

Transcript Prepared by Clerk of the Legislature Transcribers Office
Government, Military and Veterans Affairs Committee February 4, 2026
Rough Draft

SANDERS: Good afternoon, and welcome to the Government, Military, and Veterans Affairs Committee. I am Senator Rita Sanders from Bellevue, representing District 45, and I serve as your chair for this committee. The purpose of the public hearing is an information gathering endeavor, in which senators on the committee are seeking information about the proposed legislation that we do not know or have not thought about. It allows individuals representing themselves or a group to share their unique perspective on a proposed measure. It also serves as a record about the proposal for future historical and legal purposes. A key component of the process is the ability for senators to engage directly with testifiers to ask questions and elicit clarification-- clarification on information provided. The committee will take up bills in the order posted. If you are planning to testify today, please fill out one of the green testifier sheets for each of the bills you are testifying on. These are on the table on the back of the room. Be sure to print clearly and fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the page or to the committee clerk. If you do not wish to testify but you'd like to indicate your position on a bill, there are yellow sign-in sheets on the table in the back of the room. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone, tell us your name and spell your first and last name to ensure we get an accurate record. We will begin each bill hearing today with the introducer's opening statement, followed by proponents on the bill, then opponents, and finally by anyone speaking in the neutral capacity. We will finish with a closing statement by the introducer if they wish to give one. We will be using a 3-minute light system for all testifiers. When you begin your testimony, the light on the table will be green. When the yellow light comes on, you have 1 minute remaining and the red light indicates your time has ended and an audible alarm will sound. Questions from the committee may follow. Also, committee members may come and go during the hearing. This has nothing to do with the importance of the bills being heard. It's just part of the process as senators have bills to introduce in other committees. A few final items to facilitate today's hearing. If you have any handouts or copies of your testimony, please bring them, please bring them up, at least 12 copies, and give them to the page. If you do not have enough copies, the page will make sufficient copies for you. Please note that thumb drives, CDs, DVDs, oversized documents, books, lists of signatures, and similar will not be accepted as exhibits for the record. Please silence or turn off your

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cell phones. You may see committee members using their electronic devices to access more information. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position comments on a bill to be included in the record must be submitted by 8 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at legislature.nebraska.gov. Written position letters will be included in the official hearing record, but only those testifying in person before the committee will be included on the committee statement. I will now have committee members with us today introduce themselves, starting on my far right.

GUERECA: Good afternoon, everyone, my name is Dunixi Guereca. I represent Legislative District 7, which is downtown and south Omaha.

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

ANDERSEN: Good afternoon. Senator Bob Andersen, District 49, northwest Sarpy County in Omaha.

LONOWSKI: Dan Lonowski, District 33: Adams County, Kearney County, and rural Phelps County.

WORDEKEMPER: Dave Wordekemper, District 15, Dodge County, western Douglas County.

F. MEYER: Fred Meyer, District 41, 6.5 counties north of Grand Island in central Nebraska.

SANDERS: Thank you, and Senator Bob Andersen is the vice chair of this committee. Also assisting the committee today to my right is our legal counsel Dick Clark, and to my far left is committee clerk Julie Cash. We also have two pages with us today. They are Luke Perry from Gretna who is a freshman at UNO majoring in history and political science. Thank you. And Grace Harper from Loveland, Colorado, who is a junior at UNL and majoring in political science. Thank you for your assistance today. We will now begin the hearing on LB904. Senator Arch. Good afternoon and welcome, the floor is yours.

ARCH: Good afternoon. Good afternoon, Senator Sanders-- Chair Sanders, and members of the Government, Military and Veterans Affairs Committee. For the record, my name is John Arch, J-o-h-n A-r-c-h. I represent the 14th Legislative District in Sarpy County, and I'm here

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today to introduce LB904. I brought LB904 at the request of our Clerk of the Legislature, Brandon Metzler. This bill isn't technically a cleanup bill, but is more of a clarification bill, so the issue it addresses is too substantive for a revisor bill, and it needed to be a stand-alone measure. In 2025, the Legislature passed LB644, which enacted the Foreign Adversary and Terrorist Agent Registration Act. As part of that act, individuals who are registered to lobby on behalf of a Chinese military company are to disclose that relationship on the lobby registration form filed with the Clerk of the Legislature. Also as part of that act, individuals who are retained as a consultant on behalf of a Chinese military company are to disclose that relationship on a form with the Nebraska Political Accountability and Disclosure Commission. At issue is when LB644 was passed, both disclosure requirements were placed in Section 49-1480 of the Nebraska statutes. Section 49-1480 specifically governs lobbying activities and including the consultant disclosure requirement to NADC in this section of statute as well has led to some confusion. So LB904 would provide clarification by transferring the NADC reporting requirements out of 49-1480 and into an entirely different section ensuring a clear delineation between these two reporting requirements. The bill does not change or create any new obligations under the Foreign Adversary and Terrorist (Agent) Registration Act. And I urge this committee to advance LB904, and I believe that the Clerk of the Legislature will be right behind me to answer any, any specific questions on this bill.

SANDERS: Thank you, Senator Arch. Let's see if there are any questions from the committee. See none, thank you. Will you be here to close?

ARCH: Yes.

SANDERS: Thank you. Do we have-- oh, I'm sorry, proponents.

BRANDON METZLER: Yeah, I didn't know if you had--

SANDERS: You're going to be neutral.

BRANDON METZLER: Yes.

SANDERS: OK. Any proponents on LB904? Any opponents on LB904? Any in the neutral on LB904? Sorry about that, Brandon.

BRANDON METZLER: No worries. Thank you, Madam Chair, members of the committee. For the record, my name is Brandon Metzler, B-r-a-n-d-o-n M-e-t-z-l-e-r, Clerk of the Nebraska Legislature. As the Speaker indicated, we did approach him this summer, there was some confusion

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between my office and the Accountability and Disclosure Office. That section of law indicated both responsibilities for the lobby clerk housed within the Clerk's Office as well as NADC. There was this-- there was a form to be filled out. That form was kind of passed between the-- our two offices. Ultimately, we-- NADC took it over. It is their responsibility for that form. We handle the lobbying. The, the thought here is that there are individuals who may be influencing on behalf of a, a Chinese military operation or, or, you know, however the bill defines that, but not necessarily lobbying the Legislature directly. So we did want to make sure that we carve those out separately. So that form, form is housed within NADC. They will still, as they had to last year, check a box that indicates as part of their lobby registration that they are lobbying on behalf of these entities. But just wanted to separate those out. Again, there's no policy changes as the Speaker said. We're not trying to change the policy itself. It's just simply a clarification so that the statute that pertains to the accountability and disclosure is housed within the accountability and disclosure statutes.

SANDERS: Thank you. Are there any questions from the committee? See none, thank you--

BRANDON METZLER: Fantastic. Thank you.

SANDERS: --very much for your testimony.

SANDERS: Are there other testifiers in the neutral? Good afternoon.

SCOTT DANIGOLE: Good afternoon, Chair Sanders, members of the committee. My name is Scott Danigole. It's S-c-o-t-t D-a-n-i-g-o-l-e. I'm the Executive Director of the Nebraska Accountability and Disclosure Commission, and I'm appearing today on behalf of the Commission in a neutral capacity on LB904. In essence, LB904 removes language from Section 49-1480 of the NPADA and recodifies it in its own section of statute. The language in question addresses persons employed, retained, or authorized as a consultant for a Chinese military company and their required reporting requirements under the act. Moving this language to its own section of statute does not impact the NADC materially other than the need to reprint some brochures and it's a small cost. I would like to take this opportunity to point one issue that the NADC is facing. Section 49-14,126, which is included in LB904, as amended by LB644 in 2025, places upon the NADC the burden of paying any person who provided the Commission information that resulted in the finding of such violation a sum of

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\$50,000. As originally introduced under LB644, fines for violations would have come to the NADC and it's from these dollars from which any reward money would have been paid. However, late in the 2025 session, LB644 was amended to direct fines for distribution to the Permanent School Fund, and rightly so. The end result, however, is that the money required to pay rewards is unfunded for the NADC. We simply don't have appropriation or the money to pay what would statutorily be required. Unfortunately, because the amendment came late in the session, there wasn't time to take corrective action. Now, since LB904 opens this section of statute, there is an opportunity to, to remedy our situation. If language were to be inserted that requires violators to pay an administrative fee of \$50,000 for each violation to be remitted to the NADC cash fund, then any time a reward is required, funds would be available for us to pay those rewards. It avoids our need to request general funds through a deficit process from the Legislature to pay potential rewards, and it places the burden rightly where it belongs on the violators. If this is something of interest, I'd be happy to work with anybody to, to get some language together. Otherwise, I would like to thank you for your time and happy to answer any questions you may have.

SANDERS: Thank you for your time and testimony. Let's see if there are any questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Danigole. So I-- how-- I mean, it sounds like you're just using different words. Don't you think there's the risk that that, again, would be interpreted as a penalty and, therefore, should go to the Common School Fund?

SCOTT DANIGOLE: I don't think so because the penalties and fines, according to the constitution, Section 7-- no, Article VII, Section 5, they need to go to the Permanent School Fund. But if we have this as an administrative fee, and it truly would be covering the administrative costs, I don't think that would be any problem.

J. CAVANAUGH: But it's punitive in nature.

SCOTT DANIGOLE: It's recuperative in nature.

J. CAVANAUGH: But the penalty is assessed. It's the penalty against the person [INAUDIBLE].

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SCOTT DANIGOLE: The penalty, the penalty, the fine is punitive in nature.

J. CAVANAUGH: And hasn't the court interpreted anything that is punitive in nature is a penalty and, therefore, would go to the Common School Fund? That's the-- is that the, the lawsuit about [INAUDIBLE]?

SCOTT DANIGOLE: That, that I'm not sure of.

J. CAVANAUGH: I just-- I mean, I, I agree with you that you shouldn't bear the burden on this, I'm just saying I'm, I'm happy to try and find a solution for you. I just would be cautioned against saying thinking we're going to find a solution there.

SCOTT DANIGOLE: And I would be more than happy to work with you and find language.

J. CAVANAUGH: All right, thank you.

SANDERS: Any other questions or comments from the committee? See none, thank you for your testimony.

SCOTT DANIGOLE: Thank you for your time.

SANDERS: Thank you. Any, any other neutral testimony for LB904? See none, we'll go ahead and invite Senator Arch back up. And as you are coming back up to the table, for the online comments we have one proponent, zero opponents, and zero neutral.

ARCH: Thank you. Thanks for hearing this bill today. So this last comment regarding NADC, be happy to sit down and, and discuss that. My understanding, and I don't know if it, if it has come to this committee yet, but Senator Bostar also has an LB644 cleanup bill. And we were going to put these together but we just thought that this one was not really cleanup, it just-- it needed its own bill. So with that, I can also have that conversation with Senator Bostar, whether that'll be part of his bill or whether we should do something with this bill.

SANDERS: Any questions for Senator Arch? See none, thank you very much.

ARCH: Thank you.

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SANDERS: This closes the hearing on LB904, and we will move on to LB927. The floor is yours, Senator Andersen.

ANDERSEN: Thank you, Chairwoman Sanders and members of the Government, Military and Veterans Affairs Committee. I'm Senator Bob Andersen, B-o-b A-n-d-e-r-s-e-n, and I represent District 49, which includes northwest Sarpy County in Omaha. I'm introducing LB927, a commonsense bill, at the request of the Secretary of State to strengthen prohibitions on foreign money on ballot initiatives. In 2022, the Legislature passed laws banning foreign nationals from funding ballot questions both directly and indirectly. Despite this, foreign actors have continued to funnel money into our state's ballot initiatives. This past November, the state of Nebraska and Attorney General Hilgers filed a lawsuit against a, quote, dizzying array of nonprofits and other entities that allegedly hit the foreign source of their funding, attempting to sidestep accountability. We're not talking about pennies. We're concerned about millions of dollars. LB927 takes steps to prevent this from happening in the future by implementing a number of strengthening changes. First, the bill provides clear definitions of prohibited preliminary activity, including, but not limited to, conducting polls, making calls, or sending emails. Second, the bill creates a process for ballot committees to certify they have not received, solicited, or accepted any foreign assistance in any way. Finally, the bill contains an enforcement mechanism expanding what qualifies as unlawful foreign influence and instituting fines if such interference is discovered. These changes should not be required but are highly necessary to protect the integrity of Nebraska's political process. I have worked closely with the Secretary of State's and Attorney General's Office to develop and refine this language. Regarding the fiscal note submitted by the Nebraska Accountability and Disclosure Commission, there's a one-time cost for reprinting materials of \$2,000. Additionally, there is a potential cost to conduct investigations. It is estimated potentially at \$25,000, but is unknown if this will become a reality. LB927 addresses a fundamental issue that all Nebraskans and Americans agree on. We do not want foreign influence in our elections. Secretary Evnen and Deputy Solicitor General, Mr. Zachary Pohlman are here today to testify on, on the importance of this measure along with other testifiers. Thank you for your time and attention and I'm happy to answer any questions at this time.

SANDERS: Thank you, Senator Andersen. Let me check to see if there are any questions? Senator Hunt.

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HUNT: Thank you, Madam Chair. Thank you, Senator Andersen. I agree that we don't want the influence of foreign nationals in our elections and the way I think you mean it, but I worry about some of the language in this bill and that it could have a more far-reaching effect than you might intend. So I'm looking at page 6, the new matter on page 6, and subsections (3) & (4) I'm concerned about in terms of like a-- in terms of a First Amendment rights question. So it says that it should be unlawful for a foreign national to directly or indirectly solicit the making of a contribution or expenditure by another person. And then it says it should be unlawful for them to directly or indirectly participate in the decision-making process of a person or community. And what I worry that this could be interpreted to mean is say if there's a dreamer or if there's a, there's a immigrant person in Lincoln and they go to college here, they went to high school here, all their friends are here, this is where they live, but they're not a citizen, and they want to support a ballot initiative. They're not going to vote for it, they're going to sign the petition because they're a citizen, but maybe they make an Instagram post about it and they say, hey, they're going to be signing the petition at this corner, at this day. Go sign it. It's a good idea. Could that be interpreted as indirectly soliciting support? I think it is. So I want to make sure that the language doesn't accidentally have First Amendment implications for people who are noncitizens, but who are not doing anything nefarious to try to, quote, influence an election, but may just be supporting a ballot initiative in a way that is currently legal for them to do.

ANDERSEN: I'll tell you, Senator Hunt, all do respect, I'll, I'll defer to the Attorney General's rep to actually answer the legalese questions, because I'm not an attorney.

HUNT: OK. Thank you.

SANDERS: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Senator Andersen. Always a pleasure to see you. I, obviously, you know, I appreciate this bill. This is-- my bill was the bill that you're building on from 2 years ago and so I, I agree with you about keeping foreign money out of elections. And I just-- and maybe again if you worked with the Secretary of State you might not be able answer this, I'm just curious, I'm looking at my bill and looking at your bill, their, their definition of foreign national in both of these bills, I don't know if there's necessarily-- I mean, I don't know if there's a

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reason for a different definition or a foreign national. I actually, I don't know if it's different or not, I guess, is one question. But do you have any thought on if there's a reason we would need another definition of foreign national for this section?

ANDERSEN: I'll defer to the testifiers of the Secretary of State and the Attorney General's Office.

J. CAVANAUGH: I'll bug them about it. I appreciate it. Thanks. This is an interesting conversation. I mean, it will be.

ANDERSEN: Riveting.

SANDERS: Any other questions or comments from the committee? See none, thank you very much for your testimony. You're staying to close?

ANDERSEN: Yes, ma'am.

SANDERS: We'll now hear from Secretary Evnen. Good afternoon, Mr. Secretary.

BOB EVNEN: Good afternoon, Madam Chair, members of the committee. My name is Bob Evnen, B-o-b E-v-n-e-n. I have the honor and privilege of serving as Nebraska's Secretary of State, here testifying in, in support of LB927. Senator Cavanaugh, the definition is the same. It's just been moved.

J. CAVANAUGH: OK. Thank you.

BOB EVNEN: Of the-- let me begin with this. No one wants foreign interference in our ballot measure campaigns, but we have foreign interference in our ballot measure campaigns in Nebraska, and it has continued even though the Unicameral passed a law to stop it that was brought by Senator Cavanaugh. And we have examples of this where in 2020 a fund made a contribution of \$2 million and this fund had received almost \$280 million from a Swiss billionaire. And that happened in 2022. That same fund contributed nearly \$2.5 million to a Nebraska initiative campaign, this fund having received hundreds of millions of dollars from a Swiss billionaire. And in 2022, that's the year that the Legislature thought that it put a stop to this by passing a law explicitly prohibiting direct or indirect contributions to ballot measure committees by foreign nationals, but the contributions didn't stop. Even though we had a law in the books to stop it, in the 2024 cycle, that same fund that I referred to earlier and two other funds that had received more than a total of-- total of

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more than \$460 million from foreign billionaires and other foreign entities, spent more than \$5 million on Nebraska ballot measure campaigns. That happened after this law was passed and effective. Now, this is wrong, it's fundamentally wrong for foreign billionaires and foreign organizations to use their money to interfere with our ballot measures. Nebraskans don't need or want this interference and it is completely improper. As Nebraskans, we have a right to make up our own minds without the interference or influence of foreign money. Now, this is continuing even after the Legislature passed a law to stop it. So this session, at my request, Senator Andersen has brought LB927, which I very much appreciate. This is a bill that will strengthen the prohibition against foreign money in our ballot measure campaigns and provide stiff penalties for violations. What the bill seeks to do is to make it harder to evade the intent of this prohibition. Under LB927, ballot committees will be required to file certifications that they haven't received money from foreign nationals directly or indirectly to engage in preliminary activity concerning a ballot measure, and that they haven't-- and that each contributor to the campaign isn't a foreign national and that that contributor hasn't intentionally received more than \$100,000 in the prior 4 years from a foreign national. And the contributors themselves will be required to make a similar certification. Similar certifications also must be provided by those required to file reports of independent expenditures on ballot issue campaigns. The purpose of requiring these deep certifications is simple. It's to clamp down on the laundering of money and influence from foreign nationals. The fines for the violation are steep. Ballot committees who violate the prohibition will be fined in the amount of the contribution or \$100,000, whichever is greater. Foreign nationals who violate the prohibition will be fined in the contribution plus \$100,000. That ought to be a deterrent. I want to say that investigations into violations must protect the identities of lawful donors. No government authority or court will have the power to require the disclosure of the identities of lawful donors to tax-exempt organizations. I'm committed to protect the integrity of Nebraska's elections. Passage of LB927 is one of the ways we can do that. Nebraskans ought not to have to suffer the interference of foreign nationals in the consideration of our ballot measures. And I'm grateful to Senator Andersen for bringing this bill. I encourage its passage by the Legislature and that it be signed by the Governor into law. Now, following me this afternoon are subject-matter experts who will be testifying about the trail of money, we have Caitlin Sutherland from-- who's the Executive Director of Americans for Public Trust. She'll be following in a moment who can

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testify about the money flow from these groups. Jason Snead is the Executive Director of Honest Elections Project Action. He can talk about other legislation like this in other states and what their-- what that effect has been. And then Catherine Gunsalus is the President of Varidon. She is a former Deputy Secretary of State in Kansas where they had similar legislation, similar issues. And she'll give us a little bit of insight into their experience there. So with that, I encourage the-- I encourage this legislation to be moved to the floor and that it be enacted by the Unicameral. Thank you.

