

Transcript Prepared by Clerk of the Legislature Transcribers Office
Natural Resources Committee February 6, 2025

BRANDT: Welcome to the Natural Resources Committee. I am Senator Tom Brandt from Plymouth. I represent Legislative District 32, Fillmore, Thayer, Jefferson, Saline, and southwestern Lancaster Counties. I serve as chair of this committee. The committee will take up the bills in the order posted. This public hearing is your opportunity to be part of the legislative process, and to express your position on the proposed legislation before us. If you're planning to testify today, please fill out one of the green testifier sheets that are on the table at the back of the room. Be sure to print clearly, and to fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the page or to the committee clerk. If you do not wish to testify but would like to indicate your position on a bill, there are also yellow sign-in sheets back 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 neutral capacity. We will finish with a closing statement by the introducer, if they wish to give one. We will be using a five-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. 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, 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 statements on a bill to be included in the record must be submitted by 8:00 a.m. the day of the hearing. The only acceptable method of submission is via the Legislature's website at 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 introducing themselves, starting on my left.

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CLOUSE: Stan Clouse, District 37: Kearney, Shelton, Gibbon, Buffalo County.

CONRAD: Hi, I'm Danielle Conrad from North Lincoln.

HUGHES: Jana Hughes, District 24, Seward, York, Polk, and a little bit of Butler County.

DeKAY: Barry DeKay, District 40, representing Holt, Knox, Cedar, Antelope, northern part of Dixon, northern part of Pierce County.

MOSER: Mike Moser. I represent Platte County and most of Stanton County.

BRANDT: Also assisting the committee today, to my right is our legal counsel, Cyndi Lamm, and to my far left is our committee clerk, Sally Schultz. Our pages for the committee today are Emma Jones, a junior at the University of Nebraska-Lincoln, and Kathryn, a junior majoring in environmental studies at the University of Nebraska-Lincoln. With that, we will begin today's hearings with LB-- is it LB267? LB247. That's what I said. Welcome, Senator DeKay.

DeKAY: Good afternoon, Chairman Brandt, and members of the Natural Resources Committee. For the record, my name is Senator Barry DeKay, B-a-r-r-y D-e-K-a-y. I represent District 40 in northeast Nebraska. I am here today to introduce LB247, which was brought to me by the Nebraska Department of Environment and Energy. They will testify today to be able to expand on the needs addressed by the bill. LB247 would establish a sustainable funding mechanism to meet Nebraska's Superfund obligations while ensuring continued support for waste reduction and recycling initiatives. Nebraska faces significant challenges in funding its Superfund cost share responsibilities, particularly at 11 orphan sites where there are no financially viable, responsible parties to conduct remediation. These sites pose ongoing environmental and public health risks, and without sufficient resources, their cleanup efforts may face significant delays. Since 2017, the Petroleum Release Remedial Action Cash Fund has been funding source for Superfund obligations. The Petroleum Fund is there to clean up the many outdated oil and gas tanks' oil spills that they caused throughout the state. As you can imagine, with aged gas stations in many communities, this is a need that impacts everybody. We did receive temporary relief to our General Fund obligations when this change took place in 2017. However, that change has since put pressure on our petroleum release cleanups, thereby destabilizing the obligations we have found from the EPA in the form of Superfund

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cleanups, and limiting our ability to respond to new environmental threats. LB247 offers a responsible and forward-looking solution. This bill adjusts Nebraska's solid waste disposal fee under the Integrated Solid Waste Management Act from \$1.25 per ton to \$2.34 per ton, marking the first adjustment since 1992. This increase will generate approximately \$2.8 million annually and shift Superfund funding to this fund, ensuring Nebraska can meet its Superfund cost share obligations while also maintaining critical funding for waste reduction and recycling programs. A dedicated, predictable funding stream ensures that Nebraska remains in compliance with federal Comprehensive Environmental Response, Compensation, and Liability Act requirements, and continues to remediate hazardous waste sites. This revenue will be allocated with a 65% direct-- with 65% directed to Integrated Solid Waste Management Cash Fund for environmental cleanup and 35% to the Waste Reduction and Recycling Initiative Fund. This percentage of distribution adds roughly \$500,000 per year to community-based recycling efforts. By addressing contamination at Superfund sites, LB247 paves the way for redevelopment, reduces blight, and enhances property values in affected communities. The solid waste disposal fee increase is long overdue. This bill aims to carefully strike a balance between remaining competitive with neighboring states while ensuring affordability, meeting-- and meeting the need for critical environmental investments. If we fail to act, Nebraska will continue to see delays in cleanup efforts, further straining resources and increasing long-term costs. Without this legislation, communities across the state will struggle to redevelop contaminated properties, hampering economic growth and exposing residents to ongoing environmental hazards. By passing LB247, we can affirm Nebraska's commitment to responsible stewardship of our natural resources, ensuring a cleaner, healthier, and more sustainable future for our state. I respectfully urge that the committee advance this important legislation. And I would be happy to try to answer any questions, but I would prefer you leave them to the testifiers are here following right after me. With that, that concludes my opening on LB247. Thank you.

BRANDT: OK, let's see if we have questions. Senator Moser.

MOSER: It says this fee is collected at landfills supervised by the state. Does that include all landfills, then?

DeKAY: I would think so. One of the testifiers coming up will be able to direct which ones specifically, if there's any, that are segregated out from that. But I'm, I'm assuming that it will.

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MOSER: OK. Thank you.

BRANDT: Senator Clouse.

CLOUSE: Thank you, Senator Brandt. So, who pays this fee? The contractors that are cleaning up a site, or-- how, how does that work?

DeKAY: The-- yeah, who-- it will be charged out. If I understand it right, it will be charged out by the ton, and that's paid, probably, by who's-- where the hazardous waste-- it's going to be paid to where the hazardous waste goes to by the Superfund deal, and that's in the, in the pricing of it at-- going to \$2.34. So, that makes up that money for it, so that's paid to the hazardous waste site that that's going to be delivered to. Is that what you're asking? Or?

CLOUSE: Well, no, I guess what I was asking is that somebody contracted to clean up that site? Or, is it-- if it's in a community and then-- and they lose a gas station, and somebody's--

DeKAY: I would, I would assume that if there's a property owner that has-- bears responsibility for that, they would be required or be obligated to make the payments on that. If it's an abandoned facility, then that's probably back to a community-based cleanup fund.

