low-wage Nebraskans to be eligible for childcare assistance means investing in, in young working families. It opens opportunities for parents to improve their financial situation with two incomes and greater financial stability among Nebraska also increases the economic activity and reduces the need for state assistance in the long run. I think we're all aware of the, the potential cliff effects when assistance is, is discontinued at a specific level of income and this is, this is one of those. A year ago when the original legislation was passed, this, this allowed us to create the data, hopefully, and the analysis that was necessary to figure out how best to, to deal with this cliff effect. Since that time, I would argue that the childcare capacity issue in Nebraska, at least by all of our studies, has, has increased. It's not decreased. And certainly with wage inflation, it's becoming extremely problematical. This data analysis is going to be extremely important in terms of creating the types of policies that are going to be necessary to address not only the cliff effect but essentially affordable childcare for, for some of our-- great proportion, actually, of, of our workers. So in terms of where we go from here, we see the, the postponing of the sunset is absolutely necessary to have that capability of making intelligent decision around here in, in this regard. What I am very confident about is, is benefits around childcare right now all have a high, high ROI to them until we get this issue fixed and we build capacity in the state. So with that, on behalf of Nebraska businesses, we support LB35 and we want to thank Senator DeBoer for this legislation and would encourage the committee to advance the bill.

HANSEN: Thank you for your testimony. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman. Welcome. Thank you for being here.

BRYAN SLONE: Thank you, Senator.

RIEPE: I think my leading question is beyond being taxpayers. What obligation do businesses have to also versus the government in terms of providing this? My experiences at Children's, we had a childcare center 24 hours, 7 just to recruit nurses. We considered that a cost of doing business. And they're also planning not just to this, but

affordable housing and other issues that might be a business to kind of be over responsibility more than it is the government's responsibility.

BRYAN SLONE: Yeah, so, Senator, I think these issues are ultimately personal opinion, not only a business issue but a government issue, but a philanthropic issue and definitely a community issue in every community I visit. There are certainly businesses, a number of businesses and particularly larger businesses around the state who aren't waiting for other solutions. They just can't. So they're building their own childcare and they're building their own housing. But it's very hard for small businesses, which are the majority of our businesses in the state, to take those steps. And so communities are going to have to have not only business support, but government support and philanthropic support to, to solve these issues. In this case, this is one very, very important sunset. We simply cannot have government rules that create cliffs that discourage people from entering the workforce. And that's what this data was really pointed at was making sure we understand that issue so our government programs don't, don't discourage people from taking the step we absolutely want them to take, and childcare is, is one of those big pieces. So I do agree that the business community has a, a role in this and it's something we talk about and, in fact, many businesses are moving as, as you noted.

RIEPE: Thank you. Thank you, Mr. Chairman.

HANSEN: Senator Hardin.

HARDIN: I think the timing of this was 2021, is that right, when this was really introduced and that was kind of at the tail end of COVID, right?

BRYAN SLONE: Um-hum.

HARDIN: And so at least part of the reason that First Five is kind of needing some extra help is that those statistics from that period of time are still perhaps a bit skewed?

BRYAN SLONE: They may be a bit skewed because-- but understand, during COVID our economy was one of the two strongest economies in the country. The reason we have all these excess rainy day funds is our economy tends to be a little countercyclical, primarily because of agriculture, but also because of manufacturing. And so economically, I would say it's not skewed. What I would say is that, that the wage

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

issues and, and particularly the childcare capacity issues have actually increased since then. So if it's skewed, it's skewed to the sense that actually childcare has become much more expensive for low-income workers in the time that has passed. So the issue is, if anything, much more acute.

HARDIN: Thank you.

HANSEN: Any other questions from the committee? Senator Ballard.

BALLARD: Thank you, Mr. Chairman. Thank you for being here, Mr. Slone. I know this is a statewide issue, childcare, but what industries do you see this as the biggest issue [INAUDIBLE]?

BRYAN SLONE: That's a-- it's, it's a great question. I get this question all the time and I, I appreciate the question. And on any given day in Nebraska, what I always say is anywhere between 50 to 80,000 jobs we can't fill because we don't have people. Against a base of only a million workers, it's almost 10 percent of our GDP we leave, leave on the table because we don't have enough workers. Interestingly enough, when I'm asked what are the specific jobs? Are they IT jobs, are they nurses, are they whatever? And the answer is everything. It, it goes the gamut. And every study I've seen shows it's almost every category of job from somebody making six figures to, to somebody who's entry level. And to put it in context, maybe the easiest way I can say this, we have an affordable housing shortage. One piece of it, not the only piece, but one key piece of affordable housing issue is the fact that we can't find workers to build houses. And until we solve the workforce issue and can build the houses, it's very difficult to bring more people into Nebraska. And so ultimately, all our workforce strategies have to be built across the entire cross section of jobs and not just focused on high-end jobs or low-end jobs or, or one industry or another. I would tell you the data would support that. I can't think of an industry in this state that, that isn't having the identical workforce shortage.

BALLARD: Thank you.

BRYAN SLONE: Um-hum.

HANSEN: Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for being here, Mr. Slone. Fifty to 80,000 jobs a day are open. It is, like, if we could find 80,000 people we, we could employ them today?

BRYAN SLONE: Um-hum.

M. CAVANAUGH: Wow. That's, that's a lot.

BRYAN SLONE: That's ten Cretes.

M. CAVANAUGH: How many 4th of July parades could they have?

BRYAN SLONE: Yes.

M. CAVANAUGH: So, I mean, I'm very, I'm very aware of the cost of, of childcare. It's my entire salary. Fortunately, we're a one point whatever percent you would call my salary, salary household. But my entire salary goes to childcare. And my freshman year here, I think we had all three kids in childcare. I'm looking in the audience for verification on that. I think all three were in childcare at the start of my time here, so I very much understand the crunch of childcare. You said that the things impacting our workforce shortage are housing and childcare.

BRYAN SLONE: I would say what I-- to be careful, the workforce, the, the solutions to workforce, the number one issues in terms of creating solutions, impediments are housing and childcare. So if 50,000 people showed up at our border today and said we want to work, the problem is we can't house them and there's not enough childcare to take care of their kids.

M. CAVANAUGH: OK. So this is if we were to miraculously recruit 50,000 people to move here starting next week, we'll, we'll give them a couple of days so starting next week--

BRYAN SLONE: Yeah, exactly.

M. CAVANAUGH: --we have 50,000 people and those people have families, they have nowhere to live and they have nowhere to put their kids.

BRYAN SLONE: Not on affordable basis.

M. CAVANAUGH: OK.

BRYAN SLONE: Yeah. And, and so I think--

M. CAVANAUGH: Even on, well, the housing, obviously, that--

BRYAN SLONE: Yeah.

M. CAVANAUGH: --maybe there's an unaffordable basis but childcare is limited--

BRYAN SLONE: Yeah.

M. CAVANAUGH: --just across the board.

BRYAN SLONE: But these two issues go together. If I go to-- a lot of thing-- conversation I generally have is, let's say I go to Seward, is there anything that would help Seward more than 200 new working families? And that answer would be no. But do we have the affordable housing and do we have the, the childcare capacity for the kids that, that come with those families? That's true in Scottsbluff, that's true in Imperial, that's true in Wahoo, that's true in Omaha, and that's true in Lincoln.

M. CAVANAUGH: Somebody's got something to say about that back there.

BRYAN SLONE: Hopefully, I didn't say the wrong city.

M. CAVANAUGH: So when we-- first of all, 185 percent of the poverty, do you remember-- I, I recall, but maybe I'm recalling this incorrectly, but that used to be the standard in Nebraska and that that was cut when we had a budget crisis back in 2008. Does that sound right to you?

BRYAN SLONE: So, unfortunately, Senator, my recollection is, is not different than yours. But I must say I was in private business and the, the gleam of politics had not quite hit me at that point so I don't have a specific recollection.

M. CAVANAUGH: OK. Well, I believe that it used to be the standard. And when we had an economic crisis, I might be getting the year wrong, but that this did change. And so just something that we might--

BRYAN SLONE: Yeah.

M. CAVANAUGH: --collectively with the chamber want to look back at is how was our workforce at that time? And, and that might be part of this if we extend this study to, to look at. I had another question, but now I've lost my thought, so. Thank you.

BRYAN SLONE: Thank you, Senator.

M. CAVANAUGH: Thanks for being here.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: Any other questions from the committee? I just kind of have more of a statistical question. What's the workforce trend been like in Nebraska for 15- to 18-year-olds been going? Has it been going up or down?

BRYAN SLONE: Yeah. So I would, I would say over a longer period, decadal basis, it's been down for a whole bunch of reasons. The primary reasons, two primary reasons, I would say is, one, most of the workforce problem was caused by simply demographics. The birth rate today, there will be around 8,000 fewer births in Nebraska today than when I was born in 1957. And so fewer children mean lesser workforce participation, not as a percentage, but as in total numbers. The other is OSHA rules and other rules have eliminated children for, for intended purposes, but have eliminated a lot of jobs that used to be available to, to young people.

HANSEN: That's what I was wondering because I think I, I saw that recently, I think, in the news or somewhere. Also, I think maybe, maybe it's just from my personal experience, sports, a lot more of them are in sports now, like year-round sports. You know, during the summer and then club ball and seems like a lot more are getting into that so they don't have time to work after school, do stuff like that and kind of push those entry level jobs up higher for-- yeah, I don't know.

BRYAN SLONE: My children played many more games than I did, Senator, maybe I was just a bad ballplayer.

HANSEN: I had a, I had a hard time with the, the running and the dribbling part and it just didn't work for me. Any other questions from the committee? All right. Seeing none, thank you for your testimony.

BRYAN SLONE: Thank you, Senator.

HANSEN: Anyone else wishing to testify in support? I apologize for all the hammering in the background.

KATIE BASS: Chairperson Hansen and members of the Health and Human Services Committee, my name is Dr. Katie Bass, spelled K-a-t-i-e B-a-s-s, and I am the data and policy research advisor representing First Five Nebraska. First Five Nebraska is a statewide public policy organization focused on supporting policies that promote quality, early care, and learning experiences for young people in our state. I am here today to testify in support of LB35 and thank Senator DeBoer

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

for introducing this legislation. LB485, the 2021 legislation we've been talking about originally expanded subsidy eligibility for families from 130 percent to 185 percent of the federal poverty line. First Five Nebraska supported this legislation to allow more families to have access to childcare subsidy. As part of LB485, the Legislature smartly included an impact study to be conducted by a private nonprofit organization at no cost to the state and in collaboration with the Nebraska Department of Health and Human Services. The impact study is to be completed and submitted to the department and the Legislature by December 15, 2023. NDHHS created a request for application, or an RFA, for the LB45 impact study and First Five Nebraska applied and entered into an agreement to complete the study at no cost to the department. The goal is to analyze the impact of expanded subsidy eligibility to families, communities, businesses, and the state so the Legislature can assess effectiveness and determine if the eligibility expansion should become permanent using all the available data. The agreement was signed and work began nearly six weeks after the RFA's anticipated start date. And attached to my testimony you'll find a timeline of key events and when they were originally anticipated to occur. The LB485 RFA and the First Five Nebraska application required an evaluation assessment period anticipated to be the first five months of the project. During this time, the research team would engage with various stakeholders and work with the department to determine the data necessary to complete a robust impact study. The department indicated it would take about six months to create the report that the data would come in, the form it would come in, which was slightly outside of our time frame written into the application, but-- and that time frame was already delayed because we had the RFA delay, but at this point it was still reasonable. Unfortunately, after we received two sample reports, we were alerted to a change in the end focus, and that's the IT and data system used at DHHS. There was a change in their process that would no longer allow for the sample reports. So our collaborators at NDHHS did their best to provide us with the verbiage they were using with the IT team to create the reports. But anyone who has worked with complex data can tell you that until the data is available for review there will always be intricacies that cannot be fully accounted for. This tied the research team's hands while waiting for data that did not arrive until the end of October 2022, at this point, nearly four months behind the original schedule. The research team immediately began to pore over the data and recognized several inconsistencies that were so striking the data was not usable. We communicated regularly with NDHHS during this time, identifying the different inconsistencies, asking for clarity and asking for updates.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Ultimately, we were told the data would be corrected but we would not receive it until February 2023. I am happy to report that we did receive the reports we needed this past week. First Five Nebraska believes that sound policy is backed by solid research, and we applaud the Legislature's commitment to research-based policy by including an impact study as part of the expansion of subsidy eligibility in LB485. However, the delays to date make it very difficult, if not impossible, to complete the study by the end of this year. In addition to expanding the subsidy eligibility sunset, LB35 extends the date of the legislative report to July 1, 2024. And that's on page 4, line 8 of your copy. First Five Nebraska is committed to our partnership with NDHHS to complete this study and to inform the Legislature of the impact of subsibility-- subsidy eligibility changes, and we do not want families to lose their eligibility while we work through technical challenges. We respectfully ask that you extend the sunset for the eligibility expansion and extend the date of the impact study report so we can fulfill our obligation, and the Legislature can have the value of the impact study in determining the future of subsidy eligibility. Thank you for your time and consideration today and I'm happy to answer any questions you may have.

HANSEN: Thank you for your testimony. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you, Dr. Bass, for being here. Nice to see you.

KATIE BASS: You too.

M. CAVANAUGH: OK. So originally, the report was anticipated to be done last summer.

KATIE BASS: Right. And so these would be monthly reports that would let us know how eligibility or how the expansion was operating. So they were creating the format of that report--

M. CAVANAUGH: OK.

KATIE BASS: --and we were supposed to start getting it in July so we could start the analysis that would continue through--

KATIE BASS: OK.

KATIE BASS: --the expanded eligibility.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

M. CAVANAUGH: Well, first of all, thank you for being willing to do this. I know you're doing it for free, so we appreciate that. Do you recall the question that I had asked previously? Do you happen to remember the timeline of eligibility?

KATIE BASS: Sorry, I was not part of this process at that timeline. But I do believe-- I have been told by others that it's been 20 years that but it was--

M. CAVANAUGH: OK.

KATIE BASS: --we were at 185 percent.

M. CAVANAUGH: Right.

KATIE BASS: And it was a change due to budget--

M. CAVANAUGH: OK.

KATIE BASS: --constraints during that time. And I want to say 2002--

M. CAVANAUGH: OK.

KATIE BASS: --would be the year.

M. CAVANAUGH: OK.

KATIE BASS: But I can confirm that and get that back to you.

M. CAVANAUGH: Well, there might be others testifying that know. Just kind of putting it out globally--

KATIE BASS: Yes.

M. CAVANAUGH: --that this is a question that I'm going to have.

KATIE BASS: Right. This is really bringing us back up to our previous--

M. CAVANAUGH: Back to where we previously were.

KATIE BASS: Yes.

M. CAVANAUGH: OK. All right. Thank you. Appreciate it.

HANSEN: Any other questions from the committee? I have one.

KATIE BASS: Sure.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: It's-- I don't know, I don't know if it really matters or not that but I'm more just like kind of to get your opinion.

KATIE BASS: Sure.

HANSEN: First Five supports policies that promote quality early childcare and you support legislation to allow more families access to childcare subsidies. And you're conducting the study to analyze the impact of expanded subsidy eligibility.

KATIE BASS: Yes.

HANSEN: Do you think that's a conflict of interest?

KATIE BASS: I see what you're-- where you're coming from, and potentially, but we are partnering with other organizations to help us with this analysis. But ultimately, I, I would say that what we're doing is making sure that the policies we support are actually backed by sound research. Yeah. And generally, we know the research supports expanded subsidy eligibilities for families, but we want to make sure that those impacts are measurable and demonstrable in Nebraska.

HANSEN: OK. Makes sense. And I know just the way LB485 was written, it makes sense. I mean, you fit in that category of--

KATIE BASS: Right.

HANSEN: --because that's kind of what you guys are specializing in so I just, just kind of wondering your take on that, so.

KATIE BASS: Yeah.

HANSEN: All right. Thank you. Any other questions from the committee? Senator Riepe.

RIEPE: Senator Hansen, thank you. Follow-up question. DHHS Department, have they expressed a willingness to accept your report?

KATIE BASS: Yes. So the way the RFA is structured-- first of all, DHHS is an active partner of our research team so they participate with us in our regular meetings and helping us with the data itself. We do submit the report to them first for approval. That was written in their RFA, and so they would review it and approve it and potentially provide us with feedback before it would be presented to the Legislature.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

RIEPE: I assume they were involved in the original methodology.

KATIE BASS: Yes.

RIEPE: OK.

KATIE BASS: Yep.

RIEPE: Thank you.

HANSEN: All right. Seeing no other questions, thank you for your testimony.

KATIE BASS: Thank you.

HANSEN: Take our next testifier in support. Welcome.

ERIN FEICHTINGER: Twice in two days. How lucky for all of us. Chairperson Hansen, members of the Health and Human Services Committee, my name is Erin Feichtinger, E-r-i-n F-e-i-c-h-t-i-n-g-e-r. I'm the policy director for the Women's Fund of Omaha. At the Women's Fund, we believe that economic security is the foundation for advancing gender equity in Nebraska, and we recognize that childcare is an integral part of achieving financial security for working families in our state. So we fully support LB35. In every county and city across Nebraska, family needs an income above 200 percent of the federal poverty level to adequately afford their basic needs. This includes housing, food, transportation, healthcare, and importantly, childcare. Maintaining the current eligibility levels will make a meaningful difference for working families, particularly families making between 130 percent and 185 percent of the federal poverty level. I'm sure quite a few members of this committee know childcare is not cheap at all. The U.S. Department of Health and Human Services considers childcare affordable if it costs no more than 7 percent of a family's income. According to this standard, only 6 percent of Nebraska families can afford infant care within that level. The average annual cost of infant care in our state is nearly \$13,000. So exceeding your salaries, I believe. And unsurprisingly, this expense is a financial burden caregivers must consider in relation to their employment as the Nebraska Chamber pointed out. When asked about the most influential factor keeping primary caregivers out of the workforce, 46 percent cited the high cost of childcare. This concern is especially acute for mothers who disproportionately shoulder caregiving responsibilities when their family cannot afford childcare. Relatedly, 16 percent of single parents in Nebraska, many, many of whom are women, excuse me, noted that they went from full-time to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

part-time work due to childcare challenges. Leaving the workforce because of difficulties securing childcare negatively impacts a family's economic security and a mother's long-term earning potential. Research shows that women who took just one year off work had earnings 40 percent lower than women who did not take time off. Considering 33.2 percent of Nebraska-- women in Nebraska currently work in low-wage positions and that approximately 17 percent of Nebraska children ages five and under live in households headed by single women, affordable childcare and childcare assistance are critical to maintaining employment and attaining financial security for these families. Maintaining current eligibility levels will also ensure that working families are better able to afford the cost of childcare when they lose other types of assistance. Parents may decline extra hours, pay increases, or promotions because the additional income would result in losing childcare assistance. That cliff affect that we all know so well on this committee. On average, 11.6 percent of single parents and 9.6 percent of married parents decline promotions for childcare related reasons. No parent should have to choose between advancing professionally and paying the bills. Continued investment in the childcare assistance program at current eligibility rates will support working families, their financial security, and their children's well-being. Continued investment in childcare assistance will also support our workforce, along with childcare providers, many of which are considered small businesses in our state. LB35 is an opportunity for this committee and this Legislature to uplift working Nebraska mothers and their children and make a critical investment in our state's workforce development. Thank you and I am happy to answer any questions to the best of my abilities.

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

ERIN FEICHTINGER: How about that?

HANSEN: I know. You're off the hook. We'll take our next testifier in support. Welcome.