SANDERS: Let's see if there are any questions from the committee? We have Senator Meyer.

F. MEYER: Thank you, Senator-- Secretary Evnen for being here. Should this law not be strong enough, is there a possibility that this type of activity be elevated to a felony for the recipients of those funds here in Nebraska because this, this gets really serious and undermines the very integrity of our election systems. And I'm, I'm deeply troubled about that kind of foreign money sliding through the cracks continuously into our state.

BOB EVNEN: What we have here is a, a serious and a substantial increase in the certifications that are required and the, and the fines that are attached to them if they're false. My view, Senator, is that we ought to move to that level and see whether that addresses what we're concerned about here. And if it does, then it will have had its intended effect. If it does not, then we would be well-advised to explore what you're talking about.

F. MEYER: Thank you.

SANDERS: Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. Thank you Mr. Evnen for being here. So since the enact-- since we enacted Senator Cavanaugh's bill, have we-- I mean, you said there's violators, have they gotten through loopholes or why have we not fined them or, or found them guilty of--

BOB EVNEN: Well, because the, the, the statute that the Unicameral passed didn't have a lot of enforcement consequences. Well, one of the enforcement consequences is that the Attorney General has sued them. And, and there'll be a, a, a representative, a lawyer from the Attorney General's Office, who will be up here shortly.

LONOWSKI: OK.

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BOB EVNEN: The consequence of those violations is that the Attorney General has sought an injunction from the court, which is essentially saying stop doing this. There's no consequence from what they, what they've already done is to say stop doing this. This bill gives us tools, additional tools, additional deterrents that we hope will have, have the effect that we won't need lawsuits like this in the future.

LONOWSKI: OK. Thank you.

SANDERS: Are there any other questions? Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you, Mr. Secretary, for being here. So has that lawsuit been set-- the lawsuit, has that run its course?

BOB EVNEN: It has not. Right now, there is-- I believe that there's, and you can talk to the, to the Deputy Solicitor who'll be up here shortly, my understanding is that there is a motion to dismiss from the plaintiffs that's been opposed. Briefing is going on and there'll be a hearing on that sometime down the road in the not too distant future.

GUERECA: So we know that for a fact that these, these foreign billionaires are, are-- when, when donating to these American nonprofits are directing the funds to be used specifically for Nebraska ballot measures?

BOB EVNEN: What we know is that they are-- that these organizations are heavily funded by these foreign billionaires and that they are, in turn, spending money in Nebraska.

GUERECA: But those donations are not being directed-- directly-- are not being directed to these.

BOB EVNEN: I don't-- the, the legislation wouldn't require that, that there's proof that there is an explicit direction.

GUERECA: Well, generally, when-- I mean, I look forward to, to the lawsuit playing its course-- running its course, of course, and ensure that that money isn't directly being said, hey, let's use this in Nebraska ballot measures. I just-- I think my concern is that-- and this occurs on both sides of the aisle, right, where, you know, these nonprofits receive money from foreign sources. And my concern is that, that a lot of these organizations do various things, not just specifically Nebraska ballot measures. So I think that's my concern,

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making sure that a good actor that receives funds to be used for humanitarian purposes, say, doesn't get caught up and get dinged for something incorrectly. So I look forward to the lawsuit playing out to sort of-- to make sure that nothing nefarious is going on here in Nebraska.

SANDERS: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Secretary. Obviously, having brought the previous bill, I feel some, you know, kinship with this issue. So not necessarily a question for you, but I, I think that bill didn't have an E clause, which technically means it wasn't a law until probably July of 2022. Do you have any knowledge of when those donations were made, if they were before that went into effect or not?

BOB EVNEN: It wouldn't surprise me if they were made before the law became effective.

J. CAVANAUGH: OK.

BOB EVNEN: But the timing is nonetheless noteworthy.

J. CAVANAUGH: Right. And so-- and I, and I worked on that bill with Frank Daly, who is the head of the Accountability and Disclosure Commission, that's how we came to the language we came up with. And, you know, I-- the-- I think the enforcement mechanism, at least at the time, was intended to be the same enforcement mechanism for any other campaign finance violation, which I think would be a complaint and investigation by the Accountability and Disclosure Commission. Are you aware-- you sit on the Accountability and Disclosure Commission in an ex officio fashion as the Secretary of State, is that right?

BOB EVNEN: Yes.

J. CAVANAUGH: So, all right, in that capacity--

BOB EVNEN: Well, it's not ex officio.

J. CAVANAUGH: Oh, I'm sorry, it is not ex officio.

BOB EVNEN: Well, you don't have to apologize, Senator, but just by way of clarification.

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J. CAVANAUGH: OK, well, I appreciate that clarification. So in that capacity, are you aware of any complaints that were made to the Accountability and Disclosure Commission about these donations to these various ballot initiatives?

BOB EVNEN: The, the problem with your question is that complaints that are filed are confidential.

J. CAVANAUGH: OK.

BOB EVNEN: And so I, I am not sure that I'm at liberty to answer the question.

J. CAVANAUGH: OK.

BOB EVNEN: They're confidential by statute.

J. CAVANAUGH: So I'll ask then hypothetically, if somebody were to make a complaint against any ballot initiative for receiving money from a foreign national, what would be the action the Accountability and Disclosure Commission would take?

BOB EVNEN: Well, the, the Accountability and Disclosure Commission would undertake an investigation. The staff of the Commission would undertake an investigation and would make the results of that investigation known to the commissioners who then would have the option to move forward to a, a, a hearing status. And, and then the person against whom the complaint is made can make decisions about whether they want to go to a hearing or want to seek to resolve it.

J. CAVANAUGH: And at any point would that become public?

BOB EVNEN: It would become public at some point, but I'm not sure when or at what point. I think that the hearings are public. The other thing that I would point out, if I could, is that the penalties must have been contemplated by the donors who made the contributions anyway. We're talking about millions and millions of dollars here. And we're, we're talking about penalties in the current law that don't even remotely approach that.

J. CAVANAUGH: Right. And I'm not going to engage in conjecture about what those folks thought. I, I can't claim to know the mind of a billionaire, but--

BOB EVNEN: For the record, Senator, neither can I.

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J. CAVANAUGH: But-- so what we can say with certainty then at this point, although all of us sitting here, with the exception of maybe some folks with insider knowledge, is either there was no complaint filed or there was a complaint filed, went through the process and was resolved without there being a hearing that became public.

BOB EVNEN: And, yes, my reluctance is because I don't want to--

J. CAVANAUGH: I'm not trying to put you on the spot.

BOB EVNEN: --commit to any sort of violation of law with respect to confidentiality as regards to those complaints. But when the hearing concludes, we'll see if-- I'll find out how much information can be provided to you in that respect.

J. CAVANAUGH: OK, I appreciate that. And then kind of unrelated question, but, you know, I've brought a few campaign finance bills over my time. I'm very-- feel very strongly about accountability and disclosure both in the Commission and, and in the actual sense. But, you know, I brought bills to try and limit dollar amounts before and ran up against Citizens United and always had this problem of third-party, non-candidate-based committees being able to have much more of a free reign. Is there a concern that this bill crosses that line into violating Citizens United's--

BOB EVNEN: We, we know that there have been lawsuits brought against similar legislation in a couple of other states and those lawsuits have been unsuccessful. So our view is that the language of this bill is constitutional as lawful.

J. CAVANAUGH: OK. Thank you.

SANDERS: Any other questions from the committee? See none, thank you for your testimony.

BOB EVNEN: Thank you, Madam Chair.

SANDERS: We now have invited guests from the Secretary's Office, if they would like to come forward. Please bring your green sheet.

ZACHARY POHLMAN: I'm going to jump the line.

SANDERS: Welcome.

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ZACHARY POHLMAN: Thank you. Good afternoon, Chairwoman Sanders, and members of the Government, Military, and Veterans Affairs Committee. My name is Zachary Pohlman, Z-a-c-h-a-r-y P-o-h-l-m-a-n, and I serve as Deputy Solicitor General in the Attorney General's Office. I'm here to testify in support of LB927. Foreign money has no place in Nebraska politics. Federal law has long prohibited foreign nationals from directly or indirectly donating to federal, state, and local elections. But in 2021, the Federal Election Commission ruled that the ban on foreign funding of elections does not apply to state and local campaigns for ballot initiatives. That ruling created a loophole. While federal law prohibits foreign nationals from donating to political candidates, federal law no longer prohibits foreign nationals from donating to ballot question committees. Thankfully, in a bipartisan effort, the legislature quickly filled that gap. In 2022, it passed a law that made it unlawful for a foreign national, directly or indirectly, to contribute to a ballot question committee. Unfortunately, that ban has not been enough. This past November, the Attorney General's Office sued Swiss billionaire, Hansjorg Wyss, and six dark money nonprofits. Our complaint alleges that Mr. Wyss used these dark money groups to indirectly channel over \$10 million to five ballot question committees in the 2024 election cycle. That litigation remains ongoing. The Attorney General supports LB927 because it builds on the important restrictions that already exist in the 2022 law. To be clear, LB927 does not affect our current lawsuit, but instead adds a number of important tools to our enforcement toolkit. Perhaps the most important provision is that a ballot question committee will have to certify that they have not received foreign source funds. And donors will have to certify that they have not received over \$100,000 from foreign nationals for the 4-year period before the contribution. While we currently do not have evidence that the 2024 ballot question committees knew they were receiving foreign funding, this provision will ensure that, moving on, ballot question communities cannot try to avoid their own responsibilities by putting their head in the sand and ignoring the source of funds. In addition, the bill also imposes new and severe financial penalties for those who break the law, which do not currently exist and which will only help deter bad foreign actors and their dark money networks. I welcome the committee's questions.

SANDERS: Thank you very much. We'll check to see if there's any questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. And thanks for being here, Mr. Pohlman. And so I've got, I've got a few questions, but my first one that just jumps out at me is, how-- I mean, foreign billionaire or

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whoever gives money to all these organizations, how do we get jurisdiction over that person? Is by the virtue of donating to an organization allow the state to get jurisdiction over somebody who has not set foot in the state of Nebraska?

ZACHARY POHLMAN: Yes. Excuse me. So the, the personal jurisdiction case law talks about purposeful availment. And so in order for a court to exercise jurisdiction over a defendant, the defendant has to purposely avail themselves of Nebraska law. And the case law is clear that you cannot avoid personal jurisdiction merely by not being here physically. And so the case law also talks about how intermediaries do not shield a defendant from jurisdiction. And so that's, that's our theory. I, I can't say too much more than that because we are in briefing and that's a live issue in the case.

J. CAVANAUGH: I'm more asking in the abstract, not in your specific case instance. I'm saying in the future when this-- because this law would not apply to those previous actions.

ZACHARY POHLMAN: Correct. Right. We're just talking about looking forward.

J. CAVANAUGH: And you talked about the \$100,000 part. I'm really curious about this. So \$100,000, not taking any money from up-- of up to \$100,000 in 4 years total, right? So that's cumulative to \$25,000 a year. I mean, has anybody thought through this idea of, you know, we'll use a company like Union Pacific, like they give money to candidates in Nebraska and they may potentially give money to a ballot initiative. If Union Pacific had over \$100,000 in contracts with foreign entities in that period of time, would they be in violation of this law?

ZACHARY POHLMAN: That's a good question. The answer is I'm not sure. What I would do probably is point you to Section 8 of this bill, which all it does is gives the Disclosure and Accountability Commission rulemaking authority. And so I think those kinds of kind of practical in the weeds questions are exactly the kind of thing that can be solved in, in rulemaking.

J. CAVANAUGH: Can be solved in rulemaking? I mean, it's, it's pretty explicit, right, in the, in the bill? Let's see, it's: Upon a ballot question committee's receipts of contributions, the committee treasurer shall obtain from the donor an affirmation that the donor is not a foreign national and has not intentionally accepted funds

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aggregating in excess of \$100,000 from one or more foreign nationals within a 4-year period immediately preceding the contributions. I mean, it sounds to me like if Union Pacific entered into any kind of contract that got paid by any type of foreign actor, Union Pacific would be precluded from donating.

ZACHARY POHLMAN: I see, let me take that back then. The word contribution itself and the word donor are doing the key work there. I, I don't think that Union Pacific is receiving contributions in the sense that the political [INAUDIBLE] uses that word, which is a, a giving of money for the purpose of passage of a ballot initiative or not. So foreign contracts, no, that's, that's not going to be affected.

J. CAVANAUGH: OK, so then to go back to Senator Guereca's question that he asked of Secretary of State Evnen, these organizations-- you know, and I, I admittedly not knowing a lot about your case that's pending, but this hypothetical nonprofit receives millions of dollars from one foreign national, but also millions of dollars from Americans, and the millions of dollars they receive from the foreign national are intentionally received for do gooderism, you know, feeding the homeless or something like that. So under the scenario you just laid out, that if they were receiving that money explicitly for that feeding the homeless, they could-- that organization could still make a political contribution to Nebraska. Is that right?

ZACHARY POHLMAN: I'm not sure. I think money is fungible, and so ultimately it doesn't matter. And what the point of the certification is, is to, to know, is that intermediary group ultimately being funded by a foreign national?

J. CAVANAUGH: OK. I guess I maybe have to ask more questions. But, I mean, I don't see the different-- like a nonprofit that receives money from multiple sources, the money is fungible. And so then all of it counts as a foreign donation. But a corporation who receives money for services and then uses some of the money it receives for services for political contribution, that is "silable" money. Is that what you're saying?

ZACHARY POHLMAN: Right, money that you receive through a commercial contract is just not a contribution under the act, so that wouldn't count. But, but nonprofits who receive donations, those are the kinds of things that we're talking about that are covered by the act.

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J. CAVANAUGH: OK, I'm going to, I'm going to think about it some more and maybe we'll come back to you because everybody else is watching us.

ZACHARY POHLMAN: OK.

SANDERS: Any other questions? See none-- Senator Hunt do you have questions?

HUNT: I, I-- sometimes it's so hard in these committee hearings and you know watching this because sometimes the question is forming and you know you're going to lose your chance, but I might follow up with you after. I think my question is similar to Senator Cavanaugh's, you know, we have this handout that shows Hansjorg Wyss from Switzerland. He donated to two funds, they, they donated to two funds, they donated to Nebraska entities, and then they donated to funds, and then they donated to ballot initiatives, and so I guess my question is the same, like, if there's a pot of \$5 million, how do we say that Lincoln for Fair Housing got \$371,000, that that came out of Hansjorg Wyss's money and not all the local donations they got? And that's kind of the nut of my question, and that's-- that seems to be what everyone else has been asking, too, so.

ZACHARY POHLMAN: Sure, yeah. So with respect to Berger Action Fund and Wyss Foundation, it's more like half a billion dollars, and our lawsuit alleges that Wyss, who is the chairman of both of those organizations, was directing the funds to Nebraska through those organizations. To Senator Guereca's question, once we get past the motion to dismiss stage, that's exactly the kind of thing that discovery will reveal, and then we'll go to trial, and then a court will rule on it one way or the other. I could, too, go back to your First Amendment question from earlier. There's a case from 2011 called Bluman, B-l-u-m-a-n, out of the D.C. Circuit. Then, Judge Kavanaugh wrote it for a three-judge panel. And what they held in that case is that when you have foreign involvement in elections, the first amendment concerns basically go away because both-- and in that case it was, it was about the federal ban on the foreign funding of elections. The federal government has a compelling government interest in not allowing foreign nationals to dictate and influence American elections and that survives first amendment strict scrutiny and so the same thing applies with respect to state laws. That decision went up to the U.S. Supreme Court and they affirmed and so that's the law of the land.

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HUNT: So the law of the land is that if someone is not a citizen, if someone is an immigrant or an undocumented person, and they post on Instagram saying, everybody, there's a petition signing at this coffee shop. Please go sign it. I can't sign it because I'm not a citizen, but I really want this to pass, then that would be against the law under this?

ZACHARY POHLMAN: Not under this bill, no.

HUNT: What about under this, this court decision, the Bluman? Am I dumb? Like, sometimes I think maybe.

ZACHARY POHLMAN: No, no, this bill, page 6, the one, the one you referenced earlier,--

HUNT: Yeah. Yeah.

ZACHARY POHLMAN: --this talks about dictating the committee's decisions. And so someone posting something on Instagram is not that.

HUNT: OK. Because that's not the committee's decision.

ZACHARY POHLMAN: Right, right, it doesn't have to do with the decision-making of the committee.

HUNT: But it still says it shall be unlawful for the foreign national to indirectly participate or indirectly solicit.

ZACHARY POHLMAN: In the decision-making process of the committee. And committee has a specific statute-- or a definition in statute. It refers to a group of, I think it's two or more people who work for the passage of a ballot initiative and are giving over \$5,000. And so it-- but the statute doesn't cover the scenario you're talking about, so I don't think there are any First Amendment concerns.

HUNT: Thank you. I, I want to convey that I share the goal here, but I just want to make sure that we're not catching people in it that we don't intend to, or even chilling speech. I'm always wary and watchful if we could be passing something that could be confusing to otherwise well-meaning activists out there who are watching what's going on in some of these ballot initiatives and saying, oh, they've got foreign national signing petitions. You know, that's why we have bills like this brought is because, you know, in my opinion, that's, that's a lot of motivation behind this stuff. So I just want to make sure that

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people's free speech is still protected. And I think we share that goal, too. Thank you.

SANDERS: Thank you. Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you, sir, for being here. So in your opening, you said the Supreme Court ruled that foreign money was allowed in state and local ballot measures. Can you talk through that case?

ZACHARY POHLMAN: Sure.

GUERECA: What the court's rationale was behind that, because that's kind of a--

ZACHARY POHLMAN: Yes, so not the court. And it's the reason Senator Cavanaugh brought his bill, that the FEC, the Federal Election Commission, they're the administrative agency that interprets federal election law. And what they ruled in a, in a surprise ruling was that the federal ban, which is almost identical to what we have here, prohibits the direct or indirect of elections, that elections includes elections for candidates but it does not cover ballot initiatives. And so for the first time in 2021 it was not illegal under federal law for foreign nationals to donate to state and local ballot initiatives. And so what Senator Cavanaugh's 2022 floor amendment did was just close up that loophole and I think you're going to hear after me about the experience in, in other states. They've been enacted-- they're going to know the number better than me. Something like a dozen, a couple of them have been challenged and upheld on First Amendment grounds.

GUERECA: Gotcha. So the FEC does it?

ZACHARY POHLMAN: Correct, yeah.

GUERECA: Thank you, sir.

SANDERS: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Well, first I have to correct you. It was a stand-alone bill that that was in--

ZACHARY POHLMAN: Oh, it was? OK.

J. CAVANAUGH: So I brought it as a bill and we had a hearing and everything, then got it put into the package with Chair Brewer, I

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believe. So I did want to ask about, I asked the Secretary about what the process was for complaints under the current law. And did your office pursue complaints through NADC prior to filing a lawsuit on this particular case that is the example we're talking about?

ZACHARY POHLMAN: So that is an issue in litigation, so I'm not going to comment on it.

J. CAVANAUGH: An issue in litigation of whether you did file an NADC complaint?

ZACHARY POHLMAN: Correct.