CLOUSE: All right. Thank you.

BRANDT: Any more questions? OK. You'll stay to close?

DeKAY: Yes.

BRANDT: OK. Proponents? Welcome to the Natural Resources Committee.

KARA VALENTINE: Thank you. Chairman Brandt and members of the Natural Resources Committee, good afternoon. My name is Kara Valentine, K-a-r-a V-a-l-e-n-t-i-n-e, and I'm the interim director of the Nebraska Department of Environment and Energy, or NDEE. I'm here today to testify in support of LB247, our agency priority bill, to revise the funding mechanism for Nebraska's Superfund obligations. Before I begin, I want to thank Senator DeKay for his support introducing LB247 on behalf of the department. NDEE is charged with ensuring the environmental, environmental health and safety of our state. In your packet is a one pager, titled "What is Superfund?" The Superfund sites we're talking about here are the most heavily contaminated sites in Nebraska. These sites are typically large, they're complex, they're contaminated with hazardous waste, usually in groundwater. They have impact to human health, most commonly because the hazardous waste is

getting into a drinking water supply. Nebraska has 18 active Superfund cleanup sites; 11 of those are considered orphan sites, which are sites that don't have a responsible party. For orphan sites, the state and EPA sign a contract where, for the first ten years of a cleanup, EPA pays for 90% of the costs and the state is responsible for 10%. So, what we try to do is front-load the investigation and remedial work in those first ten years when EPA is paying the majority of the share at 90%. After the initial ten years, the state becomes responsible for 100% of the future cleanup costs. The state's future Superfund cleanup costs average about \$2 million a year. In 2017, the Legislature approved a shift from using the General Funds to the Petroleum Remediation Fund to cover the state's Superfund obligations. However, over time, this funding model has proven unsustainable, depleting resources needed for the investigation and cleanup of petroleum spills or releases from underground and above-ground storage tanks, while also increasing the backlog of petroleum cleanup projects. This bill offers a sustainable solution by adjusting the solid waste fee under the Integrated Solid Waste Management Act from \$1.25 to \$2.34 per ton, and reallocating 65% of those funds to the Solid Waste Fund and 35% for recycling programs. Our Superfund experts evaluated other funding options, and concluded that increasing the solid waste fee-- which is paid by the state's 22 landfills-- is the best option to meet our Superfund obligations. This proposal has several merits. First, sustainability. It ensures a dedicated and predictable revenue stream to meet Nebraska's Superfund cost-share obligations, and maintains compliance with the state requirements under federal Superfund law. Second, economic balance. By increasing the fee, the Solid Waste Fund would receive approximately \$2.8 million annually, with no reduction in funding for recycling grants. This adjustment results in roughly an additional \$500,000 for waste reduction and recycling grants, where we see that demand outweighs the funding. Many of these grant projects are in your districts, and include things like household hazardous waste collection events, food waste programs, and school chemical cleanout programs. The third benefit is operational efficiency. Consolidating Superfund payments into the Solid Waste Fund limits the-- eliminates the need for transfers, streamlines operations, and allows for long-term planning to address environmental emergencies. Looking at the solid waste disposal fee-- fee for a proposed increase is long overdue. This would be the first time these fees have changed since 1992-- over 32 years-- and would remain modest compared to neighboring states. The fees are essential for protecting Nebraska residents and natural resources. Furthermore, the proposed changes are structured to minimize financial burdens while fulfilling our obligations to future generations. By

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passing this legislation, Nebraska will bolster its ability to address environmental hazards associated with Superfund sites, ensure public health by remediating those sites, and support economic development through responsible waste management, all while sustaining essential programs for petroleum remediation, Superfund cleanup, and recycling grants. I urge the committee to advance this critical, critical bill. Thank you for your consideration, and I'm happy to answer any, any questions you might have.

BRANDT: OK, let's see what we've got. Senator Moser.

MOSER: So, the question I asked Senator DeKay. Is this charged at every landfill?

KARA VALENTINE: Yes, every landfill in Nebraska.

MOSER: Across the state, and then that money is used for projects that you're--

KARA VALENTINE: Correct.

MOSER: --managing through the Superfund site?

KARA VALENTINE: Right.

MOSER: Is there still an active one in Columbus, or is that one cleaned up?

KARA VALENTINE: Oh, you're talking about a Superfund sites? Yes, there is an active site in Columbus. Right, that would be one of our-- I'm not sure if it's an orphan site, but it is one of the 18. So, what we're doing, we're implementing an increase to the solid waste disposal fee, which is paid by the 22 landfills. That increased fee will result in about 2--\$2.8 million, which will help cover our annual Superfund requirements to EPA,--

MOSER: Yeah.

KARA VALENTINE: --which are about \$2 million a year.

MOSER: Yeah, I drive by there every day. Well, in fact, I was mayor when we started cleaning it up. Thank you.

KARA VALENTINE: Thank you.

MOSER: That's all I wanted to know.

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BRANDT: Senator Hughes.

HUGHES: Thank you, Chairman Brandt. I'm going to make a statement first, and it says, like, OK, one-- \$1.25 a ton to \$2.34; it's been since 1992, so I did a quick U.S. inflation, and \$1.00 in 1992 is about equivalent to \$2.25 today. So you're not even increasing it, as-- you know, it's not equivalent, I guess, is my point. I'm glad you mentioned compared to neighboring states, it's the modest, or, or we're still low, or whatever. Do you see issue-- will there be-- just by increasing the tonnage fee of these landfills, is there any concern that someone might-- I'm not going to pay that, I'll just go dump it, you know, in the ditch. Because I've had a grill dropped off in the ditch by my house before. But that's something else, so.

KARA VALENTINE: Yeah. Well, sometimes we do see that. We do have a program in our agency where we-- well, one of our funding grants would help clean up roadside ditches and--

HUGHES: Yeah.

KARA VALENTINE: --andthe trash along the road.

HUGHES: I, I was happy to see the increase in recycling--

KARA VALENTINE: Yes.