KRISTINE VanHOOSEN: Oh, gosh. Thank you. Sorry. Good afternoon, my name is Kristine VanHoosen, K-r-i-s-t-i-n-e V-a-n-H-o-o-s-e-n. I am the director of early care and education at the YWCA of Grand Island. Oh, I'd like to begin by thanking the Senator-- Senator DeBoer for introducing this really important bill and all of you on the committee for allowing me to speak here today. I feel like I might be echoing a lot of the things that you heard today but, obviously, this is a workforce issue for many reasons. So it's like-- oh, sorry, I got

really nervous all of a sudden. Families with young children are at the center of our state's growth and prosperity. For most of these families, childcare expenses are both necessary and unaffordable. This poses tough decisions for families, as many of them are needing and wanting to be a part of our workforce. As a director of a childcare, I hear many of my family say, oh, I'm just working to pay for childcare. Each day I see firsthand how the financial burden affects not only the parents, but the children as well. I met with a family last week, two working parents with two young children in childcare. They expressed how hard it was to pay tuition even though they both worked. When I asked if they had applied for any assistance, dad replied by saying yes, but we were over income by \$100. Mom then hung her head and said maybe I should just stay home with the girls. I felt like we had flown back 50 years in that moment knowing that this was something she did not want to do. Not only does she want to contribute to her household, she wants to contribute to our economy. If this mother decides to stay home and leave the workforce, she leaves a local Grand Island business owner in a position to have to hire again when they are already struggling to do so. This particular story is based on our current eligibility guidelines of 185 the federal poverty level. If this extension is not passed, there will be many more parents that have to leave the workforce. If we allow the guidelines to revert back to 130, a parent will not be able to make over \$10 an hour. This is definitely not a livable wage and most certainly not realistic in our job market where everyone is paying higher wages to get everyone to come to work. As I have seen over and over again, parents are wanting to bring their families out of poverty but just cannot because the cost of care is too high. For our YWCA families, the cost is considerably lower as we know they cannot afford to pay the true cost of quality care. This creates another workforce problem because we cannot afford to pay our staff a comparable wage without raising the tuitions of families. Childcare workers are leaving the industry left and right for higher paying jobs. This leaves the centers like ours who have a capacity of serving 155 kids, currently only serving 50 kids right now because we don't have the workforce that we need. Raising the eligibility guidelines will not fix all of these problems, but it will definitely assist in keeping parents employed. Although, keeping them employed just isn't enough for some. As we know, single mothers and women of color are most affected by these constricting guidelines. I spoke with a single mother of two preschoolers to discuss her experience with the assistance programs of Nebraska. Throughout our hour-long conversation, I noticed a running theme of discouragement. She spoke not only of the importance of providing for her kids, but the importance of elevating herself in a professional status. She

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

currently makes \$16 an hour and has been offered many raises and promotions, which she's had to turn down because she'll know-- she'll lose her benefits. With the current guidelines, she receives childcare and food assistance. She pays a monthly childcare fee of \$182 and receives \$300 benefits to help with food costs. The childcare savings each month is \$978. Even with a \$2 an hour raise, it won't make up for that kind of loss. If the guidelines are not extended, she will lose her benefits and will be in a position to decide whether or not to stay in the workforce. With that choice, her hopes to become a professional working mother just become an afterthought. This extension will also have a direct impact on my workforce as well. I currently have three staff members who work for me. Sorry, I'm a bit emotional. They're all making \$13 an hour. This is not a livable wage, but it's higher than-- \$1 higher than most people in our Grand Island area. So we do pay them more. All of these staff members struggle paying their childcare expenses. As an organization, we believe that we need to empower women so we assist in the best we can with their cost. But if these are lowered, there's no way we can make up for their entire childcare costs and employ them. Without raising the cost of tuition, we cannot increase their pay. As I said before, this causes our families tremendous hardships. Again, the guidelines-- if the guidelines are lowered, all three of my staff will lose their benefits and they will not be able to continue their employment with our center. LB35 is not a permanent fix for our system that is in crisis but is a step in the right direction. Nebraska families need help and we need it now. Please advance LB35. Thank you for letting me speak today and I'm ready for questions. Wow, that was a lot.

HANSEN: You haven't made it through the really tough questions yet.

KRISTINE VanHOSEN: Well, those I think I'm ready for if there are any.

HANSEN: We'll see if there are any questions. Are there any questions from the committee? I've got one question.

KRISTINE VanHOSEN: Yes.

HANSEN: What do you think is going to happen when minimum wage goes to \$15 an hour for you?

KRISTINE VanHOSEN: Well, we've pretty much put our pay guidelines to already set that so I think we're, we're in a good place, but I think that would have to go hand in hand with the raising of this

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

eligibility because it's going to be difficult to continue to, to make this work either way to answer your question.

HANSEN: Yeah, I think some-- well, a lot of the opposition we heard when we talked about minimum wage were daycare facilities. They're one of the biggest ones that come out against it because of the stuff you just mentioned, you're already paying \$1 higher than what everybody else does.

KRISTINE VanHOUSEN: You're not wrong. My former employer was a private-- I guess-- oh, you wouldn't call it private. It was nonprofit owned, but a smaller nonprofit agency. So for our bottom line to my previous employer, it-- minimum wage at \$15 did, did cause us some problems in our budget but we had to-- at some point, the cost of quality has to pay for our workers too. I think it's a, a rat race that you have to go in a circle with. But we had to come to terms with it in my previous employer that we would be making that move. As a YWCA organization, we're bigger, we're larger, it makes it a little bit easier to make that wage jump than if it is a smaller entity, but it's kind of a need.

HANSEN: Yeah, just kind of curious to get your perspective on it. I appreciate it. Just to make sure. Seeing no other questions, thank you for coming and testifying. Take our next testifier in support. Welcome.

ROBERT PATTERSON: Good afternoon, my name is Robert Patterson and I'm the CEO of Kids Can Community Center, we're a nonprofit organization with a mission to educate, engage, and inspire children through early childhood care and out of school experiences. All of our programs for as young as age of six weeks old to 13 years old are state licensed and we accept childcare subsidies with no limits. At the end of this year will mark my 25th anniversary with the organization, so I can truly attest to how many families depend on childcare subsidies. Senator Cavanaugh, I show 2002 is when they moved that down from 185 percent to 120 percent. And because I've been there so long, I vividly remember when that happened. And in one word, the word I chose was devastating. My alternate word was going to be chaos because that's what it was like at the time. We did have parents either try to freeze their pay, cut their pay, move to part time, or move to a single come-- single-income household because that was the only way they can make ends meet to keep their subsidies. So that 10 cents an hour would certainly would not pay for \$15,000 worth of childcare for a year so that was swift and immediate and it was just a, a horrible time that I remember, so. And we simply can't have that happen again as we did to

now an entire generation of Nebraska families. I know every elected official in this building says that they care about our kids, but now it's kind of time to make good on that promise. So I have the fortune to be-- have the ability to travel here today and speak on behalf of our families and elevate their voices, especially those that have benefited from the initial bill, LB485, and why LB35 should continue to move forward to extend to 2026. On the flip side, I want to share a positive story of one of our parents, Samantha. She's a mother of three children in our program. Three years ago, she was struggling just to make, make ends meet. She was one of those truly paycheck-to-paycheck households. Before LB485, she was always slightly over the eligibility threshold, but the cost of childcare was just her heaviest financial burden. So for her three kids, the average cost of a toddler, a preschooler, and a elementary age that does before and after school program would be over \$30,000 per year. And for a household of four like Samantha making just over \$60,000, you would be ineligible for subsidies. So without it, half of your income would be spent before you even walked out the door. Half your income would be gone to pay for rent, for insurance, transportation, clothes, food. That lopsided percentage was not unique to Samantha or many families. It's just literally a fact of life. Samantha, her top priority was always childcare because it allowed her to work and provide for her family. However, before that widening of the eligibility criteria, it also meant that she had to cut expenses in those other areas. New clothes and new shoes had to be put off until she had enough money saved, even if they had grown out of them. The simple cost of fixing a car could mean having to make even more difficult choices later when money is short. When the threshold was lifted to 185 percent, she was finally able to eliminate her largest financial stressor, the cost of childcare. Samantha told me it allowed her to not only provide a better life for her family it let her save some money for those rainy days when those unexpected expenses do arise, as they do for every one of us. Samantha and her kids are the reason LB35 exist. It's a path out of poverty. It's a path to ensure that early childhood education is there for a successful start in kindergarten. It's a path to ensure elementary students have a safe out of place-- out of school place to go during nonschool hours and its path for the good life and quality of life for families in Nebraska. And I would entertain any questions if there are any.

HANSEN: Thank you for your testimony. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for being here and for your work. So I'd like to hear a little bit more about this. So 2002, we had an

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

economic crisis and we made some-- the Legislature at that time made some tough budget cuts. One of them being income eligibility for childcare subsidies. Can you, since you're young and can recollect, could you--

ROBERT PATTERSON: I was just 18.

M. CAVANAUGH: --take us through that a little bit?

ROBERT PATTERSON: Absolutely. So-- and after 25 years, my-- I-- my records show as 2002 and they had moved it up 5 percent and another 5 percent above [INAUDIBLE].

M. CAVANAUGH: So it was, it was 120 at that time?

ROBERT PATTERSON: It was 120--

M. CAVANAUGH: OK.

ROBERT PATTERSON: --and eventually moved it up to 130, but then it kind of stalled out again.

M. CAVANAUGH: OK.

ROBERT PATTERSON: So that's why you kind of see some different numbers there. But it was-- I remember it being swift and immediate and parents were scrambling. So we talk about the cliff effect a lot, there was no bridge of six months to figure this out. Families lost it almost immediately. So that cliff that was-- we didn't even think was there had shortened again. And so that's what I vividly remember. We had-- even some of our own employees that used our childcare had to move to part time because that's just-- they had to make their checkbook balance and that was the only way to do it. It upset me because it was also the opposite reason of why childcare subsidies exist. The whole reason for childcare subsidies is to kind of work out of the cycle of poverty. So it took a while to-- eventually, you know, obviously we got used to it and but it's not easy. Like our peer said, it doesn't allow us to-- it crimps on the quality that we're able to provide our kids and that hurts us and that hurts Nebraska.

M. CAVANAUGH: OK. I'm just doing some quick back of the map here and the child-- now I only have one child and he's going to be in kindergarten next year, whoo, thank goodness. But I only pay for one child to be in childcare. And I actually also did the math, it's more than I make in a year is, is my childcare. But with that combined income of, of my partner, it is-- if we had just the one-- if you have

one kid at the 185 percent poverty rate at my childcare costs, which is about pretty average for the city of Omaha, it would be 24 percent of your income.

ROBERT PATTERSON: Um-hum.

M. CAVANAUGH: That is significant.

ROBERT PATTERSON: Absolutely. And I can't remember, it's supposed to be at most between 10 to 12 percent, I think. And like I said, that's not a reality for anyone, even as you kind of move up various income levels. So that--

M. CAVANAUGH: And this is just one kid.

ROBERT PATTERSON: Correct.

M. CAVANAUGH: I don't have other kids in childcare.

ROBERT PATTERSON: Absolutely. And the younger you go, I mean, infant care is--

M. CAVANAUGH: Yes.

ROBERT PATTERSON: --even more expensive, toddler,--

M. CAVANAUGH: Right.

ROBERT PATTERSON: --it just keeps expanding and so--

M. CAVANAUGH: Right.

ROBERT PATTERSON: --we see a lot of parents kind of hail the day when they move to elementary age so they have-- they lose that huge cost burden to them.

M. CAVANAUGH: Yeah, I felt really, I felt really rich once my two kids were in-- next year, whoa, watch out. I'm going to have my actual income. I think my spouse is sitting in here thinking, what do you think you're going to do that? Pay some bills, whoo.

ROBERT PATTERSON: Absolutely.

M. CAVANAUGH: I appreciate what Senator Riepe had mentioned before about the cost of doing business, but your clientele is a little bit different. They're not working for large corporations-- some of them might be, but they're hourly wage. Right?

ROBERT PATTERSON: Absolutely. So we, we do have a, a mix. We have some parents that pay the full published price. We have about 40 or 50 percent that are all subsidies, and we have a lot in that middle where they either make too much or they might have copays, which is kind of the family fee where they might have to pay \$200 a month and so forth that we-- so it is a financial mix. We're fortunate to be a nonprofit organization where I can fundraise and find foundation work for others to make it all work and provide the best quality we can. Not all childcares can do that, and especially kind of just based the way childcare subsidies work.

M. CAVANAUGH: So that, that braided funding that you're talking about, especially with being a nonprofit. So you, you have your base rate that you charge a family and then you have the, the subsidy which is definitely like, what, now, 75 percent of the market rate?

ROBERT PATTERSON: Correct.

M. CAVANAUGH: And then you said you have some that pay a copay. Do they-- the copay, is it like partial subsidy and then they pay an additional amount?

ROBERT PATTERSON: They, they might just have to pay us. And I've seen as little as \$50 a month up to \$200-plus a month. And that's how their caseworker determines how much they need to pay, you know, put their money towards childcare as well.

M. CAVANAUGH: Is that a state caseworker?

ROBERT PATTERSON: I believe so, yeah.

M. CAVANAUGH: OK.

ROBERT PATTERSON: And we-- and to be honest, we don't always, you know, we, we scholarship half of that out of the, out of the gate because we realized if they're in such a financial position, we don't want to be the ones to kind of imposing that on top of it that working out for the child.

M. CAVANAUGH: So then you are in the position that you can fundraise. This doesn't seem like a very workable for-profit model.

ROBERT PATTERSON: It, it is not. It's, it's highly unsustainable especially, you know, I think of our, our family childcares, the smaller childcares, we're lucky to be able to kind of have that capacity and have supporters that believe that and putting more money

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

towards that. But that's not always the case and, and it's been difficult. And funders, I know the chamber mentioned the philanthropic community also has a part in this that they care about, but it has to be all in by everybody, community, philanthropic, business, and government.

M. CAVANAUGH: Well, thank you for the history lesson.

ROBERT PATTERSON: No problem.

HANSEN: Senator Riepe.

RIEPE: Thank you. I first served on the Legislature in 2014 and was with the Health and Human Services Committee. We've always heard about the cliff effect even then and I'm-- my question is, is with the inflation and everything else, is this cliff affect just keep like a tide, stay ahead of us and I'm just trying to get educated here?

ROBERT PATTERSON: I believe you're right. And we've talked about as the minimum wage will continue to go up and, and could move to \$15, what does that mean for these rates that we have already? By nature of some people will automatically kind of move right out of eligibility criteria, but that \$15 an hour is not going to cut it for \$15,000 of it for childcare.

RIEPE: They're still trying to catch up on groceries and rent.

ROBERT PATTERSON: Absolutely.

RIEPE: Yeah.

ROBERT PATTERSON: And so that'll be probably one of the next bridges that, that we cross, that we look at. And even for our own, we, we did have the ability to kind of move our base rate up for early-- or entry level childcare workers at \$15 an hour. But it, it's not been easy, like I said.

RIEPE: So you're saying you might be back next year too.

ROBERT PATTERSON: I'll probably be back every year at this table. So, yeah.

RIEPE: That's what I was thinking.

ROBERT PATTERSON: Happy, happy to be here. Yeah.

HANSEN: Any other questions from the committee?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

RIEPE: Thank you.

HANSEN: Seeing none, thank you for coming.

ROBERT PATTERSON: Thank you.

HANSEN: Take our next testifier in support.

TINA ROCKENBACH: Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. I'm Tina Rockenbach, T-i-n-a R-o-c-k-e-n-b-a-c-h. I am the executive director for Community Action of Nebraska. We are the state association representing all nine of Nebraska's Community Action agencies serving all 93 counties and I'm here in support of LB35. Parents across Nebraska, as you heard, are facing significant challenges in managing the costs related to raising a family. While those costs of childcare are not a new challenge, what is new is the increased numbers of families who are unable to afford that service. You've heard about wages not being proportional, cost of living increasing, and things like that. We are seeing that daily in our clientele. In fact, the majority of clientele that we serve have full-time income or are employed in some way and many of them are working multiple jobs to make those ends meet and are still struggling. The childcare subsidy program is a great example of a partner program that our agencies connect clientele with in order to remove one barrier to keep them gainfully employed or pursuing an education. Employment and education are two of the many paths that our agencies will have case managers that will plan out and step through with those clients to lift themselves and their families out of economic instability and into stability. Extending that increased eligibility for the subsidy would be a significant help to many that are in that situation. And our agencies don't always get to reconnect with former clients and so I felt compelled to share a story today that I recently experienced. Recently, my path crossed with a former Community Action client. My father is currently recovering from a stroke here in Lincoln. One of his nurses found out that I work for Community Action and she proceeded to share with me that when she was young, newly pregnant and in nursing school, the Community Action agency in Lincoln helped her when no one else would. The father of the baby had walked out on her, leaving her with no income, and she was in the position to make some pretty tough choices. She was referred by a friend to Community Action and they helped her make sure all of her needs were met, including the needs of her unborn child and then when he was born. They connected her with finding a job, food, rent, and utility assistance and helped her apply for programs such as Medicaid, SNAP, and childcare subsidy. The underlying goal of her entire plan

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

was to stay in nursing school, she continued, and she graduated as a registered nurse. In fact, the agency threw a party for her to celebrate her accomplishment. That baby that this childcare subsidy helped is now grown, married, and is a new father and she is a grandmother. Ironically, the baby is named Tina. She's still working as an RN 30 years later, her exact quote to me was, I would not be this successful in life without Community Action and I had no idea that those programs existed or that they were even available to her. Now as we fast forward to today, these costs continue to increase in goods and services. And we need to take into account, as we just heard in, in the previous testimony, what that economic and poverty level landscape looks like. Things are not the same as they were ten years ago, 30 years ago, or even a year ago. These programs need to continue to be successful and accessible, but we also need to make sure that we're recognizing when we need to be moving the needle on those eligibility guidelines to match what the current landscape is that our families are facing. We strongly encourage you to support the extension of this and I thank you for listening and happy to answer questions that you might have.

HANSEN: Thank you for coming to testify. Are there any questions from the committee? All right. Seeing none, thank you.

TINA ROCKENBACH: All right. Thank you.

HANSEN: Take our next testifier in support. Welcome.

RASNA SETHI: Thank you. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Rasna Sethi. That's R-a-s-n-a S-e-t-h-i, and I'm the policy analyst at OpenSky Policy Institute. I'm here today to testify in support of LB35 because ensuring access to childcare is a good investment for our state. The effects of inadequate childcare in Nebraska are well documented with one report estimating parents lose out on \$489 million annually in income and the state economy loses nearly \$500 million of output when we don't have access to affordable childcare, equating to more than 3,300 jobs per year. This bill would allow more people to achieve a balance between affording childcare and finding adequate work. The current threshold for the subsidy is 185 percent of the federal poverty level, or about \$45,000 for a family of three, \$45,000 for a family of three. If the change in eligibility passed in 2021 and then the threshold would go back down to 130 percent of the federal poverty level, which is significantly lower than in neighboring states such as Colorado, which has 180, Kansas, which also has 180, and Iowa which has 141. When program-- when this program was initially introduced,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

that threshold at 185 percent of the poverty level, it was 185 percent of the poverty level until it was changed in 2002. In a tight job market like Nebraska, it is essential to increase the workforce and enable more Nebraskans to work. Childcare costs can be a barrier to participating in the workforce. Providing childcare subsidy to some of the most vulnerable Nebraskan families would not only increase the workforce participation, but would enable more individuals to become economically self-sufficient. According to the fiscal note of this bill, nearly 2,000 families benefited from the increase in this eligibility thresholds. The program should be allowed to carry forward another few years to allow for the accompanying study to examine the effects of the increase as set out by the original bill. That study has not been done to date. The increased threshold amount enables Nebraskans to afford childcare at a rate that would be more on par with the market. The average cost for infant childcare is about 10--\$1,050 a month for a family of three at an income threshold level of 185 percent of the federal poverty level. This would be approximately 30 percent of their monthly income, which, as previous testifiers have stated, is not considered affordable considering that affordability would be 10 to 12 percent of monthly income. However, at 130 percent of the federal poverty level, this would be about 42 percent of their monthly income that shows the necessity to keep these income limits at their current level. OpenSky Policy Institute supports LB35 and urges the committee to advance it and I'm happy to answer any questions you may have.

HANSEN: Thank you for your testimony. Are there any questions from the committee? Seeing none, thank you. We'll take our next testifier in support. Senator DeBoer promised me if this went less than an hour, we'd pass her bill. So, sorry.

MIKE BIRD: I could be done now.

_____: Spell and say your name, please. Say your name, please.

MIKE BIRD: M-i-k-e B-i-r-d. Thank you.

HANSEN: Yeah, we were talking about this earlier.

_____: Can we have that in writing?

M. CAVANAUGH: Got it.

MIKE BIRD: I've got a pen.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: Welcome.

MIKE BIRD: Thank you, Chairman Hansen, good afternoon-- and members of the Health and Service-- Health and Human Services Committee. My name is Mike Bird. For the record, that's M-i-k-e B-i-r-d. I'm the president and CEO of Children's Respite Care Center, or CRCC. CRCC is a nonprofit based in Omaha. We provide comprehensive educational, nursing, behavioral health, physical, occupational, and speech therapies for nearly 600 children annually with complex medical and developmental needs. We also have typical children that, that are in our centers as well, which there are two centers in Omaha, one in north central Omaha and one in southwest Omaha. Including with my testimony, I have copies of a letter of support for LB35 submitted on behalf of the Nebraska Child Health and Education Alliance. Our workforce at CRCC is comprised of registered nurses, certified early childhood special education teachers, licensed mental health practitioners, board certified behavioral analysts, occupational therapists, speech language therapists, and physical therapists. All told, we employ over 150 dedicated teachers and other care professionals. We want to thank Senator DeBoer for her work to expand eligibility in the child subsidy program to LB45 [SIC--LB485] in 2021. Approximately 30 percent of our day health program clients are 60 kids and families are supported through the childcare subsidy program and 70 percent of those families have a child with special needs. Given the highly specialized care of so many of the children we serve, for reference that's-- we have 105 unique diagnoses in our day health program. It is not exaggerated to say that, that CRCC is often the only choice for care for many of the families and critical to their participation in the workforce. This is why LB35 to extend the sunset on expanded subsidy eligibility is critical for us and the families we serve at CRCC. It is widely understood that birth to six represents the most critical stage in child development. We all know that these early years are critically important. The importance of these early years is heightened with the families that we serve at CRCC. Early Identification, intervention and diagnosis of medical and behavioral conditions help set our kids on a path to achieve their fullest potentials in school, work, and life. Children with special needs deserve access to high quality and inclusive early childhood education. Parents and guardians of children with special needs deserve to participate fully in the workforce, and our state relies on their participation as we've heard from many that have testified. LB35 supports the growth and development of our most vulnerable children at the most critical stage of their development and bolsters workforce development in our local communities. We raised our minimum wage, our

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

starting salary to our paraprofessionals from \$13 an hour to \$15.34 in July of 2022. That was about a \$300,000 impact on our budget annually, just taking our current staff from \$13 to \$15. And we are still unable to fill all the classrooms that we have, which in turn limits our ability to bring kids in and serve the kids that have the needs that, that we are able to help address. LB35 supports the growth and development of our most vulnerable children at the most critical stage in their development. And I ask that you please advance LB35 to the full Legislature for debate. Thank you for the opportunity to testify and I will answer any questions that I can.

