

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Health and Human Services Committee January 29, 2025

**FREDRICKSON:** This public hearing today is your opportunity to be a part of the legislative process and to express your position on the proposed legislation before us. If you are planning to testify today, please fill out one of the green testifier sheets that are on the table on the back of the room. Please be sure to print clearly and fill it out completely. Please move to the front row to be ready to testify. When it is your turn to come forward, give the testifier sheet to the page. If you do not wish to testify but would like to indicate your position on a bill, there are also yellow sign-in sheets back of the ta-- on the table for each bill. 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 of the bill, then opponents, and finally by anyone speaking in the neu-- neutral capacity. We will finish with a closing statement by the introducer if they wish to give one. We'll be using a three-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 one minute remaining. And the red light indicates you need to wrap up your final thought and stop. Questions from the committee may follow, which do not count against your time. Also, committee members may come and go during the hearing. This has nothing to do with the importance of the bills being heard; it is just part of the process, as senators may have bills to introduce in other committees. A few final items to facilitate today's hearing. If you have handouts or copies of your testimony, please bring up at least 12 copies and give them to the page. Please silence or turn off your cell phones. 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. on the day of the hearing. The only acceptable method of submission is via the Legislature's website at [nebraskalegislature.gov](http://nebraskalegislature.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 the committee members with us today introduce themselves, starting on my left.

**RIEPE:** Merv Riepe. I represent District 12, which is Omaha and the little town of Ralston.

**MEYER:** Senator Glen Meyer. I represent District 17. It's Dakota, Thurston, Wayne, and the southern part of Dixon County.

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**QUICK:** Dan Quick, District 35: Grand Island.

**BALLARD:** Beau Ballard, District 21 in northwest Lincoln, northern Lancaster County,

**HANSEN:** Ben Hansen, District 16: Washington, Burt, Cuming, and parts of Stanton County.

**FREDRICKSON:** Also assisting the committee today, to my left is our research analyst, Bryson Bartels; and to our-- my far left is our committee clerk, Barb Dorn. Our pages for the committee today are Sydney Cochran, from-- majoring in business administration and U.S. history at the University of Nebraska-Lincoln and Tate Smith of Columbus, a political science major at UNL. Today's agenda is posted outside the hearing room. With that, we will begin today's hearing with LB118. Good afternoon.

**HARDIN:** Good afternoon. Thank you, Vice Chairman Fredrickson. And good afternoon, fellow senators of the Health and Human Services Committee. I'm Senator Brian Hardin. For the record, that is B-r-i-a-n H-a-r-d-i-n. And I represent the Banner, Kimball, and Scotts Bluff Counties of the 48th Legislative District in western Nebraska. I'm here to introduce LB118, which seeks to increase the current pharmacy technician to pharmacy-- pharmacist ratio to four-to-one from its current three-to-one. Now is the time to give Nebraska businesses more staffing flexibility, specifically those in health care, as we look to ensure the health care demands of all Nebraskans are met. Pharmacists are a key and continuous source of care and advice for patients. However, there are not enough pharmacists and pharmacy technicians to adequately serve the health care needs of Nebraskans. These shortages do not mean there is a lack of patient demand. Instead, insis-- existing pharmacies are actually under immense pressure to meet the full need of our state. This growing demand for services corresponds with a need to delegate pharmacy administrative tasks to technicians, which allows pharmacists to focus on providing these services. Pharmacists must be able to better utilize their clinical expertise to care for patients rather than spending time on other administrative tasks. This is especially true in my part of the state where pharmacists may be the only health care professional within the area. LB118 will maximize the use and value of pharmacy technicians without sacrificing patient safety. Amending the pharmacy technician ratio will enable pharmacists to focus more on counseling patients, performing medication therapy management, providing disease management programs, engaging in other important pharmaceutical patient care services, and conferring with other health care professionals, thus

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permitting a higher level of service to the patients. These services offered by pharmacists help patients better adhere to their medication regimens and ultimately serve to improve patients' health and wellness and reduce our nation's health care costs. 38 states have pharmacist-to-technician ratios that are less restrictive than Nebraska's current three-to-one ratio. Of those, 24 states and the District of Columbia do not place any limits on the number of technicians a pharmacist can supervise. Also, Governor Ricketts lifted the ratio via executive order throughout the pandemic, thus testing this policy change during which there were no major problems reported. In Nebraska, to become a pharmacy technician, individuals must be 18 years or older, have a high school degree or equivalent, must be registered with the state, and must pass an exam and become certified either through the state or national certification programs. I believe it's also important to remember that our state law protects pharmacists and says they cannot be forced or coerced to supervise a pharmacy technician if they don't want to or feel it would be safe to do so. This will conclude my opening statements. I have pharmacists behind me. And as long as you ask very simple questions of me, I will attempt. Otherwise, I will defer. Thank you.

**FREDRICKSON:** Thank you. Thank you, Chair Hardin. Any questions from the committee? Senator Riepe.

**RIEPE:** Thank you, Chairman. Question I have is, in the health care profession, are there other where we have stepped down, I would say, staff? Like, in this situation, where we have limits, ratios? Like one-to-four. I, I, I'm trying to think of some and I-- off the top of my head, I can't.

**HARDIN:** You know, there, there may be. I don't know for sure.

**RIEPE:** I'm told it's physician assistants.

**HARDIN:** Yeah. PAs.

**RIEPE:** How many states did you say have no restrictions on it?

**HARDIN:** 24.

**RIEPE:** 24.

**HARDIN:** This--

**RIEPE:** Did you consider having them-- instead of going to four of just taking it away?

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**HARDIN:** Yes. Yes, I think they, they would consider it. I think this is kind of a reaction to last year. We, we brought this bill and perhaps we-- you know, we've worked on massaging it a bit since last year. I think there was some reaction to it last year. And so it seems to be better accepted this time around. And so seems like everyone's comfortable with the one-to-four idea at this point.

**RIEPE:** Here's to your tenacity. Thank you, Chairman. Thank you.

**FREDRICKSON:** Any other questions? Seeing none. Will you be here to close?

**HARDIN:** I shall.

**FREDRICKSON:** Thank you. We will now take testimony, testimony from proponents of the bill. Good afternoon.

**ALLY DERING ANDERSON:** Good afternoon. Vice Chairman Fredrickson, members of the committee. My name is Ally Dering Anderson, A-l-l-y D-e-r-i-n-g A-n-d-e-r-s-o-n. I am a pharmacist. I am a professor at the University of Nebraska College of Pharmacy in Omaha. I am a member of the University of Nebraska Medical Center, Nebraska Hospital Legislative Committee. I am a past President of the Nebraska Pharmacists Association. And I am a member of the Nebraska Pharmacists Legislative Committee. But today, I appear before you for myself. Senator Hardin in his intro gave you some of the facts and figures that I would have provided-- and in fact, in my written testimony, did provide. What he wasn't able to say to you is that 1 of the 24 states with no ratio is Iowa. And I have an Iowa license in addition to a Nebraska license. When I work in Iowa, I have worked with as many as six technicians to my one pharmacist. Those were the Monday after a holiday, the first week or two of the year when everybody's insurance changes, the day before New Year's Eve, the day before Christmas Eve, the day before Memorial Day, and some Fridays when there's rush hour, particularly if there's going to be a blizzard. And I needed all six of those people. I also work the vampire shift for Walgreens. That means I went to work at 10 p.m. and got off work at 8 a.m. You call it by another name, but I'm not going to do that. We're the vampire shift. And then I was alone because it wasn't a good business model and it wasn't a good workflow model for me to have multiple technicians. We didn't have anybody to call. The prescribers weren't going to answer the phone, the insurance companies weren't going to answer the phone, and we didn't have multiple people demanding service. So my point is we actually are very professional folks, and we appreciate it when you allow us to be professional folks, meaning

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that we get to decide who and when we work with. I am a big supporter of LB118. And Senator Riepe, I will admit I am also a big supporter of just getting rid of this ratio. But if incrementalism is what it takes, I'm, I'm in favor. I would be honored to answer any questions that you may have.

**FREDRICKSON:** Thank you for your testimony. Any questions from the committee? Senator Hansen.

**HANSEN:** I wonder if other states ever say, I wish we were like Nebraska.

**ALLY DERING ANDERSON:** Yes.

**HANSEN:** Whether it's property taxes, whether it's stuff that comes in front of HHS-- you know, it's always like, well, I wish we did what Iowa does or I wish we did what South Dakota does or Wyoming. I wonder if they ever say, I wish we did what Nebraska does. Maybe they do. I don't know.

**ALLY DERING ANDERSON:** Yes, sir, they do. And the particular one that I would note for you is our prescription drug monitoring program. The Senators Howard built the finest prescription drug monitoring program in the United States.

**HANSEN:** Oh. See? There-- see? There we go. So we got something.

**ALLY DERING ANDERSON:** Yes, we do.

**HANSEN:** They all probably look at us for that. With, with you saying you were-- you had a license in Iowa as well, have you seen any issues arise from an expanded ratio compared to Nebraska?

**ALLY DERING ANDERSON:** I have not. Iowa doesn't offer me all of the protection that Nebraska does. In, in Nebraska, I can say, no, I will not work with that person, and my employer or whomever may not coerce me. In Iowa, there's a different process for saying that I'm not comfortable, but I've never had that, that issue. If, if someone is not yet fully trained to do a task, it's not that difficult to assign them to a task they can, they can handle.

**HANSEN:** OK.

**ALLY DERING ANDERSON:** And talking to insurance companies maxes out my patience, and they are grateful as well as my patients being grateful that they're speaking to my technician and not me.

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**HANSEN:** All right. Thank you.

**FREDRICKSON:** Thank you, Senator Hansen. Any other question? Senator Meyer.

**MEYER:** Thank you, Vice Chair. Appreciate you coming in today. Pharmacy techs, they are licensed.

**ALLY DERING ANDERSON:** They are credentialed by the department, yes. They have an age restriction, a training restriction. After a year, they have a certification restriction. And there are also-- because of the product that we handle, there are some restrictions on previous convictions.

**MEYER:** A background check--

**ALLY DERING ANDERSON:** Yes.

**MEYER:** --more or less.

**ALLY DERING ANDERSON:** Yes.

**MEYER:** And, and so, so it is an actual license or just simply a certification?

**ALLY DERING ANDERSON:** Yes.

**MEYER:** And with regard-- if I may, Mr. Vice Chair-- when it comes to licenses, your license to practice pharmacy and tech license, is that easily portable across state lines? Is there-- do we recognize licenses from Iowa in Nebraska for a pharmacy tech? Is, is that something that travels well?

**ALLY DERING ANDERSON:** I believe that my students would say it's stupid tough. What that means is, no. They're not portable much at all. The, the fact that I possess a license will help me get in the door. But currently, all 53 jurisdictions-- and that would include Puerto Rico, Washington, D.C., and the Marianas Islands-- every one of those jurisdictions has their own unique law exam. And short of a pandemic, I can't cross state lines to practice until I have successfully completed the law exam. You want another time when they're not going to pick on the-- Nebraska? In Arkansas, you can only take the test in Little Rock. We at least don't do that.

**MEYER:** I, I guess the point I was trying to make-- and I think you've made it very well-- is-- I, I've been approached by various groups

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that are-- required licenses in, in whatever, whatever discipline, the portability of it. And, and if you have as great or greater requirements, educational requirements, certification requirements from one state, it should be something that should be more portable to go to another state. If, if the standards in, in the previous state was not as high, the certification requirements were not as high, then I would look at that differently with that license being more transportable. So I was just curious how-- and I, I'm sure at one point in time we're going to probably address that-- if not this year, probably in the future. But thank you. Thank you for your testimony.

**FREDRICKSON:** Thank you, Senator Meyer. Senator Ballard.

**BALLARD:** Thank you, Vice Chair. Hey, thank you for being here. If I remember right, last, last session, a main concern was safety in pharmacists with getting-- making this ratio larger. Do you see-- foresee any issues with safety?

**ALLY DERING ANDERSON:** At this, at this point, with the way our profession works and the services we are being asked to provide and want to provide, no. And I will give you-- we would not have survived the pandemic without our technicians. And this committee graciously recognized that technicians assisting in administering vaccine was a big deal and it was a teachable skill. We have other teachable skills that currently consume my time, not because the techs can't do it, but because I don't have enough people to help me do those things. We are looking at opportunities to do Test to Treat for things like group A streptococcus, influenza. My technicians can be trained to gather samples, and frequently are when I have enough folks. And it's no secret to anyone that we currently have exceptional challenges in dealing with insurance, and that, that consumes a full-time position in most pharmacies. That is, the technician counts against my ratio and they do nothing except hang on the phone and argue to get our patients drugs that they need. I am not concerned that this will be a safety issue. It's not a safety issue under my Iowa license. And-- well, I have an ego. I graduated from the University of Nebraska. My dad graduated from the University of Nebraska. And our daughter graduated from the University of Nebraska. And we're all pharmacists. So don't tell me that the Iowa folks are better at this than us, because I won't believe that.

**BALLARD:** Thank you.

**FREDRICKSON:** That's one way to rattle a committee.

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**ALLY DERING ANDERSON:** There you go.

**FREDRICKSON:** Any other questions? Senator Quick.

**QUICK:** And you hit on some of it, but my question would be, you know, what, what all are the areas that, that the techs can operate? I mean, what kind of jobs do they do for you--

**ALLY DERING ANDERSON:** The, the general rule is they may not use clinical judgment. Can't pick the best drug, cannot determine drug-to-drug interactions, cannot decide what counseling the patient needs. Those are the things that we go to college for eight years for. My technicians type labels. They run insurance. I-- the pharmacy wouldn't run if I had to figure out everybody's insurance card. They do fabulous work with managing inventory and with monitoring drugs with special storage needs, the refrigerators and the freezers and those kinds of products. In addition, they are the folks who keep track of all of our paperwork, and it is extensive. In Nebraska, if we create paperwork, we must maintain it for five years. And we have-- my, my techs do a fabulous job with that as well. I, I truly couldn't function without them now. And I would tell you I still think I'm a good pharmacist. I just can't do it all.

**QUICK:** Thank you.

**FREDRICKSON:** Any other questions from the committee? Senator Riepe.

**RIEPE:** What's your perspective on AI as it would apply to pharmacy?

**ALLY DERING ANDERSON:** It depends, sir, on what we're doing with it. And, and I'm not trying to be flip. They're-- if I use Google Translate to communicate with a patient who speaks a language that I don't speak, that is actually artificial intelligence, and it's fabulous. Using AI to help identify a potential problem, we've actually been doing that since 1992 in our drug utilization review process that's part of the computer. That is, the computer will say you have fire plus gasoline; be careful or the patient will explode. We can do more expansive things. My concern is, and I think everyone's, I don't want to turn over the ultimate decision to a machine, regardless of how well-programmed, because we have found if it's comparing A to B, machines do a very nice job. If you add in problem C, then things begin to fall apart a little bit. And a number of our patients take eight, nine, ten drugs. And I don't, I don't know how you program AI to do that. But I surely like it when it gives me a heads-up and I can triple-check something.

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

**FREDRICKSON:** Any other questions? Thank you for your time.

**ALLY DERING ANDERSON:** Thank you.

**FREDRICKSON:** Next proponent. While we wait for our next proponent, for the record, there were no online comments and there were no ADA comments on LB118. Good afternoon. Welcome.