J. CAVANAUGH: OK.

ZACHARY POHLMAN: The briefing is public. I'm just-- I'm not going to say anything more.

J. CAVANAUGH: I, I got you, I'll, I'll read it. And so then I just wanted to ask about Secretary Evnen did mention that, you know, in these investigations and things they won't be compelled to turn over information against, you know, nonbad actors and these sorts of things. My-- I guess my question is, you know, how do you know whether the information that they turn over-- you know, if somebody turns over just the person you're talking about? I mean, the allegation is that they're a bad actor, but if the nonprofit says they're not, are they protected from turning it over? Like, what's the-- how do we make that protection for innocent folks in this information?

ZACHARY POHLMAN: I'm not, I'm not sure I fully get the question. I, I-- but the, the lay of the law now is that you never have to-- nonprofits don't have to disclose who their donors are and what the language in this bill does is just says that that's true even in the election context.

J. CAVANAUGH: That they don't have to disclose?

ZACHARY POHLMAN: Disclose lawful donors.

J. CAVANAUGH: Lawful donors. But, I guess, presupposing that somebody is being deceitful, couldn't they just say all our donors are lawful and, therefore, don't, we don't have to turn any over?

ZACHARY POHLMAN: That would be a lie, that would be illegal. And then--

J. CAVANAUGH: In the context you're pursuing bad actors.

ZACHARY POHLMAN: Right, I mean, if a court rules that, for example, in our lawsuit, we're, we're right, and if this were on the books when we brought our lawsuit then, no, it's not private about who the foreign billionaire is behind the donations that are, ultimately, making their way to Nebraska. But would be-- what would be private would be the, the Nebraskans who lawfully contribute even to those nonprofit groups that, then, independently make donations to ballot question committees.

J. CAVANAUGH: Nebraskans or Iowans or Kansans or anybody else, too.

ZACHARY POHLMAN: Right, right, not just Nebraska, correct.

J. CAVANAUGH: OK. Thank you.

SANDERS: Any, any other comments or questions? Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. And thank you for your testimony. So I'm looking at this chart that you've given us. So this man alone, this Swiss billionaire, has given nearly \$10 million to causes in Nebraska?

ZACHARY POHLMAN: Those are the allegations in our complaint, yes.

LONOWSKI: OK. So how, how do we hold him responsible when it's gone through five different channels, looks like, like 434 versus 439? It's gone through five different channels before it gets down to supporting the, the protect our rights. How do we-- like a nonprofit could say, well, sure we did get donations from him but we use this part of our donation to support-- is there a way to track that, that we can hold people's feet to the fire, I guess, or this man's feet to the fire.

ZACHARY POHLMAN: Yes, this gets to Secretary Evnen's point from earlier. We thought the 2022 law was clear. You cannot, if you're a foreign national, directly or indirectly give to a ballot question committee. Indirectly just means through others.

LONOWSKI: OK.

ZACHARY POHLMAN: He disregarded that. And so what we're seeking in our lawsuit is an injunction ordering him to stop. And if we win and he continues then he will be held in contempt. And if he continues to violate the law, ultimately could be thrown in jail. We're a ways from

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that, but that's the idea. What this law does is it creates important guardrails on the front end, the certification requirements, to ensure that all the Nebraska committees and all the groups that they receive money from basically have to do their homework and have to ensure that when they're donating money to Nebraska ballot measures that the funds they're using are not from a foreign source. And we think that certification requirement alone will go a long way to deter bad actors. If that's not enough though, the steep penalties hopefully will do the job.

LONOWSKI: Thank you.

SANDERS: Any other questions from the committee? Senator Wordekemper.

WORDEKEMPER: Thank you for being here. If the money is donated into one of these Nebraska, I'll say projects, if all that money is not spent on a ballot initiative and they still have some of that left over, is there a way to confiscate that money or do they lose that money? What's the process there?

ZACHARY POHLMAN: That's a good question that I don't know the answer to. The folks behind me might. Certainly, Secretary Evnen and his office would know.

WORDEKEMPER: Thank you.

SANDERS: Any other questions from the committee? See none, thank you very much--

ZACHARY POHLMAN: Thank you.

SANDERS: --for your testimony. Now we have some invited guests from the Secretary of State's Office, please. Good afternoon and welcome.

CAITLIN SUTHERLAND: Good afternoon.

SANDERS: The floor is yours.

CAITLIN SUTHERLAND: Thank you. Madam Sanders and members of the committee, my name is Caitlin Sutherland, C-a-i-t-l-i-n S-u-t-h-e-r-l-a-n-d, and I am the founding Executive Director of Americans for Public Trust, a nonprofit, nonpartisan organization that works to uncover and publicize foreign money and influence in politics and policy. Thank you so much for the opportunity to testify in support of LB927 to comprehensively ban foreign funding from Nebraska

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ballot question committees. This legislation is critical to clarify and ensure only U.S. citizens have a voice in your politics and policy. There are an alarming number of loopholes that foreign nationals, foreign charities, and foreign governments are currently exploiting to funnel their foreign dark money into important policy fights, institutions, and electoral tools. Just a few months ago, Americans for Public Trust released a report identifying how just five foreign charities spent almost \$2 billion bankrolling protests, litigation, research, lobbying, and the nonprofit sector to advance their extreme foreign activist agenda. And with no safeguards in place, foreign money can and is flowing into ballot issues, too. And it's coming in Nebraska, as you've heard. APT has identified that at least three groups, the Sixteen Thirty Fund, the New Venture Fund, and Hopewell Fund, all part of the Washington D.C.-based Arabella Advisors network, are simultaneously receiving foreign money and bankrolling ballot measures in your state. The Sixteen Thirty Fund, who as you've heard counts one of their top donors as a reclusive Swiss billionaire named Hansjorg Wyss, has received almost \$280 million in foreign money from Mr. Wyss. And has then turned around and poured \$130 million into ballot issue campaigns in 26 states, including almost \$6.5 million across three initiatives in Nebraska. And each time, Sixteen Thirty Fund was the top donor to those ballot committees. New Venture Fund has also received almost \$180 million in foreign money. This group's foreign money comes not only from Hansjorg Wyss, but also a handful of foreign charities like the Radical Care Foundation in Denmark, the Switzerland-based Oak Foundation, and the UK-based Children's Investment Fund Foundation. After receiving all this foreign money, New Venture Fund spent almost \$2 million on three Nebraska ballot campaigns. And then there's Hopewell Fund. They've received almost \$3 million from foreign charities and have simultaneously spent almost \$1.5 million in Nebraska. These examples are just the tip of the iceberg, and without strengthening your law, foreign-backed money, be it from a Swiss billionaire, a foreign charity, or a foreign adversary, will continue to be funneled into your state. Ballot initiatives are critically important and can impact everything from taxes to business regulations to schools. And with at least nine petitions being circulated to qualify for the 2026 ballot, you must comprehensively stop the foreign money now. And strengthen the penalties if foreign money still finds a way into Nebraska. I urge you to support LB927 to help stop foreign nationals from influencing your state. Thank you.

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SANDERS: Thank you very much for your testimony. Questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Ms. Sutherland. Obviously, interesting topic. So I, I think you probably heard my questions before. I don't know if you're able to answer this about the \$100,000-- I mean, aren't there American corporations that have overseas clients--

CAITLIN SUTHERLAND: Yep.

J. CAVANAUGH: --who pay them more than \$100,000, how do they not become implicated in being basically a pass-through for that money?

CAITLIN SUTHERLAND: Thank you very much for that question. So I can speak in regards to something that's similar on the federal level. I would defer to another office or country, specifically how it would relate to Nebraska. But what you were talking about is corporations, for instance, Volkswagen, they are a U.S.-based subsidiary or other just American, American corporations. Because of the way that we are defining participating in an election or participating in a ballot issue, it does not matter as far as those foreign contracts or foreign sources or even, you know, foreign employers. Those corporations are already able to legally segregate the money and still donate to leadership PACs and super PACs without running a foul on the ban on foreign money in elections. Because remember, foreign money is already banned for yourself, for federal candidates, for super PACs, and these corporations that you're talking about are, therefore, not prohibited under federal law, and I don't think there's anything in Nebraska law that would trip up those, those Nebraska corporations.

J. CAVANAUGH: OK, well that's a good point, and so you're talking about not just legality, but you're talking-- I don't want to say morality, but you're talking about right and wrong, right, whether the money comes in. Why is it then OK for those corporations to bring in foreign money if it's through corporate structure, but not through nonprofit structure?

CAITLIN SUTHERLAND: Well, I think we're talking about two different things. We're talking foreign money affecting an election or a ballot measure.

J. CAVANAUGH: Well, I am asking that those corporations then can use that money in elections, right?

CAITLIN SUTHERLAND: So under federal law, no, the money cannot come into leadership PACs or super PACs or any state that would be allowed to accept corporations to state candidates. No, it would-- it's already illegal.

J. CAVANAUGH: OK, I thought you just said that you could do it if you segregated it.

CAITLIN SUTHERLAND: Right, so foreign money is not coming into the candidates. What we have here is nonprofits that are comingling their funds, that they're simultaneously, you know, receiving hundreds of millions of dollars in foreign money and then turning around and spending on, on ballots. It's that comingling of funds that we are trying to get at.

J. CAVANAUGH: OK. That's a great point. So does this bill create a mechanism by which they could segregate their funds and then donate from the segregated funds?

CAITLIN SUTHERLAND: That would be a question for, perhaps, another conferee. However, what we want to get at is, as we've talked about, money is fungible. And when we take a look at the amount of foreign money coming in, it's really so they, they, they can't turn a blind eye. You can't count a Swiss billionaire as one of your top donors and then play in Nebraska. You can't receive \$180 million from foreign charities and turn around and play, play in Nebraska. You need to decide whether or not you are going to be bankrolled by foreign money or not. Americans for Public Trust, we do not accept any money from foreign entities, foreign governments, foreign donations and nonprofits that are operating in the United States that want to participate and Nebraska's ballot issue campaigns might need to make that choice and be unable to participate if they are receiving foreign money.

J. CAVANAUGH: And, of course, I agree with the principle, I brought the original bill. My question was about ability to segregate in this nonprofit world. I don't know what the balance sheets of these companies look like or these organizations, whether \$200 million is a lot to them or a little, or if it's half or all. But, again, you said money is fungible, but in the corporate structure it is "silable," it is still money. So it is as fungible as money that nonprofits have. I'm trying to understand why it is OK for a multinational corporation to silo money and only use domestic money for electioneering, whereas

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a nonprofit is apparently incapable of siloing the money if all money is fungible isn't-- shouldn't the standard be the same for both?

CAITLIN SUTHERLAND: Well, corporations are also not receiving contributions. So I think it comes back to the way that the law in Nebraska defines contributions. Those corporations are not receiving contributions. They're receiving contracts. Perhaps, they're selling equipment. The way that nonprofits operate, they're, they're all funded through grants and contributions. So it hinges on whether or not that entity is receiving a contribution and whether or not then they are running afoul. The corporations that you've discussed, they're, they're not receiving contributions from foreign entities, whereas the nonprofits are.

J. CAVANAUGH: OK. Thank you.

SANDERS: Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you for being here and for your testimony. I'm sort of piggybacking on that train of thought. We don't know whether a foreign corporation or, sorry, the American subsidiary of, of a foreign cooperation, we don't know whether or not, you know, what, what that money comes from or what, what the intention of, of, of the parent company when transferring that money to their American subsidiary, what their intention is, right? Smithfield is a great example. They're owned by a Chinese corporation. Right? How do we know that the \$150,000 that Smithfield just spent here in Nebraska, it wasn't intended to coming-- flowing from the, the, the parent company to the American subsidiary to be used in an American election or an American ballot measure? We don't know that because the corporate structure is OK to protect that pot, pot-- pots of money, but the nonprofit structure isn't. Is that--

CAITLIN SUTHERLAND: I think it comes back to the way that we are defining contribution. And, certainly, if there is a pattern of a business receiving Chinese money being funneled into a Nebraska ballot question, that is something that we need to stop the flow of and make illegal. But it comes down to the way that contribution is defined under this bill.

GUERECA: So any American subsi-- any American subsidiary with a foreign parent company should not be allowed to?

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CAITLIN SUTHERLAND: No, under this bill, because they are an American subsidiary, they would still be able to participate in these ballot committees.

GUERECA: Correct, but the concept is money is money. Let's make sure we keep all foreign money out, right, so maybe that should be the next step.

CAITLIN SUTHERLAND: Yeah, certainly. I think it's a lot to explore, particularly, like I said, if anyone is funneling Chinese money into a ballot question committee, that's something that we need to take a look at.

GUERECA: Thank you.

SANDERS: Any other questions? Senator Meyer.

F. MEYER: Would you care to comment-- you know, we've had discussions about foreign-funded billionaires versus corporations. It would seem to me that the corporations have a board of directors that they have to answer to, whereas the Swiss billionaire answers to nobody. So would, would you care to comment on that for us?

CAITLIN SUTHERLAND: Yes, your, your question, would you like to know a little bit more about the Swiss billionaire or the structure of these nonprofits?

F. MEYER: Well, how they, you know, they're viewed differently in my mind and, and they have different people to answer to. The one has nobody and the one has a board of directors. So there's a pretty big difference there if they're accountable to, to their employees and stockholders and the other has none.

CAITLIN SUTHERLAND: Yes.

F. MEYER: So have you found that to be the case?

CAITLIN SUTHERLAND: We've, we've certainly found it extremely alarming when we're talking about the level of giving that these foreign charities and this one Swiss billionaire have, have given. You know, he's given \$280 million to the Sixteen Thirty Fund, but that's just one group. His giving in the United States is almost, it's almost \$1 billion. And so he himself is a foreign billionaire, he's not alone. We've also identified another UK billionaire by the name of Christopher Hohn. He's given over half a billion dollars into the

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United States to fund research, litigation, the protests, nonprofit sector. So it is, it is a, it is a rampant problem. It's foreign billionaires, foreign charities, foreign governments, and it is quite alarming when you see that there is little accountability with this foreign money coming in. And that's why I'm very thankful that this bill has been brought forward to strengthen and tighten the law surrounding that.

F. MEYER: Thank you.

SANDERS: Any other questions? Senator Guereca.

GUERECA: Thank you. Do you know the genesis of the FEC decision that actually allowed the ruling?

CAITLIN SUTHERLAND: Yes, it stemmed from a Montana complaint.

GUERECA: Correct. And who-- do you know who the complaint was against?

CAITLIN SUTHERLAND: It was a mining company, I believe.

GUERECA: Yes, it was the Canadian subsidiary of an Australian actual mining firm that they illegally financed the measure to block new restrictions on hard rock mining in Montana. So actually the genesis of this is actually a corporation, actually a, a foreign corporation using a foreign subsidiary to then influence American policy.

CAITLIN SUTHERLAND: Yes. And under federal law, that foreign-owned corporation, they did not generate a dollar revenue in the United States. They were 100% foreign-owned corporation. So, therefore, they would also-- that would be banned under this legislation. And I believe that exact structure would have been banned under your, your-- the current law. So a foreign company like Alibaba that is 100% foreign-owned, they don't have, you know, dollar revenue. But, yes.

GUERECA: Thank you.

SANDERS: Any other questions? See none, thank you very much.

CAITLIN SUTHERLAND: Thank you very much.

SANDERS: Any other invited guests? Invited testifiers proponent? Thank you. Welcome.

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JASON SNEAD: Thank you, Chair Sanders and members of the committee. My name is Jason Snead, I'm the Executive Director of Honest Elections Project Action, that's spelled J-a-s-o-n S-n-e-a-d. Thank you for the opportunity to testify today in support of LB927. It has long been illegal for foreign nationals to finance campaigns for public office, but across the country, as we have already heard today, an alarming pattern has emerged where foreign-tied funds are being used to great effect to influence the outcome of ballot measure campaigns. And these initiatives, referenda, and constitutional amendments are fully capable of rewriting our laws and redefining our rights. Decisions as significant as that should be left exclusively in the hands of the citizens of our country and the voters of this state. Foreign nationals have no business influencing ballot measures and these campaigns should not be permitted to serve as a Trojan horse for foreign interference in the American democratic process. Yet, that is precisely what is happening, including right here in Nebraska. We have already heard testimony this afternoon about hundreds of millions of dollars in foreign funds from Swiss billionaire Hansjorg Wyss and many billions more being laundered into other nonprofit organizations, much of which is getting into politics, electoral politics, and influence. And because of the work of, of organizations like Americans for Public Trust, we are now more aware than ever. But, unfortunately, we have only found, in all likelihood, the tip of the iceberg. Because what we have seen somebody like Hansjorg Wyss and an organization like the Sixteen Thirty Fund able to do, laundering money through intermediaries and pass-through groups to conceal their foreign origins and to then influence the outcome of ballot measures is something that Chinese or Russian nationals would be fully capable of replicating. In fact, there has already been reporting about Chinese money entering into U.S. environmental nonprofits, which is the exact same pattern of money flow from a foreign national to a nonprofit that we have seen in the context of the Sixteen Thirty Fund. Now, Nebraska lawmakers, and I thank Senator Cavanaugh for his leadership here, have already passed a law to protect the ballot measure process, but that has so far failed for various reasons to deter a flood of illegal-tied foreign cash, and that includes millions through the Sixteen Thirty Fund. LB927 will strengthen that existing foreign funding ban. The bill requires ballot question committees to certify that each donor, including pass-through groups like the Sixteen Thirty Fund are not a foreign national and have not accepted more than \$100,000 from foreign nationals over a 4-year period. The bill brings similar requirements to groups engaged in independent expenditure campaigns to avoid creating a loophole. It establishes steep penalties for violations

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which will deter bad actors, and it maintains protections for the privacy of lawful American donors. Nine states have already passed similar legislation in just the last 18 months. Nebraska should be the tenth-- the tenth. These reforms have proven to be effective. They have survived court challenge in Kansas and Ohio and even now are being considered in more than a dozen other state legislatures. I encourage you to pass LB927 and would welcome any questions.

SANDERS: Thank you very much for your testimony, Mr. Snead. Are there any questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Obviously, this is, you know, near and dear to my heart, and I appreciate the shout-out in your comments. So Honest Elections Project, I didn't quite get a feel of what is your purview, I guess. What do you guys-- what's your issue? What do you do?

JASON SNEAD: So I'm, I'm here representing Honest Elections Project Action. I'm the Executive Director of that group. We are committed to advancing election integrity at the state level primarily. That's where we do a lot of our work. So we're, as we like to say, fighting to make it easy to vote, but also hard to cheat.

J. CAVANAUGH: Good, good slogan. What's the difference between Honest Elections Project Action-- is that what it was--

JASON SNEAD: That's right.

J. CAVANAUGH: --and Honest Election Project?

JASON SNEAD: One is a (c)(3), Honest Elections Project, and then the other is a (c)(4), Honest Elections Project Action.

J. CAVANAUGH: And for those of us who never worked in the nonprofit world, so we're talking about as much, what's the difference?

JASON SNEAD: Sorry, they, they are 501(c)(3)s and 501(c)(4)s. 501(c)(3)s are nonprofit organizations and, generally, are a little more restricted in what they can do in terms of lobbying or engaging in explicit advocacy for legislation, so we do that work on the 501(c)(4) side.