HANSEN: Thank you. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for being here.

MIKE BIRD: Of course.

M. CAVANAUGH: First, I want to acknowledge that your two facilities are in two of what I might argue are the best districts.

MIKE BIRD: Yes. Thank you.

M. CAVANAUGH: They're in both of ours.

MIKE BIRD: Yeah.

M. CAVANAUGH: One in yours, one of mine.

RIEPE: Mine is by the airport, though.

M. CAVANAUGH: So thank you--

RIEPE: [INAUDIBLE]

M. CAVANAUGH: --thank you, first of all, very much appreciate the service that you all provide. One hundred five unique diagnosis. That's amazing.

MIKE BIRD: Yeah. And if you layer on the number of secondary diagnoses on it, we're in the 500 and 600 unique diagnoses if, if you look at it holistically, it's really a complicated service that we provide.

M. CAVANAUGH: So these are medically fragile children that have parents in the workforce for the most part, some might be in school or other things, but that are our most vulnerable children and they would not be able to be in the workforce without this.

MIKE BIRD: Right.

M. CAVANAUGH: Thank you.

MIKE BIRD: And that's such an important piece to what we do and the service we provide in the community around the ability for parents to work when they have medically fragile kids.

M. CAVANAUGH: That's, that's really amazing. And obviously, I'm familiar with your organization and your work, but I just want to highlight that because I think that's really important. So this bill, a lot of your kids are childcare subsidy kids.

MIKE BIRD: 30 percent.

M. CAVANAUGH: So when this bill was enacted, do you have-- and you might not have been there at the time, but do you have any idea what impact that had on the pre-- I mean the bill that--

MIKE BIRD: So I--

M. CAVANAUGH: --[INAUDIBLE]?

MIKE BIRD: --I would be happy to get that back. I think we were somewhere between 25 and 27 percent from when, when I came on board to, to current. So that's over the last two years--

M. CAVANAUGH: OK.

MIKE BIRD: --increased slightly.

M. CAVANAUGH: And you said that you've increased your wages significantly and you still are, are struggling in that workforce area.

MIKE BIRD: Absolutely. I think what we do and the service we provide is hard work. When I drove by a rental facility out in the neighborhood that was offering \$17 an hour and get paid today, and we're glad to be at \$15.34 and recognize with the, the need we've got to grow that going forward.

M. CAVANAUGH: OK. Well, thank you. Thanks for your testimony.

HANSEN: Any other questions from the committee? Senator Riepe.

RIEPE: Chairman Hansen, thank you. And thanks for your service. I'm familiar with it. I have toured the facility and I'm, I'm impressed.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

My question is, you have gone-- out of goodness, say, you've gone from \$13 an hour to \$15.34 was it?

MIKE BIRD: Um-hum.

RIEPE: What's, what's your payer mix look like? I think you just said one-third is--

MIKE BIRD: Yeah, so--

RIEPE: --what's the balance of the other two-thirds?

MIKE BIRD: So we are-- if you take all in our budget is about \$7 million, we recoup about two-thirds of that in fee for service. Whether that be the programs like this, private pay, insurance, those, and then the other one-third we raise philanthropically. And, and so that, that piece is about 20 percent waivers in there and then Medicaid as well makes up about, about 30 percent.

RIEPE: On your philanthropic side, most of your donors have been one or two larger ones or is it a lot of smaller donors, donors?

MIKE BIRD: We're very fortunate to have a, a good base of, of support. We have several that are larger donors that, that are supportive year over year. And then we have a lot of, of families and our staff and, and community members see the value in what we do and, and help us in that area. We've risen from about a \$500,000 a year fundraising effort five years ago to now at about \$2 million. And so that, as I, I think Mr. Patterson has touched on, it is not sustainable over time to, to keep layering that onto the philanthropic support that we need.

RIEPE: Do you get-- do you participate and get funds from United Way?

MIKE BIRD: We do.

RIEPE: Do you get some funding from CHAD?

MIKE BIRD: We do not.

RIEPE: OK. OK. Thank you, Mr. Chairman.

HANSEN: Any other questions? Seeing none, thank you.

MIKE BIRD: Thank you.

HANSEN: Take our next testifier in support. Welcome.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

MADLINE WALKER: Hi. Chairperson Hansen and members of the committee, my name is Madeline Walker, M-a-d-e-l-i-n-e W-a-l-k-e-r, and I am the human trafficking program coordinator with the Nebraska Coalition to End Sexual and Domestic Violence. I am here on behalf of the Coalition and also our 20 network programs that serve survivors of domestic violence, sexual assault, and human trafficking across the state to support LB35. Lack of financial resources is one of the most common reasons survivors of domestic violence stay with their abusive partner. This is due to financial abuse, which occurs when an abusive partner exercises financial control over their victim by limiting their ability to build savings, sabotaging their credit, and preventing them from working outside of the home. In a 2018 survey of survivors of domestic violence, 50 percent reported they would be unable to afford childcare if they were to leave their abusive partner. Access to affordable childcare would reduce the barriers a survivor faces to leaving an abusive relationship. Lack of affordable childcare is one of the primary challenges survivors face to completing their education and participating in the workforce. Survivors with access to affordable childcare are better able to achieve economic stability and less likely to have to return to their abusive partner due to lack of finances. Increasing financial security for individuals and families will help reduce and prevent the occurrence of domestic violence in our state. The Nebraska Coalition to End Sexual and Domestic Violence recognizes that access to affordable childcare is a key component to the safety and financial security of survivors of domestic violence. We support the extension of childcare assistance provided for in LB35. Thanks for your time and attention and I'm happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman Hansen. This may be a more general question. Any contributions that you receive from the state, do those go to you as an organization as opposed to going to the families directly?

MADLINE WALKER: So our organization does not provide direct services. We provide training and technical support to all of the--

RIEPE: OK.

MADLINE WALKER: --direct service organizations throughout the state.

RIEPE: OK.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

MADLINE WALKER: We do have some pass-through funds that go directly to the organization and-- to the direct service organizations and they do have funds to help out with basic needs, hotel stays, transportation, food, but nothing on, like, a long-term kind of basis.

RIEPE: OK. I might, if Senator DeBoer closes, I might ask her that question. In the hospital business we used to have some patients that would get paid directly and when they came up to tell us that they weren't going to pay our bill they were driving a new pickup. So it, you know, you got-- we-- that's why I'm concerned about money going to the agencies as opposed to necessarily going to the family who have other priorities.

MADLINE WALKER: Yeah.

RIEPE: OK.

MADLINE WALKER: Yeah, they provide limited financial support kind of based on-- I mean, they provide crisis-based intervention so it's usually just kind of immediate needs and things like that for the families.

RIEPE: I'm just concerned who cashes the check. That's what I'm looking at. Thank you. Thank you, Chairman.

HANSEN: Any other questions? Seeing none, thank you.

MADLINE WALKER: OK. Thank you.

HANSEN: Anybody else wishing to testify in support of LB35?

KEN SMITH: Hello,--

HANSEN: Hey.

KEN SMITH: --members of the, the Health and Human Services Committee and Chairperson Hansen. My name is Ken Smith. That's spelled K-e-n S-m-i-t-h. I'm the Economic Justice Program director at Nebraska Appleseed. I'm submitting some written testimony, and there's also some written testimony from Voices for Children in Nebraska. I'm going to be very, very brief today. I just wanted to make a couple of points. One, just echoing all of the points that previous testifiers have made about the importance of this piece of legislation. I know there are some questions about the fiscal note. If the committee has some questions, I'd be happy to, to try to answer them. We have had a little bit of time to look into the fiscal note. And I also wanted to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

just note that these types of eligibility changes aren't eligibility changes that necessarily have to be made year over year. So there wouldn't necessarily be a need to come back every year and remind the committee what we're talking about is going back to the eligibility limit that was in place in 2002. And so these are granted, you know, not to say that there wouldn't need to be any future adjustments, but these are adjustments that do kind of stand the test of time and would be, you know, a significant improvement in the way that this program operates, making it more effective and, and accessible. So with that, many of the points I was going to be making have been covered by other testifiers so I won't duplicate that testimony. But as I said, I'm happy to answer any questions, including if there were questions about the fiscal note.

HANSEN: All right. Thank you. Are there any questions from committee? Senator Cavanaugh.

M. CAVANAUGH: Well, you gave an opening to my favorite topic so let's talk about the fiscal note.

KEN SMITH: Sure.

M. CAVANAUGH: His second favorite topic. OK. So the fiscal note, I see that previously we used ARPA funds and we've, we've hit the max on that. So I'm-- I guess-- can you kind of walk us through the fiscal note a little bit what you-- your interpretation of it?

KEN SMITH: Yeah. And I do want to caveat this with I, I want to be able to speak with Senator DeBoer about some of this as well.

M. CAVANAUGH: Sure.

KEN SMITH: But essentially, ARPA was used to cover administrative costs of the program when that was available. There were some-- there was some thought, I think, that, that there, there would be room to apply some of our TANF funds towards that in an attempt to sort of to eliminate, like, a General Fund--

M. CAVANAUGH: Right.

KEN SMITH: --impact or at least lessen the General Fund impact. But because the agency represented in the agency fiscal note that they had reached the 5 percent cap that applies to administrative expenditures under the CCDF and a TANF transfer would likely-- I mean, again, we do want a little bit more time to kind of go through this, but just to

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

provide the committee with the information we have, it would-- a TANF transfer would likely count towards that cap--

M. CAVANAUGH: Right.

KEN SMITH: --and, thus, you know.

M. CAVANAUGH: So, so this, this cannot-- this fiscal note cannot be alleviated with TANF funds based on the fact that the department has already maxed out the administrative side of TANF?

KEN SMITH: If-- yeah, if it is true that what the department said in their fiscal note which is that they've-- they're, they're run up against that 5 percent cap.

M. CAVANAUGH: Yes, which I'd like to just for the record like state that it'd be great for them to show us evidence of this statement of the fiscal note being accurate. So go on.

KEN SMITH: So, so except-- so assuming that, that it is true that that, that we have reached that 5 percent cap on administrative expenditures, then a TANF transfer would not be able to cover administrative costs of the program that had previously been covered by ARPA. Again, that's our initial kind of reading of the fiscal note and why--

M. CAVANAUGH: And--

KEN SMITH: --it is what it is.

M. CAVANAUGH: --this is a real, like, out of left field TANF question for you.

KEN SMITH: Oh, boy.

M. CAVANAUGH: Yeah, get ready, 5 percent, does that include our rainy day fund? Like, can we use 5 percent for administrative costs of \$130-plus million?

KEN SMITH: So TANF--

M. CAVANAUGH: Kind of looking around in the room to see if there's any phone a friend.

KEN SMITH: Yeah. You're, you're-- are you asking if that can be used--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

M. CAVANAUGH: Like, if-- let's-- hypothetically, this year we as a legislator decided, you know what, we're tired of \$130 million just sitting that could help needy families. We're going to use it, 5 percent of that could be used for administrative costs.

KEN SMITH: So TANF, I believe, has a different administrative--

M. CAVANAUGH: OK.

KEN SMITH: --cap. And I think it is--

M. CAVANAUGH: That's separate from the childcare block grant.

KEN SMITH: --15 percent.

M. CAVANAUGH: I'm completing two different things.

KEN SMITH: It's--

M. CAVANAUGH: Oh, it's 15 percent.

KEN SMITH: Yeah, TANF's administrative, yeah.

M. CAVANAUGH: Did you hear that, Senator Riepe, we could spend 15 percent of \$130 million on administrative stuff.

RIEPE: Left me speechless.

M. CAVANAUGH: OK, so TANF and the childcare, I'm completing two different funding sources is what you're saying.

KEN SMITH: Well, there is a lot of overlap--

M. CAVANAUGH: OK.

KEN SMITH: --so it's easy to do.

M. CAVANAUGH: OK. All right. Sorry. I think-- I, I feel like I've interrupted you, but is there any more that you can help us with?

KEN SMITH: I guess, I'll just leave the committee with the, you know, as Mr. Slone and other testifiers remarked, I want the overriding sentiment to be this is a great investment no matter where it comes from. The fact that it may have to come from General Funds does not mean-- you know, it is still a great investment and one that the state should be making, one that will have an incredible return. But just wanted to provide a little bit of-- shed a little bit of light on, on,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

on the fiscal note. If I could, again, I do want to talk with Senator DeBoer about--

M. CAVANAUGH: Yes.

KEN SMITH: --about all this.

M. CAVANAUGH: And prior from, from it coming from General Funds, I welcome the department to make sure and show us that they have already maxed out that 5 percent. So just going to, again, for the record, thank you, Mr. Smith.

KEN SMITH: Thank you.

HANSEN: Any other questions from the committee? Seeing none, thank you.

KEN SMITH: Thank you.

HANSEN: Anybody else wishing to testify in support of LB35? Seeing none, is there anybody who wishes to testify in opposition to LB35? Seeing none, is there anybody who wishes to testify in a neutral capacity to LB35? All right. Seeing none, we'll welcome back Senator DeBoer to close. And for the record, we did have some letters for the record, we had 29 in support of LB35, one in opposition, and one neutral letter for the record.

DeBOER: Thank you, Senator Hansen. I'm sorry that this was a little longer and wide-- wider-ranging hearing than I anticipated. I do believe we talked about housing, sports, I don't even remember what all else, but I think it's good-- minimum wage. This was a good broad, broad hearing.

HANSEN: This is par for the course for every hearing we've had so far.

DeBOER: OK. Well, I don't know how you do things here. No. No. I do want to-- did want to sort of bring us back together into what we're doing here today. So childcare subsidies are really important as a way to help our families to get into the workforce. They're helpful for our small businesses that are providing childcare. And the thing that, that maybe we've missed in some of this or we, we haven't focused on so much is that this is a subsidy. This isn't in exchange for nobody's paying for your childcare here. You still have to pay-- once you get to 100 percent of federal poverty level, you still have to pay 7 percent of your income to pay for childcare. It's the difference between what's above 7 percent and what the actual cost is that, that

is getting paid for you directly to the provider so you are paying for 7 percent. As your income goes up, of course, that 7 percent goes up. So the idea that we're trying to do is to find the place where your income is going up so you're paying more of the childcare subsidy-- child-- the childcare subsidy is paying less as you go up and you get to a place where when you're, when you're going off the childcare subsidy, you're not going significantly down in the amount that you're getting or the amount you're not going significantly up in the amount that you're paying. I'm not saying this clearly. If you're paying for a portion, you're going up like this as your income goes up, if you lose your childcare subsidy and then you get a steep increase, that's the cliff effect. If you're going up and you get to a level that you go up, and it's maybe just like this, you can take the increase. So what we're trying to do is help it so that people can work their way off of the childcare subsidies so that there isn't a big bump between the amount that they're paying for childcare when they're on the subsidy and then the moment they're paying for childcare when they're off the subsidy. We're trying to bring those two numbers together. That's what we did. We think that the evidence is going to bear that out when we get this report that says 185 percent of federal poverty level is the way to smooth that bump out so that people can work their way off of the childcare subsidy in a smooth way without doing anything. So Senator Riepe asked a question about whether or not they would be back again. That's not at all what this is, because this is a percentage. So even if there is inflation, it doesn't matter because the percentage is going to remain the same. So assuming that the federal poverty level is roughly keeping up with inflation, which I have nothing to do with, that's something that they do. But assuming that then the percentage, since you're still paying 7 percent, whatever the cost is for childcare, you're still going to have this ability to work your way off in a smooth way. So this shouldn't be a problem where we're saying, OK, now we need 186 percent, now we need 187 percent, now we need 188 percent. We think the number is 185 percent. We think that will be borne out in the evidence and we think that that is logical because it used to be prior to 2002 the number that we had and that had stabilized the system. So that's where we've been. That's why we have this expanded subsidy and that's why we're here trying to get a little more time to make sure that we're on the right track so that everybody can look at that. That's why I have the sunset there and I'm so confident that this is the right number that I didn't come in here and ask you to take the sunset off all together. I came in here and said allow us time to have the evidence to prove to you and we'll keep that sunset just a few years out. And then at that time we can all look at it as a body and say, yeah, here's where we

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

are. This is the right number. So that's why I've done it the way I have and I'd be happy to answer any questions.

HANSEN: All right. Thank you. Are there any questions from the committee? I got one question.

DeBOER: Yeah.

HANSEN: So by the time this sunsets do you think childcare is going to go up, the cost of childcare?

DeBOER: I think the cost of childcare is always going to go up.

HANSEN: Yeah.

DeBOER: I think--

HANSEN: That's one of my concerns, especially when minimum, minimum wage goes up. And so you're saying the cliff is going to be, like-- it's right here so we raise it up to here. I'm concerned, like, the top cliff is going to be, like, way up here in about three years and we're back where we were.

DeBOER: So I don't think that'll happen and here's why, because I think the cost of childcare will go up. But if you have a higher income, you're going to be paying a higher amount in that 7 percent that you pay. So you see what I'm saying, it's changing the incline of the amount that you pay too as your income is going up.

HANSEN: Sure.

DeBOER: So I think that this is the right number to prevent that steep incline. The 130 clearly was not the right number. Then you get a real big cliff and you hear-- people have said to me-- when, when I did this bill two years ago, they said in manufacturing they cannot pay enough to people who start out in manufacturing or training because they don't know are you going to work or you're not going to work out. They can't pay them enough to start to pay their childcare. But then once they're there for six months, they work out, hey, you're actually great. We're going to promote you. Then they can pay it so they get off of that. But they need to get people in to see if they can do it. So this is, this is like imagining people who are starting out in their career or a new career or whatever it is like that and giving them the opportunity to kind of get some momentum behind their career so that they can get in a place where they can pay for these childcare subsidies. And this gets people off of poverty which is helpful in all

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

of the kind of family support systems that we have that you all deal with that I didn't even begin to know all about the depths that you go into that. But, you know, this helps them in general because what we're doing is we're helping them to get into a position where they can earn an income that supports their family.

HANSEN: OK. All right. Just making sure. No other questions from the committee.

DeBOER: All right. Thank you.

HANSEN: Thank you very much. All right. And that'll close our hearing for LB35. And we'll move on now to LB84 and welcome fellow HHS Committee member Senator Day.

DAY: Good afternoon, Chairman Hansen and fellow members of the Health and Human Services Committee. My name is Jen Day. That's J-e-n D-a-y, and I represent Legislative District 49 in Sarpy County. I'm here today to introduce LB84. Food insecurity continues to be a challenge for many Nebraskans. Following a major spike in hunger related to the COVID-19 pandemic, many Nebraskans still struggle to put food on the table for themselves or their families today. Grocery store prices and inflation have hit 40-year highs, while wages have not kept up in pace. In these times our most effective program for addressing hunger in the nation is the Supplemental Nutrition Assistance Program, or SNAP, which is formerly known as food stamps. In 2021, Nebraska passed a law, LB108, from Senator John McCollister that changed eligibility requirements for SNAP. This change increased SNAP's gross income eligibility limit by moving it from 130 percent of the federal poverty level to 165 percent of the federal poverty level. The net income eligibility limit remained at 100 percent federal poverty level. In just two years, this change has supported an estimated 10,000 Nebraska households with food assistance and contributed millions to the Nebraska economy. The law passed in 2021 introduced-- included a sunset provision that would end the change in September of this year. LB84 strikes the sunset language from the law and makes this commonsense change permanent. To qualify to receive SNAP benefits, households must meet a two-pronged income test. First, a household's gross income must be at or below 165 percent of the federal poverty level, which is \$3,020 per month for a family of three or \$38,000 per year. Then a household's net income after deductions like childcare, healthcare, and housing costs must be at or below 100 percent of the federal poverty level, which is \$1,919 per month for a family of three or \$23,030 per year. Without passing these two income tests, among other things, families cannot receive food assistance through SNAP.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

One of the most important impacts of an increased SNAP gross income is that it addresses the SNAP cliff effect. The cliff effect happens when a SNAP household's earnings improve, for example, through a raise or more hours at work. And that change makes that household ineligible for SNAP benefits. For example, a worker in a SNAP household of three may be offered a raise at work of \$1 per hour. That increase in income may push that household over the gross income threshold for SNAP by \$20. Instead of stepping down that household's \$200 SNAP benefits in proportion to new earnings, all benefits may be cut entirely. The best way to address the cliff effect is to increase the SNAP gross income limit. By increasing the gross income limit, families can earn more and still qualify for SNAP, but also deduct more expenses and remain on the program while stepping down benefits. SNAP benefits are paid 100 percent by the federal government. SNAP administrative costs are split 50/50 with the state. Over the past two years, we've paid for our, our share of administrative costs with ARPA dollars specifically allocated for SNAP relief. According to the Legislative Fiscal Office, going forward, General Funds would be required totaling around \$1.2 million over the next two years. For this small investment, SNAP benefits totaling an estimated \$12 million per year will flow through grocery stores, supporting local economies, farmers and producers and others. A USDA study estimates that for every \$1 in SNAP, \$1.54 is returned in economic impact. It makes sense to pass LB84 to not only support working Nebraskans trying to get ahead, but to stimulate the economy by eliminating the cliff effect and injecting millions into local businesses and producers. This is the session we have to do it. Thank you and I would appreciate the committee's vote to advance the bill to General File and I would be happy to answer any questions you may have.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, you going to stay to close?

DAY: I will be here. Yes.

HANSEN: All right. We'll take our first testifier in support of LB84. Welcome.