**COURTNEY DONALDSON:** Good afternoon. My name is Courtney Donaldson, C-o-u-r-t-n-e-y D-o-n-a-l-d-s-o-n. Good afternoon, members of the committee. My name is Courtney-- as I just told you guys-- and I've been a licensed pharmacist at Hy-Vee for over 22 years. I appreciate this opportunity to testify in support of increasing the pharmacy technician to pharmacist ratio from three-to-one to four-to-one. As a pharmacist, I have always been focused on ensuring that my patients receive the most safe and effective care, but the pharmacy technician is an invaluable member of my staff. They take on many essential tasks so I can have more time to counsel my patients, look at medicines, and make decisions, decisions that my license gave me the ability to do. By increasing this ratio, pharmacists will be able to manage their workflow, thus meeting all of the demands that the health care system has right now. This injus-- this adjustment would enable us to operate more efficiently, reduce wait times, and will overall improve my service to all of my customers. Importantly, many states have already adopted similar ratios or, like you already heard, eliminated this ratio completely. These changes have allowed pharmacists to leverage their expertise more effectively while always having highest standards of care. We are always evolving as pharmacies to meet the growing needs of our communities, but there is a lot of challenges. We have staffing shortages and many increased health care demands. Granting pharmacists the ability to supervise one additional technician is practical and is necessary for us to keep up this best care. In conclusion, I respectfully encourage you to support this measure. Expanding this ratio will strengthen our pharmacy operations and enhance our ability to serve all of our patients safely and effectively. Thank you for your time and consideration. And I'm happy to answer any questions you could have.

**FREDRICKSON:** Thank you for your testimony. Any questions from the committee? Senator Meyer.

**MEYER:** Thank you, Vice Chair. You probably explained this and it might've went right over my head. You mentioned staffing shortages. We

realized, in the state of Nebraska especially, we are struggling to find enough help in almost any discipline, any, any job. Can we hire enough people so that we're supervising four instead of three?

**COURTNEY DONALDSON:** I think the technicians are out there. It's, it's just a job that we haven't utilized as much as I think. We are increasing the pay, I think, in the state of Nebraska and making it a job that more people can do and it pays well. I think we used to fill up our-- we used to fill up my pharmacy with a lot of interns. I mean, my example was when I went to pharmacy school, I had about 100 pharmacists in class. Now I have-- there's about 30 at Creighton, a lot of off campus. We just-- we don't even have enough pharmacists. So that is, in turn, if we do this-- I mean, it's kind of a money thing, and I'm not great at that. I feel like I'm better-- but if you replace a technician, we can pay them a good amount of money-- not the pharmacist's wage. And it's kind of a win-win in a business model. Pay them what they're worth. I think for a long time-- we're just increasing the pay now for our technicians to what they're worth. They've been underpaid, I think, for a long time. And my pharmacists are invaluable. I couldn't do it without them-- or, my technicians, excuse me. And my pharmacists.

**MEYER:** Thank you.

**FREDRICKSON:** Other questions? I have one. I-- Senator Riepe kind of stole my thunder a bit earlier about the AI question, but I, I was kind of curious along these lines as well. I've, I've recently toured a pharmacy where they had a, a, a machine essentially that helped fill prescriptions. Now, obviously, the pharmacist would triple-, quadruple-check the prescription, that it was being filled. I'm curious to hear your thoughts on that as we consider-- yeah.

**COURTNEY DONALDSON:** Well, Hy-- Hy-Vee now-- we have a central fill location that's also manned by pharmacists. So it doesn't take the pharmacist part out of it. But after it's checked by us or verified, it's just mainly counted out and labeled by a machine and then comes to me. That has been step one in alleviating a lot of the pressure on us just to do simp-- even what our technicians were doing, simply counting to 30 or 60 or 90 and putting labels so that-- we still do that a lot. I mean, we still fill maybe 300 prescriptions in-house. You know, people that don't want to wait. That has been a technology. The other good thing is when I know something comes from central, even in terms of quantities, a machine doesn't mess up on that part. You know, you have customers call and say, you only gave me 30, where if I know I did it in-house, I would maybe say, oh, you know, maybe we've--

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didn't give you 60. We're used to counting to 30. That has, that has kind of cleaned up that part. There's still mistakes. I, I don't even really feel like central fill-- they don't make drug mistakes. There might be order-- AI, there's a order mistake, but we catch those. But that has been-- that's been huge. Hy-Vee has done that. It's in-house-- not in-house. It's in city. It's in Omaha. So that has been a great thing. That's really the only way we survived the pandemic at a busy store like ours.

**FREDRICKSON:** Senator Meyer.

**MEYER:** Thank you, Mr. Vice Chair. As far as computerized pharmaceutical filling, that's been going on in hospitals for quite some time and really isn't AI connected. That's essentially computerized, but not, not as part of the AI-- the new improvement-- the new improved computerization with AI, so. With regard to the computerized filling of prescriptions, that's been going on in the industry for some time, so.

**COURTNEY DONALDSON:** Yeah. I guess-- sorry. Yes. Mail order-- I mean, they've done mail-order pharmacies. It's ultimately that forever.

**MEYER:** Thank you.

**FREDRICKSON:** Any other questions? Thank you so much.

**COURTNEY DONALDSON:** You're welcome. Thank you guys.

**FREDRICKSON:** Next proponent. Welcome.

**SARAH DENNIS:** Thank you. Good afternoon. My name is Sarah Dennis. That's S-a-r-a-h D-e-n-n-i-s. And I am a practicing pharmacist here in the state of Nebraska. I graduated from pharmacy school in May of 2022 and immediately began my career with Walgreens. My history in pharmacy world, though, dates back quite further than that, to 2014, when I became a technician after graduating high school. Since then, pharmacy has been my passion, as I've worked in retail stores ranging from independents to chains, slower and busy. And I filled the role as technician, intern, pharmacist, and most recently pharmacist in charge in my last ten-plus years of experience. I'm deeply in touch with the challenges Nebraska pharmacies face, especially in the aftermath of the COVID pandemic. One of these challenges is what we are here to discuss today, the pharmacist-to-technician supervising ratio. I want to emphasize what an impact increasing this ratio would have on the day-to-day practice of pharmacists across Nebraska. The current ratio of three technicians to one pharmacist limits my ability to practice

at the top of my license. I often find myself performing tasks that a technician would fulfill instead of spending time on activities such as counseling patients on the new prescription, demonstrating how to use a medical device, advising patients on chronic disease management such as with diabetes and high blood pressure, collaborating with patient's medical team to find the best options for them, and the list could go on and on. Having additional technician help would allow pharmacists to expand this individualized one-on-one patient care, which would not only lead to better patient outcomes, but increase job satisfaction and decrease stress for our pharmacists in Nebraska. This highlights another issue our community faces, which is the pharmacist shortage. The COVID-19 pandemic drastically increased the stress levels and workload of pharmacies, and many pharmacists left the field, resulting in reduced hours of operation. This, in turn, decreased pharmacy access for patients. This pressure was temporarily relieved when an executive order was issued, allowing two provisions that technicians could now administer vaccines and it suspended the cap on technician-to-pharmacist ratio. This not only expanded the role of technicians, but allowed pharmacists to remain in the pharmacy, providing the care only a pharmacist can. I also felt the expansion allowed for greater patient safety, as pharmacists felt less pressure to rush through tasks, allowing for adequate time to ensure correct and safe dispensing of medication. There are so many more positives to increasing the technician ratio than I could ever fit in our time here today, but I really hope I've been able to provide a glimpse into the world of pharmacy and how impactful this change could be. Please consider these points in making your decision. And thank you so much for your time.

**FREDRICKSON:** Thank you for your testimony. Any questions from the committee? Seeing none. Thank you.

**SARAH DENNIS:** Thank you.

**FREDRICKSON:** Next proponent. Good afternoon.

**RICH OTTO:** Good afternoon, Vice Chairman Fredrickson and members of the Health and Human Services Committee. I'm Rich Otto, R-i-c-h O-t-t-o. Testifying in support of LB118 on behalf of the Nebraska Retail Federation and the Nebraska Grocery Industry Association. We do appreciate Senator Hardin for introducing this piece of legislation. As you've heard, LB118 will increase the number of pharmacy technicians to-- or interns to a pharmacist from three-to-one to four-to-one. In the handout that the page is passing out, you will see a breakdown of each of the states. I know it's been said at a high

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level that 24 states and the District of Columbia place no limit on the ratio, have no ratio whatsoever for supervision of technicians and pharmacists. Another 15 states have a higher ratio than Nebraska's current three-to-one. Pharmacists are tasked with being one of the primary and most convenient locations for Nebraskans to receive health services, and those are many beyond just filling prescriptions, including patient care, counseling, health screenings, and vaccinations. In 2023, Senator Lynne Walz was successful in getting LB202 passed as part of LB227, which allows the technicians to continue to administer vaccines in Nebraska. LB118 will maximize the use and the value of these technicians without sacrificing patient safety, allowing them to-- the pharmacist perform many things, including medication therapy management, disease management practice at the highest level of their license. So again, just wanted to emphasize that again. During the pandemic, we had a waiver, an executive order specifically to give vaccines. I do want to point out that early on we had to pull many nurses off the front line to help give vaccines. And so this would help our pharmacies have more technicians be more able to fill the need if it should arise and we continue to see more items that have a vaccine. RSV, I believe, is the newest one. It may not be out yet, but that need continues to, to rise, not shrink. Briefly, I just want to-- I know my time's running out, but I did want to mention that no state has ever reversed course. No state has ever raised the ratio and then reversed course and gone back due to any health concerns or patient safety. And then I believe the National Association of Board of Pharmacy has also recommended no ratios since the early 2000s. Also, as mentioned before, technicians are certified, and I believe that has to be done within one year of their-- starting their job based on Nebraska law. With that, happy to answer any questions you might have.

**FREDRICKSON:** Thank you for testimony. Any questions from the committee? Senator Riepe.

**RIEPE:** Thank you, Chairman. My question would be to you, Mr. Otto. Thanks for being here. Is, do you see because you have a bigger picture of this than simply the state of Nebraska, is there a trend across the country for going to higher ratios because of workforce issues?

**RICH OTTO:** Well, I think it was trending--

**RIEPE:** And if so, how, how much? How, how-- are they making itty-bitty incremental jumps or are they taking some big ones?

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**RICH OTTO:** Well, I'd say the states that clearly removed the ratio were open to taking that big jump or that big incremental. Even in the states without ratio, I don't believe that, you know-- it looks concerning to say no ratio, but I, I think six, as Dr. Ally mentioned, is probably the most often you have. It just-- those states gave pharmacies the most flexibility for when they know they have patient demand. And she mentioned some of those holidays, a storm, whatever the case may be, so. Yes, it is a trend. I think this trend has been happening prior to the pandemic. The pandemic only made it more clear that we need flexibility. And now Nebraska is trying to take that next incremental approach.

**RIEPE:** Can you tell me the, the clump, the 24 up at the no ratio, is that been recently or--

**RICH OTTO:** Those have been no ratio for at least the last four years is my understanding.

**RIEPE:** Last four years. But they all kind of got there at the same time?

**RICH OTTO:** I, I would have to look into that, Senator. I can get you that information.

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

**FREDRICKSON:** Thank you. Any questions? Senator Quick.

**QUICK:** Yeah. Thank you, Vice Chair. And thank you for being here. My question-- and maybe it's, it's probably a simple answer, but as far as like the pharmacy techs giving out-- you know, being able to get vaccinations, is that only in the pharmacy setting or like-- I know, like, the health departments administered vac-- you know, a lot of vaccines when COVID was going on. Can they do it there as well or is it only in the pharmacy setting?

**RICH OTTO:** My understanding, it's only in the pharmacy setting and they'd have to be under the supervision of a pharmacist.

**QUICK:** OK.

**RICH OTTO:** Someone el-- and we can get back to you whether or not-- it is possible. I don't believe it happens currently. Typically, it's always nurses is my understanding. I got mine at the health department. It was always a nurse, so.

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**QUICK:** OK. Yeah. Thank you.

**FREDRICKSON:** Other questions? Seeing none. Thank you for your time. Other proponents for LB118? Seeing none. We'll move on to opponents. Are there any opponents for LB118? Seeing none. Anyone here to testify in the neutral capacity for LB118? Good afternoon.

**HALEY PERTZBORN:** Hi. Vice Chairperson Fredrickson and members of the Health and Human Services Committee. My name is Haley Pertzborn, H-a-l-e-y P-e-r-t-z-b-o-r-n. I'm a licensed pharmacist, the CEO of the Nebraska Pharmacists Association, and a registered lobbyist. Thank you for the opportunity to provide neutral testimony on the proposal to increase the pharmacy supervision ratio from one-to-three to one-to-four. Our membership is split 50% for and 50% against in every survey we have sent out. I would like to emphasize the importance of incorporating safeguards to ensure the proposed changes do not inadvertently compromise patient care, technician development, or pharmacist responsibilities. While increasing the supervision ratio may enhance flexibility and operational efficiency, it also introduces complexities that require careful consideration. To this end, I respectfully recommend the following amendments to be added to the language. Number one, for pharmacies utilizing the maximum supervisory-- supervision ratio of one-to-four, it's en-- it is essential to ensure that at least 50% of the pharmacy technicians are certified. Certification signifies a baseline of competence and readiness to perform essential tasks independently. Without this requirement, pharmacists may find themselves supervising up to four technicians who are still in training, which could impair the quality of patient care, strain pharmacists' ability to provide oversight and fulfill clinical responsibilities, delay the development of technicians in training due to insufficient attention and mentorship. I did also want to mention that, on technician portability, in Nebraska, technicians can be certified nationally or state. So if a technician was certified in Iowa nationally, they can come to Nebraska and practice. So did just want to mention that. Also, on machines, technicians a lot of time are the technical experts on handling those machines. So when they break, they're able to jump in and help. Because I did not learn that in pharmacy school, so. Technicians are very helpful in that. The next thing-- Chairperson Hardin did mention this, but it is crucial that the pharmacist in charge of the team that day retains the authority to determine the appropriate supervision ra-- ratio for their specific setting. These two amendments would provide important guardrails to support the successful implementation of the proposed ratio while-- increase while maintaining the high standards of care and professionalism experien-- or, expected in

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pharmacy practice. They reflect a commitment to fostering a supportive environment for both technicians and pharmacists, ensuring the changes ultimately benefit patients. In conclusion, while the NPA remains neutral on the overall increase to the supervision ratio, I urge the committee to consider these amendments. Thank you for your time. And I'd be happy to answer any questions.

**FREDRICKSON:** Thank you for your testimony. Any questions from the committee? Senator Hansen.

**HANSEN:** Thank you, Vice Chair. Why wouldn't the pharmacists just want to get rid of the ratio? We think-- because that's, like, less government oversight. You guys would have the ability to-- you know, free to do kind of what you want, you know?

**HALEY PERTZBORN:** Yeah. Our membership is always kind of at-- some pharmacists just aren't comfortable and they're worried that some corporations may force some sort of ratio where they have to supervise four, five, six, and they might not be comfortable with that. So that's where my membership comes in concern, which is why we just want to make sure that the pharmacist in charge has that ability.

**HANSEN:** OK. Who's the pharma-- like, is the phar-- but when you say the pharmacist in charge, you're talking about the one who's on the floor--

**HALEY PERTZBORN:** In the day, yup.

**HANSEN:** --there. Not like--

**HALEY PERTZBORN:** Not the--

**HANSEN:** I own Walgreens and I'm a pharmacist, so I'm the pharmacist in charge.

**HALEY PERTZBORN:** Yes.

**HANSEN:** OK.

**HALEY PERTZBORN:** Yeah. That's-- yeah. That's what my membership is concerned about. Yeah.

**HANSEN:** So you think the association would be against getting rid of the ratio?

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**HALEY PERTZBORN:** I would have to talk to my membership because I only asked them about one-to-four.