HUGHES: --grants, because if-- we've dealt with some recycling stuff here, and-- or, I'm dealing with some legislation with recycling, but almost all that funding comes from different grants. And it's--

KARA VALENTINE: Mmhmm.

HUGHES: --it's-- I don't-- I grew up recycling-- it's so important to me to--

KARA VALENTINE: Mmhmm.

HUGHES: Yeah, so. I was happy to see that.

KARA VALENTINE: Right. In response to your question, I don't think that we will see an increase in, in trash disposal by, by the residents. The fee is paid by the landfills. It may be passed on to, to their customers. I'm not sure. But it-- I think it will be such a modest amount that it's--

HUGHES: OK.

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KARA VALENTINE: --not going to result in people saying, you know, it'll be cheaper for me to just throw my trash alongside the highway than taking it to a landfill.

HUGHES: Right. OK. Thank you. Thanks for coming in.

BRANDT: OK. Senator Conrad.

CONRAD: Thank you, Chair. Thank you, Director Valentine. It's nice to connect, and I noticed your festive attire when you came in today. I was like, oh, she's ahead. And I was like, it's her name. OK. That's very--

KARA VALENTINE: Good catch.

CONRAD: --that's very clever, that's very cool. But I, I just had a question, and I'm sorry, I don't think it was reflected in the fiscal note. And I don't have the, the broader kind of budgetary history in front of us here today. And we can touch base with Appropriations, or touch base with you and your team or the governor's team after, but I'm definitely noticing a trend where there's been a host of different bills introduced this year to increase fees, just for a lot of different reasons. On the local level, on consumers, for people who utilize the services available to get-- through government or otherwise, and this seems like it's kind of part of that, that broader trend. So, the first question would be: over the last couple of years, has there been any, been any sweeps of these cash funds into general funds or otherwise that have created a deficit or a lack of, of resources that are needed to carry out this function?

KARA VALENTINE: There have been some sweeps from the recycling fund. I believe it's just been the interest, so it hasn't really hit the, the, the larger amount.

CONRAD: OK. The-- do you think that's kind of part of the broader troubling trend that I'm seeing across state government? And-- you know, I definitely appreciate the angle that Senator Hughes was looking at, that-- yeah, I mean, periodically, we have to look at fees and structure to see if they're still working and keeping pace with inflation, and all of those kinds of pieces. And there's a legitimate perspective there. But I'm concerned that we're, you know, starting to just nickel-and-dime Nebraskans to death.

KARA VALENTINE: Mmhmm.

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CONRAD: So, you know, we have bills before this committee that provide greater latitude for increasing park fees and licenses. We're going to have this bill. There's bills out there to increase sheriffs' fees. There's-- you know, if the governor's budget moves through, that's going to be higher tuition checks for moms and dads at institutions of higher education. So, I'm trying to see this measure for what it is, but I'm also trying to make sure that I don't lose sight of this kind of broader trend and help to connect the dots for, for Nebraskans about kind of where we are in our approach to managing good work, important work in state government that does require resources. So, if I could just maybe follow up with you or your team or other stakeholders, just so that I can have a better understanding. I don't think it would be fair to increase fees on folks if we've already through-- if the governor has already been out raiding funds and sweeping them over for other purposes. I just-- I think that's bad form. So, I want to learn more about that before I--

KARA VALENTINE: Sure. Yeah. In response to your question, Senator, we-- this is our only fee increase that they are proposing for our agency.

CONRAD: OK.

KARA VALENTINE: And Superfund is set up to be a polluter pay type of program,--

CONRAD: Right.

KARA VALENTINE: --not taxpayers. But the problem we have are a number of legacy sites where there is no responsible party anymore. The contamination may have happened 30 or 40 years ago; the companies are bankrupt, or they're just not around anymore, so we don't have a polluter to pay for the cleanup. Those are the 11 sites that we call orphan sites. The other sites are being cleaned up by the responsible party. But for the-- those 11 orphan sites, the challenge for us is finding a balance between affordability for whoever is going to pay that fee, balanced with the need of-- the critical need for cleaning up these sites to reduce exposure to hazardous waste. So we looked at different options, we looked at what other states are doing, and instead of creating a new program and a new fee, we thought the best approach was to increase an existing fee that's been stagnant for 32 years, and that fee would go-- would pass along to the, the landfills.

CONRAD: Sure. That-- and that background and context is, is really, really helpful and sparks two follow-up questions, if I can go ahead

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and continue quickly. So, the overall goal is to protect general health and welfare for our citizens from hazardous wastes or conditions, which would seem to me would be a General Fund kind of--

KARA VALENTINE: Mhmm.

CONRAD: --kind of obligation or activity. And I guess that's a policy decision that we'll have to wrestle with in, in the Legislature. But how, if at all, does this program interface with things like the hazardous situation at, like, AltEn?

KARA VALENTINE: Right.

CONRAD: I don't know if it does. I'm just trying to learn.

KARA VALENTINE: It-- there, there-- there's some interaction. AltEn is not a Superfund site; that-- the material there is not considered a hazardous waste. That site's being cleaned up under a voluntary cleanup program,--

CONRAD: OK.

KARA VALENTINE: Which is an alternative to Superfund, where you have a responsible party who wants to clean up. And the benefit of our voluntary cleanup program-- it's kind of a streamlined version of Superfund. They pay for our oversight work, but they don't have to meet all of the strict requirements of the EPA Superfund program.

CONRAD: OK.

KARA VALENTINE: So-- yeah, that's a good question. But AltEn is a-- it's in a little bit--

CONRAD: It's different.

KARA VALENTINE: --different category than the orphan sites we're talking about here today.

CONRAD: Very good. Thank you. Appreciate it. Thanks.

BRANDT: Senator Clouse.

CLOUSE: Yes, thank you, Senator Brandt. The question I have-- and, and bear with me. When we have our landfill in Buffalo County, and we have our pricing per ton, how does this impact that? In other words-- I guess I'm, I'm trying to figure out-- do-- is adding hazardous waste disposable site? Or do you have specific sites for that that gets

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charged? Or when they bring a hazardous waste and we have a separate cell for that, do we charge a different rate? How-- can you explain to me how that would work?