RASNA SETHI: Good afternoon again, Chairman Hansen and members of the Health and Human Services Committee. My name is Rasna Sethi. That's R-a-s-n-a S-e-t-h-i, and I'm the policy analyst with OpenSky Policy Institute. I'm here to testify in support of LB84 because the expansion of SNAP eligibility from 130, 130 percent of the federal poverty level to 160 percent, this is, of course, the gross income limit and not the net income limit, improve the quality of life for

some of the hardest working Nebraskans. And keeping it at the higher threshold would continue to help lessen the cliff effect that occurs when raises and promotions push workers above the previous eligibility level. The loss of SNAP benefits and other support programs can quickly wipe out the increase in income from promotions and disincentivize Nebraskans from seeking or accepting raises and advancement opportunities. For example, if the threshold reverts back to 130 percent of the federal poverty level in Nebraska, a 43 percent-- a 43 cent raise could cause a \$16 reduction in annual income for some parents working full time and raising two kids. In order to make up for such a drastic loss of income, the parents will need to work an additional 24 hours a week. This is why the cliff effect is amongst the greatest barriers to self-sufficiency for low-income families as it contributes to pay raises being rejected, more hours being worked, and fewer people pursuing educational opportunities that may also result in an increase in income. Continuing the 165 percent eligibility for SNAP not only helps families, but also employers who may face significant churn and low-paying positions because of the cliff effect, meaning that they may be perpetually recruiting, hiring, and training for same entry level positions according to the National Conference of State Legislatures. To the detriment of all, if the workforce shortage is not filled, families do not access support-- social support systems and economic growth is stimped. Employers also benefit from an increased consumer power-- spending power created through SNAP. Studies show that for every \$1 redeemed in benefits, local economies see \$1.70 in economic growth during a recession. The economic boost comes with-- at little cost to the state, an estimated \$544,000 in fiscal year '24, according to the fiscal note on this bill, while federal government pays for the full cost of SNAP benefits and covers half the administration cost of the program. This is significant value for money for the state of Nebraska, particularly in the context of the biennium's budget surplus. To examine the effects of a cut that SNAP would have-- that would have on SNAP recipients, OpenSky Policy Institute alongside Dr. Laurel Sariscsany of the Nebraska-- University of Nebraska Omaha and Voices for Children conducted a qualitative research study on SNAP recipients most likely impacted-- to be impacted by the change in eligibility levels. Four themes emerged in our in-depth interviews, systematically sampled and conducted. The effects of inflation, a struggle to survive amongst most participants, the impact of the cliff effect, and participants feeling the need to be more worthy of benefits. Findings from these interviews suggest that Nebraska's SNAP recipients benefited substantially from the 2021 expansion and eligibility. But as SNAP remains a challenging program

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

to navigate, even in this-- the context of ongoing food insecurity in Nebraska and with inflation averaging 6 percent in the past year. Ensuring the gross income eligibility for SNAP remains at 165 percent of the poverty level will have minimal cost to the state of Nebraska while producing a substantial economic benefit, particularly in a time of high inflation. As such, we support LB84 and would urge you to move the bill forward. Thank you and I'm happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you. Take the next testifier in support of LB84.

HARDIN: Welcome.

ANAHI SALAZAR: Thank you. Thank you, members of the Health and Human Services Committee. My name is Anahi Salazar, A-n-a-h-i S-a-l-a-z-a-r, and I'm representing Voices for Children in Nebraska. One of the most basic building blocks for children to properly develop is consistent access to nutritious food. Families working hard to make ends meet should not have to choose between a promotion at work and feeding their family. Voices for Children in Nebraska supports LB84, which eliminates the sunset on SNAP eligibility at 165 federal poverty level because it, it will allow hardworking families to continue to feed their children as our country faces a potential recession. The Supplemental Nutrition Assistance Program, or SNAP, is one of the most effective anti-poverty programs in the nation. It provides nutrition assistance to low-income families-- individuals and families through benefits that can be used to purchase food at grocery stores, farmer's markets, and other places where groceries are sold. SNAP is a temporary support that helps families and children. The average length of time households are on SNAP benefits is 12 months. In 2020, SNAP moved about 7,176 family-- Nebraska households above the poverty line of 100 percent federal poverty level, or FPL. In order for a family to be eligible for SNAP with the current eligibility rate of 165 percent of the FPL, a family of three needs to be making \$3,418 a month or \$41,019 a year. In 2022, Nebraska had more than 73 percent of SNAP participants who were families with children, more than the national average. More than 30 percent of SNAP participants are families with members, with members who are older adults or disabled. If the eligibility criteria were to decrease down to 130 percent FPL, around 4,500 or 4,500 households would lose coverage. Despite hard work, more and more Nebraska families are finding that their wages aren't keeping up with rising household expenses. Nebraska as well as the country are currently experiencing higher than normal cost of living adjustments. Inflation increased the pricing of food and shrinkflation has made food not last as long. The average SNAP household, household benefit

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

for 2023 would be \$178 per household member per month. That amounts to about \$5.84 per household member per day. Those few extra dollars can mean the difference between a child going to sleep at night fed and ready to take on the next day or struggling to keep-- to sleep with an empty belly. Addressing growing rates of food insecurity is critical to supporting families as they work to recover from the economic impact of the pandemic. We want to thank Senator Day for bringing this critical bill forward and the committee for considering this important matter. We respectfully urge you to advance LB84 and I'm available for any questions.

HARDIN: Thank you. Any questions? Seeing none, we appreciate your testimony.

ANAHI SALAZAR: Thank you.

HARDIN: Anyone else for LB84? Welcome.

GARRET SWANSON: Thank you, Vice Chair Hardin and members of the Health and Human Services 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 LB84. The Supplemental Nutrition Assistance Program is an important program that provides assistance to low-income families to help them access nutritious food. There are many benefits to the SNAP program, including reducing hunger and malnutrition. SNAP helps ensure that families have access to food, which can help reduce hunger and malnutrition. Two, improving health outcomes and access to nutritious food is essential for good health and SNAP has been shown to improve the health outcomes of both children and adults. Three, alleviating pov-- alleviating poverty. SNAP can help families struggling with poverty to make ends meet and avoid having to choose between food and other basic needs, such as housing and utilities. Four, stimulating local economy. SNAP benefits are spent locally, which can help stimulate local economies and create jobs. Five, supporting children's development. Adequate nutrition is essential for children's development and success in school and SNAP can help ensure that children have access to the food they need to grow and thrive. With rising inflation, it is critically important that the state continuously evaluate the impact of the SNAP program. Due to the-- due to increased prices, families are more at risk for food insecurity and slipping into poverty. The increases in administrative expenses caused by this legislation is more than outweighed by the federal money brought in to assist Nebraskans. This legislation aids Nebraskans in poverty and benefits our economy. We strongly urge this bill to be voted out of committee. And then on the backside of that document

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

there are several citations for the claim, those five claims that can be used for further research by senators. But otherwise, I'm open to questions.

HARDIN: All right. Thank you, Mr. Swanson. Any questions? Seeing none, thank you.

GARRET SWANSON: Thank you.

HARDIN: Anyone else in support of LB84? Hi there.

JENIFER SOLANO: Hello. Good afternoon, everyone. My name is Jenifer Solano. It's J-e-n-i-f-e-r S-o-l-a-n-o. I'm a senior at Lincoln East High School, and I take dual credit courses at the Career Academy. And I'm here to encourage the committee to advance LB84. Many families across the U.S. haven't been able to experience relief in terms of grocery prices. They have increased by 11.8 percent in December compared with last year. Nearly every food group experienced a significant increase in cost in comparison to a year ago, butter sticks up to 38.5 percent, all purpose flour 34.5, spaghetti and macaroni noodles 31.3 percent, according to the recent Bureau of Labor Statistics. A highly contagious, deadly avian flu has damaged the egg market, constraining the national egg supply. In January, egg prices increased by 8.5 percent compared to month-- to the month before. A nutrient deficient diet puts older and younger adults at risk for developing chronic health conditions such as obesity, asthma, diabetes, high blood pressure, and congestive heart failure. The financial stress related to the ongoing food insecurity may contribute to a more rapid onset or progression of chronic diseases. By adding more nutrient foods to their diet using SNAP benefits, people can live life to the fullest and enjoy time with their friends and family. The temporary benefits that states begin issuing in the spring of 2020 due to COVID-19 kept 4.2 million people above the poverty line in the last quarter of 2021. In fiscal year 2022, it helped 155,500 Nebraska residents. SNAP will be cut next month in 32 states, the average household will lose about \$95 in food assistance. Some families could see a cut of \$250 a month or more. Many low-income workers, including SNAP participants, have jobs that pay too little, lack benefits such as paid sick leave, and have unpredictable schedules. Ensuring SNAP benefits remain for millions of people makes a big difference in helping everyone afford food. If SNAP, if SNAP is cut in Nebraska, families for each household member will see a decrease in \$178 per month and \$5.84 per day. I believe that all Nebraskans should have affordable access to food. How is it reasonable to cut off food support for thousands Nebraskan families? I urge you to advance LB84

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

to improve nutrition and health for all Nebraskans. Everyone deserves to live a life without a fear of worrying how they will afford their next meal. Thank you for your time and I'm willing to answer any questions you may have.

HARDIN: Thank you. Any questions? Senator Cavanaugh.

M. CAVANAUGH: Thank you. I'm sorry I missed your name at the introduction.

JENIFER SOLANO: Jenifer Solano.

M. CAVANAUGH: Jenifer Solano?

JENIFER SOLANO: Yes.

M. CAVANAUGH: OK. And you are a high school student?

JENIFER SOLANO: Yes, I am.

M. CAVANAUGH: Are you, are you-- have you testified before?

JENIFER SOLANO: I have.

M. CAVANAUGH: You have? What other bills have you testified on?

JENIFER SOLANO: LB99.

M. CAVANAUGH: Wait, that was my bill.

JENIFER SOLANO: Yes.

M. CAVANAUGH: Oh, my gosh. I should have remembered that. Well, first of all, thank you for doing that.

JENIFER SOLANO: Of course.

M. CAVANAUGH: And how did you decide to come testify today?

JENIFER SOLANO: My family benefited from SNAP for, for the past few years. We've been fortunate to see the benefits everyone talks about in terms of being able to go to the grocery store and buy, you know, canned vegetables or certain, you know, beans or pastas that make a very easy, quick dinner for a very great price. And with SNAP, being able to afford stuff like that is-- not only adds more flavor to the food we want to make, but it-- it's nice knowing that we didn't have

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

to pay so much of an amount or set aside so much of our savings just to afford our meals.

M. CAVANAUGH: Well, thank you for that and thank you for being here today. I have to say that is one of the most well-researched testimonies and--

JENIFER SOLANO: Thank you.

M. CAVANAUGH: --it's really impressive. So I hope if your family is watching you testify today that they are just like blown away with pride because I am blown away by your testimony today. Thank you for being here.

JENIFER SOLANO: Thank you.

HARDIN: Senator Riepe.

RIEPE: Thank you, Chairman. I'm assuming you may use this as a term paper and so get some double credit going here.

JENIFER SOLANO: Not really.

RIEPE: The question that I have is I think you've come, and I just want to follow up with this, you said a number of states next year--

JENIFER SOLANO: Next month.

RIEPE: --and maybe this next month--

JENIFER SOLANO: Yes.

RIEPE: --will cut benefits. Is Nebraska one of those?

JENIFER SOLANO: So far in the research I did, Nebraska was not listed down--

RIEPE: OK.

JENIFER SOLANO: --but other states such as New York, Pennsylvania, they had confirmed that they would.

RIEPE: OK. So I think-- did you say there were, like, five states that were in--

JENIFER SOLANO: 32.

RIEPE: 32?

JENIFER SOLANO: Yes.

RIEPE: Thank you for correcting my thought.

JENIFER SOLANO: Of course.

RIEPE: Thank you. Thank you for being here.

JENIFER SOLANO: Of course.

RIEPE: Good job.

JENIFER SOLANO: Thank you.

HARDIN: Any other questions? You go to which high school?

JENIFER SOLANO: Lincoln East High School and then the Career Academy, which is at Southeast Community College.

HARDIN: I'm impressed.

JENIFER SOLANO: Thank you.

HARDIN: Good job.

JENIFER SOLANO: Thank you.

HARDIN: Thank you so much for coming today.

JENIFER SOLANO: Thank you.

HARDIN: Whoever follows her next, good luck. Is there anyone else for LB84? The brave soul. Thank you for being with us.

SHELLEY MOORE: Thank you, Chairperson and members of the committee. My name is Shelley Moore, S-h-e-l-l-e-y M-o-o-r-e. I sit here today to talk to you about my experience with SNAP and to share my support for LB84. I live here in Lincoln and I'm the mother of two wonderful girls. I have been on both sides of food access as someone who has helped folks get services and as someone who needed help. I was an RN in my professional life and made a good living most of my career. At times throughout my life, however, I found myself needing SNAP to make ends meet at, at times throughout my life. However, I found myself needing SNAP to make ends meet when unforeseen circumstances came up. These times were some of the most difficult in my life, but because of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

my professional experience, I knew exactly where to go to get help. SNAP was an invaluable resource to me. For over ten years, I worked at the Lincoln Regional Center in the Adolescent and Family Services Program. I worked with teens and their families with a wide range of family financial and mental health issues providing direct patient and family care. Working with many of these families further brought home how important the SNAP program was. I know for both me, myself, and for many people I served, access to SNAP made all the difference. LB84 will help thousands of Nebraska families keep healthy and nutritious foods on their tables while succeeding at work. Food stamps are very important resource for many people. I have met so many people through the years, mothers and fathers who struggled desperately to provide a good life for their family. I've navigated the same challenges myself. I met parents at food pantries when I myself struggled to ensure I was providing my own daughters with nutritious foods. Pantries were a great resource, but nothing was as helpful as SNAP, especially with my daughters' dietary restrictions. Both of my daughters are 100 percent lactose intolerant and one is also gluten and sucrose intolerant. Even the little exposure to these makes her violently ill. SNAP has been one of the few ways I have had the financial means to purchase sufficient food to meet their dietary needs. When I have lost SNAP at various periods in my life due to challenging income, I have had to scramble to find and try to make up and make sure my daughters have few foods that I can afford to meet their dietary restrictions. And it's extremely limited because there are very few foods I can afford that meet their dietary needs without SNAP. LB84 will help Nebraskans cope as we all deal with the intensely skyrocketing prices of groceries. When girls were little, I was able to use SNAP. It was so helpful. I was able to get fresh fruits and veggies they needed. They were doing so well when I was giving them healthy foods and following their dietary restrictions. When I remarried, I lost my benefits. Years later, I got very sick and was hospitalized with pneumonia and sepsis. I lost my job. I was able to get SNAP for myself and my daughters at that time. After recovering, I got a new job, paid about \$1,400 dollars a month. At that time I got SNAP for my daughters and myself. After recovering, got a-- I had the job and lost the benefits again. Took a year for me to get a new job that paid sufficient amount. That-- at that time--

HARDIN: Excuse, Ms. Moore, if I can encourage you to wrap up soon, we've got a red light.

SHELLEY MOORE: I'm hurrying.

HARDIN: OK.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

SHELLEY MOORE: --I got a better job at a skilled nursing facility and was able to support my family. To wrap it up, Nebraskans need to be able to work, take an extra shift, get a promotion without having to worry about immediately losing their SNAP benefit. Nebraskans should not have to worry about earn \$5, lose \$20 in benefits. Nebraska citizens should be encouraged, not penalized, for trying to improve their life and their circumstances for their families. Nebraskans work hard for what they have and they need to be able to feel like they can keep moving forward. We cannot support or stand for a system that punishes those who are trying to improve their circumstances and future for their family. It's time to stop shaming those without. It's time to improve their situation in life. It's time to stop making being poor feel like a criminal. It's time to stop shaming those without. LB84 allows people to start that long climb with the support that they deserve. Thank you for your time.

HARDIN: As someone who also struggles with being dairy free and gluten free, it's an interesting navigation through the grocery store.

SHELLEY MOORE: Yep, it is.

HARDIN: Any questions? Seeing none, thank you.

SHELLEY MOORE: Thank you.

HARDIN: Anyone else in favor of LB84? Welcome.

JUNE RYAN: Thank you, Chair Hansen and members of the Health and Human Services Committee. My name is June Ryan, J-u-n-e R-y-a-n, here testifying today in support of LB84 on behalf of AARP Nebraska as a volunteer. In 2020, nearly 9.5 million adults aged 50 and older lacked consistent access to enough food for an active, healthy life due to inadequate financial resources. Even before the COVID-19 pandemic, food insecurity among older adults was all too common. Food insecurity has significant negative impacts on older adults, particularly on their health. Older adults who are food insecure are more likely than their food secure counterparts to have limitations on activities of daily living, have conditions like diabetes and depression and experience heart attacks. It is widely, widely known that food insecurity can be detrimental for everyone. But as people age, food insecurity can have serious long-term effects. Older adults, 60 or older, who experience food insecurity are significantly more likely to be in poor health and to have limitations in activities of daily living. Food insecurity is associated with greater use of healthcare services, increased office visits, longer overnight hospital stays,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

and more emergency room visits. Inflation, inflation and rising food prices are stretching household budgets in ways that make it harder to put food on the table, much of which older workers and retirees living on a fixed income already know too well. Older adults may face life challenges as they age, such as experiencing a medical crisis, job loss, or death of a spouse or other loved one that may result in financial instability and make it difficult to afford food. For example, newly widowed older adults experience higher poverty rates, greater housing cost burdens, and challenges to getting the help they need. Supplemental Nutrition Assistance Program, or SNAP, benefits are a crucial ingredient in the food budgets for millions of Americans and thousands of Nebraskans. The program puts health within reach because of the food that's accessible to them for 8.7 million low-income households with eight-- with adults aged 50 and older. Nearly half of all SNAP households had at least one older adult in, in 2019. SNAP benefits are modest but make a difference for many older adults struggling to make ends meet. The average household with someone 50-plus receives \$142 monthly benefit or \$1.56 per meal. SNAP benefits are especially important for low-income older Nebraskans. An adequate and nutritious diet is critical to maintaining health, quality of life, and independence as we age. SNAP is critical to our aging population and often is the safety net that enables older adults to put food on the table. Americans continue to face higher prices at the grocery store, even after the most recent dip in food prices. For people living on a tight budget, including many adults on fixed incomes, higher food prices can have a significant impact on a household's budget. As people continue struggling to make ends meet, food insecurity has worsened. Thank you to Senator Day for introducing the legislation. We would ask you to support LB84 and advance the bill to General File. Thank you for the opportunity to comment on this important issue.

HANSEN: Thank you. Does the AARP give you that vest?

JUNE RYAN: They did.

HANSEN: Looks nice.

JUNE RYAN: Thank you.

HANSEN: All right. Are there any questions from the committee? Seeing none, anyone else wishing to testify in support?

TINA ROCKENBACH: Hello again.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: Welcome.

TINA ROCKENBACH: I am still Tina Rockenbach, T-i-n-a R-o-c-k-e-n-b-a-c-h. And I'm still the executive director for Community Action of Nebraska, the state association serving all nine Community Action Agencies in support of LB84. Community Action's mission each day is to help people help themselves towards economic stability. Our agencies serve every county in Nebraska. And when someone comes to one of our agencies seeking assistance, our case managers provide a full wrap-around intake. While there may be one specific need that brings them through our doors, our case managers do a full assessment of their situation. Part of that process is assisting those eligible to apply for SNAP benefits. The fact sheet that's being distributed is a graphic representation of several service organizations currently addressing food security, including Community Action. You can see the steady increase in food pantry visits and distribution and additionally final 2022 numbers are significantly higher than prepandemic levels, with distributions at 1.7 times higher than pre-COVID. Community Action Agencies alone distributed over 1.2 million pounds of food across our 47 pantry locations. Prior to the pandemic, and I need to make a small correction, we were approximately distributing 730,000 pounds of food. Also in 2022, our agency served 19,400 households across the 93 counties who are facing hardships. More than 15,000 of those were residents of the rural balance of state. Over 14,000 of those rural households were at 175 percent of federal poverty level or lower, which is about 92 percent of the rural households we served. This is an accurate representation of the economic hardship we are seeing in our rural populations. In rural parts of the state, the 12 percent increase in food prices is not the only factor contributing to the negative economic impact. Many rural residents must commute for a variety of reasons: work, school, purchasing groceries or supplies, and all of these costs come into play while also factoring in increasing costs in housing and utilities. What often gets overlooked are senior populations as you just heard. Their situations are compounded by fixed incomes, mobility challenges, and even lack of family to ensure that those basic needs are continuing to be met. In fact, more than 70 percent of our clients we serve have some sort of a full-time income. And amongst that 70 percent, approximately half of those are seniors on fixed incomes. All of our agencies are deploying food programs for seniors to help filling their needs as best as we can. And many times, as you've heard today, we tend to overquantify these situations with numbers, graphs, comparisons, and, and we forget to take a moment to look at the human factor. And so I'd like to take

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

a second to just put that in perspective with my own experience. My husband and I reside in Crete. We are both full-time employed. We both have college educations and we are paid well. This comes in handy when we're raising three growing athletic boys that range in age from 11 to 21. One year ago, a normal two-week grocery trip for us was around \$225 at our local Walmart. Now, that same grocery trip costs us \$380 to \$400. Fortunately, we are in a position where we can adjust our dispensable income, accommodate for changes, while also accommodating for my increased gas expense to commute to work, go to our sons' activities, pay for their activities, and also increases in utility rates. However, I often wonder what would happen if one of us lost our job. First, we would absolutely find any job to bring in any income. But what if that income that's replacing in the moment doesn't cover those costs that we need for the costs of things that we can't control, especially when trying to feed five of us? Now suddenly we find ourselves in a situation where we would either need to take on additional jobs, apply for assistance, or make tough choices in what we are actually going to pay. My hope is that painting this picture shows that we should be to a point that certain stigmas need to be taken out of the conversation when we're addressing those experiencing economic instability. Our agencies are seeing this daily. While we have many resources, we can't serve everyone at the capacity they need. And if SNAP eligibility is lowered back to 130 percent, this would create a significantly higher burden to our agencies, as well as our partner organizations that are here today. On behalf of our agency, we are strongly asking you to support LB84. Again, thank you for your time and I'm happy to answer questions.