**HANSEN:** OK. Cool.

**HALEY PERTZBORN:** Yeah.

**HANSEN:** Thank you.

**FREDRICKSON:** Thank you, Senator Hansen. Senator Meyer.

**MEYER:** Thank you, Mr. Vice Chair. Thank you for being here today. I had an understanding from previous testimony that a pharmacy tech had to be certified. According to this, certification-- let's see. It is essential to ensure at least 50% of the pharmacy technicians are certified. So you can be an un-- you, you can be not certified and a pharmacy tech?

**HALEY PERTZBORN:** So pharmacy technicians have one year to be certified. And there is a lot of torn-- turnover right now with pharmacy technicians. So some of my members have said that they have a concern that-- they have all new technicians at one time, where they're all within that year before they become certified. So they could potentially be supervising for untrained-- or, uncertified-- not untrained-- uncertified technicians.

**MEYER:** Is there an entry-level competency? You know, just someone off the street, we're going to teach them how to be a certified pharmacy tech? Is that--

**HALEY PERTZBORN:** Yeah. The only requirement to start as a technician is just to register with the state and then obviously the requirements of 18 and up and all those things, but yes. A lot of it in that first year is on-the-job training and preparing for your test.

**MEYER:** OK.

**HALEY PERTZBORN:** Yep.

**MEYER:** Thank you.

**HALEY PERTZBORN:** Yeah. Good question.

**FREDRICKSON:** Other questions? Senator Riepe.

**RIEPE:** Thank you, Chairman. I have a curiosity question. Of the states that have no ratios, do you have an idea of what the-- of course, it

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would depend upon the volume of prescriptions, but what's the-- what would be the highest number that any pharmacy would have in technicians on a shift on a given day? Are we talking 20 or 30 or 10 or 5 or--

**HALEY PERTZBORN:** Right. I mean, I, I can't say exactly because I'm not in every pharmacy, but, like Rich said, most of the time it's not really more than, like, six-ish that I've seen in practice. But I don't want to say something and not know for sure, so.

**RIEPE:** I'm just thinking that, as an owner of a pharmacy, even if you're Walgreens or CVS, you know, you just have certain liability if you-- you get-- you can flirt into the level of negligence if you overstaff and don't have some good quality controls.

**HALEY PERTZBORN:** Yeah.

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

**HALEY PERTZBORN:** Again too, that's-- the pharmacist in charge is emphasizing that they have the ability to set that standard for the day. So they know their day. They know what patients they need to see, who's going to-- the level, how many prescriptions they need to fill, those types of things. So keeping it within who's actually at the front lines and understands what the day demands are going to be.

**RIEPE:** So I'm-- it's going to back to what Se-- Senator Hansen said. It's the pharmacy-- pharmacist on the floor, not the--

**HALEY PERTZBORN:** CEO--

**RIEPE:** --chairman of the board of--

**HALEY PERTZBORN:** --of Walgreens, yes.

**RIEPE:** --CVS--

**HALEY PERTZBORN:** Yeah.

**RIEPE:** --at some place. OK.

**HALEY PERTZBORN:** Yeah.

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

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

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**HALEY PERTZBORN:** Thank you guys.

**FREDRICKSON:** Is there anyone else here to testify in the neutral capacity for LB118? Seeing none. With that, we will close-- oh. Senator Hardin, you are welcome to close.

**HARDIN:** Thank you. I deeply appreciate everyone who's come to testify in the-- support or in the neutral. In statute 38-2867, it does say it shall be unlawful for any person to coerce or attempt to coerce a pharmacist to enter into a delegated dispensing agreement or to supervise any pharmacy technician for any purpose or in any manner contrary to the professional judgment of the pharmacist. It goes on to cite the Uniform Credentialing Act and so on and so forth. So that's already in statute. You can't make them do anything they don't want to do. So the CEO doesn't get to dictate that from the pharmacy, company, and so forth. I think this kind of tugs at something we're going to see by way of a theme this year, which is there's a, a medical desert in Nebraska. The further west you go, the more profound-- the hotter it gets in that desert. And whether you're looking at CNAs or some kind of a specialist, some kind of a PA, a nurse practitioner, RNs, whatever lane of medical provision you're looking at, we don't have enough of them. And so this is one of the many ways in which we are going to see a need to find creativity in stretching it so that fewer people can do more. And I think that's kind of what's at the, the heart of this. All smart executives and businesses say, let me allow problems to be solved and decisions to be made at the lowest possible level, and this is a great example of that, so.

**FREDRICKSON:** Thank you, Chair Hardin. Any questions? Seeing none. Thank you so much.

**HARDIN:** Thank you.

**FREDRICKSON:** With that, that ends our hearing on LB118.

**HARDIN:** We are up for LB138. Senator Riepe is on his way. Some are leaving, some are coming into the room. Welcome.

**RIEPE:** Thank you, Chairman. Would you like me to go ahead?

**HARDIN:** Would you please go ahead?

**RIEPE:** OK. Thank you, Chairman Hardin and committee members. I'm here today to present LB138, which builds upon the foundation established by LB204, passed and signed into law last year. For the record, my name is Merv Riepe. It's M-e-r-v; my last name is R-i-e-p-e. And I

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represent District 12, which I stated earlier as being southwest Omaha and the fine, little town of Ralston. Last session, as I noted in LB204, we established a much-needed enhanced pharmacy dispensing fee of \$10.38 per prescription for independent pharmacies participating in the Medicaid program. This legislation also required biannual costs of dispensing surveys to ensure fees are reflective of the actual cost incurred by pharmacies. LB204 marks significant progress. LB138 is in effect to fine-tune this policy and address equity in the reimbursement to avoid unintended disparities. LB138 today acknowledges the importance of equitable reimbursement across the different types of pharmacies while recognizing that larger pharmacies, due to economies of scale, may not require the same level of dispensing fee reimbursement as independent pharmacies. LB138 introduces a tiered reimbursement model based on prescription volume loosely approximated by comparing figures available with Ohio and Washington State information, because that was what was readily available and reliable. That information was ensuring relative fairness without picking winners and losers. LB138-- under LB138, independent pharmacies defined as owning six or fewer pharmacies will continue to receive the \$10.38 reimbursement. For other pharmacies, the reimbursement tiers are as follows. Pharmacies with fewer than 3--30,000 prescriptions annually would receive \$10.38 per prescription. Pharmacies with 30,000 to 69,999 prescriptions annually-- annually would receive \$9.51 per prescription. Pharmacies with 70,000 or more prescriptions annually would receive-- and would receive \$8.30 per prescription. Additionally, LB138 includes a provision ensuring any pharmacy, excluding mail-order pharmacies, located more than 30 miles from the nearest pharmacy will receive the full \$10.38 reimbursement. This recognizes the critical role such pharmacies play in maintaining access to care in rural and other underserved areas. This ensures reimbursement rates remain aligned with the actual cost of dispensing and that pharmacies participating in Medicaid continue to provide accessible, high quality of care to Nebraska Medicaid recipients. The bill also requires updated cost of dispensing surveys to be completed every two years, with the next report due in 2026. The initial survey was requested to be submitted by DHHS to the Legislature on December 14 of 2024-- unfortunately a relatively narrow timeframe, and I have distributed a copy of what was instead submitted to you. Should a survey be submitted while the Legislature is pending-- and it sounds like one is in process-- we can certainly adjust LB138 to reflect the results of this survey via amendment. LB138 seeks to balance the needs of independent chain and mail-order pharmacies while ensuring equitable Medicaid reimbursement that preserves access to pharmacy services across the state. The proposed tier structure ensures fair

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compensation without the-- overburdening taxpayers or disproportionately favoring specific providers. I think it goes without saying how-- what an important role pharmacies and pharmacists play, particularly in remote areas where they almost served as a de facto physician. It's probably not a legal clause to state, but that's kind of what-- how it works. With that, Mr. Chairman, thank you very much. I would ask-- questions. I've-- and there are people more knowledgeable than I who are behind me.

**HARDIN:** Thank you. Questions? Senator Hansen.

**HANSEN:** I don't know if this is a, a technical thing, but I noticed in the section where we're talking about dispensing fees, I don't know if there needs to be a definition of dis-- dispensing fee in this section because you could equate the dispensing fee to any fee that they give out to a customer, not just Medicaid. I don't know if it's just because the section it's in where-- [INAUDIBLE]. So when we talk about-- in, in, in the language that you provided, it says reimbursement of the dispensing fee. But do we need to-- do we need to define what defen-- dispensing fee is as dispensing fee to Medicaid individuals?

**RIEPE:** Well, we will look at that and we will definitely want to narrow that down to make it very specific that it is only to Medicaid patients.

**HANSEN:** Yeah, so we're not making a law saying to all customers there has to be a dispensing fee. Because we, we defined independent pharmacy here in the, in the statute in Section 1. But I don't see anywhere where we define dispensing fee. I don't know if that matters or not, but just--

**RIEPE:** OK. Well, we will-- we'll follow up on that because it is important that it be very specific for Medicaid. We cannot afford to do it across the board, nor should we.

**HANSEN:** Yeah. Be kind of-- yeah.

**RIEPE:** OK.

**HANSEN:** Thanks.

**HARDIN:** Senator Quick.

**QUICK:** Thank you, Chairman. And thank you, Senator Riepe, for bringing this. So my question is-- just so I can understand. So this dispensing

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fee would be in addition to what they're-- the drug cost is that Medicaid--

**RIEPE:** That's correct.

**QUICK:** --agrees to? OK.

**RIEPE:** That's correct.

**QUICK:** OK. All right. Thank you.

**RIEPE:** And this dispensing fee before last year was something-- went from \$4 and some up to \$10. I mean, we were way behind.

**QUICK:** Yeah.

**RIEPE:** Way behind.

**HARDIN:** Seemed like I remember that it was, it was, like, in the mid-threes or something like that.

**RIEPE:** It was three then I think four and--

**HARDIN:** And, and I think that we hadn't improved that since-- when was it-- 1980-- Ronald Reagan was president.

**RIEPE:** Well, I--

**HARDIN:** Literally.

**RIEPE:** --I'm too young to remember that, but yes.

**HARDIN:** And so-- but this is that same bill that we looked at before, right?

**RIEPE:** Yes, sir. It is.

**HARDIN:** And so-- yes, I think we-- half of us on the committee fainted dead away when you presented it the first time because of the fiscal note, but I believe you classified it as compassionate conservatism, so.

**RIEPE:** I like that word.

**HARDIN:** Any other questions? Will you stick around?

**RIEPE:** Absolutely.

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**HARDIN:** Thank you.

**RIEPE:** Thank you.

**HARDIN:** The first proponent for LB138. Welcome.

**HALEY PERTZBORN:** Thank you. All right. Chairperson Hardin and members of the Health and Human Services Committee. My name is Haley Pertzborn, H-a-l-e-y P-e-r-t-z-b-o-r-n. I'm a licensed pharmacist, the CEO of the Nebraska Pharmacists Association, and a registered lobbyist. Thanks to Senator Riepe for introducing LB138, which would reimburse the estimated costs of pharmacies for dispensing prescriptions to Nebraska Medicaid patients. The calculation of reimbursement for pharmacy clai-- claims is complicated. The reimbursement is based on the sum of the cost of the drug plus a fee to provide the medication. In recent years, the estimated cost of the drug has decreased to reflect an average of what pharmacies across the country pay for the drug. It is important to note that when reimbursements are paid on an average cost, some pharmacies will be paid less than their acquisition costs and others will be overpaid. Before 2015, dispensing fees ranged from \$3.25 to \$5. In January 2008, a report was issued to Nebraska Medicaid on the pharmacy provider's cost of dispensing a prescription and reimbursement based on Medicaid paid pharmacy claims. This report revealed that, in 2006, the average cost of dispensing a prescription in Nebraska was \$10.18. The cost of dispensing a prescription was calculated by dividing the prescription department overhead and labor costs by the number of prescriptions dispensed. Dispensing fees were not adjusted based on this survey. In 2011, Nebraska Medicaid modified the di-- the dispensing fee rate for fee-for-service to \$4.65 for all pharmacies. I'm uncertain what the babi-- basis for this dispensing fee was calculated upon. There was not a survey done of the overhead costs in Nebraska pharmacies at that time. In the 2024 Nebraska Legislative Session, LB204 passed to increase the dispensing fees to \$10.38 but only for independent pharmacies, defined as owning six or fewer pharmacies. LB204 also included a requirement for the department to administer a dispensing fee survey for interpreting pharmacies every two years. The first survey is con-- currently gathering data, with the due date being today. While this was a step in the right direction, the original intent was to include all pharmacies in the increase of dispensing fees. LB138 would ensure that all pharmacies would be included. The NPA would respectfully request that the command-- committee advance LB138 for consideration by the full Legislature. Thank you. And I'd be happy to answer any questions.

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**HARDIN:** Any questions? Senator Hansen.

**HANSEN:** Maybe a weird idea.

**HALEY PERTZBORN:** OK.

**HANSEN:** Why do we-- I don't know. Trying to figure out how to frame this. Do all states say-- give a specific fee like-- or do they give a limit, like-- or a, or a ceiling? Do they say, you can't charge more than \$15? I'm a, I'm a free market capitalist, and so I'm-- if I'm trying to save the taxpayer money, you put a ceiling on it. But then you may have some pharmacies only charge \$8. So now they're trying to get business. And eventually they'll start charging \$8. And then some charges \$5.

**HALEY PERTZBORN:** Yeah. I have not heard that, but I can definitely look more into it and see if any states have done it. The states that I know of off the top of my head do a dispensing fee flat.

**HANSEN:** Yeah. I think if I, if I'm, if I'm, like, an individual on Medicaid, every dollar counts.

**HALEY PERTZBORN:** Right. No, 100%.

**HANSEN:** And so then if I go to one pharmacy here that charges \$15 and this one charges \$10, I'm going to the one that charges \$10.

**HALEY PERTZBORN:** Right. Yeah.

**HANSEN:** I think that they'd all follow suit. I don't know. Just a thought.

**HALEY PERTZBORN:** Yeah. No, definitely. I can look more into that. Yeah.

**HARDIN:** Other questions? Seeing none. Thank you.

**HALEY PERTZBORN:** Thank you guys.

**HARDIN:** Other proponents? LB138. Welcome.

**RICH OTTO:** Welcome. Good afternoon, Chairman Hardin and members of the Health and Human Services Committee. I'm Rich Otto, R-i-c-h O-t-t-o. Testifying in support of LB138 on behalf of the Nebraska Retail Federation. Thank you to Senator Riepe for introducing this piece of legislation. As we've heard, LB138 is a continuation of Senator Riepe's LB204 from last year, which did establish the fee-for-service

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dispensing fee reimbursement of \$10.38. \$10.38 should be what all pharmacies get reimbursed. That's where LB204 started last year. As-- I think, you know, money is always a-- an issue. And so that got whittled down to the definition of independent pharmacies, which is those of six or less. So we appreciate that step in the right direction. We just want to continue this so that we have a more fair system for all pharmacies and that we're not picking winners and losers. One of the other big provisions in this piece of legislation that I wanted to point out kind of attaches to what Senator Hardin was seeing, as we get further west and we're starting to see not-- in, in retail and grocery, a lot of times we see food deserts. Now we're starting to see health care deserts and pharmacy deserts. And so this does have this 30-mile provision, where if you're the only pharmacy within 30 miles that you do get that \$10.38. I do want to just reiterate that, that that's probably the next step, that LB204 needs to be sold as that rural pharmacy solution. I know we, we're working that angle on LB204, but independents doesn't necessarily cover all rural pharmacies. Again, the previous testifiers kind of outlined the, the stairstep approach that this bill takes. It's based on volume. It was based on two states. So the volume numbers were based on Oregon, is my understanding, that it used the numbers from Oregon. And then the-- as far as the amounts, those were based on Ohio's. Oregon's, we couldn't use those because the top tier was actually \$14.30, which is much higher than the \$10.38 we established last year. Second tier was \$11.91, and the third tier was \$9.80. I just bring that up to point out that these are, I guess what my members would say, modest reimbursement rates. They are not extreme as far as when you look at the states that have the stair-step approach. The vast majority are higher than what we're proposing in LB138. I don't have the perfect answer on the language for you, Senator Hansen, but I believe the bill references the Medical Assistance Act, which equals Medicaid. So I think it all falls under since it referenced the Medical Assistance Act. But we can double-check that to make sure we're good on language that way. With that, happy to answer any questions you might have.