KARA VALENTINE: Yeah. The-- Nebraska does not have any public hazardous waste landfills. So hazardous waste, Clean Harbors is a private landfill that they put their own waste in. But the landfills, the 22 landfills in Nebraska, they are municipal solid waste. They are not allowed to accept hazardous waste. So what this fee does, it would be-- it's per ton for the waste that comes into a landfill. So each landfill has a scale, they weigh the waste as it comes in. It's my understanding, like, a garbage truck would probably be about three tons. So right now, the fee is \$1.25 per ton. That fee-- we're collecting it, we use it to, to run our-- what we call integrated waste program, which is solid waste and hazardous waste. But unfortunately, the fee does not bring in enough money to cover our Superfund obligations, which are currently about \$2 million. And in some years in the near future, they're about \$3 million. So that's why we're looking to increase an existing fee to-- in order to raise the money we need to meet our Superfund obligations for remediation.

CLOUSE: So, if the city of Kearney charges \$25 a ton for a garbage truck, that's going to go up another dollar, and that gets reimbursed to the state for this fund. Is that how that works?

KARA VALENTINE: Well, right now, the, the fee is up \$1.25--

CLOUSE: Right.

KARA VALENTINE: --that comes to us. Now, the, the, the landfill may charge more than that, but their-- the share that we get is at \$1.25, and we're proposing to move it up to \$2.34.

CLOUSE: So, so it's not necessarily taking hazardous waste into our landfills,--

KARA VALENTINE: No.

HUGHES: No.

CLOUSE: --it's just the fee this gets assessed that comes back.

KARA VALENTINE: Right. The fee for solid waste is being used to clean up hazardous waste.

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CLOUSE: So, so when we talk about the recycling fund, we say we collect money from the landfill fees, from the bottlers and the grocers.

KARA VALENTINE: Right.

CLOUSE: So, this is just-- you're raising that on this piece to go in the Recycling Fund, 35% percentage.

KARA VALENTINE: Right. 35% would go to the recycling fund for the, the grant projects that we use across the state.

CLOUSE: So, where does the hazardous waste go?

KARA VALENTINE: I think it is typically shipped out of state. There are states that have hazardous waste landfills; it's just-- Nebraska does not.

CLOUSE: And so, we pay for that out of this fund, too?

KARA VALENTINE: No, this is just for solid waste.

CLOUSE: OK. OK. Thank you.

BRANDT: Senator Moser.

MOSER: Well, I just looked. I couldn't remember how much we charge in Columbus to drop off trash at the compactor, but I looked it up. It's \$69 a ton. And so, if it goes up from a dollar-something to two-something,--

KARA VALENTINE: Mmhmm.

MOSER: --that's another dollar added on to the \$69, or--

KARA VALENTINE: Correct.

MOSER: I would assume that they would pass that along.

KARA VALENTINE: To their customers.

MOSER: And, and the Superfund sites we have, I don't know how many of us have had experience with them. But in Columbus, they closed some cleaners,--

KARA VALENTINE: Mmhmm.

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MOSER: And evidently, they were dumping chemicals in, like, a dry well. And so, people smelled this chemical in their water and complained. And so then, the state came out and-- I don't know which-- if it was your department,--

KARA VALENTINE: Mmhmm.

MOSER: --but they did testing of the wells around there, and they found PCE or whatever the,--

KARA VALENTINE: Right.

MOSER: --cleaning fluid in those wells. And then they tracked that plume as it travels.

KARA VALENTINE: Mmhmm.

MOSER: And every year, it moves a little bit and widens a little bit. And they dug huge holes, put in sodium perchlorate? Some oxidizer, just big barrels of chemical to try to neutralize that. And, and then they pumped-- one of the wells for the city had a real high level of this chemical in it, so-- they still use the water, but they-- I don't know, evaporate the PCE out of it first,--

KARA VALENTINE: Mmhmm.

MOSER: --before they put it into the city system. And they pumped millions of gallons of water out of there, and they still don't have that plumb resolved. So, I think going forward, there's going to be a real long-term maintenance and testing--

KARA VALENTINE: Mmhmm.

MOSER: --over the years. So, I guess I'm all for Senator DeKay's bill. I think it's something we-- it's, it's environmentally responsible to try and solve it before it travels and, and poisons more people's water.

KARA VALENTINE: Right. Yeah. The dry cleaners are one of the biggest sources of contamination we see. There have just been spills over the years. They're usually mom and pop shops, so they're not around anymore, or they don't have funds to clean up. And the contaminant is usually a TCE, which breaks down into PCE and then DCE, and as it breaks down, it actually gets more dangerous. But those cleanups, they're very-- they, they take years. Yeah. They get in the groundwater. That's usually how we discover a Superfund site. You'll

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find a contaminant, a chemical in the-- a private well or a public well that shouldn't be there. And then, we start our investigation to see-- like, a historical research to see what industrial facilities may have been there in the past that contributed the waste, or managed the waste that ended up in the groundwater.

MOSER: Yeah. A couple of those sites, the state tried to sell. I don't know if they got them sold or not.

KARA VALENTINE: I don't know.

MOSER: But you couldn't build on them.

KARA VALENTINE: Mmhmm.

MOSER: Couldn't put in a-- well, you could build on it, but you couldn't put a basement in. And if you have an enclosed, air conditioned space, you had to vent it and test it for PCE, and it just, it's just--

BRANDT: OK.

MOSER: --a crime.

BRANDT: Other questions? I guess I've got a couple of things. To echo what Senator Hughes and Senator Conrad said, if we're going to increase this, I want to make sure that money stays in this fund. I don't want to see it get swept, otherwise I won't be in support of, of increasing these fees. You increase the fee \$2.34, which is just-- it's kind of an odd number.

KARA VALENTINE: Mmhmm.

BRANDT: Why didn't you just double it to \$2.50? I mean--

KARA VALENTINE: Yeah.

BRANDT: Is there a reason that you didn't use a round number?

KARA VALENTINE: The reason is this: we were trying to keep the fee as low as possible, and when we ran the numbers, we concluded that \$2.34 was the, the lowest we could go to actually meet our Superfund obligations. I think for the landfills, it may be easier for accounting purposes if we round up, and we're, we're willing to do that. We can find uses for that, that additional money. But it, it-- that-- it's an odd number.