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you.

TINA ROCKENBACH: Thank you.

HANSEN: OK, our next testifier. Welcome.

KATIE NUNGESSER: Good afternoon, Chairman Hansen and the members of the Health and Human Services Committee. My name is Katie Nungesser, spelled K-a-t-i-e N-u-n-g-e-s-s-e-r. I am here today on behalf of the Food Bank of Lincoln and the Food Bank for the Heartland to request your support of LB84. Combined, our two food banks cover the entire state of Nebraska. I have spent the last decade connecting Nebraskans with free food resources, including SNAP. And for the past year, the message I've heard from the growing number of neighbors in need has been very similar. One rural pantry coordinator explained it the best. Nebraskans are strong. Two to three years ago, the same neighbors

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

we're serving may have been able to scrape by without the extra food support. When money became tight, asking for help was not their first move. As food bankers, we hear families say, it starts small, getting rid of Netflix, cutting out activities for kids. Then come the bigger shifts, like canceling medical appointments and working overnights to try to save on childcare. And before long, they're skipping utility payments to cover rent and food. LB84 is a working class bill. Housing, fuel, and food costs continue to rise and wages are remaining stagnant. These neighbors are resourceful. For most of these families, there is no money management training or tricks that will help them out of this tough spot. When the economy doesn't give, there's simply no moves left to make in their budget. Many neighbors wait to reach out for food resources until their back is against the wall. It's one of the reasons why Nebraska food banks are serving 40 percent more neighbors today than at the height of the pandemic. And it's one of the reasons why voting for LB84 is so critical. I myself received SNAP, SNAP, I'm sorry, excuse me, as a young working mother. I received a 25 cent per hour raise and as a result I lost more than \$300 in SNAP benefits the next month. At the low gross eligibility rate of 130 percent, I was removed from the SNAP program within two weeks of accepting that raise. The amount of food benefits I lost was nine times more the amount of the new income that was actually added to my budget. By allowing gross eligibility to revert to such a low level again, it will leave neighbors just like me with an abrupt and overwhelming loss of food. A vote for LB84 would keep gross eligibility at 165 percent, allowing benefits to taper down and maintain a runway for Nebraskans to gradually move off of the SNAP program. A vote for LB84 is a vote to support hardworking Nebraskans.

HANSEN: Thank you. Are there any questions from the committee?

WALZ: Thank you.

HANSEN: Senator Walz.

WALZ: Thank you, Chairman Hansen. Thanks for being here. Do you have any idea how many people you serve across Nebraska? Do you have a number?

KATIE NUNGESSER: I think we're projected the two food banks together to serve 30 million meals in 2023 or fiscal year 2023.

WALZ: OK. But not like a, a young number of families.

KATIE NUNGESSER: I can tell you our Food Bank. Our Food Bank serves anywhere from 35,000. We have between 35,000 and 40,000 visitors per month in a 16-county service area.

WALZ: And this might be a tougher question, but the testifier before talked about 70 percent of the people that they are providing or serving are senior citizens. Do you have any idea on a percentage of [INAUDIBLE]

KATIE NUNGESSER: I do not. I know we do not collect a lot of data at the Food Bank. We do not ask people for pay stubs or IDs. And so we don't always have that hard data. But a lot of the faces we see in the rural areas are our older Nebraskans. One thing about this bill is it actually, if you're on a fixed income, you're exempt from this gross eligibility. And so this bill is really impacting those working families that are working poor, that are maybe underemployed, working in rural areas, and the wages are really low. And so that is kind of the focus of this one.

WALZ: Sure. OK.

KATIE NUNGESSER: It's going to mostly impact those families that are trying to take those steps forward and may have to quit their job or skip raises.

WALZ: Got it. All right. Thank you.

KATIE NUNGESSER: Yeah.

HANSEN: Is there a reason why you don't take people's age or name or address when they come to get food? I think there'd be some good statistics to have to find out who's getting what and what age. And kind of curious. Is it, is it like private information that reason or is it?

KATIE NUNGESSER: For us, it's a dignity issue. People got to eat is what we always say to each other. If you've experienced going to a food pantry or coming to a line or applying for SNAP benefits, you know that it's not always an easy feat. It can be time consuming and it can just be hard. Or you have to change the way you even think about yourself. People tell us it messes with their own identity to admit that they need to come, you know, through our food lines. And so the Food Bank just puts a lot of, we just put a lot of focus on what does it feel like to access us. We have that data available. We have partners like Community Health Endowment, Center for People in Need that track data in our community a little bit, you know, more. And so

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

the Food Bank just really believes that we don't want to add to the way that it feels.

HANSEN: OK, that makes sense. I was just curious where--

KATIE NUNGESSER: Yeah.

HANSEN: OK. That makes sense you get statistics and data from somewhere else.

KATIE NUNGESSER: Yeah.

HANSEN: So [INAUDIBLE]

KATIE NUNGESSER: And Feeding America, we are one of the food banks under the Feed America national level. So we get a lot of data about our zip codes from Feed America.

HANSEN: OK. And one more quick question. You mention in your testimony that you're serving 40 percent more people now than at the height of the pandemic.

KATIE NUNGESSER: Um-hum.

HANSEN: Why is that?

KATIE NUNGESSER: I think in the testimony, as I described, a lot of my knowledge of it comes from the pantries in rural Nebraska. They talk about these families were probably in need from if we saw their income at the beginning of a pandemic. But as the pandemic moved on and the cost of food has risen and fuel and housing. Medical expenses aren't actually counted for working families. As those things went up, these families tried to fix it themselves. They tried to shift things. They tried to move things. So they were probably in need that whole time. They just tried really hard to not ask for help. And so I think what we've seen now is two or three years into that, you've exhausted your-- I don't want to say chess moves because it's not a game to us, but you've exhausted your moves.

HANSEN: Do you find a lot of people that come to get food, are they unemployed or are they employed?

KATIE NUNGESSER: We have a mixture. We have a mixture. We have, especially in rural Nebraska, employment is not always the answer. There's a lot of people that work full time in some of our smaller communities. But the cost of rent has risen so quickly and the cost of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

fuel, especially if you're driving out of town for work or to even get groceries. And so we have a lot of families that are working and there's a lot of families on SNAP that have one or even two kids that are working.

HANSEN: OK, good. Thank you. Senator Walz.

WALZ: Oh, gosh, you didn't even look at me. You just peripheral vision. You know. I just thought of another question because I had heard, is there enough food? Do you have enough food to feed people that you need to feed?

KATIE NUNGESSER: The Food Bank will make it work. We do have enough food right now. What our fear is, is as our numbers, like we said, are 40 percent higher than at the height of the pandemic is if programs like this continue to take hits. It's-- it gets dire. People will leave with food. But the quality of the food, the healthy part of the food, the-- right now we put a focus to try to get those, that healthy food access, but that costs more money. And we know that these families need that because in the end, it's still going to cost that county or that state. So it's just really important to us that no more of these food programs get cut back so that we can not just provide food to every family, but provide quality food and healthy foods and foods that are culturally affirming and meet their health needs when we can.

WALZ: All right. Thank you.

HANSEN: All right. Seeing no more questions, thank you.

KATIE NUNGESSER: Thanks.

HANSEN: Is there anybody else that wishes to come testify in support?

_____ : Oh, I'm so sorry, I didn't know-- oh you're next.
Sorry.

HANSEN: This is where you joust for it. Welcome.

DERRIK CONARD: Thank you. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Derrik Conard, spelled D-e-r-r-i-k C-o-n-a-r-d, and I'm testifying on behalf of the Center for Rural Affairs. As a resident of Scotts Bluff County, I've seen the firsthand benefits of the Supplemental Nutrition Assistance Program has, has for my neighbors and their families and my family. Sixty-eight percent of the population in our county qualify for the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Supplemental Nutrition Assistance Program under the gross income eligibility limits that are currently in place. Eligibility in Garden County is even higher at 77 percent. Lincoln County's rate is 61 percent, while Sheridan and Keith Counties are at 69 percent and 61 percent, respectively. In comparison, 59 percent of the residents living in Douglas County qualify for SNAP benefits. In 2021, more than 157,000 Nebraskans received SNAP benefits. Seventy-two percent were part of-- 72% were part of a family with children and while 30 percent were in households with seniors or people with disabilities. In an economy where food prices continue to increase, rural Nebraskans are feeling the pressure. In October of 2022, Nebraska saw an increase in dairy prices of 15.5 percent; an increase of 8 percent for meat, poultry, fish and eggs; and 15.9 percent increase in cereal. These price increases are especially damaging to rural residents who tend to face higher poverty, unemployment, and food insecurity compared to those living in urban areas. SNAP is an economic driver in rural communities like mine, as you've heard. Every household enrolled in SNAP results in additional federal dollars brought into the state to address food insecurity. Economists estimate that for every \$1 of these dollars spent, about \$1.70 in economic activity is generated. That money can help a small town grocery store keep its doors open, and in doing so, support what may be the only place to buy fresh food for miles. That money-- I'm sorry. SNAP is an effective safeguard against hunger and provides working families, disabled people, and members of the elderly population reliable access to food. While households cannot put food-- when households cannot put food on the table, they often struggle with other life's needs, such as health, housing, utility bills, education, and keeping jobs. In rural communities, this diminished quality of life can quickly affect the lives of others. Please consider making the 165 percent gross income eligibility level permanent to allow families and workers in rural Nebraska the stable food security they need to pursue better work and a better quality of life. Thank you, Chairman.

HANSEN: Thanks for coming.

DERRIK CONARD: Thank you.

HANSEN: Have you testified before yet?

DERRIK CONARD: I have not.

HANSEN: It's your first time.

DERRIK CONARD: Yes, sir.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: From Lyons?

DERRIK CONARD: No.

HANSEN: OK. I thought you said Center for Rural Affairs. I thought you might be up in that area.

DERRIK CONARD: They're-- the Center is up in Lyons. I'm based out of Scottsbluff.

HANSEN: OK. Gotcha. OK. Any questions from the committee? See, you got one here. Seeing no questions from the committee, thank you for coming to testify.

DERRIK CONARD: Thank you.

HANSEN: All right. Anybody else wishing to testify in support?

ANSLEY FELLERS: Thank you. Thank you, Chairman Hansen and members of the Health and Human Services Committee. My name is Ansley Fellers, and I'm testifying today on behalf of the Nebraska Grocery Industry Association, the Nebraska Hospitality Association, the Nebraska Retail Federation in support of Senator Day's LB84. Our associations engage in this issue in part because the employers we represent employ-- have employees turn down more hours or promotions because the increase in earnings puts their SNAP benefits at risk. The cliff effect has come up more than once here. I'm not going to harp on it, but it's difficult to overemphasize the challenge that is the current labor market. We should not worsen this problem or discourage individuals becoming self-sufficient through employment by triggering an even more aggressive and arbitrary termination of benefits. While the cliff effect will not be truly eliminated by the passage of this bill, the cliff becomes a smaller, more manageable step. Additionally, the SNAP program, while seemingly costly, is efficient. For every one meal provided at the Food Bank, the SNAP program provides nine. Most households redeem their monthly SNAP benefits quickly. And according to a 2019 study referenced by Senator Day, the GDP multiplier for SNAP is one and a half, meaning every SNAP dollar spent increases GDP by \$1.50. Participation and cost also ebb and flow with the economy. In upturns, participation and costs go down-- we can show you that-- and during downturns they go up. We also continue to see innovative ideas and new solutions in SNAP, including ways to encourage fresh food purchases and helping families who qualify for free and reduced school lunch with summer meals. I actually wanted to mention really quickly to Senator Riepe's question, Nebraska was one of the states who ended

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

pandemic era benefits last year. So this month, now that the pandemic is being declared over, other-- the other 32 states will be ending their pandemic era benefits. But the federal government used those pandemic benefits to pay for a summer EBT program, which we think was really good idea and novel. Many SNAP dollars are spent in larger stores. The majority of SNAP authorized retailers, however, about 80 percent of them, are locally owned businesses, including grocery and convenience stores, butcher shops, and bakeries. For these small businesses and our rural grocers, SNAP purchases can account for 10 percent or more of total sales. By maintaining the gross income limit of 165 percent of the federal poverty level, LB84 would allow employees to grow their income to a more reasonable level before losing SNAP benefits. The state should be rewarding work, not punishing modest increases in income with loss of SNAP benefits. We ask the committee to advance LB84. And with that, I'd be happy to answer any questions.

HANSEN: Thank you. Are there any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thank you for coming. You bring a, I think, a really important perspective to this conversation, especially since we've had food banks come and food pantries come and testify about these bills before. And I very much appreciate the work that they're doing. But when we're talking about an economic crisis and increased costs of just everything, our grocers kind of suffer from people have-- having to go to a food pantry, right?

ANSLEY FELLERS: Yes.

M. CAVANAUGH: Because we're, we're basically taking money out of the small grocer industry and putting it into the nonprofit industry.

ANSLEY FELLERS: Yeah. Senator, thank you. We consider this type of program a win-win.

M. CAVANAUGH: OK. Just wanted to, just wanted to highlight that one more time, put a finer point on it. Thank you for being here.

ANSLEY FELLERS: Thank you.

HANSEN: We could lower minimum wage and make up for it.

ANSLEY FELLERS: I did not bring that up, but I'm glad you mentioned that, Senator.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: I had to bring that one up.

ANSLEY FELLERS: I definitely, I know. I'm glad one of us got it in.
Thank you.

HANSEN: I do have one question, and if you can't answer, maybe Senator Day can in her closing. Is redetermination that's going on here that's going to happen pretty soon, will that affect SNAP benefits?

ANSLEY FELLERS: Redetermination?

HANSEN: So we have to go for redetermination for the pandemic, is that ending-- the state's going to go through all the people on Medicaid. I don't know if that's affecting SNAP.

ANSLEY FELLERS: So--

HANSEN: People are still eligible.

ANSLEY FELLERS: So there is the pandemic that, well, we call PEBT, pandemic EBT is going away, did actually go away. The pandemic is technically not probably going to end until May. But in order to pay at the last of the CR that passed at the federal level last year, the federal government ended that PEBT, that kind of excess. So what you heard from a testifier earlier was that some folks are actually going to lose benefits. And that's true in those 32 states that didn't end that PEBT outlay previously. Nebraska already had. So we are several months out of, like, nobody in Nebraska is going to lose their benefits this month.

HANSEN: OK.

ANSLEY FELLERS: But that PEBT program in general is going away with the ending of, of the pandemic. But that money is being used to fund summer EBT, which is a really great program that helps kids who otherwise qualify for free and reduced lunch during the year. It helps those families pay for summer meals.

HANSEN: OK. I didn't know if they were linked at all. So the EBT and the Medicare separate because we haven't done redetermination on Medicaid at all. We're starting that in April because the pan-- because the pandemic is ending in March.

ANSLEY FELLERS: Yeah, might be.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: We're starting in April and then they're expecting somewhere around 10, 10 to 20 percent of people losing Medicaid benefits because they're just not eligible anymore because their income is too high and etcetera. I just didn't know if that was tied with EB-- with food stamps or SNAP, excuse me.

ANSLEY FELLERS: Nope, I think that's separate, but I think someone behind me could probably--

HANSEN: OK, just curious.

ANSLEY FELLERS: --just in case.

HANSEN: All right. Any other questions from the committee? Seeing none, thank you.

ANSLEY FELLERS: Thank you.

HANSEN: Anybody else to testify in support? Welcome back.

ERIN FEICHTINGER: Glad to be back.

HANSEN: In the short chair.

ERIN FEICHTINGER: I mean, I wish you would have fixed it between now and-- between last night and today but I'm prepared. I appreciate it, your concern, at least. Chairperson Hansen, members of the Health and Human Services Committee, my name is Erin Feichtinger, E-r-i-n F-e-i-c-h-t-i-n-g-e-r. Once again, I am the policy director for the Women's Fund of Omaha. We believe that every Nebraskan has the right to consistent and reliable access to basic needs like food. We offer our support for LB84 because we know it is a critical investment to minimize food insecurity in the state and ensure that all Nebraskans have the resources that they need to thrive. With 12.3 percent of Nebraskans impacted by food insecurity, thousands in our state struggle consistently-- to consistently afford enough to eat. SNAP is an important resource to alleviate that burden for many families as you've heard from other testifiers so I won't rehash all that data that you already got. Maintaining current SNAP eligibility levels will undoubtedly help mothers and their kids. In Nebraska, 188,003 households, nearly a quarter, are headed by single women. With this context in mind and the understanding that 38,031 Nebraskans live in a family with children aged 17 and under and make an income between 131 percent and 165 percent of the federal poverty level, thousands of people, including mothers and their families, would be ineligible for SNAP if we return to that 130 percent level. SNAP also supports

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

low-wage workers by supplementing their income. As I said in my last testimony, 33.2 percent of women in Nebraska currently work in low-wage positions and rely on this income to support their families. An unexpected healthcare expense, taking time off work to care for a sick child without paid leave, or getting a car fixed can put a low-wage family into a financially, financially devastating spiral. SNAP is able to help cover those gaps by covering the rising cost of food and is structured to phase out benefits with increased earnings. This means that low-wage families are afforded the time to build that financial stability before losing benefits while remaining fed and being able to care for their families as other testifiers have eloquently stated. SNAP is an important investment to help mothers and their families work towards financial security. It has proven to positively impact both the chired-- mother and a child's mental health and physical well-being. Returning to lower SNAP eligibility levels will exacerbate the economic instability thousands of Nebraska women and their families already experience. So we would respectfully urge this committee to vote yes on LB84 and help ensure that Nebraskans who need support will continue to receive food assistance. Oh, and I'm happy to answer any questions to the best of my ability.

HANSEN: All right. Thank you for that. Are there any questions from the committee? Seeing none, thank you.

ERIN FEICHTINGER: Covered it all.

HANSEN: Yeah, perfect. All right. Anybody else wishing to testify in support? Welcome.

CINDY MAXWELL-OSTDIEK: Thank you. Hi, I'm Cindy Maxwell-Ostdiek. That's C-i-n-d-y M-a-x-w-e-l-l-O-s-t-d-i-e-k. And I want to thank you, Chairperson Hansen and members of the Health and Human Services Committee, for holding this hearing open today for all who wished to come and testify. Unfortunately, that's not been the case with all the hearings this session, and that's been something that many Nebraskans have been disappointed that they were not able to share their views with the senators. I wanted to let you know that I'm a mom and a small business owner and I'm a volunteer and cofounder of the Nebraska Legislative Study Group. And we're strong supporters of LB84 to change provisions relating to the Supplemental Nutrition Assistance Program. I'm a registered nonpartisan, and I am not an expert but wanted to share that I had run for Nebraska Legislature in District 4 this last election, and I spoke to thousands of neighbors in west Omaha, which is very known for being somewhat well-off. Many of the people in our district are able to successfully take care of their families. And the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

thing that had happened during the COVID emergency and since is that more people are struggling than ever before. And I wanted to share their stories. I keep their stories on my heart. And there were many families and one in particular that I just really wanted to tell you about. There was a mother that had, like previous testifier had indicated, had [INAUDIBLE] to seek help. They tried to do everything else instead, and their family really struggled and their kids were standing next to her when she came and talked to me at the door. And I'll never forget how hard it was to listen to this mom tell me about how her kids were hungry. So I wanted to ask if you'd please support Senator Day and LB84. Vote yes and help make sure all Nebraskans have the ability to work and feed their families while they grow their income. It's very important for all the districts.

HANSEN: Thank you for your testimony. Is there anybody from the committee have any questions? Senator Riepe.

RIEPE: Senator Hansen, thank you. If I recollect, you happened to reside in the richest legislative district in the entire state of Nebraska.

CINDY MAXWELL-OSTDIEK: I didn't know we were.

RIEPE: Yes, I think you are. The other question I guess I would like to get a little clarification for the record in terms of you mentioned so that you brought the subject up about people being unable to hear or be heard in this session. Do you have a number on that?

CINDY MAXWELL-OSTDIEK: There were a couple--

RIEPE: [INAUDIBLE] read in the paper [INAUDIBLE]

CINDY MAXWELL-OSTDIEK: No, I was here to testify at a few hearings earlier this session, and I was unable to because the hearings were cut off due to time.

RIEPE: In this committee?

CINDY MAXWELL-OSTDIEK: Yes, there were two hearings in HHS, one for LB626, one for LB754.

RIEPE: OK. Well [INAUDIBLE]

CINDY MAXWELL-OSTDIEK: There was one--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

RIEPE: --on behalf of the committee, but LB626 I think I was there. I think everyone was heard. And it's with the exception maybe at the opposition, there were like three or four. So I don't--

CINDY MAXWELL-OSTDIEK: Oh, there were--

RIEPE: --I don't want people that are listening or hearing to think it was a large number.

CINDY MAXWELL-OSTDIEK: There were actually many of us.

RIEPE: And we gave equal-- in defense of the chairman, equal time was given to both sides.

CINDY MAXWELL-OSTDIEK: There were many of us that were unable to testify. We were in the hallway.