**HARDIN:** Any questions? Seeing none. We will let you off easy today. Next proponent. LB138. Welcome.

**ANSLEY FELLERS:** Thank you. Thank you, Chairman Hardin and members of the committee. My name is Ansley Fellers, A-n-s-l-e-y F-e-l-l-e-r-s. And I'm here on behalf of the Nebraska Grocery Industry Association, testifying in support of Senator Riepe's LB138. Thanks to Senator Riepe for bringing this bill this year. Last year, following passage of LB204, Nebraska Medicaid started paying a \$10.38 pharmacy dispensing fee per filled prescription to independent pharmacies.

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Independent pharmacy, as defined in that bill, was a pharmacy with six or fewer locations. While NGIA and our partners supported LB204 as written, the bill was amended to exclude the pharmacies we represent. Our association's support remained of the committee statement, so we had some initial confusion to overcome. Last spring, we worked with the Pharmacists Association and Senator Riepe to find a no-cost compromise, which was to at the very least include all pharmacies in the cost survey, which was included in the legislation to guide the very legislation we brought this year. To be clear, the bill as written was only going to include pharmacies with six or fewer locations in that survey. Increasing reimbursement rates based on number of locations was and is, in our opinion, very arbitrary. We have one truly independent retailer headquartered here in Nebraska, which was excluded from the increase. The independent retail pharmacy is in the same PSAO as some of the retailers who were given the increased reimbursement rate under LB204. We also have pharmacies serving areas in both urban and rural Nebraska where, if they were to close, individuals would be left in a pharmacy desert. The tiered fee structure represented in LB138 to base reimbursement on the number of annual prescriptions filled was based on research we did from a couple of other states. Following conversations with committee members last year, we also included language to cover potential pharmacy deserts. Some feedback I received from one of our pharmacies was that there are drastic differences in reimbursement rates from one, from one plan to the next. They do not actually know-- this pharmacy-- know what rate they're supposed to be receiving. Neither the PSAO nor Nebraska Total Care was able to provide that information. The folks I represent are too big to be considered little by the state and too little to negotiate like the big guys. Thanks again to Senator Riepe for bringing the bill. And I'm happy to answer questions.

**HARDIN:** Thank you. Any questions? I have one.

**ANSLEY FELLERS:** Sure.

**HARDIN:** So what happened with that one that was kind of the outlier? What ended up-- who, who did-- who, who will then determine that? How does that get solved moving forward?

**ANSLEY FELLERS:** I think that remains to be seen. So I wanted them to be here today, and she just couldn't. The pharmacy director was swamped, as you can imagine. So I took a-- I got a few notes from her. I mean, I think that-- I don't, I don't know exactly how-- who to-- I don't want to throw anybody under the bus on the record, probably. I

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think-- it sound-- it seems like they're getting reimbursed at a much lower rate through one system than they are the other two.

**HARDIN:** I see.

**ANSLEY FELLERS:** And when they inquire with the state or with their PSAO why that is-- like, the PSAO will say, you need to go back to Nebraska Total Care. Nebraska Total Care will say you need to talk to your PSAO. And they're like-- they're kind of stuck in the middle. And again, they're not considered this-- they're not considered an independent for purposes of getting the \$10.38. So they're still getting much lower cost-- reimbursement.

**HARDIN:** I would be glad to have a conversation in the hallway where you throw them under the bus.

**ANSLEY FELLERS:** Yeah, thank you. I mean, it's-- and I, I do think-- I, I wanted to kind of reiterate-- thank you so much for the time. And I-- actually didn't see my light, so I was like, eh, got all the time in the world. I, I just want to say that the line at the end that she said, which I think is true about a lot of this, is the folks that we're here representing are, are too little to negotiate like the really big guys. And not that the big guys don't deserve a higher reimbursement rate, especially if they're serving areas that are potential deserts, right? I'm not suggesting-- that's kind of why we based it on the tiers. If you're filling a bunch and you're a really big location, maybe you do need a little-- like, a slightly smaller reimbursement, right, than somebody that's a little smaller. But these folks are kind of in that-- they're in that weird gray area where they're not big enough to negotiate those lower prices on the front end but they're too big to be considered independent and get the higher reimbursement. So--

**HARDIN:** I see.

**ANSLEY FELLERS:** Yeah.

**HARDIN:** Thank you.

**ANSLEY FELLERS:** Does that make sense? Thank you.

**HARDIN:** Next proponent, LB138. Proponent. Opponents, LB138. Those in the neutral, LB138. Senator Riepe.

**RIEPE:** Thank you, Chairman Hardin and members of the committee. Of-- I considered waving, but I didn't want to do that because you may have

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some questions that, if we don't have the answers, it would at least afford you the opportunity to bring those to us and then we can have a chance to research those and, and prepare them, if that's-- and respond back to you, if that's what it takes. This is fundamentally an issue. And it's not exclusive to pharmacy in terms of payments for Medicaid services, that stuff. On the fiscal note, which I don't think has been talked about, but in summary, the General Fund impact would be-- for the state, it's \$3,339,477. I didn't put it the cents. I just put the dollars. And for the federal funds, their participation would be \$5,404,898. Now, I'd like to declare that that's a bargain, but it's still a lot of money. And I simply want the committee to understand the financial side of this as well before any decisions are made or any discussion. So.

**HARDIN:** Questions? Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Hardin. Senator Riepe, thank you for being here for your bill. I would be remiss not to ask you a fiscal question since you are usually the fiscal person on this committee. But you, you-- so-- you-- I think you did a great job of, of kind of highlighting this, obviously, as an expense. And I think that there's-- I love the phrase compassionate conservatism behind this as well. But where do-- where do you envision this, this fund coming from? Or how do, how do we make up for that, given the reality of our state's fiscal situation currently?

**RIEPE:** That is-- gets back down fundamentally to-- where do we put our priorities and, and what do we have to do to, to maintain? And particularly the fairness of the equity of services that are provided. We need to pay somewhere. We're never going to pay cost plus. We're never going to play-- pay probably cost. And we're going to have to rely on these professionals. Now, I wish I had an answer of saying, some way or another, I had a Uncle Warren who was going to write us a check for \$3,339,000, but that's not going to happen. So I don't have that clear answer in terms of the source of the state's side of this. And so-- again, I repeat, gets down to priorities and say how does it all fit together.

**FREDRICKSON:** Sure. Yep. Thank you.

**RIEPE:** Sorry. Yeah.

**HARDIN:** Senator Quick.

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**QUICK:** Thank you, Chairman. And I, I should have asked this of the last testifier, but I wanted to make sure that this bill addresses what her concerns were for-- I know that she was a proponent, but I wanted to make sure-- she brought up a lot of, of issues. And-- but this bill would address her concerns that she had talked about when she was up there, or do you know that?

**RIEPE:** Well, I was sitting behind her, so I'm not sure that I got a full hearing on that. So--

**QUICK:** I--

**RIEPE:** --could you be kind enough to just give me a hint on that?

**QUICK:** May-- maybe I'll ask her after the-- because I, I, I know what her concerns are. And it was-- it, it had to do with the independent ones and the smaller ones versus the larger ones. And I just want to make sure that was-- that I address it. I, I apologize. I didn't get my--

**RIEPE:** No. I think by setting these various brackets, the, the bigger you are, the less you get paid because you have covered over. We're trying to-- and we know-- clearly understand how critically important it is that we don't drive the independent out in our more rural communities where pharmacology is so much more important than it was ten years ago. And so we have to some way or another try to preserve that and yet keep some fairness, if you will, for the same work being done by the same type of professional. It's a, it's a tough dance between urban and rural in health care. Very much so. Not just in pharmacies.

**QUICK:** Thank you.

**HARDIN:** I have a question. And forgive me, because this is a million-foot-up question. I remember when this came up last time around. Do we struggle with paying our bills at times here in Nebraska of kind of keeping up and, shall we say, a consumer price index sort of way, lifting these kinds of things more frequently and having less Herculean lifts when we do it? This is a big fiscal note.

**RIEPE:** It is.

**HARDIN:** But it seems like we hadn't actually looked at this one in quite some time in terms of a challenge.

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**RIEPE:** That is, that is correct. We had not looked at it for a very long period of time. And do-- we, we seem to get our bills paid. Of course, we did end up with a fairly big hole, so it's hard to say that we got them all paid when we ended up talking about a shortfall of-- I think the real number's \$106 million down. But the papers all report, which is the number, if you include building back the cash fund is \$425 million. That's a whole lot of money. So I would say we didn't get all of our bills paid.

**HARDIN:** Any other questions? Seeing none. Thank you.

**RIEPE:** Thank you. Thank you for your consideration.

**HARDIN:** This ends the hearing for LB138.

**BARB DORN:** You got online.

**HARDIN:** Thank you. And what do we have? 0 proponents?

**BARB DORN:** No. It's highlighted.

**HARDIN:** I believe you. Oh, how I wish I knew where that highlighted page was. Thank you. Yes. 0 proponents, 0 opponents, 1 in the neutral.

**FREDRICKSON:** We will now move on to the hearing for LB119. Senator Hardin, you're welcome to open.

**HARDIN:** Thank you, Vice Chairman Fredrickson. And good afternoon again, fellow senators of the HHS Committee. I'm Senator Brian Hardin. For the record, that is B-r-i-a-n H-a-r-d-i-n. And I represent the Banner, Kimball, and Scotts Bluff Counties of the 48th Legislative District in western Nebraska. I'm here to introduce LB119, which aims to firmly establish the Rural Health Opportunity Program, RHOP program, into state statute. This initiative has played a pivotal role in addressing the health care needs of rural Nebraska for over three decades. LB119 will ensure this essential rural health workforce pathway is sustained into the future. The RHOP program-- a collaborative effort between the University of Nebraska Medical Center, UNMC, and the state colleges-- has been operational since 1989. It encourages and provides financial support to rural residents pursuing careers in various health care fields. The most recent review and revision of the RHOP program resulted in a systemwide RHOP agreement approved in April of '23, effective for a five-year term. To be eligible for the RHOP program, students must complete all RHOP application requirements, be rural Nebraska residents, and be enrolled as a full-time student at Chadron, Peru, or Wayne State College.

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Selected students receive an RHOP tuition waiver covering tuition costs at the state colleges and guaranteed admission to UNMC, subject to meeting program requirements. This program enables the state colleges to recruit high-performing high school seniors from rural Nebraska and offer them tuition waivers and early admission to UNMC for health-related professions. The impact of this initiative is evident in the success of over 750 RHOP graduates, with over 2/3 remaining in Nebraska and nearly half returning to rural communities to serve. The health care workforce challenges in Nebraska necessitate an increased number of health care professionals-- particularly in rural areas. Recent findings from UNMC's Status of the Nebraska Health Care Workforce update in 2022 indicate shortages across various health care fields. The RHOP program aligns with UNMC's recommendations to enhance pipeline programs and tuition waivers to address workforce shortages. As part of the fiscal year '24 and '25 biennium budget request, the Nebraska state colleges sought financial support from the Legislature to cover half of the tuition waiver costs, ensuring the long-term viability of the program and opening avenues for expansion. The Appropriations Committee endorsed this request, providing \$300,000 in funding for new RHOP recipients in the '23-24 cohort, increasing to \$600,000 for '24-25. While LB119 includes intent language for ongoing support from the state of Nebraska, the bill as drafted does not establish a requirement for additional funding. Rather, the Nebraska state colleges proceed with requests for additional financial support of the program by the following traditional budget request process. As I noted at the beginning of my testimony, RHOP is a long-standing partnership between UNMC and the state colleges. The agreement that originated in 1989 was most recently approved in April of 2023, which formally recognizes the partnership between the parties and establishes that five-year commitment between the two entities. Section 1(2)(a) of LB119 affirms the requirement for such a memorandum of understanding between the organizations. Although a fiscal note has been submitted by the University of Nebraska indicating a projected fiscal impact of \$24,960 in FY '26 and \$25,370 in FY '27 to fund 20% of a full-time employee student success coordinator to implement the activities outlined in the partnership agreement, the university system and the state colleges already have the infrastructure and staffing in place to support RHOP engagement activities. Approving this legislation to codify the RHOP program into statute does not necessitate adding new full-time equivalents or requiring staff beyond what's already allocated. The existing resources at both systems are sufficient to meet the program's needs without additional financial impact. In conclusion, I urge your support for LB119 to firmly established the

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RHOP program into state statute. This program has a proven record of success in developing health care professionals from rural Nebraska, addressing workforce shortages and ensuring access to quality education. The continuation of this program is vital for the health and well-being of our rural communities. This concludes my opening statement. And I'm prepared to answer any questions that use only short words. However, following me will be Chancellor Paul Turman from the Nebraska State College System, and he can speak more in depth to the ins and outs of the RHOP program. Any questions?

**FREDRICKSON:** Thank you, Chair Hardin. Questions from the committee? Senator Riepe.

**RIEPE:** Thank you, Chairman. Thank you again, sir. My-- I have two questions. One is the-- is there assurance that the maintenance for accepting-- acceptance standards, including testing for aptitude, are maintained? They are not lo-- I see a head shaking yes, so.

**HARDIN:** I believe that the chancellor can probably answer those questions better than me, but in a monosyllabic fashion, I'll say yes.

**RIEPE:** Very good. My second question is, is, does this pass the test of constitutionality? Whereas one group is set aside and it's not accessible equally to all Nebraska residents?

**HARDIN:** That's a fabulous question. I think it's a good one to explore. I think, on the other hand, we have to look at it and say-- and where is the medical desert the hottest?

**RIEPE:** I don't know whether the Supreme Court looks at that, but. Eh, good response. Thank you, Chairman.

**FREDRICKSON:** Thank you, Senator Riepe. Other questions from the committee? I have two. Senator Hardin, one question I have is, so-- would-- are students eligible with-- for any program that's under UNMC's umbrella or are there specific courses of study that they have to take to be eligible?

**HARDIN:** My understanding is that it's anything within the medical world. But Dr. Turman can speak to that as well.

**FREDRICKSON:** Great. And my other question was kind of piggybacking on Senator Riepe's question. If-- would-- is this a program that would potentially be open to someone from a different part of the state who does then commit to working in a rural part of the state once they are educated?

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**HARDIN:** Again, I will defer, but my, my sense is yes.