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BRANDT: And maybe I'm assuming something here, but I'm pretty sure that Kearney and, and Columbus-- if I'm paying \$69 a ton to go over the scale in Columbus now, that they're going to round this off to an even number. More money for them. So, I guess the last thing I would ask is can you get the committee a list of these orphaned Superfund sites?

KARA VALENTINE: Sure.

BRANDT: And when the projected timeline is that they will-- projected to be cleaned up. And you said there was 11 orphan sites, and--

KARA VALENTINE: Correct.

BRANDT: --and 5 or 6 other ones?

KARA VALENTINE: Yes.

BRANDT: So, yes, if you have some information on that, we would appreciate it.

KARA VALENTINE: We do.

BRANDT: So--

KARA VALENTINE: Yep. We have a list of sites. As we meet with you, I've been handing out this book. They're listed in there.

BRANDT: Oh, OK.

KARA VALENTINE: But-- and then we also have projected costs, based on EPA's cost the first few years. That is not in here, but we can certainly share that with you.

BRANDT: I-- and I guess to echo what Senator Hughes said, living out in the country, you are having a positive effect. I do not see the couches, stoves,--

KARA VALENTINE: Mhmm. Yeah.

BRANDT: --tires, and tires were always really bad. For some reason, three miles out of town seems to be the magic, magic mark. Now, most of that goes through a field shredder, but, you know, you don't always see it before you run over it.

KARA VALENTINE: Mhmm.

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BRANDT: But yeah, anything we can do, your-- I don't know if you work with the tire amnesty. Is that your department?

KARA VALENTINE: That is one of the programs funded by our recycling program.

BRANDT: OK. Wonderful program.

KARA VALENTINE: Mmhmm.

BRANDT: And you know, with the price of steel out there, usually you can call somebody up to pick up that dead stove or refrigerator that's laying out there.

KARA VALENTINE: Right.

BRANDT: So, yes, I would encourage you to keep, keep up with those programs, particularly in the rural areas, so. Thank you.

KARA VALENTINE: Great.

BRANDT: Oh, wait. Senator Hughes?

HUGHES: Thank you, Chairman Brandt. I gonna-- yes, if we're going to round up, let's throw more into the recycling of all the things, because-- anyway. That's what we need. Yeah. OK.

BRANDT: OK. All right. Thank you.

KARA VALENTINE: Thank you.

BRANDT: OK. Next proponent. Any more proponents? Opponents. Any opponents? Neutral capacity. Anybody in the neutral capacity? Senator DeKay, you're welcome to close.

DeKAY: Thank you. To try to answer a question that Senator Clouse, Conrad and Senator Moser alluded to-- I hope I don't muddy the waters anymore with this. But usually, the costs-- the cost of disposing it would go to landfill and collected by the landfill and paid to the department quarterly. Ultimately, that is passed on to the consumer to pick up the cost of that. And if they don't pick up the bill at some point, and these, these spills aren't taken care of, it will put the state out of compliance over time. And with the-- with the federal law, and then it would fall back on the state, and that would be very expensive to-- for the state to pick that, and that'd probably be coming out of general funds at that time rather than the Superfund

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account. So, I just want to reiterate that this bill is needed to ensure that Nebraska remains in compliance with the federal CR-- CERCLA, or Comprehensive Environmental Response, Compensation, (and) Liability Act requirements, as well as prevent future delays in environmental cleanup efforts. Without this legislation, communities across the state will struggle to redevelop contaminated properties, hampering economic growth and exposing residents to ongoing environmental hazards. By passing LB247, we can affirm Nebraska's commitment to responsible stewardship of our natural resources, ensuring a cleaner, healthier and more sustainable future for our state. I would be happy to work with this committee if there are any concerns. Otherwise, I would appreciate a favorable consideration on LB247. Thank you for your time and your consideration.

BRANDT: OK, let's see if we have any questions. I see none. Comment summary on LB247. Online, we had 1 proponent, no opponents, and no one in the neutral capacity. And that-- with that, we will close the hearing on LB247 and go to LB459 by Senator Conrad.

CONRAD: Good afternoon, committee. My name is Danielle Conrad, it's D-a-n-i-e-l-l-e, Conrad, C-o-n-r-a-d. I represent North Lincoln in the Nebraska Legislature, and I'm here today to introduce LB459. So, before I get into the nuts and bolts of it, this may be my second bill before Natural Resources in 11 years, so it's, it's unfamiliar jurisdiction and territory for me, but definitely appreciate learning more about it each day. Let me just tell you how I got this bill on my radar screen and, and why it's on my agenda this year. So, many of you know that I had the opportunity to serve with Mike Flood during my first time in the Legislature, and we were close together during our time in law school as well. And so, even though we, you know, emanate at different points on the political spectrum, we've developed a really warm and constructive personal and professional relationship to work on on different issues impacting Nebraska. So, I had a chance to connect with him during the interim period this last summer, the summer of 2024. And we were talking about various issues and he said, "Hey, I'm doing a deep dive into weatherization issues, and I would like to talk with you more about it." And so that kind of initial conversation led to a meeting in his office with his really, really great team, and they were just kind of telling me what they were looking at from their perspective, where they've identified that, you know, housing is a top concern for the district and for the state; it impacts quality of life, it impacts economic development. And they started really doing a deep dive as they were traveling around the district and said, you know, we've got all these different programs out there for weatherization and utility assistance. Some are through