RIEPE: And there-- well, that I can't attest to it. OK. I have nothing more, Chairman.

HANSEN: Any other questions from the committee? Seeing none, thank you.

CINDY MAXWELL-OSTDIEK: Thank you.

HANSEN: I'll take the next testifier in support. Welcome.

TOM VENZOR: Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Tom Venzor, T-o-m V-e-n-z-o-r. I'm the executive director of the Nebraska Catholic Conference. Access to food cannot be reduced to a purely economic question, even if economic and financial considerations are prudent for thoughtful public policy deliberations. While we may not often think about food in moral terms, provision of food is indeed a moral issue. As the U.S. Conference of Catholic Bishops have noted, food sustains life itself. It is not just another product. Providing food for all is a gospel imperative and not just another policy choice. This gospel imperative to provide food for the hungry, as we hear in the 25th chapter of the Gospel of Saint Matthew, is ultimately rooted in the dignity of the human person. Again, to draw from the U.S. Bishops' teaching on food access, the dignity of every person must always be respected because each person is a precious child of God. In light of our commitment to the right to life of every person, we believe all people also have basic rights to material and spiritual support, including the right to food, which are required to sustain life and to live a truly human existence. This clear commitment to the

dignity and value of every human life must be reflected both in individual choices and actions in the policies and structure of society. The imperative of meeting the needs of the hungry, of course, is a responsibility that falls not only to each and every one of us as individuals, but it is also a responsibility for other forms of community and society, such as the family, religious organizations, private associations, and governmental entities. Each of these cells of society play a complementary yet unique role in addressing what Pope Francis has called the scandal of hunger. Being confronted by this scandal should challenge our personal and social conscience in order to achieve a just and lasting solution to hunger. LB84 is a step in the right direction for addressing the food security needs of Nebraska's low-income populations. Through attaining the gross income eligibility, LB84 helps to reduce a cliff effect, which refers to the sudden and often unexpected decrease in public benefits that can occur with a small increase in earnings. This cliff effect can create an anchor into rather than a ladder out of poverty. By reducing the cliff effect, LB84 creates a culture of opportunity. This culture of opportunity is not only a culture of opportunity to access needed food assistance, but also a culture of opportunity that helps families arrive at economic self-sufficiency and a greater sense of accomplishment. Of course, the people of God who make up the Catholic Church in Nebraska will continue to do their part to meet the needs of the poor. Catholic Social Services of Southern Nebraska, the charitable outreach arm of the Diocese of Lincoln, last year provided 306 tons of food given to the hungry of southern Nebraska. This includes everything from food pantry services to providing sack lunches to the homeless and the hungry, to providing full Thanksgiving and Christmas dinners to hundreds of families in need. Catholic Charities of Omaha, the charitable outreach arm of the Archdiocese of Omaha, last year distributed 2.1 million pounds of food to nearly 300,000 people throughout the food pantries and a mobile food pantry and home-- homebound food delivery programs. The point is not to boast of the church's efforts, but to underscore one last public policy consideration argument for your consideration. The U.S. Bishops calculate that all the food that churches and charities provide to hungry people is only about 6 percent of what is provided by federal government nutrition programs. The Catholic Church, among so many others, is doing what we can to address the scandal of hunger in our communities. But more action is needed to combat hunger in Nebraska. The action must come not only from private individuals acting out of their own charity and self-- selfless generosity, but it must also come from broader societal actions such as public policy. For these reasons, we respectfully request that you advance LB84 to General

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

File. Thank you for your time and consideration and happy to take any questions.

HANSEN: All right. Thank you for that. Any questions from the committee? Seeing none, thank you.

TOM VENZOR: Thank you.

HANSEN: Any-- anybody else in support? Welcome.

ERIC SAVAIANO: Good afternoon, Senators and Chairperson Hansen. My name is Eric Savaiano and I'm the economic justice program manager for food and nutrition access at Nebraska Appleseed. We're a nonprofit, nonpartisan law and policy organization that fights for justice and opportunity for all Nebraskans. And I'm here today to testify in support of LB84. I'll be very brief if I can. Specifically, I wanted to respond to Senator Hansen's question about how the Medicaid redetermination relates to SNAP, and it does not. It does overlap in times because of low-income families on both programs at times. So there are the same people served by both programs, but it does not necessarily mean that there will be additional food insecurity because of the redeterminations. I also wanted to share that specifically the, the change in cliff effect or sorry, the change in gross income eligibility limit is not necessarily a new idea and one that started in the pandemic to solve a problem. It's a issue that has-- other states have used to address the cliff effect for years and years. So specifically, I wanted to mention that Iowa and Minnesota use 60, 160 and 165 percent of the federal poverty level. Colorado, North Dakota, Florida and Wisconsin use 200 percent of the federal poverty level, which is the maximum amount allowed. Again, this LB84 would continue our income limit at 165 percent of the federal poverty level. I have noted other states' gross income limits in the addendum of my testimony as well. I would also say that attached to my testimony is another impacted community member who has experienced the cliff effect in SNAP who could not be here today. It's attached to the testimony as well. And with that, I will answer any questions that you have.

HANSEN: Thank you for answering my question too.

ERIC SAVAIANO: Sure.

HANSEN: Any questions from the committee? Seeing none, thank you.

ERIC SAVAIANO: Thank you.

HANSEN: We'll take our next testifier in support.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

EDISON McDONALD: Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d. I'm here on behalf of the Arc of Nebraska. We advocate for people with intellectual and developmental disabilities. We're here in support of LB 84 because all too often food insecurity and disability go together. Families that include people with disabilities are two to three times more likely to experience food insecurity than families that have no members with disabilities. Similarly, people experiencing food insecurity have increased likelihood of chronic illness and disability. For Nebraskans with disabilities and their families, SNAP is vitally important. By increasing access to adequate, nutritious food, SNAP plays a key role in reducing hunger and helping people with disabilities to maximize their health and participate in our communities. An estimated 11 million people with disabilities of all ages received SNAP in 2015 across the United States, or roughly one in four SNAP participants using an inclusive, inclusive definition of disability. Nonelderly adults with disabilities who receive SNAP have very low incomes, averaging only about \$12,000 per year in 2016 nationally. Their SNAP benefits are extremely modest, averaging \$187 per month in 2016, or just \$6 per day. This level matches better with the need overall. And I think in particular, as we were talking earlier about those, the Medicaid unwind program, I'm really concerned that when we start to see that Medicaid unwind piece start to hit, that's going to impact so many other factors. I know for our members, you know, they don't want to take government benefits. They want to avoid it as much as possible. And sometimes I just have to talk folks through and say you need to look at a realistic budget. Can you actually afford to not take those benefits? And frequently, once they start to go through the numbers, they're like, there's no way we can possibly do this. So I'd encourage you to make sure that we extend this, at least for the time being, especially as we're about to go through the Medicaid unwind process. So thank you. Any questions?

HANSEN: Are there any questions from the committee? I just, I have one question.

EDISON McDONALD: Yeah.

HANSEN: I just thought, I just thought of it here. When the federal government increased, I think as a tax credit for electric vehicles, they saw an increase all of a sudden in the cost of electric vehicles. Is there any correlation with an increase in SNAP benefits when a state increases its eligibility for SNAP benefits, do you see an increase in food costs over time?

EDISON McDONALD: I don't have an explanation.

HANSEN: I should have asked [INAUDIBLE] with the grocers.

EDISON McDONALD: Yeah.

HANSEN: --the grocers.

EDISON McDONALD: Yeah.

HANSEN: But I just got kind of curious if there's any data or statistics on it all.

EDISON McDONALD: Yeah, I mean, I, I don't think so. I think just overall the food costs that we're seeing increased, it's just the cost of inflation. It's the cost of labor with decreased employees.

HANSEN: I agree with you on that. I think right now it's exactly what we're seeing. I'm just kind of curious, like, in long term, if we see like what other states have done, if we see a bump in that, maybe not.

EDISON McDONALD: Yeah,

HANSEN: I just didn't know if there's any data on that.

EDISON McDONALD: Other than that, I don't know.

HANSEN: OK. Thanks. Anybody else wishing to testify in support? OK. Is there anybody who wishes to testify in opposition to LB84? Welcome.

STEVE GREENE: Good afternoon. Chairman Hansen and members of the Health and Human Services Committee, my name is Steve Greene, S-t-e-v-e G-r-e-e-n-e, and I am with the Opportunity Solutions Project, which is a nonpartisan, nonprofit organization. Before I get too far, you have my testimony in front of you. You can look at it. Glad to see some of you all again. I just want to say that this is a-- these are important conversations and the opposition to LB84 is not out of an intent because we don't think people who are especially vulnerable need assistance or that this is about taking away benefits for the truly needy. What this is, is there's just an overall concern that I'll point out and you have my testimony in front of you, is that it will make a permanent cut or fix at 160 percent FPL on the gross income standard for food stamps. It doesn't change nor did it change the net income standard for SNAP, which I think is reflective in some of the fiscal note analysts. About 25 percent of the people that actually applied for these benefits are actually finding themselves

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

eligible. And so you see a pretty substantial fiscal note, relatively fiscal, fiscal note. We can have a lot of conversations on, on different incomes and the cost of food prices. Those are all really important discussions. A lot of people, a lot of individuals are-- families are struggling to afford food prices. But we're-- we really think that we could be using our resources in the time, especially in programs that already work, is really just this fundamental idea of helping people propel out of-- out of poverty through work. You talk about the human dignity of, of access to food, which is an important feature. And I would also say that work itself is by virtue a really important part of who we are in expressing our human dignity. And so instead of expanding welfare and this food ben-- benefits to sort of this permanent increase on the net income or gross income, Nebraska should stick, we believe, with the federal income and asset test and reserve food stamps for the truly needy. Specifically, Nebraska should use the federal income standard of food stamp eligibility, reserving the program for individuals at or below 130 percent FPL while continuing to offer work and training services to help low-income families and individuals obtain jobs that will help them climb out of poverty. To its credit, and this is important to point out, Nebraska is doing good work in this area. You all have a SNAP employment and training program that the Department of Health and Human Services utilizes. It's called the SNAP Next tep [SIC] or SNAP Next Step Program. And what that program does is it comes along with families or individuals that are receiving food stamps. And, and it's only in certain parts of the state. And if, you know, if it was up to me, the policy recommendation was continue to expand SNAP Next Step across the state of Nebraska. But they work with the recipients to say, you know, do a skills assessment, soft skills development, vocational training. They can also pay for, in some instances, tuition assistance. And what we would say is that's really the, the secret sauce. If you're, if you're going to take a-- make a consideration in, in, in this area of SNAP, it would be expanding that program and the use of that program through state dollars. And then there's also a federal match with that as well. So rather than extending state resources to hire, hire, the additional staff to process the SNAP applications that the fiscal notes both call out-- and I know there's sometimes questions about fiscal notes in committee and that's, that's fair-- Nebraska could use state dollars to further invest in their SNAP Next Step Program by expanding this program into additional counties. In addition, Nebraska could also further build on the success of the SNAP Next Step Program by, by making the policy consideration of requiring able-bodied adults 18 to 49 without dependents to participate in the SNAP Next Step Program. I think this would beef up an existing program that already

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

exists to help adults land a career trajectory that they always hoped for. These are the kinds of reforms that I believe we should focus on. We believe in the transformative power of work, not that it just increases a person and family's income, but in terms of providing meaning and purpose and it's important for building families and communities. So for these reasons, we do oppose LB84. I appreciate the time and happy to answer any questions you may have.

HANSEN: Thank you. Any questions from the committee? Senator Cavanaugh.

M. CAVANAUGH: Thank you. Thanks for being here. I'm not familiar with your organization. You said you're a nonprofit organization.

STEVE GREENE: Yeah. So we are based out of Tallahassee, Florida.

M. CAVANAUGH: So do you-- what work do you do in Nebraska?

STEVE GREENE: So I'm a-- I'm-- we're here in Nebraska on behalf of Opportunity Solutions Project. I live in Kansas now but currently lived in Nebraska for a handful of years.

M. CAVANAUGH: So what about-- what is the work that Opportunity Solutions Project does in Nebraska as a nonprofit?

STEVE GREENE: So essentially we monitor or advocate for bills just like the one that you have before you today for consideration that would do anything that will help strengthen--

M. CAVANAUGH: I just ask is it --

STEVE GREENE: --work programs.

M. CAVANAUGH: --to help more people achieve the American dream.

STEVE GREENE: Yeah.

M. CAVANAUGH: So that's fine. I was just-- that was my curiosity.

STEVE GREENE: That's fair.

M. CAVANAUGH: My question to some of the more substance of your, your statement, so you said here nationally we've seen workforce participation go down and food stamp or supplemental, SNAP and Medicaid enrollment has gone up. Have you-- you were in here earlier for the previous bill.

STEVE GREENE: Yeah.

M. CAVANAUGH: So you're probably going to know where I'm going with some of this. We spent a long time and had a robust, Senator DeBoer said a vast conversation on her bill. But we have a severe workforce shortage in Nebraska, and our SNAP program has work requirements. Basically, you can be unemployed for three months, and that's just to help somebody who loses a job have access to food while they're searching for a job. So how does this-- I-- I'm struggling to understand what your opposition is.

STEVE GREENE: The opp-- the opposition and, and I appreciate the question, I really do. So it's in-- just in substance-- substantively you-- we would-- the Legislature would be making a permanent fix to something that was-- can be argued appropriately made during the COVID pandemic in which you did see an especially enormous amount of people that were unemployed or unable to work because of school closures, business closures and whatnot. And so there was this obviously a sunset that was attached to that. What this, this would do is make a permanent fix to the 165 percent gross income. It doesn't adjust for the net income standards. So they still have to make, make or meet the net income. And so there's a, there's a, in my estimation, a problem with that there is that there's going to be a gap of people that will apply thinking that they might receive food stamps. And I think the fiscal note--

M. CAVANAUGH: We can make it more generous.

STEVE GREENE: Well, that's something for you all to consider and have a discussion.

M. CAVANAUGH: Well, I mean, if you're opposed because it's not-- because it doesn't--

STEVE GREENE: Yeah.

M. CAVANAUGH: --it might leave some people out, I appreciate that. I'll take that feedback for sure.

STEVE GREENE: I think that to your point, when you talk about the cliff, the cliff effect in welfare benefits, I don't disagree with you. Like that is a, that is a legitimate. Like, we see that and I think on both sides they see this. People are having to choose whether or not to take a raise in a job or remain on, on, on food stamps. And I wish states we had more flexibility to address that specifically. So much of that is tied to federal policy, and I wish we could. That,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

that said, there is a fiscal note. And I-- to my point of why we're testifying and against or opposition is we, we would love to see more efforts in helping people that are in low-income jobs and low-income individuals receive technical training, employment, and using the SNAP E&T program as a way of, of helping those families as well.

M. CAVANAUGH: Gosh, I want to have like a huge philosophical conversation with you now, but I think I'll be mindful of the committee's time.

STEVE GREENE: OK. I'll give you my business card so we can talk.

M. CAVANAUGH: Thank you for your testimony. I will say I am still struggling to fully understand what your opposition is, but I appreciate you answering my questions.

STEVE GREENE: OK. Thank you.

HANSEN: Any further questions? Senator Riepe.

RIEPE: Thank you, Chairman. Like a good book or an article, I always try to go to look who wrote it to begin with so I understand that. Now is your Opportunity Solutions Project, are you funded by private philanthropy or do you?

STEVE GREENE: That's correct.

RIEPE: OK. OK. OK. Fair enough. Thank you, Chair.

HANSEN: Senator Walz.

WALZ: Gosh, you're good today.

HANSEN: [INAUDIBLE] sit next to each other so.

WALZ: Thank you for being here. I am a little and I'm interested in the SNAP Next Step Program. Do you know how many counties in Nebraska are participating in that?

STEVE GREENE: That is a great question. I might defer to the department on that. They would, they would know that answer off the top of their head. I don't know. I just looked at the map. I didn't count the counties. I do not believe Lancaster County, for instance, is, is a participant. It's mostly in the Panhandle and then central Nebraska.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

WALZ: OK. So, yeah, my next question was, was going to be, do you have any, like, projections on how much we would need to expand, how much that would cost the state? Probably since you don't know how many
[INAUDIBLE]

STEVE GREENE: Yeah.

WALZ: All right. OK. Thank you.

HANSEN: Any other questions from the committee? All right. I think we actually just started this Next Program in 2021. We passed that bill.

STEVE GREENE: Correct.

HANSEN: Senator Arch did, Speaker Arch did. So I don't know what kind of data, we may not have a whole lot of data yet--

WALZ: OK.

HANSEN: --on how it's working. But I was going to ask you, for other states that have done that, how has it, like, what, what are the results? Are we seeing improvement in people going off of SNAP because now they have more job opportunities or skills or?

STEVE GREENE: Yeah. So I know in Kansas the Kansas Legislature passed a bill that would require, it would require all 18- to 49-year-olds that are able-bodied adults without dependents so nondisabled, nonelderly, without, without children to participate in SNAP E&T. Looking at the numbers a month or so ago, there was about 13, approximately 13,000 or 14,000 people that-- of this population that were on SNAP. But then in October, when it went into effect, you saw about 13,000. So about a 7 percent decrease in SNAP. In large part and what we-- what the Department for Children and Families who runs the SNAP program also saw they, they had been tracking wages on these recipients that are now going into the market and not substant-- substantive but they are seeing about a dollar an hour wage increase in the amount of individuals that are in this program going up after they participate in the program versus when they entered the program. And that was just in, within the first month. So the thought is as they get technical training, as they get welding or HVAC training, whatever sort of barriers to work that they might have that we can help assist in that that's ultimately going to help them get a higher paying job.

HANSEN: OK. Is that ultimately the state, the department that operates that [INAUDIBLE]

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

STEVE GREENE: Yeah, that's correct. It's a-- it's within the USDA. There's a state option within the SNAP program, and it's each state gets to take that option.

HANSEN: OK.

STEVE GREENE: Yeah.

HANSEN: OK. Any other questions from the committee? Seeing none--

STEVE GREENE: All right.

HANSEN: --thank you.

STEVE GREENE: Thank you.

HANSEN: Is there anybody else who wishes to testify in opposition to LB84? Seeing none, is there anybody who wishes to testify in a neutral capacity to LB84? Seeing none, we will welcome Senator Day back up to close. And we did have some letters. Yeah, we had for the record, we had 58 letters in support of LB84, 3 in opposition, 1 in the neutral capacity.

DAY: Thank you to the committee. Again, my hearing was a little longer. Just like Senator DeBoer had mentioned, we had a lot more people here today than I had expected, which was a great thing. I think it was a really good conversation. I did want to comment a little bit on the conversation around SNAP Next Step. That was actually implement, implemented six years ago. It was originally called SNAP Employment and Training, I believe. And it-- DHHS has repeatedly said that one of the main difficulties they have in recruiting people for that program is the cliff effect. And so that's why this bill, I understand that it was originally passed as LB108 with McCollister during the COVID pandemic to address some of the issues with food insecurity. But what we know is that the cliff effect has been a really big problem for Nebraska families long before the pandemic and will continue to be a problem for families if we don't allow the gross income level to stay at 165 percent with the net income at 100 percent. For me, I will, I will say before I go on that this is a bill that I am strongly considering prioritizing. One of the main reasons for that is because I genuinely try to lead with my heart when it comes to policy. And this will expire in September. And if we do not pass this bill, I will be sitting somewhere with my family eating a meal, knowing that there are about 10,000 families in the state that will no longer be able to feed themselves and feed their children. And I cannot sleep at night knowing those types of things.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

If I'm not here actively doing something to make sure that families can feed their kids, then I am not doing my job. And we know again, with the cliff effect, we are-- I appreciated the way Mr. Venzor from Nebraska Catholic Conference stated it when he said, When we move the income eligibility level back down to 130 percent, we are essentially creating an anchor into poverty versus a ladder out of poverty. This bill helps address that issue, and it's overwhelmingly positive in terms of the economic effects for the state of Nebraska. And the last personal thing that I will mention is I know the feeling of looking in your kids' eyes and wondering how you're going to feed them. And that is one of the most devastating feelings I have ever had in my life. I am fortunate to now be on the other side of that, and I don't have to think about that. My family sat down and rebudgeted several months ago because we realized with the cost of groceries that has gone up exponentially recently, we were spending with two boys, 10 and 14, about \$500 a week on groceries, and that is way over what we had previously budgeted and what we were spending before. So we had to sit down and reconfigure our budget. And again, we're fortunate enough to be able to do that and still afford to be able to feed our kids. There are a lot of families that don't have that privilege right now, and there are a lot of families that will have to look at their kids here in a few months if we don't pass this bill and tell them that they're not sure how they're going to find their next meal. So I think that's all I wanted to say. I do-- it frustrates me a little bit when we have opposition that comes in from out of state and doesn't understand the context of the bill. I think there's a lot of stuff going on in the state of Nebraska that may be somebody coming from Kansas representing an organization from Florida wouldn't really understand workforce issues and exactly what's happening with the SNAP Next Step Program that we here in Nebraska do understand better. So that's a little bit frustrating to me, but I think you saw the overwhelming support from, from all areas, rural, urban. Nebraska Catholic Conference was here in support of one of my bills. We're not usually on the same side of things. So I just thought we had a really great hearing and I hope that we can move this bill.

HANSEN: Thank you. Are there any questions from the committee? All right. Seeing none, thank you.

DAY: Thank you.

HANSEN: That will close our hearing for LB84. And before we move on to LB357, we're going to take a short ten-minute break and we will reconvene at 4:40.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Speaker 8: I didn't have to take time off.