J. CAVANAUGH: OK, so (c)(4)s can advocate, (c)(3)s can't.

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JASON SNEAD: In broad terms, there's, there's, obviously, a little more nuance there.

J. CAVANAUGH: And do you work for both the organizations then?

JASON SNEAD: I do. I'm the Executive Director of both. Yes, sir.

J. CAVANAUGH: OK, [INAUDIBLE]. So I, I guess I'm trying to understand, we're having a conversation about siloing and things, and I apologize for derailing the conversation, but this is curious. You're specific that you're here on behalf of one organization and because there's a law that says you can't be here on the behalf of the (c)(3), right?

JASON SNEAD: Well, it's not quite so explicit as that. It's an organizational policy that we have that we do work like this on the (c)(4) side.

J. CAVANAUGH: And how do you account for your time then?

JASON SNEAD: We have internal accounting procedures and, and, and so forth. So yes, we, we, we take that seriously, of course.

J. CAVANAUGH: And in terms of funding-- I mean, we're here talking about how important it is that we not have the wool pulled over our eyes by outside influence, who are the funders of these two, the (c)(3) and the (c)(4)?

JASON SNEAD: We have a number of donors that support our efforts. All of them are American. We do not accept foreign contributions or contributions from foreign nationals. But as a number of organizations on both the political left and right, we respect and honor the privacy of those donors and so we don't disclose the individuals.

J. CAVANAUGH: OK. So I'll just have to take your word that none of them are foreign is what you're saying?

JASON SNEAD: Well, I, I am an Eagle Scout, so you can count on me being trustworthy, I assure you, sir.

J. CAVANAUGH: OK, I appreciate that. And so you're not, like, an election finance expert so I can't really rake you over the coals over that particular subject is what you're saying? So in terms of your advocacy, you're here in support of preventing foreign money from going into ballot measures in Nebraska, which I appreciate. Do you

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advocate for federal campaign finance restrictions then or limits on the federal side?

JASON SNEAD: I would be fully supportive of Congress taking steps to close the foreign influence loophole, but our primary focus is working with the states to advance commonsense election laws of which a foreign funding ban is our top priority.

J. CAVANAUGH: OK. Well, then I just got to ask, President Trump yesterday said that, I think, 15 states the federal government should step in and take over their elections. Do you think the federal governments should be taking over state-run elections?

JASON SNEAD: Well, I think that the, the states are in poll position to regulate elections, and I think that that's what the constitution lays out. And I'm a big believer and advocate in state action to, to improve elections and to improve the security of elections.

J. CAVANAUGH: Thank you.

SANDERS: Any other questions? See none, thank you very much.

JASON SNEAD: Thank you.

SANDERS: Any other invited guests, please come forward. Good afternoon. Welcome.

CATHERINE GUNSALUS: Thank you, Madam Chair, members of the committee. My name is Catherine Gunsalus, C-a-t-h-e-r-i-n-e G-u-n-s-a-l-u-s. It's a pleasure to be with you today. I am President of Varidon. We are a multistate lobbying firm and I rise in support of LB927. As the Secretary mentioned, I was a former-- I'm former Deputy Secretary of State in the state of Kansas. It was great to just drive up this morning to, to Nebraska, so I'm, I'm really glad to be here. When I first heard about this issue of foreign funding in ballot measures, I had two thoughts. One, not my problem in Kansas because we don't have initiative petitions. We only have legislative referred constitutional amendments. And, two, this is probably not happening here. No one cares about our beautiful state in Kansas in this respect. No, disrespect to my, my state there. Until I found out that the Sixteen Thirty Fund had dumped \$1.6 million into our state to defeat a, a, a measure that was faced-- that was a constitutional amendment that was referred to the ballot on 2022. And, unfortunately, that measure was defeated and that foreign funding was flowing into the state. And so in 2025, Kansas joined about seven other states that year to, to ban

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foreign funding of their ballot measures, specifically on the constitutional amendments in the state. And I mention that because there were eight-- there were about seven other states last session that took initiatives very similar to what the legislation you have before you today to do. And joined an overwhelming measure of a, a, a cohort of, of states that now have strong bans on their books for foreign funding. I think as maybe was mentioned previously, too, the Kansas bill did face a court challenge that was already upheld. I think Ohio as well had faced a court challenge that was working through and was upheld so far. And so the other thing I'll, I'll note is Kansas really led the way on some of the strongest language in the country. And also we've talked to grassroots, we've talked to folks and citizens in the state, and this is like a 90/10 issue. Folks are very supportive of the concept and just applaud the effort of the committee today to have this discussion and to look to really strengthen your already existing statute to ban foreign funding of your ballot measures in your state. I'll keep my remarks brief, Madam Chair. And with that, I'll close. Thank you for your efforts and your time.

SANDERS: Thank you very much. Perfect timing.

CATHERINE GUNSALUS: Perfect timing.

SANDERS: Are there any questions for Ms. Gunsalus?

CATHERINE GUNSALUS: Gunsalus.

SANDERS: Gunsalus.

CATHERINE GUNSALUS: Yes.

SANDERS: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Ms. Gunsalus. I'm sorry, did you say it passed Kansas in 2025?

CATHERINE GUNSALUS: Yes.

J. CAVANAUGH: And it was already litigated?

CATHERINE GUNSALUS: It's in the courts, I believe. I'm not an attorney, so it is, it is-- it was-- they filed a lawsuit already on it and it has been working its way through the courts.

J. CAVANAUGH: OK, but it was upheld at the district court level.

CATHERINE GUNSALUS: I believe that is the--

J. CAVANAUGH: OK.

CATHERINE GUNSALUS: Do you guys have a phone a friend?

J. CAVANAUGH: I don't, I don't want to-- I'm not going to put you on the spot--

CATHERINE GUNSALUS: OK.

J. CAVANAUGH: --because I just want to read it if there is a decision so--

CATHERINE GUNSALUS: Yes, there is a decision.

J. CAVANAUGH: --if anybody could get it to us, that'd be great.

CATHERINE GUNSALUS: The prior conferees, I know, would be able to answer that correctly. I'm sorry, but we can get that to you.

J. CAVANAUGH: That'd be great. Thank you. And you said \$1.6 million from one of the groups, there's a lot of names, was it Sixteen Thirty Fund, is that what you said?

CATHERINE GUNSALUS: Yes. Yes, and I believe it was actually Sixteen Thirty through an organization in Kansas, if I'm not mistaken.

J. CAVANAUGH: OK. And, and that was for, there was a ballot initiative, if I remember, in the summertime a few years back?

CATHERINE GUNSALUS: Correct.

J. CAVANAUGH: OK.

CATHERINE GUNSALUS: A constitutional amendment legislative referred.

J. CAVANAUGH: OK. And then Kansas acted, so it's-- I just wanted to make sure I was following that you were talking about the money spent in Nebraska because it sounds similar to what we've been talking about here. And the-- on the Kansas side, is it similar to this bill?

CATHERINE GUNSALUS: Yes.

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J. CAVANAUGH: And the, the question I asked about the \$100,000 aggregate, can you speak to that at all?

CATHERINE GUNSALUS: I think the difference in Kansas is that they were starting with nothing on the books. So as you hear, you're, you're mending your current statute with additional strengthening measures. Kansas started from scratch. I, I don't have the bill in front of me, but I believe they did keep the threshold at \$100,000 aggregate, if I'm not mistaken. There's a couple of other states that chose to, to make that lower, a lower threshold, so I think Missouri changed it, Arkansas as well, but I believe Kansas, it was-- stayed at 100, if I am not mistaken.

J. CAVANAUGH: OK. And Kansas-- I mean, Nebraska has the Accountability and Disclosure Commission is our campaign finance mechanism. How does-- how is campaign finance done in Kansas, generally?

CATHERINE GUNSALUS: They have an Ethics Commission, and in Kansas's bill, they gave the AG enforcement power, so it removed-- it didn't just have-- I think the Ethics Commission does not have much, much enforcement power other than maybe a letter or some fines, but more administrative, and so the Legislature chose to make their legislation a little bit stronger with AG enforcement and similar enforcement measures as you see before you today.

J. CAVANAUGH: As in the fines and things like that?

CATHERINE GUNSALUS: Yes.

J. CAVANAUGH: OK. Thank you.

SANDERS: Any other questions? Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you for being here. So you said you're the founder of Varidon, a multistate lobbying firm?

CATHERINE GUNSALUS: Yes.

GUERECA: Are you representing a specific client here today?

CATHERINE GUNSALUS: Yes. I mean, I am here as invited guest as well with the Secretary and as former Secretary of State in Kansas, Honest Elections Project Action is a client of mine as well, so we're here on that.

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GUERECA: What was the, what was the group again?

CATHERINE GUNSALUS: Honest Elections Project Action.

GUERECA: Honest-- OK.

CATHERINE GUNSALUS: Yeah.

GUERECA: OK. Thanks.

SANDERS: Any other questions? See none, thank you very much--

CATHERINE GUNSALUS: Thank you so much.

SANDERS: --for driving up from where in Kansas?

CATHERINE GUNSALUS: Prairie Village, Overland Park on the Kansas side, yep.

SANDERS: Thank you.

CATHERINE GUNSALUS: Thank you so much.

SANDERS: Have safe travels. Any other proponents on LB927? Welcome.

JOHN MURANTE: Good afternoon, Madam Chair, members of the committee. For the record, my name is John Murante, spelled J-o-h-n M-u-r-a-n-t-e. I'm here as a registered lobbyist on behalf of State Shield. I'd like to thank Senator Andersen for introducing this legislation. And we're here, of course, in support of LB927. State Shield is an organization that was started by the President and CEO of the organization, Joe Gebbia, Sr. Its mission statement is to protect the United States from threats, in particular from the Chinese Communist Party. We absolutely believe that some of those threats include interference with American elections, as many have given praise to Senator Cavanaugh and his work and, and this Legislature on your work on, on guarding against the influence of the Chinese Communist Party. In, in American elections, we believe that this is a logical extension of that. We do believe that the-- and as was articulated to the Agriculture Committee and interim study this fall that the Chinese Communist Party is actively engaged in attempting to influence the outcome of American elections. We know what they are trying to do in terms of infiltrating the issue of agriculture. The Federal Bureau of Investigation came down and testified about how active those threats are in the United States today. They are very

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real. The money and the intent is very real, and their statement of the intent, as far as the Chinese Communist Party goes, is the overthrow of the United States in terms of our position as the single global super power. So we want to thank Senator Andersen. It was a lot of the merits of this proposal has been discussed and we simply echo that. But we also don't often have the opportunity to come before a committee of the Legislature and say thank you and congratulations for what you do. State Shield, as was reported to the Agriculture Committee last fall, did award the Nebraska Unicameral Legislature with the national championship of, of, of protecting and providing safeguards against influence from the Chinese Communist Party in a number of different aspects. You have really taken a very aggressive approach to protecting the people of Nebraska against those, those foreign threats, those, those adversaries-- foreign adversaries every day attack critical infrastructure in the United States. We know that and we believe that this is the logical continuation of the good work that this Legislature has done over the last year and, and, and in recent years, so we encourage you to support LB927, and I would be happy to answer any questions that you may have.

SANDERS: Any questions for Senator Murante? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Murante. I'm not going to take personal offense that you didn't come testify in favor of my bill. I think you were still the Treasurer at that point.

JOHN MURANTE: You know, what can I say, Senator Cavanaugh, if you would have invited me, I would have been there, for the record.

J. CAVANAUGH: Well, I still appreciate it. So my-- well, first question is, why just China? Why not also Russia if we were talking about [INAUDIBLE] influence and--

JOHN MURANTE: So I think from the, from the perspective of, of State Shield, you do have a, a capability of superpower, that the economy of China is growing rapidly and it is on par, I wouldn't say on par with the United States, but it is aggressively going-- growing. Russia has an economy that's, that's smaller than Italy, for example. So there is a scale of threat there. Not to say anything that Russia clearly is attempting to influence American elections as well, and there's a threat there, but that, I believe, is the passion project of, of Joe Gebbia, who started the organization.

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J. CAVANAUGH: Gotcha. And when you started talking, it made me think of the stories from the 2024 election cycle where we heard about China and, and Russia paying podcasters or influencers to do news stories that-- to influence the election in whichever way that they wanted. Does this bill prevent that kind of action?

JOHN MURANTE: Influence-- I-- I'm also not an attorney, if it's not running through a ballot question committee, which seems to be what this bill is getting at and it's tough for me to wrap my mind around just if there's somebody doing a podcast out there somewhere, I'd look into that more for you, but that's my initial first take.

J. CAVANAUGH: Well, so State Shield is specifically interested in preventing China from influencing our elections, does State Shield have any proposals on how to curtail Chinese, you know, whatever, the Chinese Communist Party from paying people in the media or podcast or creating this sort of ecosystem that has been created in social media and the podcast world that is actively influencing our elections but not in a political expenditure way?

JOHN MURANTE: So I would say our, our first priority would be to advance LB927 to, to General File. That would be our first recommendation to, to the Legislature. I don't-- at this point, we have a number of bills in the Legislature that are working their way through. I don't know that we're dealing specifically with, with podcasts, but we'll be happy to talk about that. If there's a friendly amendment that we can offer, we'll discuss that with our folks.

J. CAVANAUGH: I am just curious, you know, it's always like you're playing whac-a-mole, right, with these things that pop up and right now this bill is geared at whac-a-moling things that-- ballot issues that a lot of folks around here, we're not happy with, right? But there do seem to be actively the folks that you're talking about are influencing elections in different ways, not this way, but in this other way.

JOHN MURANTE: Indeed.

J. CAVANAUGH: So I just throw it out there for your Mr. Gebbia. Gebbia, is that right?

JOHN MURANTE: Gebbia. Yep.

J. CAVANAUGH: All right. Thanks.

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SANDERS: Any other questions for Senator Murante? See none, thank you very much.

JOHN MURANTE: Thank you.

SANDERS: Are there any other proponents on LB927? Good afternoon. Welcome.

DOUG KAGAN: Good afternoon. Doug Kagan, D-o-u-g K-a-g-a-n, Omaha, representing Nebraska Taxpayers for Freedom. I'm going to skip my first paragraph because it's already been covered, so I'll go to the second paragraph. Citizen-led ballot measures intend to give Nebraskans a direct check on our government. However, nonprofits with foreign ties have co-opted the process that creates systemic political advantages for one ideology. A 2022 survey from the University of Maryland found that a strong bipartisan majority of 80% of voters favor Congress banning foreign individuals and entities from spending money to influence ballot initiatives. The present situation leaves state ballot measures vulnerable to foreign interests that can spend huge sums of money to stifle the voices of opponents on crucial issues. Failing to act could allow similar intrusion from adversaries like Red China or Russia. Closing this loophole is not a partisan issue. It is about safeguarding the integrity of our elections and reinforcing public confidence in our petition process. It's difficult already to place a petition campaign initiative on a Nebraska ballot. Our group participates in many petition drives, so we do not appreciate this foreign competition. Thank you.

SANDERS: Thank you, Mr. Kagan, for your testimony. You waited a long time to narrow your testimony.

DOUG KAGAN: I didn't want to repeat what everybody else said.

SANDERS: Yes, thank you for that. Let's see if there are any questions for you? Senator Cavanaugh.

J. CAVANAUGH: I'll just ask one. Thanks for being here, Mr. Kagan. So do you think we should put limits on the dollar amounts people can contribute in campaigns?

DOUG KAGAN: No.

J. CAVANAUGH: No? But, I mean, that's-- so the pure dollar amount is the way that they're able to drown out people's voice, right? If you have the ability to donate \$500 and somebody else has the ability to

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donate \$5 million whether they're foreign national or not, aren't they drowning out your voice?

DOUG KAGAN: We, we make a difference between foreign money and Nebraska money.

J. CAVANAUGH: Well, this bill wouldn't win at Iowa money or New York money or San Francisco money, right?

DOUG KAGAN: Well, we wouldn't want other states' money either. In our, in our opinion, Nebraska ought to be-- ballot issues ought to be funded by Nebraska money.

J. CAVANAUGH: OK. So you'd be more in favor of limiting that no money can be spent in Nebraska elections other than money from Nebraska,--

DOUG KAGAN: That's right.

J. CAVANAUGH: --but at an unlimited amount?

DOUG KAGAN: There shouldn't be any limits.

J. CAVANAUGH: OK. Thanks.

SANDERS: Any other questions for Mr. Kagan? See none, thank you--

DOUG KAGAN: OK.

SANDERS: --very much for your testimony. Are there any other proponents? Welcome.

ANSLEY FELLERS: Thank you, Chairwoman. And I apologize, I didn't just submit a letter, that would have been appropriate. My name is Ansley, A-n-s-l-e-y, Fellers, F-e-l-l-e-r-s. I'm here on behalf of the Nebraska Grocery Industry Association. We have a little different take on this issue. I think a lot of you have heard from me since 2022. I'm happy to send anyone on the committee who is interested in the numbers I'm going to rattle off. The Raise the Wage campaign, which put the minimum wage at \$15 an hour in 2022, raised \$3.5 million, \$2.8 million of that, or more than 80%, came from the Sixteen Thirty Fund and the Fairness Project and, I think, another-- one other Washington, D.C.-based group. In 2024, the paid sick leave initiative raised \$2.256 million, \$2.505 million of that or 99% came from the Sixteen Thirty Fund and the Fairness Project. And I'm talking about dollars contributed. So if you look at the report, it looks like there were

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Nebraska contributions, those were in-kind contributions. The cash that was contributed to these initiatives to hire paid petition circulators and do those sorts of things came from Washington D.C. So we looked up those groups, I remember in 2022, we did some research. We realized that the Sixty Thirty Fund spent \$410 million in national elections in 2020. They spent more than \$100 million on strictly petition initiatives in the United States or across the United States, not just in Nebraska, about \$100 million. So, basically, they dropped a couple million dollars in Nebraska on the way to California to spend hundreds of millions on the ballot. And our point has been-- I represent primarily independent grocers, folks who own maybe one, two stores or regional banners, there is not enough money in Nebraska, there frankly isn't enough money in small business in the United States to combat the, the number of dollars being contributed to these things. And I think the fact that we learned there were-- there was foreign contributions, a Swiss billionaire, there certainly isn't enough money in small business to combat Swiss billionaires putting money into nonprofits. And I that at the end of the day, to the question, Senator, I, I want to be clear, there are-- there is money in the business community. There is money to combat some of these things. There is not a world in which Amazon and Walmart are going to contribute money to an initiative or, or to, to oppose an initiative that hurts their competition, that hurts they're small- and medium-sized competition. There isn't that kind of money here. And I think there have been solutions offered. I think this is one of them. I know there's some efforts afoot to address some of the paid petition circulators and Nebraska's in a little different spot in that regard. Our state Supreme Court has, has weighed in on that. But we still would support the Legislature looking at that and doing what we can, doing what we can to, to get after this issue. And, again, I'm happy to share those numbers, happy to share more information. If the nonprofits in Nebraska are getting money from Swiss billionaires to, to use the other funds that they're getting to clobber small businesses in Nebraska, that isn't really a good deal for Nebraska either. So thank you for your time. I'm happy to answer any questions.

SANDERS: Thank you very much for your testimony. See if there's any questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Ms. Fellers. I, I mean, obviously, you know, it's an example here that you've got a problem with. But would your opposition to those ballot initiatives be any different if that money was entirely from an American citizen?