**FREDRICKSON:** Yes. Great. All right. Thank you. Will you be here to close?

**HARDIN:** I will.

**FREDRICKSON:** Excellent. We will now turn to proponents for LB119. Good afternoon.

**PAUL TURMAN:** Good afternoon. Vice Chairman Fredrickson, members of the Health and Human Services Committee. My name is Paul Turman. I'm the Chancellor of the Nebraska State College System. That's spelled P-a-u-l T-u-r-m-a-n. What I've distributed is a copy of our most recent report related to the RHOP. And some of the questions that have been asked will be, be answered by pointing to a couple different things in there. I've been in this role now for six years. When I first arrived, began to better understand the RHOP program and its long history in the state of Nebraska. One of the things that I felt was relatively unique when I asked to see the system agreement that we have for that program, what I was provided was the three separate agreements that each one of the campuses had worked out with UNMC. It's interesting that you-- as you look back, a 1989 agreement that was a page and a half still was-- is in existence and what was being operated at Chadron to manage the program. We came together with then-Chancellor Gold and now-President Gold to align those degree programs so that all of our three institutions operate under one systemwide agreement. One of the things that we see with this program, we have roughly about 200 students a year entered into one of the various slots that we have for the 11 programs that we are able to support. We also have alternates that are selected into that program. When I go back and I look at the first few years of the program, when Wayne and Chadron began to integrate into it, when we had 12 slots at each institution covering just nursing and medicine, it cost our institution about \$28,000 a year because our tuition rates were relatively low when you go back 35 years. As we've continued to expand slots to get to 11 programs to 200 or more students, the cost of that program has, has gone up substantially. And I think our position has been it should not be on the backs of other students to support rural health care in the state of Nebraska. It's an important emphasis. And so we were very successful in working with the Appropriations Committee two years ago to get initial funding to continue to carve away at that cost for our institutions. And we have a request in, in front of them again as a part of our biennium budget request. And, and the senator's right. This bill does-- as written, does not stipulate

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and require additional funding that does not go through that traditional process. But this program, I think, if put into state statute, ensures that no matter who's in my seat or the seat for the university system that they still see the inherent value that RHOP is very meaningful the-- for the state. There's no reason for the state colleges to implement health care programs to meet those needs, because we have an organization that's very efficient that we should be partnering with. And this is here to hopefully establish a statutory requirement for a budget element that is out there as well, similar to the way that the career scholarships were put in place four years ago as, as well. I ask for your support of this piece of legislation. I'm happy to answer any questions you might have.

**FREDRICKSON:** Thank you, Chancellor. Any questions from the committee? Senator Hansen.

**HANSEN:** I think Senator Riepe might be on to something with the constitutionality question because I think-- I, I'm pretty sure we cannot specifically name an organization or an entity. [INAUDIBLE]-- I don't know. The University of Nebraska Nebraska Medical Center, because-- I don't know. I, I think we put them in statute. It's like we-- you know, we can't say, well, we're going to, you know, give a subsidy for grain operation only to this one company if you go through them, right?

**PAUL TURMAN:** Mm-hmm.

**HANSEN:** And it-- this seems like that's what it's here with, with the university-- UNMC. But are, are there any other, like-- because it's a university I think it's OK, probably. It's not, it's not a private entity or it is or--

**PAUL TURMAN:** Vice Chairman, it-- that's a very good question. And I do believe-- it does not restrict the-- that we can only partner with them. Our institutions also have other health care organizations that they partner with inside and outside of the state. And so I don't know that this memorandum that we have currently would have ever be perceived as that's a sole-- that we're the only entity that gets to partner with them while at the same time that we can't partner with other entities as well. I thought Senator Riepe's question was going to align with the restriction that we have on which communities an individual can be from to be eligible for the program. And that is one of those conversations that we've had the last-- even the 2023 rendition of the systemwide agreement. We talked about, can we expand that so students who are in Omaha and Lincoln, if they have some form

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of connection to rural communities, can we pursue and, and they make a commitment to then serve and work in a rural community? At the time, then-Chancellor Gold felt that our history and our numbers were so positive of feeding back into the rural that he wanted to retain it there. But it doe-- it doesn't say that we can't update that in our next agreement. We do have an, an RLOP agreement. So it's the Rural Law Opportunity Program, and we negotiated that with the dean of the law school, Dr. Moberly, and he took that restriction out of there completely, that Omaha and Lincoln residents who have an interest of pursuing law programs or of being attorneys in rural areas could, could be in place. But if we're tested, I think we have the capacity to go back in and amend that agreement to make it viable for any student in the state of Nebraska.

**HANSEN:** Can I have one more?

**FREDRICKSON:** Yep.

**HANSEN:** Yeah, because-- I, I think I-- and, and you, you clea-- cleared it up for what he was asking. And so on line 23, on the second page there, that-- required for early admission and transfer to an eligible health care program at the University of Nebraska Medical Center. But the-- could they-- they can't go to Creighton dentistry and then wouldn't be eligible for RHOP?

**PAUL TURMAN:** They, they could. So this does not restrict that a student-- when they finish the degree program with us, there is no stipulation in the memorandum that says they have to go to UNMC. I would say we're at about a 98% likelihood that the students do go on to UNMC, but we do have a handful that if they score extremely high in their placement exams and they've been eligible for Ivy League institutions-- some have left. The vast majority have stayed partly because they, they stayed in one of our three rural locations with every intention of wanting to stay and work back in Nebraska. And doing that at UNMC has proven to be the best pathway to do that.

**HANSEN:** Sure. And I, and I believe you. I-- maybe I, maybe I'm just reading it wrong. Because it says, to be eligible, a student shall enter an eligible health care program at the University of Nebraska Center--

**PAUL TURMAN:** No. I think--

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**HANSEN:** So that's where I'm confused-- maybe with the language. It says that you shall have to go to U-- UNMC. Otherwise you're not eligible.

**PAUL TURMAN:** I, I think that's a good point. We'll-- we want to just try to reevaluate that within the memorandum. I, I don't think the agreement says they have to. Because there's no repayment requirement related to it as well. And that would easily be an adjustment we'd be happy to make.

**HANSEN:** OK. Yeah. Thanks. I appreciate that.

**PAUL TURMAN:** Thank you, Senator.

**FREDRICKSON:** Senator Riepe.

**RIEPE:** Thank you. You answered one of my questions, and that was that if, if you're a young person whose maybe grandparents grew up in the more rural part of the state, they're from Blair or Omaha, if they really want to go back to that from that-- part of their growing up experience, that they would be candidates. Now, I-- they might go to-- they might go to UNO. They might go to some other school, Doane or-- what-- would they still be eligible? And if so-- let, let me throw you a double curve here.

**PAUL TURMAN:** OK.

**RIEPE:** The second one would be is, how many years do you require their-- a commitment from them? Like, in the Navy, if, if you want to be a sub sailor, you have to sign up for another four, five, six years of Navy. Do you have the same thing for signing them up for rural?

**PAUL TURMAN:** So I'll answer the first question.

**RIEPE:** OK.

**PAUL TURMAN:** The stipulation-- and I think we've, we've wanted to find opportunities and we've asked for that expansion because I think our presidents have, have been very interested in, in-- have students who are interested in coming from Omaha to go to, to Wayne. At this point, UNMC has been a little bit more resistant to just focus, because I think the intention is that students in Lincoln and Omaha also have other opportunities and pathways through UNL, UNO, and/or going directly into UNMC. And so the UN-- the RHOP program was started as a program for those kind of students in, in very rural, ex-- extreme areas of the state to have the, the pathways that are already in place

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for students here locally. On the second question, we do not have a, a, a loan repayment program partly because-- I mean, if this was totally state funded, then there would be a mechanism for funds came in from the state and were allocated to the students. The vast majority of what we provide the students is a waiver. So we're just actually not collecting tuition revenue from the students. And those programs are a little bit more difficult to manage on the back end for collections. And I think our track record for students staying in Nebraska and then going into rural areas of the state, which is at 68%, has been a, a, a very good metric when you compare other even loan-based programs, because life happens. And students who are unsure about what they want to do are less likely to want to pursue those programs when they're freshman in college and make those commitments knowing that they may have to pay those dollars back.

**FREDRICKSON:** Senator Riepe.

**RIEPE:** I guess-- when I look at this, my objective would be is, how do we get young people to want to practice medicine in rural Nebraska? Now, this particular program advantages your three state schools at the expense of other schools. But I'm looking at it saying, I don't care how they get out there to practice medicine. That's my biggest interest. Not so much whether it's through your schools or whether it's through someone going to community college in Lincoln or Omaha or, or anyplace else in the state, doing their first two years, then either transferring to yours or transferring to another school.

**PAUL TURMAN:** And--

**RIEPE:** To get there. I, I don't care how they get there. I just want to get them there.

**PAUL TURMAN:** Yeah. And I think the-- you, you provide an opportunity. And I think the, the guaranteed slot for a student who is in-- that lives in Crawford is making that decision to-- I, I can stay and go to Chadron with a guarantee that I can eventually, if I meet the ongoing eligibility criteria, that I, I will be accepted into UNMC. Versus a student who lives in Crawford and says, I, I'm going to go and look at another state and I'm going to start there because it can be closer for me. I think our ability-- if you can get a, a student from Nebraska who's graduated from our public or private high schools to stay in the state, the likelihood of keeping them is at about a 70% rate versus if they've gone across state borders. Our ability to bring them back is at about 25%. So the, the, the statistics are, are there

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in that if we provide the opportunities, it's going to help and have an impact on our students.

**RIEPE:** Follow-up question. So one of the advantages of ha-- or, disadvantages of having been around a long time. Creighton University had a program. If you attended Creighton University, you were guaranteed a slot in their College of Medicine.

**PAUL TURMAN:** Mm-hmm.

**RIEPE:** Walked away from it real quickly because it didn't work out. And I don't know all of the details of why it failed, but it failed and it failed fast. So I don't know that the university, whether President Gold can make that kind of a guarantee. That's-- I'm just-- wanted to get that on the record.

**PAUL TURMAN:** I'll-- if I can-- I will note, as you see in the report, one of the, the key metrics since 1989, of those who have filtered through the pipeline-- so started at our institutions, gone to UNMC-- we've had over 750 students who've completed that. And then the vast majority of them working here in the state of Nebraska. So I would say the program is working as it was originally intended.

**FREDRICKSON:** Thank you. Other questions?

**RIEPE:** That might not-- that might be beyond your three schools.

**PAUL TURMAN:** Correct.

**RIEPE:** OK. Thank you. Thank you.

**FREDRICKSON:** Any other questions? Thank you.

**PAUL TURMAN:** Thank you.

**FREDRICKSON:** Other proponents for LB119? Good afternoon.

**MATT BLOMSTEDT:** Good afternoon. This was the feel-good, easy hearing for me, and you've made it tough for all of us, so.

**RIEPE:** Just for you.

**MATT BLOMSTEDT:** Just for me. I knew you did it for me. Vice Chair Fredrickson and members of the Health and Human Services Committee. My name is Matt Blomstedt, M-a-t-t B-l-o-m-s-t-e-d-t. I serve as the Associate Vice President for Government Relations for the University of Nebraska System. I am here today to testify in support of LB119.

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First, I want to thank Sen-- thank Senator Hardin for introducing this legislation and for recognizing the importance of investing in the future of Nebraska's health care workforce. LB119 seeks to formalize and strengthen a program that has proven successful in addressing one of Nebraska's most pressing challenges: access to health care in rural communities. Nebraska continues to face a growing shortage of health care workers, particularly in rural areas. 13 of our counties do not have a primary care physician, and many more are served by just one provider. Rural hospitals and clinics are struggling to recruit and retain health care professionals, and the pipeline of new providers entering the field is not keeping pace with demand. Without action, these shortages will continue to deepen, making it even harder for rural Nebraskans to access essential health care services. The University of Nebraska has long been committed to addressing this need. Programs like the Rural Health Opportunities Program and actually the Kearney Health Opportunities Program-- which I'll, I'll point out that if you take a look at the timeline, Kearney was still Kearney State when RHOP started, right? So with Kear-- with the Kearney Health Opportunities Program, both were created to recruit, educate, and graduate students from rural Nebraska who are passionate about returning to rural communities to practice health care. These programs provide a clear pathway for rural students into the health care workforce, helping to fill critical gaps in Nebraska's health care system. And the impact of these programs is undeniable. Over 85% of participating students remain in rural Nebraska after completing their education. Since its inception in 2010, KearHOPE-- KearHOP alone has prepared and placed over 174 students into health care programs, with many returning to rural Nebraska to serve. These students have an extraordinary success rate, with over 70% of Kear-- KHOP participants gaining admission to medical school compared to a national average of less than 10%. In just this last year, Kearney welcomed their largest class of participants, with 72 students admitted to the program. This commitment to recruiting and supporting the next generation of health care professionals is vital to ensuring rural and-- rural Nebraskans have the access to quality health care they deserved. So as we work to codify RHOP, we strongly encourage the committee to also codify KHOP, an-- a companion initiative. KHOP operates alongside RHOP and serves the same purpose: recruiting, training, retaining health care professionals. And so I'm, I'm going to go ahead and stop there. I see my light's on. I do have a couple maybe answers, I don't know, or at least willingness to try to seek answers to the questions that were asked.

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**FREDRICKSON:** Thank you so much. Would you like to finish your thoughts?

**MATT BLOMSTEDT:** Yeah. It's-- first of all, again, thanks to Senator Hardin for doing this. I, I wanted to clarify one point also on the fiscal note. So when, when UNMC filled out that fiscal note, the intention was to have a line in there says, hey, look, these are costs assumed by, by UNMC. So I wanted to make sure that was clarified. So we'll, we'll actually submit some type of-- I don't know if we can amend that or not, but apparently that didn't read that way. I also want to clarify that just, just basically that students that are coming into UNMC, these are reserving spots but not committing students absolutely to follow through on that. And if-- we'll try to dig into those other cost-- constitutional questions. But I was trying to take notes and have others take notes along with me, but glad to do that. I'm glad to try to address those things-- if not myself here today at some point, making sure we get the right people working on that.

**FREDRICKSON:** Thank you. Any questions from the committee? Seeing none. Thank you for being here.

**MATT BLOMSTEDT:** That's because Paul Turman got to answer all the good questions, apparently, so. Thank you all.

**FREDRICKSON:** Good afternoon.

**JACK MOLES:** Good afternoon. Vice Chairperson Fredrickson and members of the Health and Human Services Committee. My name is Jack Moles. That's J-a-c-k M-o-l-e-s. I'm the Executive Director for the Nebraska Rural Community Schools Association, also referred to as NRCSA. NRCSA's an organization of 224 member public school districts, educational service units, and a few colleges, representing the interests of over-- almost 89,000 rural school students. On behalf of NRCSA, I'd like to thank Senator Hardin for sponsoring the bill and wish to testify in support of LB119. RHOP is a program that has been of great importance to our rural schools and rural communities. It offers an accessible career pathway for students from rural schools. As a superintendent-- former superintendent, I know we had at least four students chosen for the program. Three of them went on to health careers in rural communities: two as physician assistants, one as a pharmacist. And there-- I think all three of them are still serving in rural communities. Bringing these young people back to rural communities helps to strengthen health care opportunities in rural areas. This is vital to communities and school districts as they

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attempt to attract workers. And it's specific regarding rural schools, teachers, and administrators to our rural communities. Access to health care is often a deciding factor when people choose to live in rural communities. For new health care professionals who grew up in a rural setting, being able to start their careers in a rural community would appear to grow the likelihood of retaining them in a rural community. Ensuring health care or health-- ensuring rural health opportunities also helps to strengthen and grow, and grow the economies of rural communities. We believe this would be a great investment on behalf of the state. The program also serves to help the three state colleges. Of course, there are enrollment implications that would be helpful. But beyond that, if funded, scholarships would be of great financial assistance not only to the students who would receive those scholarships, but also to Prush-- to Peru, Chadron, and Wayne State as they would-- as they work with the university system. If there would be funding, the state colleges would receive-- for the RHOP scholarships. This might free up other scholarship funds that could be available to other high area needs, such as teaching. And with that, I'll close and answer any questions you might have.