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DED, some are through housing, some are through energy, some were through the utilities themselves, some are through charitable organizations. And there's all these, you know, really good efforts to try and help people weather-- weatherize their homes so that they can save on energy costs, and we can rehabilitate existing housing stock, and what have you. But they all kind of have a different application process, they all have different kind of program parameters, and sometimes that can be hard for residents, particularly seniors or low-income families to even know how to start to apply, or what they might be eligible for, or take kind of a piecemeal approach to using those different kind of programs. So, the example he was providing was, say that you had a house that was, you know, a generally good house, but needed some work. And maybe a resident gets awareness about bringing in a new heat pump or something to that effect, but at the same time, we could have had contractors out there to do the weather stripping or the insulation. And trying to take kind of a more whole-house approach to, to making these different programs work was, was really the impetus for some of his thinking in regards to these issues. So, Congressman Flood has worked on a bipartisan manner on the federal level to bring forward a pilot program using existing funds from different programs to try and really focus on whole-house rehabilitation and weatherization. So, knowing that he had started down that path, we had talked about figuring out a way that we could better streamline these funds in Nebraska, because a lot of them are state and federal partnerships, too. So, I asked Legislative Research to put together a memo about how different states approach this in the fall of 2024. I'd be happy to share that with the committee if it's helpful to you all, for your files. But it was very illuminating to see that a lot of our sister states have either designated a singular point of contact or have kind of, maybe, a clearinghouse kind of approach to bring these disparate programs kind of under one roof and, and try and get more awareness on them and a better bang for the buck so to, so to speak. So that's kind of the general background and idea for putting this legislation forward, but I do think that we'll probably need to work on it a little bit over the course of this session or even over the interim. Maybe we'll get it done this year. But maybe just to kind of work with some of the other stakeholders to address fiscal note concerns, because we don't want to require necessarily new resources, we want to use existing resources to get a better return, and just work closely-- continue to work closely with Congressman Flood's office to see if there is any additional harmony that, that we can find between the federal and state programs. But that's the background on it. That's kind of the goal of the bill. I'm happy to answer specific questions on it. And like I said, I'm happy

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to share the good research paper that Legislative Research put out, which was, was helpful to me. So, thank you.

BRANDT: All right. Let's see what we've got. Senator Hughes.

HUGHES: Thank you, Chairman Brandt. Yeah. Thanks for bringing this. So, I'm going to-- I'm going to throw-- I'm-- I have two questions.

CONRAD: Yeah.

HUGHES: My first was, when I first looked at it, OK, whole-house, whatever. So then I'm like, well, wouldn't it be better if the four of us can get new windows--

CONRAD: Yep.

HUGHES: --versus I just get new windows and a new heat pump, and a--

CONRAD: Yes.

HUGHES: So I thought that. But then, kind of from hearing what you're talking about, this is-- this is what I'm asking, I guess. Is this a place I apply-- I go-- I go to one place to apply, and from there, they hook me with this program that helps my windows, they help me with this other program, maybe it's through my, my-- who I get my power from, to help me with the "wezer"--

CONRAD: Yeah.

HUGHES: --weatherization, and a-- and put me in contact with a different-- is that the thought of it? Or is it more, no, let's get the one house good versus four houses a little bit?

CONRAD: No, I think that's a great question, Senator. And, and I think that one thing that Senator-- or, now-Congressman-- I think one thing that Congressman Flood recognized in his district travels was that there were smaller communities that were essentially doing a blitz; that were finding a neighborhood or a town that needed some weatherization or rehabilitation. And so, they would kind of coordinate amongst public and private sectors to say, instead of let's get efficiencies, instead of having the HVAC guy go out and do one house at a time, let's do a block; let's do a street; let's do, you know, a kind of a broader swath approach to it. So I think it would be both, in essence,--

HUGHES: OK.

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CONRAD: Trying to figure out what that how-- what that house needs, or that community or neighborhood might need, coordinating as many contractor and funding mechanisms as you can.

HUGHES: Because you get efficiencies of scale when you do ten--

CONRAD: Right. To try and get efficiencies really both ways,--

HUGHES: Right. Right.

CONRAD: --kind of vertically and horizontally, so to speak. So, I don't know if all of that's necessarily contemplated in the bill as written, but I think it would-- you know, and that's not going to work for every single community, but it was a cool approach that he was finding that was working in some of the smaller communities in the First District, so.

HUGHES: OK. Thank you.

BRANDT: Senator Clouse.

CLOUSE: Yes, thank you, Senator Brandt. So, it said in here that'd be run through the Department of Environment and Energy? They [INAUDIBLE].

CONRAD: Well, they had an opportunity to weigh in, and I guess that their lack of participation is, is just that. But I didn't see any opposition, so we'll take it at that.

CLOUSE: OK. Thank you.

BRANDT: Other questions?

CONRAD: Now they'll come running back in.

HUGHES: They'll be like, wait, we just [INAUDIBLE].

BRANDT: So I guess I've, I've got a couple of things. Very familiar with LIHEAP.

CONRAD: Yes.

BRANDT: And part of that is because I'm the guy that brought that,--

CONRAD: Yes, you did.

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BRANDT: --and then the veto override, and-- very familiar with that. During ARPA, the LIHEAP funds got railroaded by HHS over there. If they're watching this, I still have not forgotten that, because basically, that was \$4 million that--

CONRAD: Yeah.

BRANDT: --could have helped some people weatherize their homes, and because of the way they handled that inappropriately at their agency, that didn't happen. So you've got a fiscal note here of about 200--

CONRAD: Yeah.

BRANDT: --\$200,000? I'm suspecting that the existing can handle it. What is your take on that?

CONRAD: Yeah, thank you, Chair, and thank you for reminding me about your good work on, on LIHEAP, the Low Income Home Energy Assistance Program. I know not only did you carry substantive legislation in that regard, but there was also a performance audit about the, the frustrations with making sure those dollars got out to the people as intended, and I appreciated reading that performance audit report from our Legislature recently as well. So, so thank you for reminding me about that. I think we can hopefully work with the department to figure out how to get the fiscal note down and utilize existing resources to designate here. If, if we can't get a meeting of the minds there, I still think a \$200,000 investment is a rather modest investment to, you know, get a better bang for the buck for these programs and taxpayers. But the goal of the legislation, much like the federal companion, is to utilize existing resources to get better returns; it's not to grow government, and it's not to increase bureaucracy to improve bureaucracy. So I, I think we'll just probably need to keep talking to the department to see what's available with their capacity. But either way, I, I don't think it's-- it's not an eye-popping fiscal note, but every penny counts, of course.

BRANDT: I, I don't know how you get two full-time people, because with LIHEAP, the money-- the NDEE is a pass-through--

CONRAD: Right.

BRANDT: --to the nine Community Action Agencies.

CONRAD: Right.

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BRANDT: So, Blue Valley Community Action in my community identifies those low-income, usually elderly individuals--

CONRAD: Yep.

BRANDT: --that have older homes that need insulation or windows, weather stripping, and things like that. So, is it just LIHEAP and the WAP? And do you know what the WAP program is?