ANSLEY FELLERS: I think we would have the same problem.

J. CAVANAUGH: With the ballot initiatives?

ANSLEY FELLERS: Yes, we would have the same problem.

J. CAVANAUGH: It's not the source of the money that your problem with the ballot issue is?

ANSLEY FELLERS: I, I think, fundamentally, it hits a little bit differently for my members and for people who've, you know, grown up in these communities who run on really tight margins and who are trying to keep these places going, that it does hit a little differently if the money is coming from folks who have absolutely no vested interest in making sure Superior, Nebraska keeps their grocery store, right? In fact, it's-- you know, might be the opposite, we don't know. So, yeah, it hits differently, but it would still be painful no matter where it comes from.

J. CAVANAUGH: Thank you.

ANSLEY FELLERS: Thank you.

SANDERS: Any other questions? Thank you very much for your--

ANSLEY FELLERS: Thank you.

SANDERS: --testimony. Are there any other proponent testimonies for LB927? Good afternoon and welcome.

DAVID ZEBOLSKY: Good afternoon. David Zebolsky, Z-e-b-o-l-s-k-y. I'm from Omaha and I'm the Director of Nebraskans Embracing Life. Our concern here today is with our ballot initiative, chooselifenow.net, where we're actively circulating this year and we circulated last year. And my comments are that we are strongly in support of this bill and commend Senator Andersen for bringing it. We would recommend that the NAD-- the Nebraska Accountability and Disclosure Commission, the Election Commissioner, Secretary of State, you good people, you good public servants, continue to monitor and observe the-- any influence that would circumvent or interfere with the will of Nebraska voters. And measures like this will enhance the ballot initiative process and no, no monetary source should drive a ballot initiative over the will of the Nebraska people. Those are, those are-- really my comment is to, please, acutely represent the will of the people of the state and, yeah, protect, protect their ability to freely exercise their concerns

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in our case with the choose like now ballot initiative. It's clearly going to be an initiative that we're circulating long term and, you know, appealing to the will of the Nebraska people to drive it, not so much some kind of a, a, a monetary advantage like we saw last year with various ballot initiatives, specifically 434 and 439, which both received considerable financial influence from various sources and I believe it was 439 that received the funding from foreign influence. So that's the extent of the comments I'd like to offer today.

SANDERS: Thank you very much for your testimony, Mr. Zebolsky?

DAVID ZEBOLSKY: Zebolsky.

SANDERS: Zebolsky. Thank you very much. Let's see if there are any questions from the committee? See none, thank you very much--

DAVID ZEBOLSKY: Thank you.

SANDERS: --for your testimony. Any other proponents on LB927? Good afternoon, welcome.

ROSE KOHL: Yeah, good afternoon and thank you committee. My name is Rose Kohl. I live in LD 9 and I am the spon--

SANDERS: Need you to spell your first and last name, please.

ROSE KOHL: Rose, R-o-s-e, Kohl, K-o-h-l, and I am the sponsor of two of the ballot initiatives currently in circulation, and I'm here to testify my support for this bill.

SANDERS: Thank you.

ROSE KOHL: I do want to start out, Senator Cavanaugh, you asked a question to someone else, what was the date for these contributions that were contributed? And I have the file in front of me, it was--

SANDERS: Excuse me. I'm so sorry.

ROSE KOHL: Yeah.

SANDERS: So you're not allowed to ask questions of--

ROSE KOHL: No, no, I'm not asking. I'm answering his. So he said-- he asked someone else, what was the dates? And the answer is 2023 and 2024. I have it from the NADC. You asked someone else, but, yeah, as a sponsor of two different ballot initiatives. I want to represent the

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will of the people. And I would say for choose life now our total contributions for our current campaign and a previous one is less than \$100,000 total. So I think \$100,000 is a very large amount. It could probably fund to full-time staffers to these nonprofits. And, yeah, I'm trying to represent the will of the people. We are 100% volunteer based. Our people have time. They give their time on the streets. And to make it fair, we want the will of Nebraskans not to get beat up by marketing, by Facebook ads, and advertising in all kinds of places. And something I run into on the street is people got burnt out last year. Like, I am running into voters that are fatigued that might be willing to, like, put in for a good cause, but they're kind of burnt out by the overwhelming number of ballot initiatives. Talk in the last cycle-- yeah, I think-- for me I think \$100,000 is a huge ceiling. And why are we allowing even that much into a ballot campaign? But the penalty of losing the money that you shouldn't have anyway makes sense. I guess for me, as someone that's a sponsor, I would want a path of, like-- mostly no one's given me money, but if I find bad money, is there a path for me to notify the appropriate authorities, send it back and not get myself in trouble? But as a Nebraskan, I want the foreign money out. I want a level playing field. This seems like a good bill, and so I want to testify in support. Thank you.

SANDERS: Thank you very much for your testimony. Is it Kohl, last name K-o-h-l?

ROSE KOHL: Yeah, K-o-h-l.

SANDERS: Thank you for your testimony. See if there are any questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: I don't have a question, but thanks for being here and thanks for answering my question.

ROSE KOHL: Yeah. It's, it's very valid. And thank you for your initial work and the fact that all this millions came in afterwards is, you know, proof we need to take it farther.

J. CAVANAUGH: Thanks.

SANDERS: Thank you. Any questions? Thank you very much for your testimony. Are there any other testimony, proponent for LB927? Any opposition? Any opposed to LB927? Any in the neutral testimony on LB927? Good afternoon. Welcome.

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BILL HAWKINS: Good afternoon, Madam Chairman, members of the Government, or wherever committee we're in, I've been in a few. I want to thank the Senator Cavanaugh and Senator Andersen for-- oh, yep--

SANDERS: She's going to make me stop you. Say and spell--

BILL HAWKINS: Yep, my name is Bill Hawkins, B-i-l-l H-a-w-k-i-n-s.

SANDERS: Thank you, Bill.

BILL HAWKINS: And so I want to thank the senators for bringing this issue to the forefront and all the experts that have come in here and, and probably, hopefully, open some eyes as to the funding of our petition process. I have been a very watchful citizen in this Legislature for a long time and have filed many petitions, most of them not circulated because of noninterest in the petition itself. My question is, as a sponsor of a petition, and coming up with funding for a petition, which I believe should probably be from Nebraska if it's a Nebraska issue, we should limit it to Nebraska funding. But, as the lady stated, it's hard to find funds in a state where you have a lot of poor farmers like me that don't have a lot of extra funding. But so in certifying where my funds come from and where my funder gets their funds from and you go back four or five different entities, what cost does that cost me as a sponsor or as the ballot committee? For the petition, what is that going to cost in an environment where I already have a hard time finding funding to get circulators and to get-- so that's a thing that I think I would appreciate the committee looking at. That certification, what is it going to cost? And where are those funds going to come from? Because if I have a hard time getting circulators, printing petitions, and all that, and I have foreign entities that are going against me with funding, where will those funds come from? And so, you know, how much is that going to cost? And what is the, I guess, the procedure of this, you know, we certify, great. I have a signed thing certified, does that cover me from litigation? Further down the line, I have a signed thing that this first funder said that they're clean and four or five lines down, they find out they are not, but I have this, quote, signed certification. So I appreciate the time, the experts that came, and I greatly appreciate this petition process, so.

SANDERS: Thank you, Mr. Hawkins.

BILL HAWKINS: Thank you.

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SANDERS: Let's see if there's any questions for you from the committee? See none,--

BILL HAWKINS: Thank you much.

SANDERS: --thank you for taking the time.

BILL HAWKINS: You bet.

SANDERS: Are there any other neutral testifiers on LB927? Welcome.

GAVIN GEIS: Good afternoon, Chair Sanders, members of the Government, Military and Veterans Affairs Committee. My name is Gavin Geis, that is spelled G-a-v-i-n G-e-i-s, and I am the Executive Director for Common Cause Nebraska. We are testifying in the neutral capacity today because we have a very long history of supporting disclosure, supporting, frankly, getting foreign money out of elections. It is a, it is a principle we do hold, and so we are generally supportive of these bills. We're, generally-- we were supportive of Senator Cavanaugh's bill. But as, as we read through this particular bill, the fairly broad writing of the bill, the fairly broad provisions which are intended to capture bad actors, the fairly-- the broadness of this led us to question the application and whether or not people acting in good faith, as has been brought up, would get caught up in the system and could be punished. I want to walk through some of our, some of our questions that come out of our reading of this legislation. And just to note those for the sponsor for the committee as you, as you move forward looking at this bill. So, broadly, right, the bill requires committees to certify that donors are not a foreign national and they have not intentionally received, solicited, or accepted directly or indirectly contributions or expenditures in excess of \$100,000 over the last 4 years. That is fairly broad, right? It's intended to capture as much of this as we possibly can. Well, my first question here is how can a recipient of any donation know for sure, right? Now, the bill may answer that, but on its face, there's no way for me to look at any donor and know for where their money came from, right? I have no right to look back at their financial history. I can't do a forensic analysis of every single person that might give to a campaign. And so, on its face, how can I know that? Well, maybe the bill answers that. In Section 8(6), right, there's a requirement from an affirmation from the donor. I receive money, let's say I'm a ballot sponsor, I have to ask the donors for affirmation that they, right, have not solicited, received, accepted, yada yada, they haven't done that. And as-- but as the previous testifier pointed out, if I receive

that affirmation, does that absolve me of all guilt if I then certify that that donor was not a foreign actor? Does that exclude me from any future guilt in the matter, if it turns out that they were a donor, if they lied to me, right? If they lied on that certification, am I clear? I, I don't believe the bill answers that. Also, if I don't get the certification, what can I do with the money? Do I have to send it back to the donor? Do I have to hold on to it until I get the certification? What's that process if I don't get a certification but I get a check? I don't believe the bill answers what I should do with that money. And so I think that's an open-ended question that I would hope we could, we could answer as we, we build this law. Moving forward, and I'll try to move quickly, reporting, looking at independent spenders, specifically in Section 7(3). And this came up before, talking about funds and where they come from, thinking of businesses, thinking of, right, a donor who might spend money independently but receives, right, money from a foreign business affairs, right? This section specifically says they must certify that no funds have been accepted from foreign nationals, not contributions or expenditures, but no funds. I believe that's fairly broad, right, and I don't know if that would imply to business funds I receive in the course of business. I see my, I see my time is over. I have more, but I also know this has been a, a bit of a hearing so I can stop there.

SANDERS: Thank you very much for your testimony. Are there any questions for Mr. Geis? Senator Cavanaugh?

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Geis. And I looked up, you did testify on my bill, so you get credit for that. So you were just hitting on something I had asked a few of the previous folks about, so can we talk about that a little bit?

GAVIN GEIS: Absolutely. Yes. Yes. No, and I, I think it is as simple as that Section 7(3) that seems very, very broad in the writing to me. All the other sections do include a, right, expenditure or contribution, 7(3) simply says no funds, which to my reading means no, no funds. No money whatsoever, which would incorporate, right, business, business dealings, and, therefore, any money I received as a businessman. If I received more than \$100,000 in my business affairs, would I be excluded from giving any contributions to Nebraskan's campaigns? I don't, I don't know if that's the intent of this law, but I do wonder if it is the application were we to carry out the letter of the law here?

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J. CAVANAUGH: Right. Well, this would only apply to ballot issues, not candidates.

GAVIN GEIS: Right. You're, you're absolutely correct. Sorry, I, I was not clear, but I agree. It is only ballot campaigns, but would it bar me in that, in that instance?

J. CAVANAUGH: Yeah, and that was the question I'd asked a few of the previous folks is if it would limit somebody like Conagra or Valmont or, I don't know, [INAUDIBLE] or UP or any of the other big Nebraska corporations who clearly, I bet-- well, I guess, I don't know, but I would assume have more than \$100,000 in financial transactions overseas?

GAVIN GEIS: Agreed. And, and previous testifiers pointed to, right, contribution or expenditure,--

J. CAVANAUGH: Yeah.

GAVIN GEIS: --but I believe 7(3) is, is a little broader than that and would capture those business interests you pointed out.

J. CAVANAUGH: Yeah. All right. Did you have anything else you wanted to make sure we knew about?

GAVIN GEIS: Quickly, I do believe it also questions, I think Senator Hunt rightly pointed out Section 8 sub (3) and (4). I wonder if, if I have a conversation with a foreign friend, right, I have an international friend and we're talking about ballot initiatives in Nebraska and we're working through-- in that section it says the decision-making process of an individual. If I'm talking with a foreign friend about a ballot initiative and a contribution I'm thinking about making here in Nebraska. And in that course, right, of our discussion he impacts my decision-making process for a donation, is that implicated by this statute? Does it go so far-- what does that say for my donation? Also, what does it say for my foreign friend, is he in trouble? Am I in trouble if we were talking through this issue and I ended up making a contribution based on that conversation? Again, I feel like the language is fairly broad here to capture as much as we can, but in that broadness gets some absurd situations that I think are worth narrowing, narrowing down if we're going to move something like this forward. The last thing I want to note is I worry, I worry in the penalty section, which is 8(7)(a), that there is no knowledge requirement. There is no Nebraskan, right, ballot

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initiative. There is no requirement that they know they're accepting money from a foreign national. The only requirement is that somewhere along the way it's proven that there was money from a foreign national. But if they're lied to again and again and again they could still be subject to hundreds of thousands of dollars in penalties for something that they did acting in good faith on a certification that this process required them to go through. So in what way can they be sure to prevent this type of maybe fraudulent behavior, right, abuse against them, but then will get them caught up in, frankly, gigantic penalties that, again, they were acting in good faith, trying their best to carry out the law, but, but simply could not because of other bad actors? I think a knowledge component there would be helpful.

J. CAVANAUGH: Thank you.

GAVIN GEIS: Absolutely.

SANDERS: Any other questions from the committee? See none, thank you for your testimony.

GAVIN GEIS: Thank you.

SANDERS: Are there any other neutral testimonies for LB927? Welcome back.

SCOTT DANIGOLE: Good to be here. Chairwoman Sanders, members of the committee, again, my name is Scott Danigole. It's S-c-o-t-t D-a-n-i-g-o-l-e. I'm the Director of the Nebraska Accountability and Disclosure Commission, and I'm appearing today in a neutral capacity on LB927. LB927 addresses the issue of foreign nationals contributing to ballot question committees. Under the bill, on statements of organization, ballot question committees must certify that no preliminary activity, such as polling or drafting language, was funded by one or more foreign nationals. In addition, on their campaign statements, these committees must certify that the donor associated with each contribution is not a foreign national, nor has the donor received money in excess of that \$100,000 threshold. As far as the NADC is concerned, we simply need to have the certification when campaign statements are filed, but as you've heard, ballot question committees would need to obtain an affirmation upon receipt of a contribution that the donor is not a foreign national and has not exceeded the \$100,000 threshold. That could be as simple as having the donor sign a form or a card to that effect. But consider this, John Jones mails in a donation for \$250. John happens to be Canadian. The

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campaign needs to reach out to every, every contributor who has over that \$250,000-- \$250 reportable threshold and inquire about their foreign national status. The point is it may be prudent to add language to the bill stating that any contribution received from a foreign national or someone for whom foreign national status is unclear, those contributions shall be refunded. That way, when a contribution is received and the committee learns that John Jones is Canadian, or John fails to affirm that he has, he is a U.S. National, the committee can then follow the intent of the legislation without being in violation and face the potential \$100,000 violation fine. As far as violations are concerned, ballot question committees are subject to fines in the amount of the contribution or \$100,000, whichever is greater. As far foreign nationals themselves, they would be subject to fines in the amount of the contribution plus \$100,000. I assume these fines would be distributed according to the constitution, Article VII, Section 5. That's not in the bill, that would be to the Permanent School Fund. I'd suggest perhaps putting clarification language to that effect in the bill. As far as the NADC's costs are concerned, our largest component is for investigations sounding potential-- investigations surrounding potential violations. The cost for investigations, we're walking on new ground here, there's no way we can really provide an accurate dollar figure of what an investigation would cost. It would vary from case to case. Our estimate right now is \$25,000, and we have that as a General Fund cost. Of course, there would be that fluctuation. Some cases would be more cut and dried. Some would have hearings and depositions. In absence of requesting general funds to cover possible needs, I'd like to suggest adding language that effectively requires violators to pay the costs of the investigations. I'd like to thank you for your time. If you have any questions, I'd be happy to answer them.

SANDERS: Thank you very much for your testimony. Are there any questions? Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you, sir, for being here today. So \$25,000 in the fiscal note is your estimate for one investigation?

SCOTT DANIGOLE: That would be an annual amount we receive, but there could be an investigation where it's a simple matter of looking into it and making a few phone calls and it costs us 50 bucks. There could be an investigation where there's travel and depositions that could be \$50,000. We simply don't know. It's kind of a placeholder number. If we run into an investigation that has extreme costs, we would need to

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go back to the Legislature through the deficit process and request that funding.

GUERECA: Thank you.

SANDERS: Any other questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Danigole. In terms of, like, if you do find somebody violates and you wanted to collect against this foreign national, how would you do that?

SCOTT DANIGOLE: That's a very good question. Again, we're walking on new ground here and, and we haven't-- we don't have a process in place. I'm sure we could just send them a bill. But, you know, there would be legal proceedings, I suspect, to actually have the remission of that.

J. CAVANAUGH: OK. Thank you.

SANDERS: Any other questions from the committee? See none, thank you for your testimony.

SCOTT DANIGOLE: Thank you for your time.

SANDERS: Are there any other neutral testimony for LB927? See none, Senator Andersen, would you like to close? While you're coming up, the online comments for the hearing record were eight proponents, three proponent-- eight proponents, three opponents, and zero in the neutral.

ANDERSEN: Thank you, Chairwoman Sanders and members of the Government Committee. Thank you to all the testifiers today, particularly Secretary Evnen and Deputy Solicitor General for their support and hard work on this legislation. I appreciate the comments from NADC and I look forward to working with them in finding an amenable solution. LB927 is a necessary step in protecting the integrity of Nebraska's elections and the ballot initiative process. I thank you all for your time today. I look forward to working with the committee to move LB927 to the floor for full consideration of the body. And I'm happy to answer any questions you may have.

SANDERS: Thank you. Are there any questions from the committee? See none, I'll get you later.

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ANDERSEN: I'm feeling shunned now, Cavanaugh-- I'm the one person he doesn't have a question for.

SANDERS: Thank you, Senator Andersen,--

ANDERSEN: Thank you, Chairwoman.

SANDERS: --for LB927. This closes the hearing on LB97 [SIC], and we move to the hearing on LB1068. Give us just a second to clear the room, Senator. Go ahead and have a seat Senator Storm, we'll get this started. OK, we'll go ahead and get started on LB1068. Welcome, Senator Storm.