**FREDRICKSON:** Thank you. Any questions from the committee? Seeing none. Thank you for your testimony.

**JACK MOLES:** Thank you.

**FREDRICKSON:** Other proponents for LB119? Good afternoon.

**HALEY PERTZBORN:** Hello again.

**FREDRICKSON:** You're busy today.

**HALEY PERTZBORN:** I'm busy. Good day, though. Vice Chairperson Fredrickson and members of the Health and Human Services Committee. My name is Haley Pertzborn, H-a-l-e-y P-e-r-t-z-b-o-r-n. Licensed pharmacist, the CEO of the Nebraska Pharmacists Association, and a registered lobbyist. We want to express our support for LB119. We extend our gratitude to Senator Hardin for introducing this important legislation when it-- which aims to make pharmacy education more affordable for future pharmacists who intend to practice in Nebraska rural communities. The average debt of a pharmacist is around \$170,000, according to AACCP. LB119 is a positive step forward in alleviating this burding-- burden, allowing more students to pursue pharmacy degrees and return to rural communities to practice. Access to health care services in rural Nebraska continues to be a challenge, and pharmacists play a critical role in ensuring patients in these

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areas-- in these areas receive the care they need. We do ask for consideration of a mechanism to ensure accountability for individuals who benefit from this program. Specifically, we recommend incorporating enforcement measures to ensure that those who receive this financial assistance fulfill their commitment to practice in rural communities. Such measures will help safeguard the intent of this bill and maximize its impact on addressing health care disparities in rural Nebraska. The NPA supports LB119 and its goal of supporting the next generation of pharmacists while addressing rural health care needs. We urge the committee to advance this bill. And I'd be happy to answer any questions.

**FREDRICKSON:** Thank you for your testimony. Any questions? I have one. You, you mentioned sort of you recommend incorporating enforcement measures. What, what do you envision that might look like?

**HALEY PERTZBORN:** I can imagine that I probably need to ask some of their barriers to maybe enforcing that. But we just have heard from members where they have a hope that there's going to be someone to relieve a pharmacist that reti-- that's retiring in a community or something, and that doesn't pan out. And we know life things happen. But this program is meant to benefit rural communities. So that's just feedback I've heard from membership, so.

**FREDRICKSON:** Great. Perfect.

**HALEY PERTZBORN:** Yeah. Definitely can chat more about that.

**FREDRICKSON:** Any other questions? Senator Hansen.

**HANSEN:** What if we increased dispensing fees--

**HALEY PERTZBORN:** Yes.

**HANSEN:** --to help out with rural-- the, the rural pharmacists? I'll-- see? We're pointing in the right direction.

**HALEY PERTZBORN:** That's what I'm saying. It's been a good day.

**FREDRICKSON:** Any questions? Seeing none. Thank you for your testimony.

**HALEY PERTZBORN:** Thank you guys.

**FREDRICKSON:** Other proponents for LB119? Any opponents for LB119? Anyone here to testify in the neutral capacity? Seeing none. Senator Hardin, you're welcome to close. And while you do that, we had some

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online-- 3 proponents, 0 opponents, and 1 neutral testifier. Senator Hardin.

**HARDIN:** Thank you. I'd like to just point out some statistics. Can I do that? I live closer to three state capitols than this one. And so do the 40,000 people in my district. And that's true of the district where Paul Strommen is. That's true in Tanya, Tanya's district, in Tom Brewer's old district. And the reason I point that out is because you will find as many Wyoming Cowboy fans back there as you'll find Big Red fans. You will find as many CSU Ram fans as you will find Big Red fans. The reason I point that out is to say, guess where they're recruiting? Those folks who are potentially interested in, in the health world don't have to stay in Nebraska. They can go to Colorado. They can go to Wyoming. They can go to South Dakota because they are closer to those states' capitols than they physically are to this one. It's really important, because we need rural professionals where we are. The good news is that this program has a record of keeping 2/3 of those students where they came from, in rural Nebraska. And so that's a main way that we keep them rooted where they are. They like to stick around where they grew up. They just do. And even those of us who boomeranged and went somewhere else tend to go back-- at least I did. And so that's how important this is in our neck of the woods. And I just wanted to share that anecdotal information with you about the differences. I'm always teasing people from here in eastern Nebraska when they say, where is District 48? I encourage them to unload their map five more times to the left. We're way over there. And so-- yeah. We kind of need some help recruiting and retaining, and RHELP-- RHOP helps to accomplish that, just like LHOP does and the other programs that do the same type of thing.

**FREDRICKSON:** Any questions for Senator Hardin? Senator Riepe.

**RIEPE:** Thank you, Chairman. Thank you. I think we all clearly acknowledge that there's a real concern that we have with rural health care models, and not just in this country. Other countries that-- Australia have rural health care problems where they're isolated too. My-- I have three questions I'd like-- one is, what is the dollar value for every scholarship?

**HARDIN:** Fabulous question. I don't know.

**RIEPE:** OK. Then my second question's--

**HARDIN:** What I do know is it's, it's all of the tuition for that program. It's the tuition and fees.

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**RIEPE:** So it's the full tuition?

**HARDIN:** My understanding is it's the full tuition fees--

**RIEPE:** If you're going to medical school.

**HARDIN:** Yeah.

**RIEPE:** That's a big number. Subject to an annual renewal or is it a-- once a student gets the scholarship, it's a full four-year scholarship--

**HARDIN:** My understanding is that it's-- it--

**RIEPE:** --unless they fail out?

**HARDIN:** It is unless they step away from it and decide to do something like I did and study music.

**RIEPE:** OK. And my third one, and the easy one, is, what's the source of these funds for this?

**HARDIN:** It's the General--

**RIEPE:** And how many students would be operati-- how many students would be eligible to apply?

**HARDIN:** Last one I don't know. Good-- anyone can apply. But in terms of how many, how many they're awarding, that I, that I, that I don't know in terms of how many. I know that it is limited to simply the dollars that are available. And so I'm not sure what that math is on that. But back to your previous question, those moneys are already contained within those budgets of the schools, of the state colleges.

**RIEPE:** Wait a minute. So the state colleges are going to put up the maybe \$500,000 for the student to go to med school?

**HARDIN:** It's a, it's a-- as I understand it, it's, it's a 50/50.

**RIEPE:** 50/50?

**HARDIN:** Yeah.

**RIEPE:** Who puts up the other 50%, the state?

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**HARDIN:** Well, the-- so the, the state colleges are, and then we appropriated from this last year moneys as well. So that's what comes together to form the \$600,000.

**RIEPE:** And the state college money is from tuitions and--

**HARDIN:** Yeah.

**RIEPE:** --yadda yadda.

**HARDIN:** Yeah.

**RIEPE:** So this could be a fairly big number if-- depending upon how many are approved. If you--

**HARDIN:** Well, I, I think at this point it--

**RIEPE:** --approve two, it's \$1 million. If you pro-- approve--

**HARDIN:** Yeah. I think at this point it is limited to what is in the fiscal note. So inside the fiscal note, it says FY '25 base appropriation for this program's \$600,000. So they're not going to go bigger than that. Then if you count--

**RIEPE:** \$600,000 per student?

**HARDIN:** No, the whole program.

**RIEPE:** The whole program.

**HARDIN:** Yeah.

**RIEPE:** Well, medical school's expensive.

**HARDIN:** That-- well, it is. And-- so that's the whole program, is-- and then it says for fiscal year '27, that's an additional \$600,000.

**RIEPE:** OK.

**HARDIN:** And then underneath it, there was some talk-- and that's where I got kind of into the weeds in my speech. There's about a \$25,000 a year '26 and FY '27 number that talked about, hmm, well, an additional part-time person being needed to help regulate some of this. And they were saying that essentially-- no. That's not a, a real thing that's going to be--

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**RIEPE:** Is there stipulation that when they come to Omaha for-- whoever the student is, when they come to Omaha for medical school, they cannot get married to a local?

**HARDIN:** I, I think we require the local to come out and enjoy the good life--

**RIEPE:** OK. Fair enough.

**HARDIN:** --in, in the rural area.

**RIEPE:** I just want some clarification. Thank you. Thank you, Chairman.

**FREDRICKSON:** Sure. That'd be quite the contract. Any, any other questions from the committee? Senator Hansen.

**HANSEN:** So if we're paying-- if this money's being used to pay for the tuition to go to medical school or pharmacy school, that's probably on average about \$170,000 to \$250,000, \$300,000.

**HARDIN:** But a lot of these are also nurses and so on and so forth. So--

**HANSEN:** Well, I-- where I'm, where I'm going with this question is maybe other states do this. Maybe it's-- because I think the RHOP program has been successful. I'm just kind of curious of-- if the best way to, to utilize taxpayer dollars. Why don't-- maybe because the idea of where RHOP and where they come from and where they go to school in Nebraska makes sense. But why don't we just pay somebody \$30,000 a year to practice in rural Nebraska a year for five years?

**HARDIN:** I think that's a marvelous idea. I've even suggested if we really want to get serious about attracting things and filling up the medical desert so that it goes away, maybe the counties just get very intentional about dismissing people's property taxes for those particular roles in society.

**HANSEN:** I like that even better.

**RIEPE:** Yeah. [INAUDIBLE] tax credit.

**HANSEN:** Or it could be a public-public partnership. We chip in, the county chips in or the city chips in.

**HARDIN:** You got to get creative in these things. Yeah.

**HANSEN:** Thanks.

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**HARDIN:** If I can-- forgive me for going off on a tangent, but I think we don't recognize in all of this medical desert talk the fact that contextually we are in a place financially like when we have followed a world war. Following COVID, we spent more money for adjusted dollars in how we responded to COVID than we did in 1918 in assessing how much we spent on World War I and in 1945 and how much we spent on those adjusted dollars for World War II. We spent more money in our response to COVID, and we are contextually in a place of crisis just like we were after those world wars. And yet we're not acting like we're in a crisis. And I think that means, creatively, we have to do things differently.

**FREDRICKSON:** All right. Final questions? Seeing none. Thank you, Senator Hardin.

**HARDIN:** Thank you.

**FREDRICKSON:** That concludes our hearing for LB119.

I try to do one here. One. And it's a lot more fun than banking.

Yeah. Yeah.

Excuse me, Jerry.

**HARDIN:** LB162 is next. We'll get readjusted here in just a moment. I think we are ready. LB162 is the next hearing. Senator Juarez.

**JUAREZ:** OK. Thank you, Chairman and members of the Health and Human Services Committee. My name is Margo Juarez, Juarez in Spanish. And I represent District 5. In Nebraska, school systems are notified by law enforcement of nearby incidents that may have implications for the safety and security of children and staff. However, our child care centers and home providers do not receive these same notifications. LB162 is designed to enhance the safety of our child care providers by mirroring the emergency response protocols already in place for schools. This bill was first introduced last year by Senator Lynne Walz after one of her constituents brought to light the huge safety gap between our schools and our child care centers. Child care providers in my own neighborhood have also experienced incidents that compromised the security of keeping our little ones safe. You'll be hearing about their experiences today and why the Child Care Safety and Security bill is so important. This bill would create a Child Care Safety and Security Fund and directs the Nebraska Department of Education to award competitive grants that facilitate community partnerships for emergency response procedures involving child care

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providers. The bill requires three designees to coordinate these efforts effectively. The first designee is assigned to operate an emergency response notification system to notify providers of local emergencies. The second designee coordinates age-appropriate safety and reunification training. And the third designee would provide safety and reunification materials. This bill allows local partnerships to develop and standardize their own notification, safety, and reunification efforts. The bill is also designed to avoid putting any additional expense on child care programs or the parents they serve. Participation is voluntary for the providers. Finally, the bill requires the Nebraska Department of Education to submit an annual report to the Legislature on how the fund was used and the number of children they served. The amendment adds the, the funding source, a one-time \$300,000 appropriation from the Cash Reserve Fund and an emergency clause to ensure that these badly needed grants can be awarded as quickly as possible. I'm happy to answer any questions, but there are people also behind me who can respond as well, and I volunteer them. Thank you.

**HARDIN:** Thank you. Senator Riepe.

**RIEPE:** Thank you. Is this your first bill introduction?

**JUAREZ:** Yes.

**RIEPE:** Congratulations. You did a nice job.

**JUAREZ:** Thank you.

**RIEPE:** I do have a question, though. I'm trying to make it one that's reasonable here. On, on one of the documents that I have, it says-- I'll paraphrase a little bit-- it says, LB162, grants to child care centers for training and materials related to safety and reunification procedures. Is this partly an immigration program?

**JUAREZ:** No, it's reunification from a safety perspective.

**RIEPE:** From a safety-- OK. I-- the reunification just rang a bell off. And I just want to make sure I under-- understood the scope of the project-- or, program. Thank you. Thank you. Thank you for being here.

**HARDIN:** Any other questions? Thank you. Will you be around at the end for us to ask you questions then too?

**JUAREZ:** OK.

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**HARDIN:** First proponent, LB162. Welcome.

**ROBERT PATTERSON:** Good afternoon, Senator Hardin and members of the committee. My name is Robert Patterson, R-o-b-e-r-t P-a-t-t-e-r-s-o-n. I am the CEO of Kids Can Community Center in Omaha, and I've been there for 26 years as of last month. Kids Can is a nonprofit with a mission to educate, engage, and inspire children through early childhood care and afterschool experiences. We are a state-licensed child care, and we serve children as young as six weeks old, up to 13 years old. What you may have heard reflected in our mission is-- our goal is not just child care, but to ensure kids are ready for kindergarten. And once they're in school, that they stay engaged in their academics and, and stay in school throughout their entire career. What you did not hear is a big presumption that all parents have, that kids are kept safe while they are in our care. So as you can imagine, in my nearly 30 years at the organization, that we've had our number of incidents in the neighborhood or nearby that could have compromised the safety of our little ones. Last spring, we had a armed foot pursuit within two blocks of our organization. It was a sunny day like today. Our toddlers and preschoolers were outside playing on the playground, and we only knew something was amiss because parents started calling us. We got our kids safe. We got them inside. We followed the standard response protocols that is similar to the schools that we follow. Our building was secure, but my conscience was not. It was way too close to home, and I didn't want to have to rely on our parents or Facebook or Omaha's scanner as our kind of first level of protection and safety. So I just knew there had to be a better way. On the second page-- I just kind of quickly took this from the Omaha Police Department. It kind of shows criminal incidents surrounding the Kids Can area in the past 30 days, 60 days, and all time. They didn't specify what all time actually meant, so I don't know how far that goes back. And I share that not to show that we don't think we live in a high-crime area, but we're not special. Crime occurs everywhere, and we just need to make sure we stay vigilant. While I was excited last year when Senator Walz brought this bill forward, it did not pass the finish line, as did many bills last year. But it was something that was too important for me and too important for our families to, to let go. Yes, this bill does have a fiscal note: \$300,000. The cost is small compared to the impact it would make for our children, let alone the thought of even putting one child in jeopardy, jeopardy unnecessarily. When I talk to board members and parents and staff and even senators, they're more surprised that this doesn't exist already. And if the unthinkable does happen-- which happens more than we want to know across our country-- I just want all

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Nebraska child carers to be prepared. That's an expectation that every parent, grandparent, and caregiver has every morning when they drop their kid off at Kids Can: my child will be safe and secure. That should be the expectation of every Nebraska elected official, every citizen from south Omaha to Scottsbluff, North Platte to north Omaha, that our kids are kept safe. I-- all I ask is to urge you to not delay on this. It would be my fear to be sitting in this seat two years from now asking for the same bill. Thank you.

**HARDIN:** Thank you.

**ROBERT PATTERSON:** I'm happy to ask-- answer any questions.

**HARDIN:** Questions? Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Hardin. Thank you for being here and for the work you do and for your testimony. So I-- just, just a quick question from me. I just want to make sure I understand this correctly. Can you just sort of walk us through what is the current system for notification, if any, for a, a child care facility like yours? And, and, and how is that different from what might happen in, in, in a K-12 education environment or school?