Speaker 1: And it.

Speaker 5: Just, you know.

Speaker 4: I mean, what's that?

[BREAK]

HANSEN: All right. Welcome back. We will now open up the hearing for LB357 and welcome Senator Walz to open.

WALZ: Thank you. Good afternoon, Chairman Hansen and members of the Health and Human Services Committee. My name is Lynne Walz, L-y-n-n-e W-a-l-z, and I represent District 15, which is made up of Dodge County and Valley. Today I'm introducing LB357, which doubles the monthly dollars allocated under the Disabled Persons and Family Support Program from \$300 to \$600. The Disabled Persons and Family Support Act was introduced in 1981. The program was introduced to allow disabled persons to live independently or who live independently, to continue to live independently and maintain the family unit of families living with disabled family members. Living independently is the ideal outcome for individuals with disabilities and having control over their own lives. Currently, approved individuals can receive up to \$300 a month and up to \$3,600 a year. For each additional person with a disability in a home, they receive \$150 per person. The intention of this program is to make housing and transportation modifications and assistance that allows individuals to remain living in their homes to be able to get around easier. A few examples of what these dollars are used for is personal care assistance, architectural modifications, counseling, prescriptions, housekeeping, and essential shopping. I passed out a handout that DHHS's annual report on this-- that's DHHS's annual report on this program and it provides a lot of really good information. The reason I'm bringing this bill forward is because this dollar amount has never been raised. I want to emphasize this amount has not been increased since the bill was introduced in 1981. That is a long time ago and I know that because that is the year I graduated. Now, I don't know if you know this, but the cost of living is much different than it was over 40 years ago. In fact, \$300 in 1981 is the equivalent of \$1,031 now. So needless to say, I think it's time that we make some modifications to the statute. The bill doubles the monthly dollars to \$600 per individual and \$300 for each subsequent individual in the home. Additionally, I want to make it clear that this statute is not meant to kick people off that are currently

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

receiving these dollars. So that is what the piece regarding the appropriation is at the end of the bill. I think this legislation is important because Nebraska does have an Olmstead Plan and part of that plan is being able-- people with disabilities being able to continue to live independently. This is an important piece in that step for people and I think that we should be thinking proactively. Additionally, if you are looking at cost, the average annual Medicaid cost per person for assisted living last fiscal year was \$22,022. Compare that with raising this to 72-- \$7,200 a year. It seems reasonable to think that we should increase this amount so people can continue to live their lives in the way they want and independently. With that, I would be happy to take any questions, but I know Edison is coming behind me. You can ask me and if I can't answer, I'll let you know.

HANSEN: OK. Thank you for your opening. This sounds like another appropriations bill. Are there any questions from the committee? All right, seeing none, we'll see at close.

WALZ: Thank you.

HANSEN: And we will take our first testifier in support of LB357.

LARRY STORER: Thank you.

HANSEN: And just really quickly, really quickly for the committee's sake, the testifier did mention he has to leave and so he's going to testify on this bill and also give some comments on the following bill and I said that was OK, so.

LARRY STORER: Larry Storer, L-a-r-r-y S-t-o-r-e-r, 5015 Lafayette Avenue, Omaha, 68132. I'm testifying as a proponent on both bills. The main reason is I have a relative that's been in the system for a lot of years, starting with special education. Most of this time has been out-of-home care so it's not necessarily tied to giving his direct family assistance. But I want to give you a little story about helping with-- people with disabilities. The system does not allow for a lot of assistance by people-- close relatives, but-- that do not have custody. The privacy laws, but also the outside contractors that are hired through HHS somehow-- I'm out of touch with that-- do not allow you to be a part of the team, even though the law says that you can be. I was not. Now, a lot of that had to do with fear of losing their benefits if they heard the wrong information from me or from somebody else. But that was refused numerous times over numerous years so I finally gave up. That does not help people with disabilities. I will

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

not go into it now, but I've seen a lot of things that should have been investigated in out-of-home care again. I won't go into it, but I finally gave up because the system didn't allow me to-- and I even went to Disability Rights, tried to go up the line all the way to the, what do you call it, state investigator, the Ombudsman. Got nowhere because I didn't have custody. A grandparent in the state of Nebraska does not have a standing so he can't contest these things because I don't have standing. I don't have custody. I don't have standing, but I'm going to end with this. A lot of these people may be in the same situation that I saw over all these years and they're afraid to say anything because they'll lose their benefits. Well, right now, he's a young adult, but they say the brain doesn't mature until 25 or after. So he's still got a little bit of a problem, but he's not incapable. He's not getting the direction that he needs, I can tell you that. He is capable of doing some jobs, but the right people are not doing the right thing. Why? Because they probably make more money than your in-home assistance for disability clients. I won't shoot the figure that I've heard, but it shocks the hell out of me how much money somebody with a home for one client makes. That should be looked at, not by me because I've tried before, but by the overall system. When they make a hell of a lot more money than somebody that has an in-home son or parent, there's something wrong with that. So I am in favor of this act, whatever it is. I didn't have time to read it. I'm not a lawyer. It doesn't tell me much here. But I also want to comment lastly about this declaring an emergency and grant money. Now I go every day, every week to the civic center in Omaha and I hear all of this running for the ARPA money and various things. What people do not say is that the money will run out. So what do you do for these people when the money runs out and you can give the grant to them any more? How are you going to explain that to people? So I hope you're not waiting for that windfall from ARPA that's still laying there because federal government might pull that out at any minute. And finally, when you use federal things, you're subservient to federal rules and regulations. The Constitution says a republican form of government. Most of the power belongs here, not there. But when you get their money, which is mine through tax dollars, they will tell you what to do and how to do it or you get funded-- defunded, fined. Thank you.

HANSEN: Hang on for one second. If you could, could you spell your name for us?

LARRY STORER: S-t-o-r-e-r.

HANSEN: OK and the first name?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

LARRY STORER: Larry, L-a-r-r-y.

HANSEN: OK, for the record, just want to make sure.

LARRY STORER: Thank you.

HANSEN: Let's just-- let's ask real quick: are there any questions from the committee? All right.

LARRY STORER: Excuse me, but I was here till 6:30 last night.

HANSEN: All right.

LARRY STORER: You're more friendly than Omaha.

HANSEN: OK, that's good. All right, we'll take our next testifier in support of LB357.

EDISON McDONALD: Hello. My name is Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d, here representing the Arc of Nebraska. We advocate for people with intellectual and developmental disabilities. We support LB357 to help keep people in the community. The Disabled Persons and Family Support Program provides state-funded assistance to persons of all ages who meet certain tests, including income and disability tests. The program helps people with disabilities remain employed, stay independent and live at home. Eligible individuals may receive funding for specific services up to \$300 a month or \$3,600 annually. This program is targeted at keeping people out of institutions. A reminder that the cost of care for a person with a disability in an institution is \$230,000 per year per person, whereas in community-based services, it averages just around \$30,000 per year. Programs like this that help to provide the extra assistance and accommodations help to cost-- cut those costs even further and help us to prevent that high cost of institutionalization. There are very few valuable dollars to our members and their families and it's frequently key to ensure that people with disabilities get what they need. It's intended to prevent that institutionalization and make sure that we can deter higher costs. I also-- again, I'm going to say it again and again and again. I'm concerned about Medicaid unwind and this is not the time to, you know, have anything that could go and risk any sort of program. And we need to make sure that we're keeping up with inflation because these programs have not been keeping up and it creates further struggles for individuals and their families. With that, any questions?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: Any questions from the committee? I, I just have-- a little more specifics about the program.

EDISON McDONALD: Yes.

HANSEN: The program assists persons with disabilities to, to remain employed, to stay independent, and live at home.

EDISON McDONALD: Um-hum.

HANSEN: What does that mean? Like, are we-- are-- do we just-- we give them the money? Could they do specific--

EDISON McDONALD: So--

HANSEN: --things or--

EDISON McDONALD: --so the funds are intended for things that help to go and keep them so that they can stay in their homes. So paying for things like a ramp or helping with some sort of other accommodation or a shift within their, their household that can help ensure that they can still get into their house and aren't forced to go into some sort of institutional setting.

HANSEN: OK. And they get it only for a one-year period?

EDISON McDONALD: No.

HANSEN: It's just over the course of a one-year period.

EDISON McDONALD: Over the course of a year--

HANSEN: They can get it for multiple--

EDISON McDONALD: --it's \$3,600 currently.

HANSEN: OK.

EDISON McDONALD: So \$300 a month, yeah. And I'll also note that you can see in the fiscal note there aren't a lot of people who participate in this program.

HANSEN: I think some, I think, yeah.

EDISON McDONALD: Yeah, it's pretty small. You know, the fiscal note is super small. It's just one of those other tools in the toolbox that allow us-- you know, and I think we've talked about this with the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

family support waiver. One program can't fit everybody. We need to customize and hit different targets and this just helps to hit a different target population.

HANSEN: OK. Good. Thank you.

EDISON McDONALD: Um-hum.

HANSEN: Any other questions from the committee just to make sure? Looking good. Thank you.

EDISON McDONALD: Thanks.

HANSEN: We'll take the next testifier in support of LB357. Anyone else wishing to testify in support? All right, is there anybody who wishes to testify in opposition to LB357. Is there anybody who wishes to testify in a neutral capacity to LB357? Feel like this should take longer. This is going too quick. All right, so seeing none, we will welcome up again Senator Walz who waives closely.

WALZ: Yep unless you have questions.

HANSEN: I don't. No. OK, so before we close the hearing, we did have four letters for the record in support of LB357. So with that, we will end the hearing on LB357 and open it up now for LB748 and welcome Senator Cavanaugh, Machaela Cavanaugh.

M. CAVANAUGH: Thank you, Senator, Chairman Hansen and members of the Health and Human Services Committee. My name is Machaela Cavanaugh. M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h, and I represent District 6, west-central Omaha, Douglas County. I'm here today to introduce LB748. There is an estimated 35,000 individuals living with an intellectual or developmental disability in the state of Nebraska. On average, people with IDD move 16 to 62 percent less than the general population. Special Olympics is the world's largest public health organization for individuals with intellectual and developmental disabilities. Special Olympics Nebraska provides opportunities for these individuals to engage in physical activity and social experiences, as well as receive health benefits through screening and testing. LB748 will allow and-- allow eligible organizations like Special Olympics Nebraska to apply for a grant up to \$500,000 from the state of Nebraska. This funding will help Special Olympics Nebraska partner with healthcare providers on how to care for people with intellectual and developmental disabilities more effectively, provide health screenings to identify unmet health needs before they become emergencies, and continue to expand the experiences and events that

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Special Olympics athletes can compete in. This funding would also allow for the expansion of the Special Olympics unified physical education curriculum that is now endorsed by the Nebraska Department of Education. The research has shown that the unified champion school programming creates meaningful interactions and activities in schools for students with intellectual developmental disabilities. It also allows students to engage in leadership roles and create more inclusive environments at their schools. Over 95 percent of schools reported a reduction in bullying, an increase in opportunities for students to work together in a more inclusive environment at school. LB748 gives essential funding to something that undoubtedly makes the schools in our state more inclusive and welcoming. Providing expanded opportunities for these students to compete and engage in activities with their peers is directly correlated to better physical, mental, and emotional health. There are amazing advocates behind me, mostly on behalf of themselves, that are-- who will expand on the needs for this funding and the various benefits it has. I'm happy to work with the HHS Committee should they see the need for any amendments to LB748. I ask for your support to advance it out of committee and on to General File. I've had the great pleasure of getting to know these athletes and I think many on the committee have as well. And so it's really just an honor to bring this bill on behalf of them. And it's-- first of all, we have a Olympic medalist here. So just, you know, feel free to ask about that. I got to hold her medal. Not to brag, humblebrag, I didn't do any of the work, but I got to hold the medal. So I've never done that before. So not only is this a great program for them, but it brings new experiences into the lives of others like myself. So, yeah, with that, I'll take any questions that you might have.

HANSEN: Are there any questions from the committee? Saw your fiscal note.

M. CAVANAUGH: Yes. So the fiscal note--

HANSEN: What did you think of that?

M. CAVANAUGH: It can-- I-- I didn't say-- you want me to talk-- well, I created it really because they set an amount.

HANSEN: Well, I'm a little surprised.

M. CAVANAUGH: \$500,000?

HANSEN: Yeah.

M. CAVANAUGH: Oh, well, the--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HANSEN: You're offering a grant, but they have to hire one full-time employee at \$65,000--

M. CAVANAUGH: Maybe we can hire-- if we pass a bundle of these bills for grants, maybe they can hire that one person and we can spread the cost over Senator Brewer and Senator Hughes and I think didn't Senator Jacobson have a bill that had to hire an employee. So maybe we can just, like, spread that out. But I think if they need to hire somebody, we can talk about absorbing that into the underlying amount.

HANSEN: Yeah.

M. CAVANAUGH: It's--

HANSEN: Just surprised as I saw it.

M. CAVANAUGH: I would also say I think that Senator Wayne talked about this on the floor today, bills with, with an A bill. If this is-- if this bill is something that the committee would consider putting on the floor, I think the amount of the appropriation would certainly be negotiable. We haven't done anything for the Special Olympics. And so this would be entirely new for them and new funding. And I, I think you will hear from them. But as my conversations have been, this is-- this was our top ask and we're willing to work with what we can get. Anything would be helpful for the program. So I think if when we get it, when we get it to the floor, let's think positive, when we get to the floor if there's not this amount, we need to allocate a different amount, I certainly think that would be workable.

HANSEN: I think maybe the only question I have is do we typically do this for nonprofits?

M. CAVANAUGH: So--

HANSEN: I always thought we gave money to a nonprofit for a specific purpose, right? Like, we're trying to get them to do something or--

M. CAVANAUGH: We could-- we could do an amendment that is more specific. Because this, this group has never-- this is their foray into public policy, and as you notice by the bill number, it came later in the session. And so we kind of just quickly put together something to have in here. So I think that the committee would probably want to-- I would encourage us as a committee to work on legislation that maybe tailored it so that the granting process is for something more specific. But it was intentionally broad in the green

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

copy because this was new and they, they asked for us to help but weren't quite sure. So--

HANSEN: Sure.

M. CAVANAUGH: I think this is going to be a bit of a journey for all of us.

HANSEN: OK, good. OK. Any-- just make sure, any questions? Seeing none.

M. CAVANAUGH: All right. Thank you.

HANSEN: We'll take our first testifier in support of LB748. Welcome.

CAROLYN CHAMBERLAIN: Good afternoon. I'm Carolyn Chamberlain, C-a-r-o-l-y-n C-h-a-m-b-e-r-l-a-i-n, and I'm the president and CEO of Special Olympics Nebraska. And I'm grateful to you today for giving us the opportunity to discuss LB748, otherwise known as the People with Intellectual and Developmental Disabilities Assistance Act. So when I started at Special Olympics 17 years ago, I had no idea how my life would be impacted because of our mission and through the time I spent with the athletes, the Special Olympics. But as I sit here today, I proudly represent 6,000 people with intellectual disabilities in our state and the 35,000 people who are sitting on the sidelines still waiting to participate and experience the benefits of the programming that we have to offer. And I'm determined that we create as many opportunities for dignity as possible. Without fail, when I tell people I work for Special Olympics, the common response is, oh, isn't that nice? And well, yes, it's nice. I don't want to lose sight of the fact that it's important and that's why we're here today. You're going to hear in a few minutes from a couple of our athletes who are going to share the impact of our mission on their lives. Through programming in sports, health, education and leadership, we change the lives of people with intellectual and developmental disabilities in ways that can never be imagined. For example, on average, people with intellectual disabilities are employed at a 10 percent rate. But if they participate in Special Olympics, that rate goes up to 52 percent. Funding from this act will provide much needed support so we can reach more counties across Nebraska as we strive to grow participation to the rate of 10,000 people. Today, we simply do not have the bandwidth to reach more people with our programming. We need greater outreach and recruitment efforts in communities to find volunteers and coaches, as well as health volunteers to aid in our health programming and to reach more schools with an inclusive and unified experience for all

students. Our free health screenings are currently available a couple of times per year, and we've uncovered some serious health concerns. And this is vital because the research proves that people with intellectual and developmental disabilities are at a greater risk for preventable health conditions. In fact, people with intellectual disabilities die 16 to 20 years sooner than people without and is not due to their disability, but it is due to their lack of access to quality healthcare. We need to face this reality in Nebraska and grow our reach so this statistic does not happen in our state. Funding from this bill will be used to expand on our free sports physicals; free vision checks and prescription eyeglasses; free dental checks with varnish, with varnish and mouth guards; free education and tools to provide healthy lifestyle education and make that more accessible. And all eight of our disciplines provide free health screenings as a preventative service to mitigate the diagnosis of a critical health condition before it becomes emergent, which is then costly to the family and the government assistance program. Prior to the pandemic, we offered about 1,000 screenings per year and we want to get back to that amount and continue to grow that out of Omaha and Lincoln. We will partner with more healthcare providers, fitness centers, and other organizations across Nebraska so that they can reach people with intellectual and developmental disabilities so they can lead a healthy life. In addition to benefiting the people with disabilities. Our health programming also impacts clinicians. We will expand the training to providers and medical students with hands-on curriculum on how to care for people with intellectual disabilities because this is not happening in traditional medical schools. We recently conducted a Nebraska DHHS assessment survey and more than 60 percent of the respondents said they received little or no training when it comes to individuals with intellectual and developmental disabilities on how to access, secure, and advocate for services provided to that community. Our program trains these organizations and medical schools on how to better assist and care for individuals with intellectual disabilities. So as we look at the whole person, health and acceptance is at the core of experience of a rich and fulfilling life. And we will continue to serve those with intellectual and developmental disabilities in our state. And we are counting on your support for this. Currently, 17 states receive financial support from their state governments for their Special Olympics programming. We have never asked the state to help support the work we do financially. And today we come to you because we, we know that the work we do matters and it's important. So I hope we can count on you today to further the work of Special Olympics Nebraska in ending discrimination and fear and building a future of justice and joy for people with intellectual and

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

developmental disabilities. Thank you for the opportunity to speak today.

HANSEN: Thank you. Are there any questions from the committee? Senator Riepe.

RIEPE: Thank you, Chairman Hansen. I'd go back a little bit to what Chairman Hansen talked about with the fiscal note. How would you in one year, how would you-- I know you talked about a lot of volunteers, and I think there's a lot of merit to them, need to be congratulated for that. How would you spend those dollars if you had them?

CAROLYN CHAMBERLAIN: Um-hum. I think we would need to hire more staff to get out of Omaha and Lincoln. We're heavily staffed in Omaha and Lincoln, but we have athletes and volunteers statewide. We have volunteer coaches who are aging out, if you will, who've been coaching for us for 30 years in Ogallala or Chadron or Scottsbluff and help with a targeted recruitment effort so that we can replenish those and reach more of these family members and athletes in those communities.

RIEPE: Would you look at hiring someone to help recruit volunteers or are you saying--

CAROLYN CHAMBERLAIN: Yeah, yeah.

RIEPE: --you would hire a person in to replace a volunteer?

CAROLYN CHAMBERLAIN: No. A person to recruit, yes.

RIEPE: OK. Thank you. Thank you, Mr. Chairman.

HANSEN: Yeah, I think that was one of the questions that I had, too, I think when you're trying to tailor this bill. I think if we're ever giving money, taxpayer money to an organization that actually ends up saving the taxpayer dollars in some way or is used for the taxpayer benefit, such as health screenings and healthy living education, which in turn could save the, you know, the taxpayer money, I think that's beneficial.

CAROLYN CHAMBERLAIN: Yeah, we have a lot of research showing that for every dollar that's invested in our health program, someone receives \$2 worth of healthcare programming. We have research to show that people with intellectual disabilities who participate in our health programming have a 49 percent reduction when it comes to depression. There's a reduction in blood pressure. There's a saving money when it comes to dental care. Three out of ten athletes will have untreated

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

tooth decay. But through our screenings, we can identify that and work to take care of that. We give countless free eyeglasses, eye screening. We give podiatry screening. One of the interesting things about that is that when we first started that screening, we learned that there were several athletes who weren't even wearing the right size shoe but didn't know that that was the cause of their foot pain in some of their challenges. So I think there's long-term benefits to us trying to get to the root of some of these health issues early through our screening and through our education versus waiting until it becomes a chronic illness and then taxes the health system.

HANSEN: OK. And I buy raffle tickets every year.

CAROLYN CHAMBERLAIN: Um-hum. Have you ever won?

HANSEN: I have not won yet.

CAROLYN CHAMBERLAIN: I can't help you with that. I'm sorry. I'm sorry. But thank you for buying raffle tickets.

HANSEN: Yeah. Senator Riepe.

RIEPE: Maybe luck be with you. Thank you, Chairman. My question would be is what's the age range that you're dealing with in terms of participants?

CAROLYN CHAMBERLAIN: Yeah. So Special Olympics, you need to be eight before you can start competing on a team and then you can compete the rest of your life. We have athletes 60, 70, 80 who still will compete at a track meet doing a 50-meter walk--

RIEPE: OK.

CAROLYN CHAMBERLAIN: --or something they can do. And then we have ages 2 to 7 where we have a young athletes program where we do skill building, cognitive building, social skill building to get them started at a younger age. And that program started in 2008.

RIEPE: OK. So we've talked a lot about the health benefits that they receive. My question would be, given the fact this is the Health and Human Services Committee, do many of those that are eligible, are they on Medicaid or are they on--

CAROLYN CHAMBERLAIN: Probably [INAUDIBLE]

RIEPE: --the commercial fam-- are they on the family medical?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

CAROLYN CHAMBERLAIN: I would say most are on Medicaid.