STORM: Thank you. Good afternoon, Chairwoman Sanders, members of the Government, Military and Veterans Affairs Committee. I'm Senator Jared Storm, J-a-r-e-d S-t-o-r-m. I represent District 23 and I'm here today to introduce LB1068. First, I'm handing out a white copy amendment, AM1832, hopefully you all have it, which removes the requirements for petition sponsors to create ID badges for their circulators to wear. The amendment also makes two other changes, and I will be speaking on AM1832 on the rest of my testimony, or the rest of my opening. This amendment should lower or eliminate the fiscal note on this, on this bill, so. LB1068 makes changes to our petition sponsor and circulator laws. First, the bill prohibits noncitizens and individuals who have pled guilty. Two, no contest or have been found guilty of a felony or criminal offense involving fraud, forgery, and ID theft from circulating ballot petitions. In a similar vein, LB1068 would require sponsors of a petition to conduct a criminal background check on individuals being paid to circulate a petition to ensure compliance with the new requirements. In the event it is found that a circulator had been convicted, pled guilty to, or no contest, any petition sheet circulated by that individual will be deemed invalid. Next, it creates a new requirement for sponsors to maintain a list of individuals circulating more than 25 petition pages and for them to make that list available to the Attorney General or Secretary of State within 4 days of a request. I'm bringing this bill in response to several situations that have occurred over the past few election cycles involving petition sponsors and circulators. During the 2024 election cycle, we had some court cases involving circulators who were accused of forging names of individuals, some who were deceased on two petition sheets. Ultimately, hundreds of signatures were called into question, many of them invalidated to the forged sheets. However, when we have a proof of fraud being committed, the credibility of the remaining signatures is damaged. Allowing bad faith actors to forge signatures with the

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possibility of only a few to be caught and invalidated sets of bad precedent in the state that encourage-- could encourage more bad faith actors. The other reason I'm bringing this bill is due to numerous complaints raised by individuals around the state about petition circulators lying about who they work for or petition circulators harassing individuals. Requiring a petition sponsor to maintain a list of their circulators would help with identifying some of these bad actors. Finally, I wanted to address the fiscal note on my bill. According to the fiscal note, the Secretary of State's Office would need to hire an additional person to collect the petition sheets circulated by an individual-- circulated by an individual circulating more than 25 sheets and to comply with the ID badge requirements in the introduced version of the bill. With AM1832, I believe this would entirely remove or at least dramatically reduce the fiscal note. And someone else behind me can speak to that coming up. Overall, I believe we need to maintain the integrity of the petition process, and I ask for the committee's support on LB1068 and its advancement to General File. I will answer any questions you may have. And like I said, there's someone from the Secretary of State that will come up after me and try to answer if I can't do that.

SANDERS: Are there any questions from the committee? Senator Hunt.

HUNT: Thank you, Chairwoman Sanders. Thank you. Could the ID badge that they wear be like a sticker that has their name written on it in a Sharpie?

STORM: Well, we took that out. So we're not requiring that now on this. With the amendment, that's been removed. So we've taken that out.

HUNT: Oh, did you? Oh, my bad, OK.

STORM: Yeah.

HUNT: I didn't see the amendment yet, sorry. OK. And then-- OK, did you keep in the part where they can't hold the petition for people to sign if they're not a citizen?

STORM: Yeah, you can't be a noncitizen and be collecting signatures on this, so.

HUNT: OK. OK. Do you think that that could be a free speech violation of some kind like-- because they aren't voting, they aren't signing the petition, they're just telling other people about it.

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STORM: Right. So you can't, you can't, obviously, vote in this country if you're not a citizen. And I, I don't think that you should be collecting signatures that's going to go towards an election process onto a ballot with a noncitizen in the country.

HUNT: OK.

STORM: So I think that's--

HUNT: So with this bill, that'll be the question that we decide?

STORM: Yeah, this will be in the, in the bill.

HUNT: And then if somebody has 25 sheets of the petition, what if, what if I went and I got 20 and they all got filled out, so then I went and got 20 more, would I then have to file--

STORM: Yes, [INAUDIBLE]--

HUNT: --under this bill because I, because I had, had at some point more than 25 total in my life, but never at one time?

STORM: Well, yeah, it's updated if you have more than at some point 25. So if you do 20 sheets, but then you do 5 more, then that will be updated with the Secretary of State.

HUNT: That's a little bit unclear to me from the language, but good clarity. Thank you.

STORM: I think there's about 20 signatures per sheet, so it's about close to, you know, 500, 450 signatures.

HUNT: Yeah, I have a couple shops in my district and we often have people from these ballot initiatives asked to come stand outside out front and collect signatures during the day and so this is interesting to me because it'll affect my behavior, so thank you.

STORM: OK. Thank you.

SANDERS: Are there any questions from the committee? Oh, here we go. Senator Andersen.

ANDERSEN: Thank you, Chairwoman. Thank you, Senator Storm, for being here. I just had a, a comment. I think your bill is great. I think election integrity is, is paramount. I think if there is any perceptions that there is something untoward, then for all intents and

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purposes, we have to work expeditiously to fix it. And the fact that with these ballot initiatives and everything that, that they're handling election materials, I think it's critical that we maintain the integrity of, of the system. So I appreciate your bill, and I, I, I think you're right on with it.

STORM: Thank you.

ANDERSEN: Thank you for bringing it.

SANDERS: Any other questions for Senator Storm? Senator Lonowski.

LONOWSKI: Thank you, Chairwoman Sanders. Thank you, Senator Storm, for bringing this bill. Do you know of any other states where this has been enacted prior to us?

STORM: I don't, and there will be somebody behind me that might be able to tell about the other states.

LONOWSKI: OK.

STORM: I just think it's commonsense--

LONOWSKI: Thank you.

STORM: --legislation that we could have. Yeah.

SANDERS: OK. Any other questions? See none, you're going to stay for the closing?

STORM: Yes.

SANDERS: Thank you very much. Do we have any proponents on LB1068? Good afternoon. Welcome.

WAYNE BENA: Good afternoon, Chair Sanders and members of the committee. Again, my name for the record, Wayne Bena, W-a-y-n-e B-e-n-a, proud to serve as Deputy Secretary of State for Elections here on behalf of Secretary of State Bob Evnen in support of LB1068. I think we saw after the interim study this past fall in regards to initiatives a desire for members of the body to put some more guardrails into the initiative process and I appreciate senators that whether it's on this issue or any other issue reaching out to our office for best practices, what we've seen in the past, because a lot of times some things that may have been introduced 10-15 years ago or

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even 5 years ago gets forgotten about and some of the things that came out of that hearing in the state of Arkansas had already been talked about here in the state of Nebraska and already litigated in the state of Nebraska and, of course, we don't want to start passing things again that have already been litigated here within the state. So we see a couple of bills this year, one by Senator Murman that went into the Judiciary Committee last week, and this one from Senator Storm, and Senator Storm's office and team was very proactive in reaching out to our office to, to talk about some of these ideas. And even after dropping the bill, helping us working together to find things that may or may not worked out. And, and, again, you know, as, as written, there was going to be a fiscal impact in regards to, to this bill, to the various things our office was going to have to do. After being shared the white copy amendment, we believe that there will be still an impact to our office, we'll be able to absorb that within our current confines as amended. The bill, as amended, helps strengthen the responsibility of sponsors of a petition to have over the signature gathering process. And this body, at the request of the Secretary of State's Office in 2019, helped-- did another bill that strengthened the sponsor's responsibility when we required the sponsors to certify the number of signatures that they were turning in. We had an instance in 2016 in which sponsors were misled by their consultant doing signatures of how many signatures were being done and one of the three petitions they turned in didn't even have the bare minimum if every one of them was accepted. So this is just another step to say that the sponsors of a petition need to take responsibility for their circulators and to make sure that they are following the rules. And then if they're not, we'd be able to identify who they are so there could be proper investigation. For many of these circulators hired by companies and out of state, we might not be able to determine who they are if we find out that there is a violation. So I think some of these are reasonable steps to put responsibilities on the sponsors of their, of their process, so. With that, happy to take any questions that you might have.

SANDERS: Thank you, Mr. Bena. Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Bena. Well, my first question is, so you can currently have this kind of criminal background and circulate petitions?

WAYNE BENA: There is not-- the only-- you have to be a register-- sorry, you have to be 18 years age or older to be able to circulate a petition. There had been-- that is the current standard for

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circulating a petition. There had been-- once, it said you had to be a Nebraska resident and then that, that was, that was adjudicated by the courts and removed so anyone who's 18 years of age and so that's why you see a lot of out-of-state people coming in from circulating companies coming into the state, so.

J. CAVANAUGH: And then I wanted to ask about Section 5 of the amendment. Do you have the amendment in front of you?

WAYNE BENA: Yes.

J. CAVANAUGH: OK. Section 5 says: Original Sections 32-101, 32-628, and 32-629, Revised Statutes Supplement, 2025, are repealed. So is that saying 32-629 is repealed, because right above it, it's saying that they have to be done in compliance with 32-629?

WAYNE BENA: Which page is that?

J. CAVANAUGH: It's page 4. Am I misreading that?

WAYNE BENA: Are those--

J. CAVANAUGH: Oh, OK.

WAYNE BENA: --the places he amended?

J. CAVANAUGH: I'm sorry?

WAYNE BENA: I'm sorry, what-- the places he amended.

J. CAVANAUGH: The places he amended are being stricken. OK.

WAYNE BENA: Yeah.

J. CAVANAUGH: That's what I'm trying to understand. So we're amending--

WAYNE BENA: That's revisor-- I think that's the standard revisor language. I, I will--

J. CAVANAUGH: I guess, I don't see a strike in 629, though, is what I'm trying to understand. I'm sorry, 32-629. Or am I misreading that?

WAYNE BENA: Not knowing how this white copy-- I would probably refer back to the senator who I believe is conferring with staff to help do that in the closing in regards to that, so.

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J. CAVANAUGH: Just a little confused about that, but I'll, I'll-- committee counsel is getting an answer for me it sounds like. So I'm trying to understand that part. All right, thank you.

SANDERS: Any other questions from the committee? Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you, Mr. Deputy Secretary, for being here. So I'm looking at Section 3, subsection (2). In the inserted language, it says: pleaded nolo contendere to, or been found guilty of a felony or criminal offense involving fraud, forgery, or identification theft. Is that any felony or is it a felony tied directly to fraud, forgery, or identification theft?

WAYNE BENA: The way I understand it, it's a felony of those type of offenses.

GUERECA: OK.

WAYNE BENA: Those type of trust offenses that would preclude a person in a situation such as this from circulating a petition.

GUERECA: Sure, so if someone stole something, whatever the dollar amount, I think, could have been stolen by somebody 30 years ago, that would not disqualify them from--

WAYNE BENA: Yeah, it would-- based on my, my understanding of what the senator wanted to in the reading of this, it would be like the, the trust type of catch felonies, you swindle someone out of something, you know.

GUERECA: Sure. Right. Thank you, sir.

SANDERS: Any other questions from the committee? Senator Lonowski.

LONOWSKI: Thank you, Chair Sanders. Thank you, Mr. Bena, for being here. So this, this kind of piggybacks Senator Guereca's question. After a certain amount of time that a felon has served his record and then-- and he can become a voter again, is that correct?

WAYNE BENA: Correct. As soon as you complete your sentence, including probation [INAUDIBLE].

LONOWSKI: OK, so he could-- so if he did that he could also be a petition circulator?

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WAYNE BENA: Not under this, this would be a separate prohibition of--

LONOWSKI: OK.

WAYNE BENA: --for example, a felon couldn't have gun rights without a pardon so this would be a prohibition for a felon of something they could not do even after completion of their sentence.

LONOWSKI: OK. Thank you.

SANDERS: Any other questions? Senator Cavanaugh.

J. CAVANAUGH: Thank you. Sorry. I apologize, Mr. Bena, going back to my question about that section on 629. So on the white copy: The sponsor of a petition shall conduct a criminal history record information check and paid circulator of the petition to ensure compliance with subsection (2) of subdivision-- 32-629. What happens if they don't do that? Does that mean the whole petition gets thrown out if they do not do a background check?

WAYNE BENA: I think it's the intent of the senator in this bill is that a, a, a petition by a circulator that has not had a, a background check would be in violation of the statute, thus nullified.

J. CAVANAUGH: For the paid circulators?

WAYNE BENA: Correct.

J. CAVANAUGH: And so just those petitions of the paid circulator would be in doubt?

WAYNE BENA: Correct.

J. CAVANAUGH: And-- OK. Thank you.

WAYNE BENA: And this is similar to, like, for example, if, you know, if the page isn't notarized, then the page can't be accepted. So this would be the same regards as is that-- like, for example, if it's not notarized, it wouldn't be accepted if it's not by an authorized signature or person that's followed the rules in regards to the petition signature gathering process, then their signatures would be invalid. [INAUDIBLE]

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J. CAVANAUGH: So to, I guess, follow up on that, where-- if there's no, no [INAUDIBLE] affirmative duty to provide that background check to anybody, they just have to hold it for their own records?

WAYNE BENA: The Secretary of State and/or Attorney General can request-- upon request, the sponsor has to provide within 4 days.

J. CAVANAUGH: Where is that?

WAYNE BENA: It's in Section 4 on page 4.

J. CAVANAUGH: [INAUDIBLE] list?

WAYNE BENA: Oh, sorry. Yeah, Section 4, subsection (1).

J. CAVANAUGH: That's the list of the paid circulators.

WAYNE BENA: Correct.

J. CAVANAUGH: That's not the background check.

WAYNE BENA: Well, the list-- they would have those-- the list of the circulators, and I think then at that point they would check to see if there is the criminal background check and there needs to be a clarifying in that. I think some-- I think in this the Attorney General or the Secretary of State based upon a complaint would probably want to know that so I think it's implied but it probably needs to be implicit.

J. CAVANAUGH: OK. And, again, that list isn't all people who take 25. So in Senator Hunt's scenario, right, if she's voluntarily doing 25 sheets, she doesn't need a background check.

WAYNE BENA: I believe according to this, correct, yes.

J. CAVANAUGH: And so-- OK. Thank you. I think I gotcha.

SANDERS: Any other questions for Mr. Bena? See none, thank you for your testimony.

WAYNE BENA: Thank you.

SANDERS: Are there any other proponents on LB1068? Any opponents on LB1068? Welcome.

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SPIKE EICKHOLT: Thank you. Good afternoon, Chair Sanders and members of the committee. My name is Spike Eickholt, S-p-i-k-e E-i-c-k-h-o-l-t. I'm appearing on behalf of the ACLU of Nebraska in opposition to LB1068. I have not seen the amendment that replaces the bill, so you've got a copy of my testimony. It may not be accurate because I don't generally speak to the bill. But judging from the questions, I think that my testimony, hopefully, will be responsive to the amended version. First, we're talking about a right that the people have, and that's in Article III Section 2 of our constitution. It's the right of the people to pursue the initiative process, to write laws, and to, and to amend the constitution. It doesn't say people who have not been convicted of a felony or certain crimes, and it doesn't say people who are citizens, it's the people of Nebraska. One point that I made in my letter of testimony that I'm just going to address right now is that the bill, as written, does not simply apply to people convicted of crimes. And it sounds like the amendment talks about felony, but it still has that same phraseology of pled guilty, found guilty, pled no contest to, then that is not simply the same as someone who's convicted of a crime. For instance, if you participate in a problem-solving court in this state, you plead guilty. The case is later dismissed, but you have pled guilty. You're not even convicted of a crime, but you pled guilty. And some of the diversion programs around the state also have that requirement. The bill also, and I don't know what the language is on the amendment, but the bill also talks about found guilty of a felony or a criminal offense involving fraud, forgery, or identification theft. A criminal offense can be anything. It can be a minor misdemeanor, it can be a traffic infraction. And those who tried cases know under 27-608 and 27-609 that you can impeach witnesses for certain criminal convictions of involving fraud or dishonesty. And they can be from fictitious plates, insufficient fund checks, things that are definitely minor, but they do contain a element of fraud. Now it sounds like maybe that's just limited to felonies in the amendment, I'm not sure. Senator Hunt is right. You can be a noncitizen and participate in the legislative process. We would argue you may not be able to vote, but you can participate as a noncitizen resident in the state. Senator Lonowski is right, once you complete your sentence and you do your time, whether it's a fine, it's probation, parole, or prison, or jail, you can vote. And if you can vote, you ought to be able to participate as a person in the initiative process. One thing about the criminal background check, it sounds like the bill and the amendment are the same. There's a duty on the sponsors to sort of perform a criminal background check, but they don't say what that is. And then, as Senator Cavanaugh was

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alluding to, it doesn't say what they're supposed to do with it, other than possibly sort of get caught after the fact. Government agencies, police agencies, can use the NCIC, which is a much more comprehensive, accurate criminal background. You can go on Google and get those pop-up ads all the time. You can pay a certain dollar amount to do a background check. And I'll just tell you, they're not very thorough, they're not very exhaustive, and I think that's going to be a problem because I don't know how a petition sponsor is going to be able to do a thorough one that's going to satisfy the authorities. I'll answer any questions if anyone has any.

SANDERS: Thank you very much, Mr. Eickholt. Are there any questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: I was going to let Senator Meyer go first.

SANDERS: Senator Meyer.

F. MEYER: Yeah, I'm just reading your, you have the written testimony here in the fourth paragraph down: so the bill's duties and prohibitions act as an arbitrary limitation on the power of the second house.

SPIKE EICKHOLT: Right.

F. MEYER: After hearing an hour and a half of testimony on the previous bill, I have to think that those-- power of the second house is already being twisted out of relevance. Now, I know this is a different issue, but it just caught my eye that we're talking about this coming back into play when we've already talked about \$10.8 million coming into the last cycle of elections, and possibly even more coming into the next one. So, as a Nebraskan, I kind of got to go where are we going with this power of the second house language? I know maybe that gets overworked a little bit, but I got to be honest, I mean, Nebraskans that are listening to that conversation on this got to be thinking, nah, what's, what's going on here? Do we, as an actual Nebraskan, really have much say in these petition initiatives when that kind of money is pouring into that for the second house? Now, whether a felon should be allowed to carry one of these-- I guess, I should restrict my comments to this bill, but I couldn't help but carry over the conversation. It's kind of about both.

SPIKE EICKHOLT: If I could respond? First, thanks for reading my letter. I appreciate that, because I don't know if anyone does.

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Second, I think that this does put an arbitrary limitation on the people. I understand that the last bill was about foreign influence, money coming in from out of the country. There are nine petitions in circulation now, and five of them are genuine Nebraskans and they're not progressive causes. One is winner-take-all. I can't remember the other four, but--

F. MEYER: I can't either. [INAUDIBLE]

SPIKE EICKHOLT: --they're the same, they're the same, they're the same cosponsors for all of them, and they're people that are well-known, and I know is Doug Fitzgerald, it's Eric Underwood, and I can remember the third guy's name, oh, Kirk, he's on the Regents. Oh, he's on the Board of Education. Thank you, Kirk Penner. I wouldn't-- they're not-- those aren't China spies, those are just people, and they-- but they represent the people, and it is a genuine thing. And I think this would impose upon them a duty to do background checks for everyone who we at least paid to circulate the petition and ferret out those people that might have some sort of thing on the record. So I don't know if that's responsive, but I would just, I would just-- I guess, I did respond to you.

F. MEYER: OK. Thank you.

SANDERS: Are there any other questions from the committee? Senator Cavanagh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Eickholt. I, I mean, I hadn't thought of the point that you raised about that it's a right of the people, not just people without a criminal record. Do you think that extends to folks from out of state or to do it for pay?

SPIKE EICKHOLT: You mean-- the distinction about a criminal record, you mean?