**ROBERT PATTERSON:** So I'd say right now in Omaha, there's nothing. And like I said, we just depend on our own sights and sounds and parents and, and, and notifications. You'll be hearing from Lincoln Littles' Suzanne Schneider, and we really are using them as the blueprint because they mirrored what school districts did and they got that going. And what we'd like to do is take that blueprint and just have it available to all child carers across Nebraska. So to quickly answer your question, there's-- there is actually just nothing that, that we have. This is something that I've been asking about for years. And it wasn't until the bill kind of came up last year that I kind of even realized that was an option, that we should find a way to get this done.

**FREDRICKSON:** Got it. And, and-- so currently, you have to rely on calls in or your own staff's vigilance, whether that's online, et cetera. What do we have in place for K-12 education?

**ROBERT PATTERSON:** So they are already set up. So they're in automatic no-- notifications. So they have-- they get automatically called if there's an incident in the ar-- area. It could be criminal. It could be weather. It could be something that-- there's going to be a police-- SWAT team going to be investigating some-- a house in their

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area or, or kind of what have you. They get the notification. Right now, child carers do not. And then-- I know Suzanne will be talking about a specific story that happened in Lincoln, that this is kind of what brought it up to her constituents-- Senator Walz's constituents at the time-- to, to really bring this forward.

**FREDRICKSON:** So what this legislation would do-- just-- last question-- would-- it would, it would enable child care facilities to have this level of notification and provide the grant funding to-- for the cost to opt in to that. Is that correct?

**ROBERT PATTERSON:** Yeah. To opt, opt in to that. We would be included kind of in those list. We would get the emergency text notifications. And then it's up to the-- each child care or school to decide what they want to do. And that's when, when they talk about the standard response protocols-- and I had the little graphic in there. That's what schools use. That's what a lot of child carers used. What I like about this grant is that they also put into effect training. So it's just-- like, child carers aren't on their own, that we offer training to be able to make sure that once they do get that notification they can make some smart decisions to keep the kids safe.

**FREDRICKSON:** Thank you.

**HARDIN:** Other questions? Senator Hansen.

**HANSEN:** I got a question about the fiscal note. And maybe somebody following you or the introducer can discuss that. It says that Educational Service Coordinating Council estimates the need for an additional FTE at each of the 17 ESUs to administer this program. So each ESU would have to hire one--

**ROBERT PATTERSON:** I don't remember reading that, so I probably couldn't answer, but.

**HANSEN:** And that's fine. I think--

**ROBERT PATTERSON:** OK. Yeah.

**HANSEN:** --introducer can too. And then also maybe the, maybe the introducer or somebody afterwards can also maybe clarify. If-- and e-- and they-- I, I just-- unsure maybe. And I can always look that up later too, if an ESU can grant funds to private organizations.

**ROBERT PATTERSON:** It's my understanding-- and somebody else might be able to kind of better answer that-- they could be listed as the

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designees. It would make sense to me that since we do have ESUs across the state, they would be the, the-- a primary point-- a, a contact to make sure that these grant funds are kind of spent appropriately.

**HANSEN:** Yeah. Thanks.

**HARDIN:** Any other questions? Seeing none. Thank you.

**ROBERT PATTERSON:** Thank you for your time.

**HARDIN:** Welcome.

**SUZANNE SCHNEIDER:** Thank you. Good afternoon, Chairman Hardin and members of the Health and Human Services Committee. My name is Suzanne Schneider, S-u-z-a-n-n-e S-c-h-n-e-i-d-e-r. And I represent Lincoln Littles, a nonprofit organization that supports early care and education here in Lincoln. For many years, child care directors in Lincoln felt concerned and frustrated by a lack of notification during safety incidents and then training to respond to those incidents. In 2020, Officer Mario Herrera was tragically killed in the line of duty. There were two child care centers in close proximity when children were on the playground while officers responded to that incident. Unlike the schools that receive emergency notification of nearby incidents, the child care centers were not notified, leading to confusion about what was happening and how to respond. These children are our youngest residents, infants to five-year-olds. Getting a group of six or ten toddlers to move quickly and safely in an emergency such as this without notification, training, or standardized procedures proved incredibly difficult for these providers. Just last week, there was a person who broke into an elementary school. He was carrying a knife. Safety protocols were implemented, and the end result was that no one was hurt. But what if this happened at a child care center? To address-- to address this vital need, Lincoln Littles is championing the implementation of the Standard Response Protocol and an emergency notification system for child care programs in Lincoln. This work is planned and implemented by a team that includes the Lincoln Public Schools, the Lincoln-Lancaster County Health Department, and others. We're trailblazing a system that seems to be the first in the nation. That initiative includes notification alerts, drill reminders, emergency materials, and training sessions. We've completed eight training sessions, with four more scheduled this year. By partnering with key organizations and utilizing established systems, implementation of the program is effective. By aligning with Lincoln Public Schools, we ensure children and parents are receiving consistency in systems and messaging. We're implementing the Standard

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Response Protocol developed by the I Love U Guys Foundation based out of Colorado and utilized in 80% of Nebraska schools. We implemented a text alert system. We utilize the Nebraska Child Care Referral Network, which is an online database of all licensed child care and can be used to locate these child care programs. We have informed our local authorities of our needs and our systems. We rely upon all these partnerships. We issue quality improvement grants so providers can purchase security-related items. And currently, these funds come from local fundraising. So why are we doing this? Ensuring the safety of children, especially during emergencies, is paramount. Timely alerts allow child care programs to take swift action, securing their facilities and safeguarding our children. Being proactive is much better than being reactive. If people are trained and feel prepared, we will have much better outcomes, much like CPR. The children and families in our community deserve this support. By implementing these systems and supporting child care providers in Lincoln to now have notification and training, we have better ability to keep our youngest residents safe. We are fortunate to have access to private resources, but not all communities have access to those same resources. Please consider how important this is for all children across the state, not just those in Lincoln. Lincoln Littles strongly supports LB162 as a way to enable other communities across Nebraska to model our successful efforts in Lincoln. In closing, I'd like to thank Senator Juarez for bringing this bill forward. And I'm happy to take your questions.

**HARDIN:** Thank you. Senator Riepe.

**RIEPE:** Thank you, Chairman. Thank you for being here. I think it's very hard to argue against safety of children.

**SUZANNE SCHNEIDER:** Yes.

**RIEPE:** However, I do struggle dealing with the what-ifs of life and the hypotheticals of what could happen because those are, you know, open-ended and totally unattainable. You never know when-- what's going to happen where. I know many of our schools have put on this new cellophane window for security. Wall Street Journal reports it as being a fraud. So that, that's my only concern. I mean, how do we-- how do we justify this total cost, if you will?

**SUZANNE SCHNEIDER:** I think my response is, how do we not justify the safety of the-- you know, the cost for the safety of children? I think that our school systems have funding to help harden their shells, secure their entrances and staff. They have training. They have all of

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the resources and support. But when you have a child care program with our youngest children, there are none of those resources available. There are, there are not training programs that are readily available. There's not funding to lock your entry door. We have, we have child care programs where you can open the door and walk in, right into a room of children. And so I think that-- I think that's a small fiscal note for the return on that investment.

**RIEPE:** Well, my response would be a little bit-- I was on the board of the Ralston School Board. We spent \$85 million to upgrade schools, and much of that was for safety and security. So it's not a fis-- small fiscal note. And that was one school district, a small school district. \$85 million. Tough. OK. Thank you, Chairman.

**HARDIN:** Other questions? Can I ask you a question?

**SUZANNE SCHNEIDER:** Absolutely.

**HARDIN:** As it is modeled in Lincoln, what happens when there's an emergency like that now? Do you get-- do the directors of the center-- assistant directors, if there-- are there specific names who get those text messages? Does it go out, for example, to Brightwheel apps, that kind of thing? Kind of describe how the initial thing gets communicated and maybe how quickly that happens if--

**SUZANNE SCHNEIDER:** Sure. Yeah. The child care programs have the option to sign up for up to four different phone numbers that can receive text messages. We layered that because if the director were not on-site and there's, you know, different people in the office, then other people in the program would get that alert. And so the text alert is sent out with proximity of lo-- you know, what-- where this is happening and a general description of, you know, what the concern is. And-- so that text alert goes out, you know, immediately, and they have that notification. The training that we are offering is happening throughout the year so that they know what to do when they get the alert. It's one thing to get a text alert to say there is a dangerous situation happening on the corner of, you know, 10th and O Street. There-- if you have had training and you know what to do, you can react. But if you just get that alert with no training-- I think those things are really important to go together. And so-- yeah. Those texts happen. And, and then annually, we are mailing out a, a reminder to update any information. The, the system that we're currently using has the ability for the individuals that sign up to go into their own account and update information. So if a child care program has a change in administration, they-- the new administrator can go in and

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update those phone numbers and contact information. But then annually, we're sending out a reminder to ask them to review that information and make sure they're having correct information. As with any mass text alert system, they can reply stop to opt out. I'll watch and monitor those opt-outs to see, do they mean to do that or should we be following with a new administrator to see-- do they know they should be adding in? So.

**HARDIN:** Probably done. After that nine-- after that text comes out, what then?

**SUZANNE SCHNEIDER:** The pro-- the programs then that are in that area will need to go into a safety protocol. That could be, you know, that they're securing their entrances. It could be just that they're com-- bringing all the children inside. There's a variety of things that are done through this, this I Love U Guys Foundation, SRP training. And so we will then follow up with those programs to see if they need something. We've been working on a system here in Lincoln to put together a reunification team. And what we mean by that is if a child care program had to evacuate their building due to a dangerous situation or a gas leak or something like that and they were not able to return to their original child care center, then they would be in-- at an off-site location and they would need to connect those children back with their parents in a safe manner. And so we've been working-- that's-- when we say reunification, that's what we mean, re-- reuniting children with their parents and families. That's in the I Love U Guys' language. And so we've been working on a team of people that are not working directly in child care-- that would be responders-- to go in and provide those support services. Our school systems have that built in. There-- those are staff built into the school systems. And some of our responders are actually part of that school system that would help us then connect the children with their families.

**HARDIN:** This would be something through ESUs? Is that right?

**SUZANNE SCHNEIDER:** This, this particular funding grant?

**HARDIN:** Yes.

**SUZANNE SCHNEIDER:** It-- in the, in the proposed bill, then that funding would go through the ESUs. The ESUs blanket our state, and so they have, you know, those different areas so that it would be reachable.

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**HARDIN:** Some schools don't use the ESUs because they have their, their own programs like that. Would they also have eligibility?

**SUZANNE SCHNEIDER:** I think child care centers have acc-- all child care centers have access to the ESUs across the state.

**HARDIN:** OK.

**SUZANNE SCHNEIDER:** Yeah.

**HARDIN:** Very well. And so who does the training?

**SUZANNE SCHNEIDER:** That's a collaboration in Lincoln. We've been working with Lincoln Public Schools, the Lincoln-Lancaster County Health Department Emergency Management Team, and-- there's a collaboration of how that works. So-- and the I Love U Guys Foundation has been instrumental in that process as well. Interestingly enough, along the way, we found out that the Say-- Standard Reponse-- Response Protocol and the training was really developed for K-12. And since we've been working with the I Love U Guys Foundation, they are now redeveloping materials for the younger children in child care because there was no such thing. We call this trailblazing.

**HARDIN:** OK.

**SUZANNE SCHNEIDER:** It's critical.

**HARDIN:** Very good. I was on the ground when I Love U Guys was uttered.

**SUZANNE SCHNEIDER:** Amazing.

**HARDIN:** And so-- any other questions? Senator Meyer.

**MEYER:** Thank you, Chair. Looking at the fiscal-- Program Specialist III, yearly recurring expense for the Depart-- Nebraska Department of Education. What does that person-- what is-- what would that person do--

**SUZANNE SCHNEIDER:** I think I would have to--

**MEYER:** --for \$80,000 a year?

**SUZANNE SCHNEIDER:** I think I would have to der-- defer that to Senator Juarez. That, that's not a part of the bill that I'm as familiar with. I'm more in the weeds of the--

**MEYER:** That's part of the fiscal.

**SUZANNE SCHNEIDER:** Right. Yeah. I think I would defer that for Senator Juarez or maybe Mitch Clark from First Five Nebraska to answer. I don't have that answer for you. I'm sorry.

**MEYER:** And then there'll be yearly training for the staff and the-- as far as a protocol-- safety protocols?

**SUZANNE SCHNEIDER:** Yeah. The way I understood this is there would be funding available for communities to apply for funding to help pay for that training within their community-- trainers costs, the materials cost-- and I don't know that it's defined as a specific timeline of how often or when they could do that, but I, I, I think that's-- the money is in there to provide that opportunity to have access to that training.

**MEYER:** I, I don't-- I, I'm not trying to downplay the necessity of, of keeping our children safe. I have grandchildren and, and I'm-- certainly have an appreciation for that. However, I don't know that we need special training to know the-- if there's something going on we need to get everybody inside and lock the door. I think that probably is a commonsense type of thing. And I know there's more to it than that. And I know-- I smiled when you talked about herding eight or ten three- or four-year-olds. God bless you.

**SUZANNE SCHNEIDER:** Yeah.

**MEYER:** I, I would not have the patience to do what you do, and I'm very thankful you do what you do. But looking at an overall year over year expense and, and, you know, questioning-- why isn't the preschools in any area notified just like the schools are?

**SUZANNE SCHNEIDER:** Right. Good question.

**MEYER:** And, and why would we have to have a \$80,000 a year specialist at Nebra-- Nebraska Department of Education to do that? I would think that would be part of signing up. Heck, we no longer get it. My wife's no longer a teacher, but-- nor do we have kids in the system. But we got almost daily notifications on our landline and our cell phones of what was going on in our local school district. And so--

**SUZANNE SCHNEIDER:** Right.

**MEYER:** --I would think, simply by default, it would be a matter of you getting on a list to be notified if there's a, a serious situation in your neighborhood. And I'm not trying to downplay on this, but, but I'm, I'm-- I do not want to see adding more bureaucracy to try to

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address something that should be a commonsense fix, and a pretty simple fix from my position. And, and, and I want, I want you to have the tools that you need to keep your children safe. I-- it just appears to me that there is perhaps a more efficient way of doing this and more practical way of doing this than-- looking at the fiscal note, looking at what that would be year over year, continuing expense into the future, so. Not, not trying to, to dismiss the importance of this. Just trying to look over all that-- I'd like to see a simpler fix, and I believe there could be a simpler fix to this.

**SUZANNE SCHNEIDER:** Yeah. I appreciate your perspective. And what you comment on that should be common sense and should be happening simply isn't. And so this is an, an attempt to get something happening for the training and for the support for those young children, those three, three- to five-year-olds that are hard to herd. So I appreciate that perspective and wish it were simpler and wish that there were notifi-- when, when you were getting those notifications when your children were in school, we wish that it were an automatic for child care programs to be signed up into that system.

**MEYER:** I don't know why it--

**SUZANNE SCHNEIDER:** It simply--

**MEYER:** --can't be, quite frankly.

**SUZANNE SCHNEIDER:** Yeah. It simply isn't, so.

**MEYER:** I mean, that, that's such a commonsense fix.

**SUZANNE SCHNEIDER:** We're here to ask for your help, right?

**MEYER:** And, and having a, having a grandson that's two years old right now, not in our local community. When we go to pick him up-- now, they do know us, but the protocol from picking up just from a daycare facility is you better have some ID. You better have prior notification that someone other than the parent or the usual caregiver is picking them up. So even in small-town America, they're pretty dadgum good security with regard to protecting our children. And so it, it just seems like perhaps overkill from a financial standpoint is all I'm getting out, you know. I, I, I really respect what you guys do. I could not do that. God bless you for doing what you do. And so-- that's all I have. I didn't mean to pontificate too long, but.