CONRAD: Yes, and there's kind of an alphabet soup here of--

BRANDT: It's a weatherization--

CONRAD: --of the different--

BRANDT: It's a Weatherization Assistance Program.

CONRAD: You got your LIHEAP, your DHHS, your DEE, your WAP, your CBDB [SIC], but I, I think that-- oh, what's it called? Weatherization, Weatherization Assistance Program is, is what the, the WAP stands for, there. And that's actually-- a significant amount of, of funding comes in through there. But it really is eclipsed by the amount of money that we get in LIHEAP, which is really the, the most significant kind of weatherization and utility assistance program that we have available. But we-- like I said, we've got dollars coming in through housing, DED, HHS, energy, all kind of for the same thing; there's some other programs that run through ag, targeted to rural communities. And that, and that's good news. I mean, there's widespread support that doing what we can on weatherization is good for everybody. But just, you know, some of these programs get started and kind of get siloed or on autopilot, and we never have a chance to kind of thread them together, weave them together to say, can we get-- can we get a better bang for our buck here? And that's, that's the attempt of the legislation. Now, we, we may have to play with the mechanics to effectuate that.

BRANDT: Last question.

CONRAD: Yep.

BRANDT: Do all these programs have income restrictions?

CONRAD: I think most do. I know, for example, LIHEAP does, of course. And then, there are some other strings that are on the housing programs and the CBD-- CDBGs. I don't know enough right off the top of my head about the program eligibility on the, the WAP, the

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Weatherization, Weatherization Assistance, Assistance Program funds. But I think they're generally targeted to, to low-income and seniors.

BRANDT: All right. Thank you. Senator DeKay.

DeKAY: Thank you. And I might have missed this.

CONRAD: That's OK.

DeKAY: I was sorting through some stuff. But with this, when they apply for a project, is there a maximum amount they can apply for? And--

CONRAD: I-- yeah, I think the different programs do have different program parameters in terms of how much you can draw down, maybe dependent upon your income or your needs or otherwise, or they might have an annual allocation or something like that that you might bump into. But I don't know the specifics off the top of my head, Senator DeKay. I'd be happy to kind of break down the different programs that are implicated by this and put together kind of an inventory for the committee that says this is who's eligible, this is the funding caps, or something like that, if that would be helpful for us to kind of look at it together.

DeKAY: I was just thinking, as you and Senator Brandt were talking, if there's other programs--

CONRAD: Yeah.

DeKAY: --being implemented with this, I guess I was going to ask if a, if a grant procedure would be prorated out so--

CONRAD: Oh.

DeKAY: --X amount of dollars because of other programs being implemented, too.

CONRAD: OK. No, I think that's a great idea, and maybe we can keep the conversation going on it, and I can circle back and kind of do a compare and contrast on the different programs.

DeKAY: OK. Thank you.

BRANDT: OK. I see no other questions.

CONRAD: Thanks.

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BRANDT: You'll stick around to close?

CONRAD: OK. I'll be here.

BRANDT: OK. Proponents. Welcome.

KENNETH WINSTON: Thank you. Good afternoon, Chairman Brandt, and members of the Natural Resources Committee. I'm appearing on behalf of-- my name is Kenneth Winston, K-e-n-n-e-t-h W-i-n-s-t-o-n, and I'm appearing on behalf of Nebraska Interfaith Power and Light. And-- well, I'm, I'm handing out written testimony. Just one of the things that, that we're, we're always supportive of efforts to coordinate efforts and, and to make best use of resources, and believe that that's a very conservative value. And just the fact that energy efficiency is-- provides benefits on many levels. One of the things that it can do is create jobs that you can't out-- outsource, because you have to have local people do the work. And weatherization helps people reduce their energy bills and, and energy usage. And, and also weatherization-- well, can help our public power districts reduce the number of unpaid bills because they're reducing the cost they have to pay. And conserving energy improves grid reliability and stability, which helps our public power districts keep the lights on and power going. And rehabbing older homes can help meet the demand for more affordable housing, which is greatly needed to help meet Nebraska's economic development goals. I'm not an expert in that area, but I do know the-- both the state Chamber and the Omaha Chamber have spoken out about the need for more affordable housing. And then, reduced the energy use also reduces the amount of greenhouse gas emissions. Couple of things that I wanted to mention is we want to encourage senators to continue to seek funding from the federal government to, to support home energy efficiency programs, particularly those that help low- and moderate-income residents. And once again, calling attention to the \$307 million grant that was awarded in 2024, and Governor Pillen was very outspoken in his support of that, that grant and used very strong, supportive language, calling it a once-in-a-lifetime opportunity that would turbocharge best practices. And about \$4 million of that particular grant is focused on residential pre-weatherization program; most of that \$300 million grant goes to, to agriculture, which I know that members of this committee would all support. In addition, there's \$91 million that's allocated for, for helping Nebraskans reduce their energy bills. 45-- half of it would go to, to the general public, and half for low- and moderate-income folks. I guess I also wanted to mention I was just on a Zoom call over the noon hour with representatives of Lincoln Electric System, and they were talking about some projects they're working on that sound

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like they're exactly what this bill is intended to do, which is where the city of Lincoln, the Lincoln Electric System and Community Action are all working together to create some, some projects and programs that will assist low-income people, for example, they're working with Community Action on a project where they've invested \$300,000, and it's impacted 69 households, and the average annual reduction of their bills is about \$80 a year. There's another project they're working on called the Rental Rehabilitation Program, including some-- a bunch of housing very near the Capitol, the south of downtown area of Lincoln, where they're providing-- they're helping landlords rehab their properties. One of the projects-- there were 40, 40 units that were involved, and the average annual reduction in energy bills was expected to be \$260 a year. So, so there's-- this is an example of how, when organizations work together, they can create more bang for the buck and really create a lot of benefit. I guess I just wanted to close by saying that, that, that when we're dealing with-- one of the reasons we wanted to support things like this is because of the fact that if you have an older home-- and most low-income people live in homes that aren't necessarily very energy efficient, and they can be very dangerous for older people in, in particular, and, and for young, young children. And so, so those are some of the reasons we'd like to encourage the, the committee to advance LB459 for debate. I guess I also wanted to, to close by saying once again, as Senator Conrad indicated-- to thank Senator Brandt for introducing LB306 in 2021, because that was that was important, important legislation.