J. CAVANAUGH: Well, the, the fact that somebody has a right and you can't limit them to do it.

SPIKE EICKHOLT: Oh. No, I think the rights can be limited. I think that they are to a certain extent, but I just-- and I don't know if our court has ever recognized an individual person's right in Article III, Section 2. I mean, we have the Bill of Rights in Article 1 that talks about your right to have a gun and so on in our state constitution, but I don't know that a court in Nebraska or anywhere

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has actually recognized whether it's a personal right. But I think the language should not be ignored. And the first sentence of-- the first three words are: the first power reserved by the people is the initiative whereby laws may be enacted and constitutional limits adopted by the people independently of the Legislature. So that's something. And if the Legislature is going to limit that, and that's what this bill does, I think this committee should look very closely at it and not do so in an arbitrary way and, arguably, perhaps not at all.

J. CAVANAUGH: I appreciate that point. So-- well, I wanted to go back to my conversation I was having about the background check and hit on it a little bit with the, say, less than reliable nature of some background checks maybe. And so, I guess, my question would be, again, as it's written, which I think the amendment is pretty close on that language or the same as it was in the white copy. So there's a requirement that you do a background check, but there doesn't seem to be any connection to any other section of the statute other than it has to be done in compliance with 32-629. But it doesn't say it has to be turned over, it doesn't say it has to be maintained or anything like that. And Mr. Bena implied that then the Attorney General and the Secretary of State could request the list of folks who have more than 25. So, I guess, the question is if you have a paid circulator who does less than 25?

SPIKE EICKHOLT: Right, yeah.

J. CAVANAUGH: Or you, or you did do a background check and it didn't show up that they had these other offenses. Who-- I guess, who bears the responsibility for that failure and if I, if I, as a citizen, signed one of those petitions, is my signature then thrown out as a result of this sort of failure of the background check to turn up the circulator and all these other things? I guess, what is my right as the, the signer of the petition?

SPIKE EICKHOLT: Well, you asked several questions there.

J. CAVANAUGH: Right. I know you hate that.

SPIKE EICKHOLT: It just makes it tough for the record to know which one I'm answering.

J. CAVANAUGH: OK. I'll ask you the first one. I'll go backwards. If a petition is thrown out that I signed--

SPIKE EICKHOLT: Right.

J. CAVANAUGH: --as a, as a citizen signing the petition, not the circulator, but through no fault of my own,--

SPIKE EICKHOLT: Right.

J. CAVANAUGH: --do I have a right or recourse to get my signature reinstated?

SPIKE EICKHOLT: I'm not sure. And even the premise of your question, I'm not sure how a petition will be thrown out because I don't know that the bill really speaks to the process of how that is done. I know that Mr. Bena talked about maybe the Attorney General could request proof of a background check or something, but I don't know-- the bill isn't required to be saved or stored or made available even.

J. CAVANAUGH: Well, any sheet of a petition circulated by a person who does not qualify as a valid circulator pursuant to the subdivision shall be invalid. So--

SPIKE EICKHOLT: So the sheet of the petition itself.

J. CAVANAUGH: So if I, if I signed that sheet--

SPIKE EICKHOLT: OK, so--

J. CAVANAUGH: --as a citizen.

SPIKE EICKHOLT: I see, and then you want to know if you just still have your--

J. CAVANAUGH: If my signature got counted.

SPIKE EICKHOLT: --signature counted. I, I don't-- I think it would be according to the bill, and I don't know how you would-- maybe you would have standing as a signator-- a person who signed it to somehow challenge that throwing out of your signature. And I don't know, to be honest, how that would be [INAUDIBLE], and maybe you could file your own claim somehow, your own declaratory judgment type motion or something like that. I'm not sure.

J. CAVANAUGH: OK. And I don't know if you know the answer to this, I know there has been a push of late to allow people to take their names off of petitions.

SPIKE EICKHOLT: Right.

J. CAVANAUGH: And would-- is there a statutory mechanism by which people are informed?

SPIKE EICKHOLT: Yes, you-- actually, a couple of years ago, this body-- this committee and the Legislature passed a process where you could request-- may have to be notarized, I'm not sure if it needs to be. That was the issue, I think, the notary is something we already-- that you could request to have your name removed. And I can't quite recall immediately sitting here what the mechanism was, but I think you can contact the Secretary of State's Office and have your name removed.

J. CAVANAUGH: Yeah, I think it was Senator Linehan's bill, if I remember right.

SPIKE EICKHOLT: And there, there was actually a process before, but, yeah, I think you needed to submit an affidavit and Senator Linehan brought a bill that was actually pretty insightful, and that is you ought to be able to remove your name as easily as you put your name on it.

J. CAVANAUGH: Right.

SPIKE EICKHOLT: And there were a number of people who signed and didn't, at the time, appreciate that consequence, or at least they, they understood what they were signing, but they didn't realize what the petition actually did and they heard a contrary argument and they wanted to take their name off of it.

J. CAVANAUGH: OK. Thank you.

SANDERS: Senator Andersen.

ANDERSEN: Thank you, Chairwoman. Thank you, Mr. Eickholt, for being here. Do you happen to know what the unemployment rate is in Nebraska?

SPIKE EICKHOLT: Maybe three point something percent.

ANDERSEN: Very good, 3.0%. U.S., it's actually 4.4%. And when I look at this, it's like the election integrity is one of the most critical things that we need to protect. And I think one of the concerns always is perceptions. As you have people that with this bill considered to be unqualified, it may give the wrong perception that the wrong

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person's gathering or maybe not fully above board and gathering all the signatures. Yes, I just think that we need to raise the bar and I think we need to demand better. I think this bill does. I guess, I don't really have a specific question except for the employment rate, but, yeah, I, I appreciate the bill and I think we need to demand better for everybody that's gathering the ballot signatures.

SANDERS: Senator Guereca.

GUERECA: Thank you. Sort of a clarifier on my end, so let's say someone committed a felony 50 years ago, have since reformed themselves, you know, born again Christian, gives to the community, they will be prohibited from gathering signatures under this bill?

SPIKE EICKHOLT: To be a paid circulator, at least the way I understand the amendment. I think it says conviction. Yeah, and there's-- unless you're-- unless the Board of Pardons pardons you, and that's the Secretary of State, the Attorney General, and the Governor, if they pardon you, then your rights, all of your rights are restored that you lost due to the conviction.

GUERECA: So how many have we had, how many felons are there-- how many felons-- out of all the entire felon population in the state of Nebraska, how many have received a pardon from the Board of Pardons?

SPIKE EICKHOLT: Well, the rate used to be a little bit better until of late. I'll tell you, I've, I've been in front of the Pardons Board infrequently. I actually got one over the summer, but that was the first successful one I've had in quite a while. It's not easy, to their credit, the Board is, is pretty thorough, and they look critically at people who ask them. It's not like you just get it automatically. There used to be an informal kind of standard that if you had so many years of law-abiding conduct and so on, but I'll just tell you the current Pardons Board is not as predictable.

GUERECA: Thank you.

SPIKE EICKHOLT: It's not easy to get.

SANDERS: Senator Hunt.

HUNT: Thank you, Chairwoman Sanders. Thank you, Mr. Eickholt, for being here. I've now heard two people on this committee talk about how perception is so critical. You know, I couldn't tell you verbatim what you all said, but something about perception being so critical and

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just as important and, like, obviously, very-- I'm thinking about bills like this in context of what's happening in the rest of the country right now. And we've seen-- you know, obviously, in this committee, we see bills every year changing access to the ballot somehow, changing access to ballot petitions somehow, sometimes loosening access, sometimes tightening it. We're always trying to, like, balance what to do to make sure that our elections have integrity. And people have various opinions about that. But what's also happening in our country right now is a unprecedented crackdown on illegal immigration, on, on immigrants. And when we talk about perception with a bill like this, and when the bill says in it, you know, that you have to be a U.S. citizen to hold a clipboard and have someone sign their name on it, what if that person is Latino? What if that person is Filipino? What if that person is-- you know, doesn't look like a white midwestern person? And that's something that, that makes me worry about when we're putting perception above every other qualifier that would give somebody the right to engage with their electoral system, that people make a lot of stereotypes based on perception that aren't based on the law, that can have a chilling effect on people's willingness to engage. Would you-- as a, as a civil rights attorney, would you have any feedback on that opinion, actually?

SPIKE EICKHOLT: I think you make a valid point. You know, I mean, I made this point when I-- Senator Andersen has got a similar bill, and I made a point when we testified against that. But the argument for this bill is sort of in response to what happened last election cycle, and there's that lawsuit that is pending now in front of the Supreme Court that the Attorney General's involved in, along with the Secretary of State in some capacity dealing with the medical marijuana initiative process, or initiatives. This bill doesn't speak to the issues that were involved there. It speaks to something else. I mean, in other words, that lawsuit doesn't involve anyone who is either notarizing signatures or collecting signatures who is not a citizen. It doesn't really involve anyone who is--

HUNT: Accused of fraud or convicted of fraud or something.

SPIKE EICKHOLT: Exactly, at least prior to them collecting the signatures themselves. It deals with the, the notary process of the petitions themselves and so on. And, I guess, there was one incident of a circulator who acknowledged that he just wrote down names, but I don't know what his record was. So I think you're right, it's just a reaction in some respects to that. I understand Senator Andersen's

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point that there should be integrity in the process. Yeah, I know a lot of people with clean records who aren't trustworthy. Right? I think we all do. So I think a criminal conviction, even for a felony, to put it-- to be frank about it, is not really a determinant of whether a person is honest. A felony is whatever this Legislature wants to make it. It doesn't have to be a violent thing, doesn't even have to be a fraudulent thing, it's just a felony. So, I guess, that would be my response to your, your point.

HUNT: Thanks. Yeah, I mean, everything is so politically charged right now. And by politically charged, I'm not using an euphemism, I mean violent. Everything is physically violent right now and I, I don't think it's improbable or implausible, Senator Andersen, chuckling over there, that somebody could come over and see a Latino person collecting signatures in front of my shop and call the police and say there's a legal immigrant breaking the law collecting signatures, because stuff like that happens. Stuff like that is happening in Omaha and in Nebraska. So we're talking about perception, I think that has to go both ways. And we have to think about how this can be used and weaponized against people today in today's cultural context. Thank you, Madam Chair.

SANDERS: Thank you. Are there any other questions from the committee? See none, thank you, Mr. Eickholt, for your testimony. Are there any other opponents for LB1068? Good afternoon.

RACHEL GIBSON: Good afternoon. My name is Rachel Gibson, R-a-c-h-e-l G-i-b-s-o-n, and I am the Vice President of Action with the League of Women Voters. I'm handing out a letter that was written by one of our wonderful volunteers. It's her first one that she wrote, so please read it. I'm not going to belabor some of the points that have already been hit, but I just wanted to highlight a couple things. We're in opposition to, to this bill because it makes it harder for people to feel comfortable and confident and know what the rules are to engage. Just as some context, the League of Women Voters in Nebraska has been around for over 100 years. We started with fighting for women's rights to vote and just kind of kept going with making sure people had access to their government. Currently, we have about 550 members across the state and we are completely volunteer. This is something our members were really quick to say we want to give some thoughts on because a lot of our volunteers actually have collected signatures and have that experience. So one of the things I want to highlight is that the ballot initiative process is so complex. It's not a monolith. There are paid circulators, but there are also lots of volunteer circulators

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who just really care about an issue and they're the people who live on your street. They're, they're League members. Some of our concerns around, for example, the background checks is the-- some clarity around that would be useful for the paid folks and also our concern that there's already a backlog of that specifically for, like, childcare providers. So, like, how is that going to play with those other, those other needs that we really need those, those checks for? One of the other things that popped up was the 25 sheets per county. If someone goes to the State Fair, and you have to have one sheet per county, you could probably get to 25 pretty quick. So just kind of thinking about what does this actually practically look like on the ground for some of our, some of our folks. This is interesting also in the context of the previous bill that we just heard about, because this is putting some onus on the sponsor, which makes complete sense. But at the same time, there is a cost associated with that. So I think it, it-- and we did not take a stance on the previous bill, but I just think in the bigger picture of that context, it's helpful to think of how those things play together. These things are going to make it more expensive. And then at the same time, we're trying to determine what money can be put towards it and who can be involved and that type of thing. So, ultimately, our goal as League of Women Voters is for Nebraskans to be accurately informed, to know how to legally and safely interact and improve their communities, and have their ability for their voices to be heard on things that directly, directly impact them. So happy to answer any questions, especially because we've had a lot of different folks who are really thinking policy and I've had experience with folks who are on the ground and I'd be happy to ask or answer any questions about that. Thank you.

SANDERS: Thank you for being here, Ms. Gibson. Check to see if there are any questions from the committee? They're all reading the letter, I think.

RACHEL GIBSON: Oh, Julia will be so happy, she was so excited, that was her first one.

SANDERS: There's a couple [INAUDIBLE] here. Senator Guereca.

GUERECA: Thank you, Madam Chair. Thank you, Ms. Gibson, for being here. Yeah, let her know we all read her letter.

RACHEL GIBSON: Will do.

GUERECA: This letter was a great letter.

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RACHEL GIBSON: She's a retired nurse, so she's-- now that she's retired, she's, like, I want to make sure I can get involved and, and make my community better, so she'll be happy.

GUERECA: Tell her we appreciate her prior service in the community and her continued service in this, in this role.

SANDERS: Any other questions, comments? See none, thank you for your testimony and thanks--

RACHEL GIBSON: Thank you.

SANDERS: --for waiting. Are there any other opponents for LB1068? Welcome back.

GAVIN GEIS: Hello again, Chair Sanders, members of the Government, Military and Veterans Affairs Committee. My name is Gavin Geis, that is spelled G-a-v-i-n, and I am the Executive Director for Common Cause Nebraska. I will hopefully be quick, because I, I am tired too. We are in opposition today for really one key provision of this bill, and that is the limitation on who can collect signatures, specifically looking at those convicted of felonies related to fraud and, yeah, other, other felonies in that realm. We are in opposition to that provision, because after review of Supreme Court law we think it is suspect. We think that including that provision would open this particular law up to a lawsuit, and I don't think it's a clear win for Nebraska. The Supreme Court has said very clearly, the U.S. Supreme Court has said that the First Amendment collects signatures or petition circulation, which includes gathering signatures. During testimony on LB1090, which I know is up before this committee, but the question came up from members of the committee whether signature collection is actually a protected right under the constitution, or is it just the right to, to sign your name to a petition? No. It is every aspect of the petition process. It is protected by the First Amendment. So this is, we are clearly talking about First Amendment protected speech. The Supreme Court has said in Meyer v. Grant that the circulation of petition involves the type of interactive communication concerning political change that is appropriately, appropriately described as core political speech. So there can be no doubt, right? What we're talking about is core political speech, not periphery. This is the First Amendment protection right here. And so when we're talking about core political speech, any law that seeks to limit the core political speech of any American, right, any law that seeks to this is going to be subject to the highest, strictest

scrutiny that the court can apply. They will say-- they will ask, is this substantially related to a compelling government interest and narrowly tailored to achieve that end? So, in this case, preventing fraud could be said is, is a compelling government interest. The courts have said preventing fraud could be. And that is, that is certainly the case. If we're aimed at preventing fraud, maybe we will check that box. Now, I don't know if protecting the perception of elections would rise to meet that standard. The court has not added that. The perception element is not something that I think would fit a compelling government interest in this sense. But where I think we fall apart is narrowly tailored to achieve that end. While this particular bill does not include every felony, it would still have a wide-ranging impact on Nebraskans and non Nebraskans, right? It would impact the rights of people from out of the state who may be paid to circulate. So they would have a very wide-ranging impact on the rights of Nebraskans and all Americans, which I think the court would strike down as not narrowly tailored to achieve the end it's set out to do. We simply do not, as we've heard, we do not have a lot of evidence that fraud is widespread. Yes, there are-- there have been cases, there has been some evidence of some fraud, but not to the degree that would necessitate taking away the rights of a very wide swath of Americans to meet that end. So simply here to say I think that is constitutionally suspect and I think it would be challenged in court and I don't think we want to move that forward given that-- given those facts.

SANDERS: Thank you, Mr. Geis. Questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Mr. Geis. I think, essentially, you said not every felony. My read of it was that it was every felony, and then or criminal offenses involving fraud, forgery, or identification.

GAVIN GEIS: And, and, I believe, that was asked before, and it was, it was stated that it was only those-- the intent was only those, but if it's broader even than what I was reading as to LB1090, that's more problematic.

J. CAVANAUGH: It's ambiguous. My question, though, was-- I asked Mr. Eickholt a little bit about this, but now that I'm again reading it over, I could see that the-- this-- so somebody only has to have-- do a background check under this bill if you are a paid circulator, but volunteer circulators are also subject to this criminal prohibition,

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which means somebody could, maybe not wrongfully-- not want to disclose that they have been convicted of one of these offenses, circulate petitions voluntarily, and then those would then be invalidated. Is that--

GAVIN GEIS: I, I think you're absolutely right. And I do think the impact of this law is probably greater in the end on those grassroots low, low money campaigns than it is on the bigger campaigns who can simply pay and hire around it. It's going to hurt the grassroots small campaigns more for that very reason. They've got to figure out who they can and can't use and nondisclosures would be extremely detrimental.

J. CAVANAUGH: And to go back to my question, another question I asked Mr. Eickholt was about what's my right as the signatory or the signer of the petition if, if, if that gets thrown-- if that sheet I signed gets thrown out?

GAVIN GEIS: I don't know if the courts have spoken specifically to that, but there's clearly, right, same First Amendment concerns there that we would have to look at and say are-- is there an injury to the people whose names are thrown out? Is there-- is it a proper injury or not? I, I think there's a, a line of questioning there that's worth digging into. I don't have a clear answer on what the courts have said.

J. CAVANAUGH: OK. Thank you.

GAVIN GEIS: You're welcome.

SANDERS: Any other questions from the committee? See none, thank you very much--

GAVIN GEIS: Thank you.

SANDERS: --for your testimony. Are there any other proponents on LB1068-- opponents, opponents? We're still on opponents on LB1068.

SHERI ST. CLAIR: Going backwards.

SANDERS: We're almost into the evening.

SHERI ST. CLAIR: Sorry about that.

SANDERS: It's been long. Welcome.

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SHERI ST. CLAIR: Thank you. Good afternoon. I'm Sheri St. Clair, S-h-e-r-i S-t C-l-a-i-r, here on my own behalf as a, a Nebraskan who has signed a lot of-- I've signed a lot of petitions, quite frankly. I had two thoughts when I looked at this. One is that it's almost an overreaction to the bad actors that we had with the marijuana petition. You know, quite frankly, the system caught that issue and so this is putting up a lot of, a lot of guardrails that I, as a taxpayer, etcetera, wonder if they're really necessary. The second one is that the prohibition of, of felons and who can hold the clipboard bothered me. We went through an effort to restore voting rights to felons, and I just don't see why holding a clipboard would prohibit them, should prohibit them because of prior convictions. You know, people do reform. At the end of the day, the petition goes through, it's the voters that decide if it's worthwhile or not, regardless of who gathered signatures in the process.

SANDERS: Thank you very much for your testimony. See if there are any questions for you, Ms. St. Clair?

SHERI ST. CLAIR: Truly, back of the envelope thoughts. Thank you.

SANDERS: Thank you very much. Any other opponents for LB1068? You've waited a long time.

MIKE GAGE: Yeah.

SANDERS: Thank you for your patience. The floor is yours.