**HARDIN:** Any other questions? Seeing none. Thank you.

**SUZANNE SCHNEIDER:** Thank you.

**HARDIN:** Proponents, LB162. Welcome.

**GENNA FAULKNER:** Good afternoon. Good afternoon, Chairman Hardin and esteemed members of the Health and Human Services Committee. My name is Genna Faulkner, spelled G-e-n-n-a F-a-u-l-k-n-e-r. And I'm here today to testify in support of LB162 on behalf of myself. I do currently serve as the Director of Bergan Early Childhood Education Center in Fremont. My professional background also includes experience with the Fremont Family Coalition, where I supported early childhood initiatives in the community, as well as serving as a former 911 police dispatcher in the city of Memphis, Tennessee. I would like to thank Senator Juarez for introducing this bill and for her commitment to addressing the safety of young children in child care settings across the state. A few years ago, I received a text from my sister, who was a deputy sheriff at the time. She informed me that there was an active shooter situation near my child's daycare. She advised me not to bring my kids there until it was safe. After initially feeling concerned for the safety of my own children, I began to think of all the other children already there. Were they outside while a nearby threat was looming? I had not received any communication from the center at that time. Fortunately, after notifying me, my sister notified the daycare to de-- center directly to inform them to go into a lockdown and prevent any children from entering or leaving the premises. Without her personal connection to the center and her call, they would have not have known about that potential threat. This situation highlighted a critical gap. There is currently no standardized procedure for law enforcement to notify child care providers in cases of emergency. While we rightfully focus on school safety, child safety begins well before kindergarten. In Fremont alone, there are approximately 30 early childhood care and education providers, including in-home centers and Head Start programs. At present, there is no formalized system. While a child care facility's located near nearly every school in Fremont, there's a significant communication gap. This issue also goes beyond active sooter-- shooter situations. Fremont has experienced both natural and made disasters, including the 2019 flood. One provider on the south side of town had to evacuate her home for several days due to the rising waters. While she was fortunate not to have any kids in her care at that time, it could have turned really bad really fast. Similarly, risks from envenomire-- environmental hazards such as gas leaks or disasters remain a concern. LB162 would provide a vital support for communities like Fremont by enabling them to integrate child care providers into local emergency systems and training programs. With my previous

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experience as a dispatcher, I'm confident that the Lincoln Littles' model could be adapted successfully for other communities given the proper resources and support. Lincoln Littles has demonstrated the effectiveness of this notification system and provided a model that other communities could follow. During my time at Fremont Family Coalition, I had discussions with law enforcement, 911 communications, emergency management, and public school safety officials about this issue and how to address it. Unfortunately, those discussions did not result in a formal notification system for Dodge County. While Fremont Family Coalition expressed interest in hosting such a system, its sustainability was at risk without ongoing leadership. LB162 would establish a permanent structured management system for these efforts, ensuring that notification protocols do not rely on the availability of any single individual. LB162 would align child care providers with existing school district safety systems such as the Standard Response Protocol, and this protocol is easily adapted to early childhood settings. By ensuring child care providers receive timely notifications, we not only enhance child safety, but also send a clear message to parents that we are prioritizing the well-being of children before they even reach kindergarten. Thank you for the opportunity to testify today. I am happy to answer any questions you may have.

**HARDIN:** Thank you. Questions? We let you off easy.

**GENNA FAULKNER:** I know. I'm going to get out while the getting's good.

**HARDIN:** OK. Thank you for being here.

**GENNA FAULKNER:** Thank you.

**HARDIN:** Proponents, LB162. Welcome.

**MITCHELL CLARK:** Good afternoon, Chairman Hardin and members of the Health and Human Services. My name is Mitchell Clark, M-i-t-c-h-e-l-l C-l-a-r-k. And I am a policy advisor with First Five Nebraska, a nonprofit organization committed to the care of Nebraska's earliest children. I'm handing out my testimony, so I won't go through verbatim what I had prepared, but I did want to address real quick just some of the, the questions, if I could, that that came up, especially around the fiscal note. As you'll see, that-- the Department of Education and the Educational Service Unit Coordinating Council had added some FTE to that fiscal note, personnel, travel expenses, et cetera. I can't speak specifically to what activities they interpret this bill to incur on their agencies, but just wanted to point out that's their interpretation as introduced, that it would incur some of that. Also,

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I, I believe that Senator Juarez may also be able to address the fiscal note. I don't want to get over my skis on what she has to share with you all, but that should address some of the concerns that are expressed here about the fiscal note. Last year, when this bill was introduced, it had a one-time \$300,000 appropriation, and that is for \$1,000 per designee. So if there's three per community, that's \$3,000 per community per year. And that was one time, so that allows the Legislature to reassess if this is something worth investing in so that it doesn't incur kind of some of those ongoing, ongoing expenses, as some concerns were, were expressed here. I would also like to address to the question around the training and why this is necessary. I certainly agree that very common sense to care-- provide for safety of the children in your care. As Mr. Patterson had shared, he certainly had his own procedures that he followed to make sure that they were safe, and that's certainly common sense. But the key point with the training under this bill is that it trains everyone on the protocol so everyone has a, has a standard protocol; if this happens, then this is how we respond. That way everyone's on the same page. This is exactly what the schools do, to make sure that their-- elimination of confusion and that families can be reunified with their children in the event of an incident. And so with that, I will close up here and would welcome any questions you might have.

**HARDIN:** Questions? Senator Hansen.

**HANSEN:** I do have some concerns about the fiscal note. I-- again, not unusual on bills, which you know. They're talking about the NDE has-- ta-- have to hire an additional FTE, which you talked about. Carries a salary and benefits of \$126,000, operating expenses of \$22,000, and travel expenses of \$10,000. \$160,000 for one person? And then the other part I don't get-- like I mentioned before, the ESUCC estimates a need for an additional FTE at each of the 17 ESUs. The 17 FTEs carry a salary and benefits expense of \$85,000. But that didn't reflect in the fiscal note, the numbers. That-- that's what I was a little confused about. Because that-- it sounds like they need to hire 17 FTEs, each one costs \$85,000.

**MITCHELL CLARK:** My reading of that is that it would be a partial FTE, so not a full-time staff per ESU, but that was just my reading of that. That might be a question for the Coordinating Council on how--

**HANSEN:** Yeah. Because they-- yeah, they talk about that also. It's, like, \$5,000 per, so I'm thinking-- that's what I'm assuming it is. But just the way it's worded is kind of odd. And do you know, is it a-- do we usually, like, use the, the Cash Reserve Fund? I know we--

that gets distributed to all kinds of different things, but it-- do we usually distribute that for private use or is it more for public use? I don't know if we ever give it to, like, organizations-- even though we're giving them to ESUs, right? Or giving it to-- then, then organizations-- usually, like, capital rein-- you know, capital construction or the governor's emergency fund, you know, stuff like that. But is-- do you know if that's unusual for something like this?

**MITCHELL CLARK:** I don't think it's any different from other grant programs that the Legislature appropriates for a program and then you have people who are applying for a grant who do get some of that money. The Department of Education is the one that, that receives that money, and then the ESUs apply. So I don't see that as any different from a grant program any other private organization may be able to--

**HANSEN:** Yeah. We give grant programs. I'm talking about where the money comes from. We're talking about the Cash Reserve Fund. As opposed to what Senator Walz created, like the security fund, for-- which was-- specifically would used for stuff like this, or-- but those are, I think, more directed toward schools and may not be used for stu-- for organizations such as this. So that's-- that was what I was wondering, is the Cash Reserve Fund being used for something like this. I don't know if we ever usually do that. Maybe we do.

**MITCHELL CLARK:** And I, I know there is, there is another grant program that came to mind. I don't believe it's a cash reserve fund. I would have to go back and check. But the School Safety and Security Fund did provide a structure for private schools to apply for some of those funds, and that was funneled through the ESUs.

**HANSEN:** OK. That might've been my school mapping bill. I don't know if we-- we, we-- I don't think we used it for private schools. Thought I had another question, but I, I'll hold off. Thank you, Mr. Chair.

**HARDIN:** Did you use the phrase "one time?"

**MITCHELL CLARK:** Yeah. Last year, when this bill-- yup-- was introduced, it was a one-time appropriation.

**HARDIN:** Is that the dirty four letter word sunset? One time? I'm just curious because-- I'm, I'm asking because, for context, Nebraska since 1867 has never actually executed on a sunset, to my knowledge. It's always become wiring in the walls. So I'm just raising it as a part of the fiscal note situation, so. Any other questions? Thank you for being here.

**MITCHELL CLARK:** Thank you.

**HARDIN:** Any other proponents, LB162? Opponents, LB162? Those in the neutral for LB162? We had-- is Senator Juarez still with us? There-- she's coming. While she's coming up, we had 18 proponents online, 1 opponent, and 1 in the neutral. Welcome back.

**JUAREZ:** Those are good numbers.

**HARDIN:** Those are just amazing numbers online.

**JUAREZ:** Thank you. Thank you to our testifiers for providing great information today. I am happy to know that we have such caring individuals in our child care homes and centers across the state. Every day, thousands of working Nebraska parents entrust the care of their youngest children to these hardworking professionals. These parents not only deserve to go to work knowing they can rely on child care providers to educate their children and prepare them for school. Even more importantly, they should be assured that their children-- that their child is safe. Likewise, our providers deserve to be included in a robust, well-designed notification system from emerg-- for emergencies and can be trained for response and re-- reunification procedures. The Child Care Safety and Security bill is just that, ensures our kids are safe and secure at all times. While this bill is a first-of-its-kind solution for Nebraskans, it is critical component that has created a safety gap for our families and child care providers. I understand the concerns that have been raised regarding the fiscal note, and I will work with NDE and ES-- ESU to determine why there was a need for an additional ploy-- employee when apparently it wasn't seen as necessary last year. So, obviously, I'm-- I wasn't here last year, so I'm going to have to do some more work to find out more specifically why this change was made. I can find solutions so that we can get these safety measures enacted. And I want to thank you for your time today and want to know if there are any other questions I could try to answer for you.

**HARDIN:** One little thing. There were two amendments that came out in kind of rapid succession. One was AM59, one was AM67. I'm assuming that the one that was handed out today, AM59, is the one that we're talking about because it does refer to the \$300,000. The other one does not. Is that correct as far as you know, AM59 is the relevant one? Part of what confuses these-- usually these things come out numerically, in order. And so, oddly, AM67 seems to have come to us before AM59 came to us. And so-- we don't know how that math works. But just want to make sure that what's going on to the record for

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you-- and this is something you can check out later on, is just to make sure that the proper amendment-- you did hand out AM59 in that one, but we also have a AM67 that came via email, so. Any other questions?

**JUAREZ:** OK. What I have in my folder-- I have AM67.

**HARDIN:** OK.

**JUAREZ:** So I'm apparently missing the, the AM59.

**HARDIN:** I think the difference was the, the reference of the \$300,000 on the second page. And so maybe just check that, those two numbers, if you don't mind, with all the powers that be. So we'll make sure that we have the right thing. Senator Fredrickson.

**FREDRICKSON:** Thank you, Chair Hardin. Thank you, Senator Juarez, for being here and for bringing this bill. I think it's, it's obviously an important conversation. I think it's a important thing to do. I, I found myself really surprised when I learned that child care facilities did not have the same notifications that-- for safety-related issues that, that other places do. While you-- during the hearing, I was actually looking up this because I, I remember when Senator Walz brought this bill last year. And I-- so I was just kind of taking a quick peek at the fiscal note. And I [INAUDIBLE] Senator Hansen mentioned this a little bit in his questioning as well. I-- it looks like, in her fiscal note, there was the \$300,000 appropriation, which, again, makes sense, given the context of the bill. But there was no-- it looks like the ESU-- so the Department of Ed did not have any staff requirements in, in that last year. The fiscal note was written and prepared by the same individual. I, I-- did, did your office receive any contact from the ESUs or the Department of Education sort of to elaborate on the difference there or--

**JUAREZ:** No.

**FREDRICKSON:** No. OK.

**JUAREZ:** No. All I have is what's here in front of us. And it just says here that it's a fraction of an F-- an FTE in ea-- in each ESU.

**FREDRICKSON:** So that would be something I, I would, I would kind of be curious to learn more about, sort of their rationale as why that predict-- or, that estimate has shifted pretty, pretty drastically over, over the one year. I think that's just a discrepancy that I'd be curious about, so. But thank you.

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**HARDIN:** Any other questions? Senator Hansen.

**HANSEN:** Thank you, Chair. I have a couple questions, Senator Juarez. Is there a reason why in the report it says, the report shall not identify any child care or early education program? In the report, they're not going to iden-- identify an-- the-- who got it? Is there a reason why?

**JUAREZ:** Let's see. Where are you reading that at, please?

**HANSEN:** Oh, that's-- oh, of course. That's the original bill. I don't know if that's in AM67. I'll-- maybe I was looking at the previous one that we had. I'm assuming that it probably is, talking about the report. Of course, I'm assuming amendment--

**JUAREZ:** I, I can't think of a reason why it wouldn't be, though, I gue-- I mean, just-- again, common sense.

**HANSEN:** Yeah. The report shall not identify any child care or early education program. I just didn't know why if there was a reason, like we're trying to protect and-- protect identities for some reason. I didn't know if there was a reason why we were.

**JUAREZ:** Well, I, I-- to me, it doesn't make any sense why we would do that. I don't know-- because if-- obviously, if it's a business, for example, a child care provider, obviously they're advertising publicly to provide child care services. And I just think that-- I don't, I don't know why it says that.

**HANSEN:** OK.

**JUAREZ:** We'll have to find out. Clarification.

**HANSEN:** I assume we might have the answers for it afterwards. And this would be eligible for any organization or person who owns a child care center or early childhood education center?

**JUAREZ:** Yes, I believe so. I don't know. It just say-- I just have here child care centers and home providers. And I'm sure-- I'm assuming that there's licensing procedures for home providers. So I would imagine it would-- you know, they would be meeting that basic qualification. I don't know, Robert. Can you help me with that?

**HANSEN:** But-- yeah-- wait. We can't-- you, you'll have to wait-- I'll-- [INAUDIBLE] for transcribers, we'll have to make sure we're on the microphone. But-- I, I'll, I'll ask you afterwards. That's, that's

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totally fine. The reason I ask is sometimes I know we-- there's-- there are child centers and early childhood education centers who don't make very much at all. And there's some who make a lot. And so-- in con-- in context a lot. And so I was wondering, to better distribute these funds to the ones who need them more, I didn't know if there would be some kind of gradient on who is eligible for this before those who are not. So do we have an education or, or a child care center who might have a lot of philanthropic donations or might make a lot of money in other ways or have income in other ways and there are some who don't, those might be ones more eligible to get the, the, the funding first. I didn't know-- if-- I didn't, I didn't see it in the bill. I just didn't know if that would be something that you would consider.

**JUAREZ:** Yeah. I think that-- you know, that is definitely something that I wouldn't object to. I think that, that-- you know, what's important is trying to make sure that we, that we would be equitable, you know, in how we would distribute the funds. I think that that would be important, for wherever the needs are in the, in the state, in the community. I don't know how-- we probably just have to work out how that would be balanced out.

**HANSEN:** OK. The, the concern I have is somebody who might own multiple centers who might have more revenue than those who might only own one or two and they might take up more of a bulk of the funds than maybe-- that might be eligible for other people all over Nebraska who only own one or two, so.

**JUAREZ:** Yeah. I don't--

**HANSEN:** And that's something we can discuss too if this moves on or whatever. I, I'd, I'd be open to that in seeing if that's something we can kind of work on together.

**JUAREZ:** Yeah. I mean, obviously, there's a lot of details that would have to be worked on, you know, if this goes forward. Because I don't have those kinds of, kinds of details, to be honest with you.

**HANSEN:** OK. Thank you.

**HARDIN:** Any other questions? Seeing none. Thank you. This ends LB162. And this ends our hearings for today.