BRANDT: OK. Let's see if we have any questions. Pretty quiet today. Thank you for your testimony.

KENNETH WINSTON: OK. Thank you, Senator.

BRANDT: Other, other proponents? Any proponents? Opponents. Any opponents? Neutral capacity. Anyone to speak in the neutral capacity? Senator Conrad, you're welcome to close. Is that a waive? Senator Conrad waives closing. Online, we had, for LB459, 18 proponents, 1 opponent, 1 in neutral capacity. And that'll close the hearing on LB459. We will now go to LB396 with Senator DeKay. Welcome.

DeKAY: Once again, good afternoon, Chairman Brandt, and members of the Natural Resources Committee. For the record, my name is Barry DeKay-- Senator Barry DeKay, B-a-r-r-y D-e-K-a-y. I represent District 40 in northeast Nebraska. I am here today to introduce LB396. LB396 is a bill which seeks to eliminate duplicate budget requirement currently in the statute. Currently, under Section 13-516, public power districts are required to develop and then submit a proposed budget to

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the Power Review Board for approval. Meanwhile, under Section 70-622, public power districts are required to keep an accurate records and books of account conforming to approved methods of bookkeeping, with a copy also to be kept on file in the district's main office. This bill would eliminate the budget reporting requirement in Section 13-516 with regard to the Power Review Board. There are other existing statutes, like Section 70-622, that ensures proper budgeting and auditing takes place, that this information reaches the Power Review Board, and that this information is mail-- made available to the public in some fashion. There are testifiers following me who can elaborate more on this proposal. With that, that concludes my opening on LB396. Thank you.

BRANDT: OK, let's see if we have any questions. Senator Moser.

MOSER: Did you leave the easiest bill to the end?

DeKAY: That was set up by the chair of Natural Resources.

MOSER: Thank you.

BRANDT: OK. You're going to stay to close?

DeKAY: Yes.

BRANDT: OK. Proponents. Welcome.

JOHN McNALLY: Good afternoon, Chairman Brandt, and members of the Natural Resources Committee. My name is John McNally, J-o-h-n M-c-N-a-l-l-y. I'm the government affairs manager and a registered lobbyist for the Nebraska Public Power District. Today, I'm testifying in support of LB396 on behalf of NPPD and the Nebraska Power Association. The Nebraska Power Association was formed in 1980, and it represents all 165 consumer-owned electric utilities across Nebraska, including municipalities, public power districts, public power and irrigation districts, rural public power districts, and cooperatives. I want to start by thanking Senator DeKay for introducing LB396. This is a cleanup bill that simply strikes two sentences. The first change would remove a requirement to submit a fiscal policy and budget to the Nebraska Power Review Board in a form approved by the Nebraska Power Review Board. Currently, these documents are submitted and then held on file with no further action taken. The second change would remove a requirement to submit a copy of the yearly audit to the Nebraska Power Review Board, which, again, is filed with no further action taken. A copy of the audit will continue to be submitted to the Nebraska State Auditor. This bill does not remove important standards of completing

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the yearly budget audit or public participation in the budget process, or the requirements to keep these records on file at our district headquarters office. Additionally, there are budget and audit standards in Chapter 70, Article 6 of the Nebraska Revised Statutes. They provide additional requirements; those are unchanged. And lastly, the language in the statute was adopted in a time before there was email, websites, and video teleconferencing. NPPD encourages participation in our board meetings by watching the live video feed of our board meetings. The public may also access numerous documents, including our main financial reporting online. And as always, we make these records available upon request. I believe Mr. Texel from the Nebraska Power Review Board will testify behind me. That concludes my testimony. I'd be happy to answer any questions you may have.

BRANDT: All right, let's see. I see no questions. Thank you.

JOHN McNALLY: Thank you very much.

BRANDT: Next proponent. Good afternoon.

TIM TEXEL: Good afternoon. Chairman Brandt, members of the committee, my name is Tim Texel, T-i-m; last name's T-e-x-e-l. I am the executive director and general counsel for the Nebraska Power Review Board. And I think, as you know, the board is the state agency with primary jurisdiction over electric suppliers in the state of Nebraska. And although the board supports this bill, I would just note that the board did not request it or initiate it, but we do believe it's appropriate. The board is not aware of the reasons for the provisions having the board approve the form of the budgets and receive the budgets and the audits. Happened quite some time ago. The budget forms provision was created in 1993, while the part-- the audit part was originally enacted in 1933 and then was amended in 1993. The board, I think, as you know-- those of you who've been on the committee for a while-- rarely testifies in support or opposition to a bill. We think this bill, even though you could say it's policy, makes a lot of sense. So it is an exception to our normal rule. I have been the board's executive director, as of this year, for 27 years. My paralegal has been there for 18 years. Neither of us can remember hardly any instances when the public asked for any of these. We remember two, there might be three in almost 30 years. I'm not sure. It seems like there's diminishing returns for this requirement on, on both of them. Every year, we receive all of them. Many of the audit-- the accounting firms that do the audits send it by certified mail to us. Don't know why, but they incur that cost. My paralegal sends a confirmation letter back. I mean, it's, it's-- and, and since we

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virtually never get requests for it, it's kind of busy work. So, we'd certainly do it if the Legislature wants us to, but it seems like a somewhat superfluous requirement, since all the audit requirements and budget requirements are still on all the power suppliers and, and the public power districts. We don't review them, we just have them available for the public in a file. And we follow our records retention policy for two years, and then we throw those out and cycle through every two years. And we go through those motions with almost never any request for them. So, with that, I'd be glad to answer any questions, but I think we just want to make clear that we do it, and we're not sure the purpose for it at this point anymore.

BRANDT: OK. Questions? Must have done a good job. No questions. Thank you.

TIM TEXEL: Thank you.

BRANDT: Any more proponents? Any opponents? Anyone to testify in the neutral capacity? Senator DeKay, you're waiving your closing, and we had no online comments, comments for or against this bill. That will close our hearing today on LB396, and the Natural Resources hearing. I ask the committee to stick around here for a little bit. Thank you, everybody, for coming.