RIEPE: But if they're-- OK.

CAROLYN CHAMBERLAIN: And you would think that then they're receiving all the medical services they need. But that's not the case.

RIEPE: Well, Medicaid does provide dental. And some, some of this is I'm saying--

CAROLYN CHAMBERLAIN: Yeah.

RIEPE: --check, check, check, you know, that Medicaid does provide.

CAROLYN CHAMBERLAIN: Yeah. I don't know what--

RIEPE: I'm looking at some other, you know, even marketplace which are I assume the incomes would not be that strong.

CAROLYN CHAMBERLAIN: They're not.

RIEPE: So many of them would be eligible for marketplace health plans. I was trying to think. You stopped at 60, so you didn't quite get to Medicare. But I just--

CAROLYN CHAMBERLAIN: No, they can be 80. We have-- we have athletes who are 80.

RIEPE: So those would be covered by Medicare. I'm just-- I don't-- I don't mind something. I just-- I don't like needless duplication. And if there's--

CAROLYN CHAMBERLAIN: Yeah, I agree.

RIEPE: --if they're eligible for some other program, then I think we should consider that but--

CAROLYN CHAMBERLAIN: Yeah.

RIEPE: --thank you. Thank you for the information. Thank you, Mr. Chairman.

HANSEN: Senator Walz.

WALZ: Thank you, Chairman Hansen. Thanks for being here today. Pleasure to see you again. Can you just repeat the data about

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

employment? If somebody is participating in Special Olympics, the--
didn't you say the--

CAROLYN CHAMBERLAIN: The average rate is 10 percent if they have an intellectual disability, but if they participate in Special Olympics, it goes up to 52 percent.

WALZ: OK.

CAROLYN CHAMBERLAIN: That was research conducted by Gallup.

WALZ: All right, good. Thank you.

HANSEN: Senator Ballard.

BALLARD: Thank you, Mr. Chairman. Thank you for being here today. What other sources of funding is the Special Olympics? Is the majority private?

CAROLYN CHAMBERLAIN: Yeah, all of it is. So we receive funding from grants and foundations, individuals, corporations, and special events. There is funding that the federal government gives to our headquarters in Washington, D.C., through the CDC for the health program and through the Department of Education. And every state chapter is provided the opportunity to apply in a competitive grant process to get access to some of those funds. So we do get some of that as well.

BALLARD: OK.

CAROLYN CHAMBERLAIN: Our budget this year is \$2.7 million.

BALLARD: OK. And then do you have data on the 17 other states that [INAUDIBLE]

CAROLYN CHAMBERLAIN: I do. Do you want to know who they are?

BALLARD: Are you-- I'll find you after the hearing as well.

CAROLYN CHAMBERLAIN: Yes. I do have it. I brought my list in case someone asked.

BALLARD: Thank you.

CAROLYN CHAMBERLAIN: I've got it for you.

HANSEN: Any other questions?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

RIEPE: I have one more question--

HANSEN: Senator Riepe.

RIEPE: --Chairman. Of course, I'm looking for the streams of income. Do you get some support from the United Way?

CAROLYN CHAMBERLAIN: No.

RIEPE: Do you get any from CHAD?

CAROLYN CHAMBERLAIN: Huh-uh.

RIEPE: OK. That answers my question. Thank you very much, Senator.

HANSEN: All right. Thank you for your testimony.

CAROLYN CHAMBERLAIN: Can I just say one more thing to Senator Hardin?

HANSEN: I guess.

CAROLYN CHAMBERLAIN: Put another zero on it.

HARDIN: I taught her sales.

HANSEN: Ah. So that means just take a zero off. Take the next testifier in support. Welcome.

HALEY WAGGONER: Hi. My name is Haley Waggoner, H-a-l-e-y W-a-g-g-o-n-e-r. And I'm a Special Olympics athlete. And I'm here to support People with Intellectual Disabilities and Developmental Disabilities Act. You have heard how Special Olympics impacts my life through sports and leadership. Special Olympics is not just a sports organization. We have education, leadership, and health programs. Today, I'm going to talk to you about Special Olympics Nebraska health programs. People with intellectual disabilities die 16 to 20 years prematurely because of untreated conditions. Despite severe need and higher health risks, people with intellectual disabilities often lack access to quality healthcare and prevention programming. This is why Special Olympics is important. Special Olympics offers Healthy Ath-- Healthy Athletes Program. Healthy Athletes provide access to free health screening. The screening include fit feet for healthy feet; fun fitness, physical therapy; healthy hearing, audiology; opening eyes, vision; special smiles, dentistry; strong minds, mental health. All of these services are free and provide extra support if needed. Why does this matter? Healthcare professionals who volunteer with Special

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Olympics have found that Special Olympics athletes are at increased risk of secondary health issues. I have benefited from Healthy Athletes program, look forward to it when it comes to the state games, either at summer or fall games. My favorite screening is Opening Eye and Strong Minds. Opening Eye is the most popular screening they have. It is well worth going through. I've been able to get sports goggles, an extra pair of prescription glasses, all for free. I wouldn't have been able to get goggles without the help of this program. The process-- the process of the health screening is simple thanks to all the trained volunteers and health professionals. Because of Healthy Athletes, doctors and volunteers have more knowledge of the disability community and their complex conditions. Physicians are kind and treat the athletes like anyone else. They don't see the disability. They see us. To participate in Special Olympics, you need a physical. Getting sports physicals done at Healthy Athletes means I don't have to worry about it for three years. And Special Olympics has it in their system quickly. The process of doing the physical there means it's free and I don't have to worry about mailing in the physical. Volunteers are key to running Healthy Athletes. Volunteers help with check-ins, one-to-one athlete guides, doing health screening and paperwork if needed. Volunteers can be physicians, physician assistants, med students, or nonmedical field. The volunteers are the reason we can host Healthy Athletes. Strong lines are my fav-- are my second favorite. It is a new service with Healthy Athletes. Mental health is very important, even more important with people with intellectual disabilities. The service has coping skills for stress, like yoga. I have learned strong breathing for tennis when I'm in a stressful situation. With the help of this assistant act, Special Olympics Nebraska can reach more athletes needing the service. I'm just one out of many that need the service. Thank you. And open for questions if needed.

HANSEN: Thank you. Is this your first time testifying?

HALEY WAGGONER: No, this is my second.

HANSEN: You seem seasoned so good job. Any questions? Senator Hardin.

HARDIN: Haley, you mentioned tennis. Is that your--

HALEY WAGGONER: Yes.

HARDIN: --your main sport?

HALEY WAGGONER: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

HARDIN: Any others that you participate in?

HALEY WAGGONER: Soccer, golf and basketball.

HARDIN: Thank you for testifying.

HALEY WAGGONER: Thank you.

HANSEN: Any other questions? Seeing none, thank you.

HALEY WAGGONER: Thank you.

HANSEN: And I'll take our next testifier in support.

WYATT SPALDING: Hi. My name is Wyatt Spalding. It's W-y-a-t-t and Spalding, S-p-a-l-d-i-n-g. So I'm here to share my story about Special Olympics impact in my life. We all have dreams growing up as kids. Well, my dream was to play high school sports with my friends. As I grew up, that dream became more unrealistic. When I was seven, I was told I couldn't play football anymore because of my cerebral palsy. In fifth grade, I had to stop playing baseball. So basketball was that one sport I had left that I was hanging onto. One day I had a talk with my dad how why I couldn't go out for my sixth grade basketball team. My dad told me I wouldn't be able to keep up with the other players. I stood there, tears running down my face, begging my parents to let me go out for the team. My dad told me I could still play sports for fun, like playing pickup basketball at YMCA with my friends or just shooting hoops in the driveway. But it wasn't the same as being able to play in a competitive game. I seriously thought about quitting sports. I spent a lot of time shooting hoops in my driveway. That's where I would go when I was going through some really tough times in my life. You see, sports, but especially basketball, wasn't just a game to me. It was a way I could deal with having cerebral palsy and medical conditions on a day-to-day basis. I was able to go shoot hoops at a gym or in the driveway. For a moment, I wasn't the kid with the disability. I was just a basketball player. In seventh grade, my life changed. Just when I felt like I had no place on a sports team as a player, I finally found my place in Special Olympics. I saw my siblings and my friends play their sports and have great wins with their team and great success as individual players. That's all I wanted. And Special Olympics gave that to me. Today because of Unified Champion Schools Program, students are able to compete in unified bowling and track in high school. It's important to me to keep these programs developing in every school in Nebraska to give-- to get students like me a chance to compete and be included. Through Special

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Olympics [INAUDIBLE] program, I have become a self-advocate, presenting my story of what it's like growing up with a disability and to have medical issues which I have presented to medical students. My message helps break down the stigma and stereotypes of providing care for people with disabilities so they can receive better healthcare. I've also started a YouTube channel called Life with Wyatt Spalding. I share tips on sports fitness to encourage my followers to be the healthiest athletes they can be. Special Olympics gives athletes like myself the opportunity to show people that we are good athletes and that we want to play. We are tired of sitting on the bench. Special Olympics is all about opportunity. It's really hard to explain what Special Olympics is, but you just got to come see it. You have to come to our events and you can see these athletes will do amazing things. When you watch them on the basketball court, you won't see people down when they're down on a basketball game. You'll see them competing. Special Olympic athletes understand the concept: It's not about I, it's about we. Special Olympics has influenced my ability to speak. I never thought I had a story people wanted to hear. Special Olympics showed me I am really good at public speaking and people want to hear my story. Special Olympics Nebraska has shown me I am an athlete and a motivational speaker; and now I speak to classrooms, board members, colleges, sports teams, businesses, and now all of you. We are here today to ask you to support the funding for Special Olympics Inclusive Health and Unified Champion Schools Program. Will you support this Special Olymp-- will you support Special Olympics by including us in your appropriations request in this fiscal year? Thank you.

HANSEN: Thank you. Are there any questions from the committee? Senator Day.

DAY: Thank you, Chairman Hansen. And thank you, Wyatt. That was wonderful. I'm excited to go home and check out your YouTube channel. My kids love to watch YouTube, so this is the perfect opportunity. So you mentioned basketball.

WYATT SPALDING: Yeah.

DAY: Track. Did I hear that as well?

WYATT SPALDING: Yeah, I've done track every now and then. I play tennis.

DAY: Tennis as well.

WYATT SPALDING: [INAUDIBLE]

DAY: Have you and Haley played each other in tennis yet?

WYATT SPALDING: Yeah. So in 2018, Haley and I went to the USA Games with tennis, and we won a gold in doubles.

DAY: You did? That's amazing.

WYATT SPALDING: Yeah.

DAY: That's incredible. OK, so tennis.

WYATT SPALDING: Flag football.

DAY: Football.

WYATT SPALDING: I'm going to play softball this year.

DAY: Softball.

WYATT SPALDING: And probably get back into track this year too so.

DAY: So which one's your favorite?

WYATT SPALDING: Basketball is my favorite, but tennis is my best sport so.

DAY: Awesome. I love it. Thank you so much for being here.

WYATT SPALDING: Yeah.

HANSEN: Senator Hardin.

HARDIN: May I ask, because I'm an aspiring athlete, one day I know I'll be able to dunk a basketball. I just know it.

WYATT SPALDING: Me too.

HARDIN: What does your training look like? Can you tell us?

WYATT SPALDING: So for me, so our team practices are like an hour, an hour and a half. And then, like, sometimes like football practice is sometimes two hours. It's once a week and we usually do it on weekends 'cause a lot of us need to work. And we play like one or two tournaments a year. Like basketball, we'll play two tournaments, maybe one. It just depends. And I'm kind of hoping we could get more tournaments maybe in the future. Kind of like I have a twin brother, so he played high school sports and so I would love it for Special

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Olympics could just be like another high school sport for kids. 'Cause my brother, he wanted to be a basketball coach growing up, so I had him coach our team and he said it really helped him, especially with patience so--

HARDIN: Thank you.

WYATT SPALDING: Yeah, so.

HANSEN: We have yet to learn patience as politicians. We're getting there. Senator Walz.

WALZ: Thank you. I've known Wyatt for a while and his family, and it's been a pleasure to watch him grow. I want you to just talk a little bit off the court, off the football field, whatever.

WYATT SPALDING: Yeah.

WALZ: Can you just explain briefly to the committee your job history?

WYATT SPALDING: So coming out of high school, I worked in a grocery store in high school. And then I went to college for two years at Midland University, worked for a school. I got paid to be the basketball manager, which was easy. And so I did that. But then out of high school, like I had a real hard time, or out of college, I had a really hard time finding a job. Nobody would take me. I can work a lot, but then when I get sick, like I really get sick. It's like maybe two weeks, sometimes a month or every other day. And so I had a real hard time finding a job. I went back to Hy-Vee for six months. Worked at this store called Roots to Wings in Arlington, where they train people with disabilities how to run a store. I actually did speaking for them also to help promote the business. So I did that. And then I worked at a sporting goods store called Nebraska Sports in Fremont, which I've always wanted to work there. I applied for like five years and then finally got it. And so I went there and I loved it. I loved the people I worked with, and I did that for about four or five years. And now I'm an intern at Special Olympics. It's actually my, like, third day on the job, so it's been a week for that. It's kind of like the specialty job I have now. It's a job I've always wanted to like help grow Special Olympics, [INAUDIBLE] tell my story, help motivate and inspire people. And Special Olympics, I don't know where I'd be without it. Especially with my health, I probably wouldn't have cared that much about getting better because I would have no goals to work towards. I've been through multiple surgeries as well, but Special

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Olympics has always been there to, like, push me and motivate me to get back on the playing field so.

WALZ: Awesome. Thanks, Wyatt. You motivated me to get back into the gym. Thank you so much.

HANSEN: Any other questions from the committee? Seeing none, did a good job.

WYATT SPALDING: Thank you.

HANSEN: Anybody else wishing to testify in support? You get the hot seat now?

PAYTON COULTER: Yeah. I'm a bit nervous. My name is Payton Coulter, P-a-y-t-o-n C-o-u-l-t-e-r. I am a Special Olympics partner testifying on behalf of LB748. I was not planning on testifying today or at all this session. But after speaking with Wyatt and Haley, I realized how important it is to have different viewpoints when it comes to things like Special Olympics. I've been a unified partner since middle school, and I've seen such a change in my life. Special Olympics not only changes the life of people with intellectual and developmental disabilities, but also everyone else involved. It gives all kinds of people the chance to come together in an inclusive environment, and create the best, most special relationships. Right now, Wyatt and I, who just testified, are on a basketball team together, and we are 0-3. Every game we've lost by one point so it's been hard. Wyatt actually carries our team, making 90 percent of all of our shots. And I, on the other hand, have zero points total. Wyatt and all the other athletes and partners don't get mad at me. They don't get angry at the results of the game, but instead they support each other. And they realize at the end of the day, we are all family. Special Olympics brings together people, brings people together more than any other group I've ever been involved in. And without it, I honestly don't think I would be anywhere close to the person I am today. This bill not only goes towards the sports and the events that Special Olympics hold, but it also goes towards education and the health resources they provide, which is really, really important and provides actually a majority of health resources to people with intellectual and developmental disabilities. I think this is an amazing bill, and I thank Senator Cavanaugh for introducing it. And with that, I will take any questions from the committee.

HANSEN: Thank you for your testimony. Are there any questions from the committee? Senator Riepe.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

RIEPE: Thank you. And you've done a nice job. Thank you very much for being here and thanks for your engagement. And my question, I guess, would be is what originally motivated you in seventh or eighth grade to volunteer to get engaged?

PAYTON COULTER: So I actually met a young girl in third grade and we--

RIEPE: Third grade?

PAYTON COULTER: Yes. So we started-- we were reading in class and she couldn't read and no one kind of paid attention to it. So I did. And I started reading with her out in the hallway. And I kind of got involved a little bit in elementary, but there wasn't many opportunities. So in middle school, I was able to become a TA and get involved in the different sports, like Unified Track, Unified Cheer, Unified Bowling, actually went to state my senior year for Unified Bowling [INAUDIBLE] in there but--

RIEPE: [INAUDIBLE]

PAYTON COULTER: A little bit. And then throughout high school, I spent majority of my time every single day in the special ed room, just stayed in relationships with them so.

RIEPE: I know both of your parents are teachers, and I think--

PAYTON COULTER: Correct.

RIEPE: --that's probably a helping profession as well so.

PAYTON COULTER: Yeah.

RIEPE: Good for you. Thank you.

HANSEN: Any other questions? Really difficult, hard questions [INAUDIBLE]

PAYTON COULTER: [INAUDIBLE] It's been a long day.

HANSEN: All right. Thank you for your testimony.

PAYTON COULTER: Thank you.

HANSEN: Is there anybody else who wishes to testify in support?

EDISON McDONALD: I hate to go after those testifiers. My name's Edison McDonald, E-d-i-s-o-n M-c-D-o-n-a-l-d, representing the Arc of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

Nebraska. I'm going to be brief because it's late. We support the bill. Our chapters frequently are partnered up very closely with Special Olympics. I always try and make sure whenever we have an individual call in that we're figuring out how do we address those base needs, starting with housing, employment, access to food, and then that access to medical care and then access to a good social circle. All of those factors are so key to ensuring the full quality of life for people with disabilities, for the most part. And especially in small rural communities like Seward and Hastings, it is the Arc, Special Olympics, and People First of Nebraska that are kind of the three best opportunities for those social engagement opportunities. And then I just wanted to address Senator Riepe's comments earlier about the dental piece. Dental is one of the highest needs that we have for people with disabilities across the state, and especially in rural communities. I know that we had a bill on that a couple of weeks ago in this committee. And, you know, I've got a resource map of the dental locations that support people with disabilities across Nebraska on our website. And pretty much once you get west of Lincoln, it's almost nothing. There's like two of them on my list. So making sure to support programs like this and like their program in Kearney is tremendously important. With that, I'll close. Any questions?

HANSEN: Thank you. Are there any questions from the committee? Seeing none, thank you. Is there anybody else who wishes to testify in support? OK. Seeing none, is there anybody who wishes to testify in opposition? I think-- I think Senator, Senator Machaela Cavanaugh would probably trip you on your way up if you did. [LAUGHTER] Is there anybody who wishes to testify in a neutral capacity? All right. Seeing none, we welcome you back up here to close. And for the record, we did have ten letters in support of LB748, two letters in opposition, and one letter in a neutral capacity.

M. CAVANAUGH: Thank you, everyone, for, for listening to these wonderful, amazing athletic stories. I actually, when I was in high school, started volunteering with the Special Olympics as well, when we would have the state, the state games. I volunteered, and that's probably where I first got my, my start and interest in doing work around intellectual and developmental disabilities. And that's clearly carried through into my 40s. So a very special organization that has done some really amazing work and appreciate Payton's engagement in the organization as well. I think I probably would have a team carrying me if I were playing on a basketball team as well. So good to know that they don't judge that lack of some ability. I did also want to follow up on, Senator Riepe, your questions about the Medicaid,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Health and Human Services Committee March 2, 2023

because I think that's a really important point taken. And it would be great if our Medicaid services were being utilized. Obviously, if we're paying for them, we pay their managed care organizations. I think that's really important. But what we have heard through some of the testimony is that we have a lot of these deserts, and even when it comes to dentistry that we just don't have the, the doctors that are taking the patients. So having another opportunity like a nonprofit, and I am reticent to to push government work onto nonprofits, but having a nonprofit pick up that slack I think is an important and valuable asset. So I appreciate that Special Olympics does that. But I do take your point, and I agree that we should be maximizing those services as well. So with that, I just-- I welcome any questions or we can all go to a reception together and have a drink of water of course.

HANSEN: Are there any questions? Yes, Senator Walz.

WALZ: I don't have a question. I just have to say that Senator Day just said, wouldn't it be great if every single bill was like this--

M. CAVANAUGH: Oh, it would. It would.

WALZ: --at every single hearing? What a great hearing.

M. CAVANAUGH: It would be great if this was Friday afternoon and our last hearing for the week--

WALZ: That would be really good.

M. CAVANAUGH: --because I feel like this was-- hearing from these athletes is food for the soul.

WALZ: Yeah.

HANSEN: I have one question.

M. CAVANAUGH: Yes.

HANSEN: I think I'm assuming that you tailored this, right, you talked about for a specific purpose, and since Senator Howard is not in the room--

M. CAVANAUGH: She's probably watching.

HANSEN: --you could use Health Care Cash Fund for this?

M. CAVANAUGH: Oh, my gosh.

HANSEN: [INAUDIBLE]

M. CAVANAUGH: You know, I don't-- I don't know.

HANSEN: There's a section in there for developmental disabilities.

M. CAVANAUGH: That is a poss-- that's--

HANSEN: It's more for the waiting list.

M. CAVANAUGH: That is probably possible. But I don't want to-- I don't want to have the wrath or ire of someone who is definitely watching right now. And probably all of our phones are going to be blowing up with text messages.

HANSEN: Somebody behind you right now too.

M. CAVANAUGH: Can I ask you a question?

HANSEN: You're not supposed to ask questions of the senators, but I'll allow it.

M. CAVANAUGH: OK. I did not know about these raffle tickets. How, how do I get on this raffle ticket purch-- purchasing list?

HANSEN: Well, I'm sure that someone's going to put your name on the list. All right, Well, thank you for your close.

M. CAVANAUGH: Thank you.

HANSEN: And that will close our hearing today for LB748 and close our hearings for today.