MIKE GAGE: My name is Mike Gage, M-i-k-e G-a-g-e. I've been asked to come here by the affiliates of the Nebraska State AFL-CIO. I'm the President of the Nebraska State AFL-CIO, and I'm also testifying today on behalf of the Nebraska State Farmers Union in opposition to LB1068. In recent years, Nebraskans have demonstrated the power of citizen-led initiatives to address economic challenges and pass measures that the Legislature has delayed. However, we are now seeing a national backlash. States such as Florida, South Dakota, Utah, and Missouri are tightening rules on ballot initiatives by raising signature hurdles, limiting who can collect signatures, shortening collection windows, and imposing new geographic or vote threshold requirements. This trend is widespread. In 2025 alone, state houses enacted a record amount of legislation affecting direct democracy. Lawmakers are actively making it more difficult for citizens to qualify and pass ballot measures. LB1068 adds another layer of obstacles when other states are responding to successful citizen initiatives by curtailing rather than

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expanding the people's voice. Working people and family farmers should not have fewer tools of democracy simply because popular initiatives succeed. For our communities, our families, and the health of Nebraska's democracy, we urge you to oppose LB1068. Thank you for your time.

SANDERS: Thank you, Mr. Gage, for your time and your testimony. See if there are any questions for you from the committee?

F. MEYER: I have a question.

SANDERS: Mr. Meyer--or Senator Meyer, sorry.

F. MEYER: So with this testimony, are you, are you in favor of limiting foreign government money flowing into Nebraska for initiatives?

MIKE GAGE: Yes, that, that, that bill we have no problem with. It's this bill here, we-- our affiliates think that, you know, you could have some people that it would scare away from being a petition circulator. We've had a lot of folks that do circulate these petitions. And like was mentioned earlier, it's really easy to carry 30 petitions, because if you go to a concert or if you go to the State Fair or Nebraskaland Days, you're going to run into folks from all over. And also, as Senator Cavanaugh brought up, if you do sign a petition in good faith, and you think I've already signed that petition, and then it's thrown out, your, your vote, your, your petition signature is not counted then towards this issue that, that you thought that you had signed on.

F. MEYER: OK. Thank you.

MIKE GAGE: Mm-hmm.

SANDERS: Thank you. Any other questions? Senator Andersen.

ANDERSEN: Thank you, Chairwoman. And thank you for being here. The provisions that are in here, they kind of, they kind of raise the bar, right? They kind of increase what you have to do to allow somebody to handle ballot initiative materials. And, and I, I, I guess, I'd like you to explain to me why the AFL-CIO thinks that, that shouldn't be the case and why they, they, they shouldn't care who's, who's handling all these-- the materials that go into a ballot initiative. Why wouldn't they care about that?

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MIKE GAGE: The AFL-CIO's standpoint on this is this is a solution looking for a problem. We don't really have-- I, I can tell you that every petition that I've ever circulated or person I've given a, a, a petition to has been volunteer. As far as, you know, the felony issue, there may be somebody that is a dutiful petition circulator that might have a felony and they don't want anybody to know about it that could be not even related to a fraudulent issue. It could have been they sold-- stole 50 stop signs when they were 19 years old and got caught with it, that it would scare away people from participating in this process or with a-- you could have somebody that isn't a citizen yet and this is the only way they can participate in our government legally that is working on citizenship, they would no longer be allowed to do that. So it, it, it limits this great American experiment that we have that's been going on for almost 250 years.

SANDERS: All right. Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thank you for being here, Mr. Gage. Good to see you. So my first question is, so you know, specifically, 50 stop signs because 49 is a misdemeanor?

MIKE GAGE: Yeah. Yeah, it wasn't me, but I, I, I, I have represented people that, that have, that have got their record expunged for things they did when they were young and not so, not so bright.

J. CAVANAUGH: Yeah, it's knuckleheads. We have a lot of knuckleheads in the world.

MIKE GAGE: Yeah.

J. CAVANAUGH: So you've touched on something with your question with Senator Meyer that I thought was interesting, that folks sign that petition and sort of in reliance and don't sign it again. And, in fact, 32-630 says: the obligation of the signer is to not knowingly sign his or her name more than once to a petition effort on the same measure. So we are, potentially, in this situation, creating a scenario in which to be confident that my name is going to be counted, I should violate the law and sign the petition multiple times.

MIKE GAGE: You could, you could see where some people think that. They might think that, OK, they're going to see it more than once, and just more than once. But, you know, a lot of people are like, well, I already signed that. I've, I've, you know, circulated enough petitions. Have you signed this petition? I don't know what is it. You

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explain it to them what it is. And they're like, yes, I have. And they think from that point on, I'm done. I've done my-- I've put my name on that. I've done my part. But if that petition is thrown out, where are their rights to make sure that their voice is being heard on that issue?

J. CAVANAUGH: Through no fault of their own.

MIKE GAGE: Through no fault of their own, exactly.

J. CAVANAUGH: Thanks for being here. I'm going to look up the stop sign question.

MIKE GAGE: OK.

SANDERS: Are there any other questions from the committee? See none, thank you very much--

MIKE GAGE: Thank you.

SANDERS: --for your patience and testimony. Are there any other opponents on LB1068? Any in the neutral on LB1068? Welcome back.

BILL HAWKINS: Thank you, Madam Chairman, members of the committee. My name is Bill Hawkins, B-i-l-l H-a-w-k-i-n-s. I want to thank Senator Storm for bringing this bill just because the integrity of the election system is extremely important. To me, I've been a watchful citizen in here for a long time. I take this whole process very seriously and especially the process of me being the second house here in the great state of Nebraska. I take that very seriously. I have a lot of other things to do being a poor farmer, but I chose to listen to all this today. It's very-- been very enlightening and troubling at the same time. As a petition circulator, sponsor for many times, I did not have anything to do with the previous petition that ran into problems, but it's putting an unfair burden on the sponsor to come up with background checks. The cost of a background check, I'm not sure what it is, but in a tough time already to get sponsors for a petition funding, that is an extremely burdensome cost and it puts an extreme burden on the sponsor of the petition. I would like to address the fact that it is the people's house, the second house, and it is not people-- it includes Native Americans, Latin Americans, and all people in the state of Nebraska. And so a felon who has served their time is a person in the state of Nebraska once that felon is-- once that felony is cleared. So limiting that limits the people of Nebraska, and so I believe maybe this bill needs some work. You're putting a big

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burden on the sponsor of a petition, and it's the people's right by the constitution to petition the Legislature to change laws. And so any attempt to limit that, I feel, is going against the will of the people. And the people do have the final vote in selecting senators for the Legislature. So in going against the people's will, I would be careful.

SANDERS: Thank you, Mr. Hawkins.

BILL HAWKINS: And I appreciate the committee's time because it's been a long day and it's going to be a long session. So thank you very much.

SANDERS: Thank you, Mr. Hawkins. I just want to clarify your testimony, is that in the neutral? [INAUDIBLE]

BILL HAWKINS: Neutral position because I do believe that we do need to make sure that we have integrity in the petition circulating process.

SANDERS: Perfect.

BILL HAWKINS: But I do have some questions in putting the burden on the sponsor and clarity in a background check. Is it-- as was brought up before, the citizen sponsor doesn't have the background check capabilities as a state government. And so, you know, a background check and then we run into problems because it wasn't complete then I'm liable, so.

SANDERS: Appreciate it.

BILL HAWKINS: Yeah.

SANDERS: Thank you very much--

BILL HAWKINS: You bet.

SANDERS: --for your neutral testimony.

BILL HAWKINS: Thank you.

SANDERS: Thank you.

BILL HAWKINS: Any questions or--

SANDERS: Are there any questions from the committee?

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BILL HAWKINS: Not at all.

SANDERS: See none, thank you, Mr. Hawkins.

BILL HAWKINS: Thank you and I appreciate your time.

SANDERS: Any other in the neutral? Welcome back.

ROSE KOHL: Thank you. Again, I am Rose Kohl, R-o-s-e K-o-h-l, from LD 9, and testifying neutral. And I am the ballot sponsor-- I'm the sponsor of two different ballot initiatives that are current for the session. And I believe the bill has some potential and needs work, so that's why I'm neutral. Something I would bring up to you with this talk about 25 pages, it has been mentioned before, here's notarized pages that have been turned in. In Douglas County, if you stay in Douglas County, 25 pages would be 500 signatures. If you go to the State Fair, it's 30. Quite often, when you go to conventions and places that are in different parts of the state, you get one or two signatures per page because people are distributed. So a 25-page thing disproportionately hurts people in the small towns, I think, signature count versus pages. And I would also say that asking sponsors to do the background check is a heavy burden and it disproportionately affects the grassroots campaigns. If you're big money and you're bringing your circulators from out of state, there's professional people that go state to state chasing these ballot initiatives. They go, you know, year-round going to where the things are. So one background check for someone that's working 60 hours a week for years is a drop in the bucket. But smaller campaigns might hire someone to work the weekends when they have a day job and they only work three weekends. So it disproportionately hurts the grassroots. I don't have any paid circulators, so it's maybe not my concern, but I would say by putting the onus on the sponsor, it hurts the small campaigns and incentivizes them to use out-of-state circulators as opposed to local volunteers. The most troubling part I found was the name tag thing, and I wasn't sure if it was still in there or amended out, but asking everyone, including volunteer circulators, to wear a name badge at all times is a limit on free speech. A lot of the signatures I've got, I go out to lunch with a friend, and as we're going out to the lunch it comes up, what are you doing in your life? Oh, I'm doing ballot initiatives. I get my friend to sign. This would say I can't get a signature from a friend unless I put the name tag on before I stepped into the restaurant. For volunteers, I don't think that should be allowed, especially because it's just a part of our life. I know people that go to their family reunion and ask their family to sign.

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They shouldn't be asked to wear a name tag. But also the name tag disproportionately hurts local people, especially for contentious and violent issues because of doxing. When someone's an out-of-state circulator going place to place, they might not have a permanent address. And even if they do, Nebraska people dox them and they live in California, probably no one's going to hunt them down and find their family. But for me as a Nebraskan, if people want to hurt me, they can. I've already had some weird threatening statements said to me when I'm on the street, people have come up to me knowing who I am, but, I guess, as a sponsor, I run that risk of doxing, but I don't want to ask my grandmothers, my volunteers, who are not getting paid to put their families at risk. So I believe, you know, if someone's paid, sure they should have a name tag so we know who they work for. Volunteers should not be put at risk that way. So thank you for listening to me. I'm happy to answer any questions.

SANDERS: Thank you, Ms. Kohl. We'll see if there are any questions from the committee? See none, thank you for taking the time. Appreciate your testimony.

ROSE KOHL: Thank you.

SANDERS: Are there any other testimony in the neutral on LB1068? Welcome back.

DAVID ZEBOLSKY: Thank you. It's David Zebolsky, Z-e-b-o-l-s-k-y. I serve as Director for Nebraskans Embracing Life and I'm here as a circulator for chooselifenow.net. After hearing the amendment and understanding how the bill is going to be worded, we would definitely lean far stronger in support and I commend Senator Storm for bringing the bill and making those amendments. I have far less criticism of the bill and I'm far more comfortable in supporting it. I'd just like to make a couple points to Senator Meyer's concerns. I hope that we can be focused on, on, again, the Nebraska voter who shouldn't be influenced or shouldn't have their direction or their concerns or their objectives be influenced adversely by a monetary influence. I want to say that if-- in, in my experience circulating as a volunteer circulator, you, you-- amidst other petitions that are circulating, you, you can tell the difference between a paid circulator and a volunteer circulator, generally speaking, because the paid circulator has far less concern for the integrity of the bill. They're, they're more concerned with getting paid. They're more, they're more concerned with saying whatever they need to say to get, get the signature that they're going to receive a monetary compensation for. They tend to

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exaggerate or misstate or even say anything so that they can get that signature. We've seen them say remarkable things. And they tend not to read the object statement, which is required by the Secretary of State. The concerns about invalidations of a petition for a faulty signature, I don't believe I've ever seen that example, but any of those concerns about signatures and invalidated petitions could be easily clarified by the Secretary of State. So I hope that we could minimize regulation. And it seems like this initiative, that this bill has the concerns of the Nebraska taxpayers. And then I hope that there can be strong penalties for those who disregard these, these concerns, the strongest penalties I would say for fraud and so on. I thought the language for felony, at least in the, in the original bill says felonies involving fraud, forgery, or identification theft. If that definition stands, that's, that's clear that felons who have been disruptive in fraud or forgery would be ineligible and that's only common sense. And then, finally, I just-- I wanted to say-- let's see. Oh, I, I-- we're, we're blessed to circulate our initiative throughout Nebraska, throughout every community. We've never had any concerns. We've been welcomed in every ethnic circle. We've been privileged to circulate this with our, our concerns being represented by virtually every nationality. And there's-- never, never seen a bias for-- due to race or other of these concerns of Senator Hunt. So that's all my, my comments.

SANDERS: Thank you very much for your testimony. Are there any questions for Mr. Zebolsky? See none, thank you for staying.

DAVID ZEBOLSKY: Thank you.

SANDERS: Thank you for your testimony. Are there any other neutral testimonies on LB1068? See none, we'll ask Senator Storm to close. And while he's coming up, our online comments for the hearing on LB1068, 1 proponent, 29 opponents, and zero neutral. Welcome back.

STORM: All right. I took a lot of notes here. So where do I start? First of all, I'd say is, right now in Nebraska, you only have to be 18 years old and you can collect signatures. That's it. It's pretty low bar, I would say, to have people that are really having an impact on our state with laws through ballot initiatives. I would say this legislation is not attacking the second house like it was alluded by some, it's protecting the second house. And that's from, from bad actors potentially that could be doing something to, to hurt the second house. So this very much legislation-- commonsense legislation is protecting, protecting the second house. Elections are sacred. We

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have to protect them. And there has to be some type of criteria to protect those elections. And to sit there-- and it's to me-- it's clear to me in this bill that it's, it's dealing with, I think there's some people that might be mistaken on this, but it's involving felonies or criminal offenses involving fraud, forgery, and identity theft. So that's pretty clear to me that that's what we're looking at. And it's-- that's common sense, in my opinion, if someone's been found guilty of doing something like that. And I think earlier we talked about if you're a convicted felon, you can't ever own a gun. And that doesn't go away. So, so elections are very much sacred. We need to protect them. This is a good, good start to that. Let me see. I think one person in opposition said that this would cut a very wide swath. Is there a lot of convicted felons of fraud, forgery, and ID theft throughout Nebraska? I, I don't think so, probably. And I, I also would say, yeah, there's a cost to this, but if you can pay, pay people to go collect ballot signatures for you to get on, then I would think that you could at least do a background check to see if they have been convicted of forgery, fraud, or identity theft. Where else are we at here? I think that's about it. I can answer any questions if anybody has any.

SANDERS: All right. Are there any questions? Senator Lonowski

LONOWSKI: Well, thank you, Chair Sanders. Thank you for bringing this bill. And I understand there's constitution questions and things like that. I guess, in my mind, I wish you could do more. I had looked into voting bills as to whether or not we just have Nebraska people involved in Nebraska petitions and found out that's probably not an issue. And maybe, maybe senators want more of a comment on the-- on whether petition circulators look suspicious if they're Latino or whatever. There were-- the summer before last, I was at a small town rodeo and there were two minorities passing the petitions around and rather than being suspicious, it seemed like everyone at that rodeo was curious and wanted to know what they were-- what they stood for and where they were from and turned out the two gentlemen were working their way through college and they're getting paid for their-- for each signature. But, yeah, I-- you know, I guess, I applaud you for bringing this and, hopefully, we can make something work.

STORM: Yeah, we worked with the Secretary-- we went to the Secretary of State and asked him specifically, you know, what, what can we do? Because I don't want to bring something that's going to get shot down in the courts. You know, I want to do what we can. And we, we came out with a list of things we'd look at. The name tag, after looking at

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that and doing some more research, we thought maybe that would be-- maybe shouldn't do that. But the rest of it we went through and figured out that this would be a good start to try to protect our elections. I think it's important to do that. And, like I said, I think it's, it's sacred, the election. If we're going to, if we're going to have a process that people can go through to collect signatures to change the laws in this state, I mean, that's critically important to make sure we, we have some type of bar set to make sure that we are doing a good job of that, so.

LONOWSKI: Thank you.

SANDERS: Any other questions from the committee? Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here, Senator Storm.

STORM: Yep.

J. CAVANAUGH: I, I know you heard me ask a few folks about this, but so if I sign a petition and it's circulated by a volunteer who didn't have a criminal background check but that is bound to have committed one of these offenses, under this law that sheet, that piece of paper, would get thrown out. What's my right of recourse as the person who signed it then?

STORM: I, I think, obviously, if you're going to, if you're going to sign a ballot initiative like that, you would hope that you'd have some protection that your, your signature and your wishes would be fulfilled. But the sponsors, whoever sponsors that ballot initiative, needs to kind of do their, their job, due diligence to make sure that people that are, that are, especially the paid ones, that they do the background checks to make sure that they fit into that criteria.

J. CAVANAUGH: But there's no requirement of a volunteer having a background check.

STORM: Right. This is just paid.

J. CAVANAUGH: And, and-- I mean, we can all-- I'm sure we've all met people who have committed one of these offenses who's not too forthcoming with the fact that they committed that offense.

STORM: Right. So-- well, I mean, that would-- if they're-- if it's not found out and they're a volunteer, then we can't prove that, I guess.

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But if it would come out later, then that's, obviously, according to this bill, it'd be-- it would invalidate that.

J. CAVANAUGH: Right. And so then my signature is not counted, and I did nothing wrong. I attempted-- and I actually followed the law, because, what is it, 632 requires me to not knowingly sign a second time. So I did everything right and then my signature won't get counted.

STORM: Yeah, I see your point. That's definitely something to look at and talk about. I don't have an exact answer right now for that. But it's-- I guess, when you go out and you sign ballot initiatives, there is some risk you take in that, I guess, situation. I don't have the perfect answer for you.

J. CAVANAUGH: Oh, that's all right. That's what the hearing is for, that's why I ask so many questions.

STORM: No, that's good.

J. CAVANAUGH: It's not just to be annoying to Bob-- Senator Andersen.

ANDERSEN: You like to hear yourself talk.

J. CAVANAUGH: Yeah, I do.

STORM: Lawyers.

SANDERS: Sticking to the subject.

J. CAVANAUGH: Thank you. I could-- I mean, just a clarifying question, you heard me ask, I think it was Mr. Bena, about the kind of disconnect in Section 4 of the amendment between paragraph (1) and (2), there doesn't seem to be a direct connection between the necessity to do the background check and then do anything with it.

STORM: Right. The way-- we sent that up to the Revisors, the way I read it, I guess, is there's current statute in law. We amended that, sent that up to the-- get the amendment to the Revisors, and if this is passed, the amended version replaces what's in statute, statute currently. I don't-- I'm not a lawyer so, I guess, I'd have to reread that, try to understand it, and I can talk to you after the hearing about that later when we look into it.

J. CAVANAUGH: All right. Thanks.

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SANDERS: Any other questions from the committee? See none, thank you very much.

STORM: I'll go back to Judiciary, be there all night, so.

SANDERS: Oh, I'm sorry. And this closes the hearing on LB1068. Thank you, and have a good night. For those on the committee, please stick around for the exec session. Thank you very much.